

## **DIGEST OF HB 1001 (Updated March 14, 2008 3:23 pm - DI 73)**

State and local finance. Eliminates: (1) medical assistance to wards fund levies; (2) family and children's fund levies; (3) children's psychiatric residential treatment services fund levies; and (4) children with special health care needs county fund levies. Eliminates the hospital care for the indigent fund levy and a portion of the health and hospital corporation levy. Eliminates the statewide property tax levies imposed for the state forestry fund, the state fair, and department of local government finance (DLGF) data base management. Provides for the assumption by the state of the costs of child welfare services and incarcerating delinquent children in a department of correction facility. Makes related changes to procedures governing the adjudication of children as children in need of services or as a delinquent child. Provides that payment for child services shall be made not later than 60 days after the date the department of child services receives the service provider's invoice together with a properly prepared claim voucher and documentation. Provides for the assumption by the state of the amount previously raised by the hospital care for the indigent fund levy and a portion of the health and hospital corporation levy.

Eliminates school corporation tuition support levies. Increases the state tuition distribution by the amount of the terminated tuition support levy. Creates the state tuition reserve fund. Abolishes the tuition support account in the state general fund. Requires a transfer of money from the state general fund to the state tuition reserve fund.

Provides an additional supplemental standard deduction for homesteads. Provides additional homestead credits in 2008 of \$620,000,000. Provides that in a county that adopted a local option income tax (LOIT) in 2007, the county auditor, with the approval of the county fiscal body may petition the DLGF to permit a portion of the additional 2008 homestead credit to be used instead to increase the additional state funded homestead credit provided for 2009 or in both 2009 and 2010. Provides \$140,000,000 in homestead credits in 2009 and \$80,000,000 in homestead credits in 2010.

Provides that a school corporation may not impose a special education preschool property tax levy after December 31, 2008. Requires the department of education to make distributions equal to the product of \$2,750 multiplied by the number of special education preschool children who are students in the school corporation.

Increases the maximum amount of the state income tax deduction for renters from \$2,500 to \$3,000.

Provides that an individual who owns a homestead with a gross assessed value of less than \$160,000 and who has adjusted gross income of \$30,000 (in the case of a single return) or \$40,000 (in the case of a joint return) is entitled to a property tax credit to the extent that property taxes on the individual's homestead increase by more than 2% from the prior year.

Increases the deduction amount and the income threshold for the property tax deductions for senior citizens and for the blind or disabled.

Repeals the expiration date for the state earned income tax credit.

Provides that the maximum amount of the standard deduction is the lesser of \$45,000 or 60% of assessed value for 2009 and thereafter. Requires the DLGF to adopt rules or guidelines concerning the application for the standard deduction.

Increases the sales and use tax rates from 6% to 7%. Adjusts distributions of sales tax and use tax so that new revenue from the rate increase is deposited in the state general fund. Reduces sales tax collection allowances for retail merchants.

Beginning in 2009, abolishes property tax replacement credits, state homestead credits (except for the temporary homestead credits in 2009 and 2010), the property tax replacement fund, and the property tax reduction trust fund. Provides that revenues from sales tax, income tax, and certain wagering taxes formerly deposited in those funds are to be deposited in the state general fund.

Provides that a county council may adopt an ordinance to allow a taxpayer to make installment payments of taxes due under a reconciling statement.

Provides that for property taxes first due and payable in 2009, the circuit breaker credit is equal to the amount by which a person's property tax liability attributable to the person's: (1) homestead exceeds 1.5%; (2) residential property exceeds 2.5%; (3) agricultural land exceeds 2.5%; (4) long term care property exceeds 2.5%; (5) nonresidential real property exceeds 3.5%; or (6) personal property exceeds 3.5%; of the gross assessed value of the property that is the basis for determination of the property taxes.

Provides that for property taxes first due and payable in 2010 and thereafter, the circuit breaker credit is equal to the amount by which a person's property tax liability attributable to the person's: (1) homestead exceeds 1%; (2) residential property exceeds 2%; (3) agricultural land exceeds 2%; (4) long term care property exceeds 2%; (5) nonresidential real property exceeds 3%; or (6) personal property exceeds 3%; of the gross assessed value of the property that is the basis for determination of the property taxes.

Specifies that property taxes imposed after being approved by the voters in a referendum or local public question shall not be considered for purposes of calculating the circuit breaker credit.

Provides that for certain eligible counties, property taxes imposed 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 the circuit breaker credit.

Changes the membership of the distressed unit appeal board. Makes changes to the relief available from the distressed unit appeal board. Provides that the distressed unit appeal board may provide that some or all of the property taxes that are being imposed to pay debt and that would otherwise be included in the calculation of the circuit breaker credit shall not be included for purposes of calculating the credit. Authorizes a distressed political subdivision to petition the tax court for judicial review of a final determination of the distressed unit appeal board. Provides that political subdivisions are required to fully fund the payment of their debt obligations, regardless of any reduction in property tax collections due to the circuit breaker credit.

Provides for a grant in 2009 and 2010 to replace a portion of the revenue lost to a school corporation from the application of the circuit breaker credit. Specifies that a school corporation is entitled to such a grant in a particular year only if it expects to lose more than 2% of its property tax revenue because of application of the circuit-breaker credits.

Provides that a school bus replacement plan must apply to at least 12 years (rather than 10 years).

Requires the state board of education to adopt administrative rules setting forth guidelines for the selection of school sites and the construction, alteration, and repair of school buildings, athletic facilities, and other categories of facilities related to the operation and administration of school corporations. Requires a school corporation to consider the guidelines and to submit proposed plans and specifications to the department of education. Requires the department of education to provide written recommendations to the school corporation, including findings as to any material differences between the plans and specifications and the guidelines. Requires the school corporation to have a public hearing on the plans and specifications. Requires the department of education to establish a central clearinghouse containing prototype designs for school facilities.

Permits a school corporation to appeal to the department of local government finance to impose a shortfall levy to replace a shortfall in a tuition support levy imposed before 2009.

Provides that beginning in 2010, the budget year for all school corporations shall be from July 1 of the year through June 30 of the following year.

Effective July 1, 2008, transfers to the county assessor property assessment duties of township assessors in all townships in which the number of real property parcels is less than 15,000 and in townships in which there is a trustee-assessor.

Requires a referendum to be held at the general election in 2008 in each township in which the number of parcels of real property on January 1, 2008, is at least 15,000. Provides that the referendum shall determine whether to transfer to the county assessor the assessment duties that would otherwise be performed by the elected township assessor of the township.

Provides that a person who runs in an election after January 1, 2012, for the office of township assessor must have attained the certification of a level three assessor-appraiser before taking office.

Establishes a procedure for removal from office of county assessors and township assessors who fail to adequately perform the duties of office.

Amends the procedure to obtain a review by the county property tax assessment board of appeals.

Provides that each appraiser that performs assessments on behalf of a county property assessment contractor must have a level two assessor-appraiser certification, and requires the DLGF to consider before approving the contract the contractor's experience, training, and number of employees. Provides that the DLGF must be a party to appraisal and reassessment contracts.

Specifies that after June 30, 2009, an employee of a county assessor who performs real property assessing duties must have attained the level of certification that the assessor is required to attain.

Repeals the county land valuation commission and obsolete provisions.

Provides that in 2009 and each year thereafter, the state pension relief fund shall pay to each unit of local government the total amount of pension, disability, and survivor benefit payments from the old police and firefighter funds by the unit.

Provides that for property taxes first due and payable after December 31, 2008, the DLGF shall reduce the maximum permissible property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the state for benefits to members (and survivors and beneficiaries of members) of the 1925 police pension fund, the 1937 firefighters' fund, or the 1953 police pension fund. Makes an appropriation to the pension relief fund. Provides that certain interest earned by the public deposit insurance fund continues to be used to pay local police and firefighter pensions through 2022. (Under current law, the interest would be used for this purpose through 2012.)

Provides that for purposes of computing and distributing excise taxes or local option income taxes, 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 circuit breaker credits.

Provides that the local government tax control board is not abolished.

Provides that a capital project is a controlled project if it will cost the political subdivision more than the lesser of \$2,000,000 or an amount equal to 1% of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least \$1,000,000).

Provides that a project that is in response to a natural disaster, emergency, or accident that makes a building or facility unavailable for its intended use and that is approved by the county council is not a controlled project for purposes of the referendum process.

Provides that a controlled project for a school building for kindergarten through grade 8 is subject to a referendum if the cost is more than \$10,000,000.

Provides that a controlled project for a school building for grade 9 through grade 12 is subject to a referendum if the cost is more than \$20,000,000.

Provides that other controlled project with a cost that exceeds the lesser of \$12,000,000 or 1% of assessed value (but at least \$1,000,000) are also subject to a referendum.

Specifies that it takes 100 persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision or 5% of the registered voters residing within the political subdivision to initiate such a referendum.

Provides that controlled projects that are not subject to a referendum are subject to the petition and remonstrance process.

Repeals provisions concerning: (1) the procedures for amending a resolution previously adopted by a redevelopment commission; and (2) locally funded property tax replacement credits in tax increment financing (TIF) allocation areas.

Provides that certain property tax levy appeals are eliminated beginning in 2009.

Provides that the levy appeal for increased costs to a civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services is not eliminated. Allows such an appeal in the first year increased costs are incurred and the immediately succeeding four years, and makes the excessive levy for a year a permanent part of the unit's maximum permissible levy for succeeding years.

Eliminates certain exceptions to the property tax levy limits.

Provides that the exemptions from the property tax levy limits for certain taxes to fund a community mental health center or community mental retardation and other developmental disabilities center do not apply to a civil taxing unit that did not fund a community mental health center or community mental retardation and other developmental disabilities center in 2008.

Specifies the method for determining the assessed value of certain agricultural land that has been strip mined. Makes other changes related to property tax assessment.

Repeals the county boards of tax and capital projects review.

Provides that review and approval by the DLGF are not required before a civil taxing unit may issue or enter into bonds, a lease, or any other obligation if the civil taxing unit's determination to issue or enter into the bonds, lease, or other obligation is made after June 30, 2008.

Provides that after June 30, 2008, review and approval by the DLGF are not required before a civil taxing unit may construct, alter, or repair a capital project.

Provides that in counties without a county board of tax adjustment, each civil taxing unit that imposes property taxes shall file with the fiscal body of the county in which the civil taxing is located: (1) a statement of the proposed or estimated tax rate and tax levy for the civil taxing unit for the ensuing budget year; and (2) a copy of the civil taxing unit's proposed budget for the ensuing budget year. Provides that a county fiscal body shall issue a nonbinding recommendation to a civil taxing unit regarding the civil taxing unit's tax rate or levy or proposed budget.

Provides that in the case of a taxing unit's governing body that does not consist of a majority of officials who are elected, the governing body 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 or the county fiscal body (as applicable).

Provides that review by the DLGF and approval by the DLGF are not required before a school corporation may issue or enter into bonds, a lease, or any other obligation if the school corporation's determination to issue or enter into the bonds, lease, or other obligation is made after June 30, 2008.

Provides that after June 30, 2008, review by the DLGF and approval by the DLGF are not required before a school corporation may construct, alter, or repair a capital project.

Prohibits, with respect to bonds payable from property taxes, special benefit taxes, or tax increment revenues, a local issuing body from: (1) issuing refunding bonds that have a repayment date that is beyond the maximum term of the bonds being refunded; or (2) using savings resulting from refunding bonds or surplus proceeds for any purpose other than to maintain a debt service reserve fund, repay bonds, or reduce levies.

Requires the local issuing body to pay interest and principal on bonds on a schedule that provides for substantially equal installment amounts and regular payment intervals, with certain exceptions.

Provides that (with certain exceptions) the maximum terms for property tax based obligations are: (1) the maximum applicable period under federal law for obligations issued to evidence loans under a federal program; (2) 25 years for TIF obligations; and (3) 20 years for other property tax based obligations. Specifies that the need for level principal payments over the term of the obligations, in order to reduce total interest costs, is an exception to the requirement that an agreement for the issuance of obligations must provide for the payment of principal and interest on the obligations in nearly equal payment amounts and at regular designated intervals over the maximum term of the obligations.

Provides that certain decisions with respect to TIF allocation areas are to be made by the legislative or fiscal body of the city, town, or county instead of the redevelopment commission or are subject to the approval of the legislative or fiscal body.

Provides that if TIF revenues of an allocation area have been decreased by a law enacted by the general assembly or by an action of the DLGF below the amount needed to make all payments on obligations payable from tax increment revenues, the governing body of the TIF district may: (1) impose a special assessment on the owners of property in an allocation area; (2) impose a tax on all taxable property in the TIF district; or (3) reduce the base assessed value of property in the allocation area to an amount that is sufficient to increase the tax increment revenues. Requires review of these actions by the legislative body of the unit that established the TIF district. Makes other changes related to TIF.

Provides three additional options for the distribution of local option income tax for property tax replacement in Lake County.

Provides that an individual may claim a deduction for state income tax purposes for 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 in 2008 on or before the due date for the property taxes.

Converts the 100% property tax deduction for inventory to an exemption by excluding inventory from the definition of personal property subject to property tax.

Repeals property tax credits and exemptions applicable to inventory.

Provides that counties receive CAGIT, COIT, and CEDIT distributions that would otherwise be lost as a result of the termination of certain levies.

Provides that a check issued by a county for a refund of the additional 2007 homestead credit is void if the check is: (1) outstanding and unpaid for 180 days after it is issued; and (2) for an amount that is not more than \$10.

Allows the county council or county income tax council to adopt before October 1 of a year an ordinance changing the purposes for which revenue attributable to the LOIT for property tax relief shall be used in the following year.

Provides that a county auditor may not grant an individual or a married couple a standard deduction if the individual or married couple, for the same year, claims the deduction on two or more different applications for the deduction and the applications claim the deduction for different property.

Provides that a co-op is considered a homestead for purposes of the standard deduction and homestead credit.

Provides that a civil taxing unit's levy appeal in a case where the civil taxing unit cannot carry out its governmental functions may be granted only if the civil taxing unit's inability to carry out its governmental functions is due to a natural disaster, an accident, or another unanticipated emergency.

Provides that the local property tax replacement credit percentage for a particular year that is funded by a LOIT shall be based on the amount of tax revenue that will be used under the LOIT to provide local property tax replacement credits.

Provides that a taxpayer that owns an industrial plant located in Jasper County is ineligible for a local property tax replacement credit against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeds 20% of the total assessed value of all taxable property in the county on that date.

Allows a school corporation to appeal to the DLGF for a new facility adjustment to increase the school corporation's tuition support distribution for the following year to pay increased costs to open: (1) a new school facility; or (2) an existing facility that has not been used for at least three years.

Deletes the expiration date in the provision authorizing a school corporation to use money in its capital projects fund for utility services and insurance.

Appropriates to the department of education from the state general fund \$10,000,000 for the state fiscal year beginning July 1, 2008, and ending June 30, 2009, to make new facility adjustment distributions that are approved by the department of local government finance.

Provides that a school corporation does not need the approval of the school property tax control board or the DLGF before holding a referendum concerning a referendum tax levy.

Provides that a school corporation may hold a referendum on whether a referendum tax levy should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the circuit breaker credit.

Provides that in counties other than Marion County, if the percentage increase in the proposed budget for a civil taxing unit with an unelected governing body for the ensuing calendar year is greater than the growth allowed under the assessed value growth quotient, the governing body of the civil taxing unit must submit its proposed budget and property tax levy for approval by the county fiscal body or municipal fiscal body.

Provides that budgets, levies, and bond issues for taxing units in Marion County with an unelected board must be approved by the city-county council.

Provides that 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. Provides that if such a correction results in a reduction in an assessment, the taxpayer is entitled to a credit on the taxpayer's next tax installment.

Requires a township board to consider certain factors when determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy.

Requires the DLGF to report to the commission on state tax and financing policy (CSTFP) regarding: (1) the possibility of eliminating the existing method of assessing and valuing property for the purpose of property taxation; and (2) the use of alternative methods of valuing property for the purpose of property taxation. Requires the CSTFP to study those issues and report to the legislative council.

Requires the CSTFP to study the following issues and report to the legislative council: (1) Whether it is reasonable and appropriate to require all counties to use the state-designed software system. (2) Alternative methods for distribution of local option income taxes. (3) The possible elimination of property taxation of homestead property.

Provides that a taxpayer that receives a tax statement or a provisional tax statement for the first installment of property taxes based on the assessment date in 2007 and first due and payable in 2008 may appeal the assessment by filing a notice in writing with the proper assessing official not later than the later of 45 days after the tax statement (or reconciling statement) is given to the taxpayer or July 1, 2008.

Provides that the county auditor's annual statement to political subdivisions and the DLGF for counties with taxing units that cross into or intersect with other counties must include the assessed valuation as shown on the most current abstract of property.

Adjusts the maximum property tax rates for county cumulative capital development funds and for municipal cumulative capital development funds to reflect the change from 33.33% to 100% of true tax value.

Provides that a county council or county income tax council may in 2008 adopt or increase a LOIT for property tax relief or public safety at any time before January 1, 2009.

Provides that a county council or county income tax council may not adopt an ordinance determining that LOIT revenue shall be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council or county income tax council has: (a) made available the county council's best

estimate of the amount of property tax replacement credits to be provided to various classes of property; and (b) adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the LOIT will receive a property tax replacement credit that is funded with LOIT revenue.

Requires a county council or county income tax council to hold at least one public meeting each year at which the county council or county income tax council discusses whether the LOIT for levy replacement should be imposed or increased.

Provides that a copy of a completed case plan concerning a child in need of services or a child adjudicated as a delinquent shall be sent to an agency having the legal responsibility or authorization to care for, treat, or supervise the child.

Indicates that the certain assessment system software and hardware standards apply to all assessment system software and hardware rules and standards adopted by the DLGF.

Provides for the distribution to the legislative services agency of policy documents provided to local taxing officials.

Requires written standards for the operation and management of a property tax data base system.

Authorizes the DLGF to adopt temporary rules to revise its rules establishing standards for computer systems used by Indiana counties for the administration of the property tax assessment, billing, and settlement processes.

Requires employers to report to the department of state revenue the amount of withholdings attributable to local income taxes each time the employer remits to the department the tax that is withheld.

Requires an individual filing an estimated tax return to designate the portion of the estimated tax payment that represents state income tax liability and the portion of the estimated tax payment that represents local income tax liability.

Provides that if an individual requests the payor of a distribution to withhold taxes from the distribution, the individual must designate the portion of the withheld amount that represents state income tax liability and the portion of the withheld amount that represents local income tax liability.

Requires the department of state revenue and the office of management and budget to develop certain reports related to local option income taxes.

Requires the department of revenue to develop a system of crosschecks between annual withholding tax reports and individual taxpayer W-2 forms.

Requires the office of management and budget to submit an informative summary of certain calculations related to the certified distribution of local income taxes to the county council and requires certain information to be included in the informative summary.

Makes other changes.

Makes appropriations.



## CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1001

**Citations Affected:** Numerous citations throughout the Indiana Code.

**Synopsis:** State and local finance. Proposed conference committee report for EHB 1001. Eliminates: (1) medical assistance to wards fund levies; (2) family and children's fund levies; (3) children's psychiatric residential treatment services fund levies; and (4) children with special health care needs county fund levies. Eliminates the hospital care for the indigent fund levy and a portion of the health and hospital corporation levy. Eliminates the statewide property tax levies imposed for the state forestry fund, the state fair, and department of local government finance (DLGF) data base management. Provides for the assumption by the state of the costs of child welfare services and incarcerating delinquent children in a department of correction facility. Makes related changes to procedures governing the adjudication of children as children in need of services or as a delinquent child. Provides that payment for child services shall be made not later than 60 days after the date the department of child services receives the service provider's invoice together with a properly prepared claim voucher and documentation. Provides for the assumption by the state of the amount previously raised by the hospital care for the indigent fund levy and a portion of the health and hospital corporation levy. Eliminates school corporation tuition support levies. Increases the state tuition distribution by the amount of the terminated tuition support levy. Creates the state tuition reserve fund. Abolishes the tuition support account in the state general fund. Requires a transfer of money from the state general fund to the state tuition reserve fund. Provides an additional supplemental standard deduction for homesteads. Provides additional homestead credits in 2008 of \$620,000,000. Provides that in a county that adopted a local option income tax (LOIT) in 2007, the county auditor, with the approval of the county fiscal body may petition the DLGF to permit a portion of the additional 2008 homestead credit to be used instead to increase the additional state funded homestead credit provided for 2009 or in both 2009 and 2010. Provides \$140,000,000 in homestead credits in 2009 and \$80,000,000 in homestead credits in 2010. Provides that a school corporation may not impose a special education preschool property tax levy after December 31, 2008. Requires the department of education to make distributions equal to the product of \$2,750 multiplied by the number of special education preschool children who are students in the school corporation. Increases the maximum amount of the state income tax deduction for renters from \$2,500 to \$3,000. Provides that an individual who owns a homestead with a gross assessed value of less than \$160,000 and who has adjusted gross income of \$30,000 (in the case of a single return) or \$40,000 (in the case of a joint return) is entitled to a property tax credit to the extent that property

taxes on the individual's homestead increase by more than 2% from the prior year. Increases the deduction amount and the income threshold for the property tax deductions for senior citizens and for the blind or disabled. Repeals the expiration date for the state earned income tax credit. Provides that the maximum amount of the standard deduction is the lesser of \$45,000 or 60% of assessed value for 2009 and thereafter. Requires the DLGF to adopt rules or guidelines concerning the application for the standard deduction. Increases the sales and use tax rates from 6% to 7%. Adjusts distributions of sales tax and use tax so that new revenue from the rate increase is deposited in the state general fund. Reduces sales tax collection allowances for retail merchants. Beginning in 2009, abolishes property tax replacement credits, state homestead credits (except for the temporary homestead credits in 2009 and 2010), the property tax replacement fund, and the property tax reduction trust fund. Provides that revenues from sales tax, income tax, and certain wagering taxes formerly deposited in those funds are to be deposited in the state general fund. Provides that a county council may adopt an ordinance to allow a taxpayer to make installment payments of taxes due under a reconciling statement. Provides that for property taxes first due and payable in 2009, the circuit breaker credit is equal to the amount by which a person's property tax liability attributable to the person's: (1) homestead exceeds 1.5%; (2) residential property exceeds 2.5%; (3) agricultural land exceeds 2.5%; (4) long term care property exceeds 2.5%; (5) nonresidential real property exceeds 3.5%; or (6) personal property exceeds 3.5%; of the gross assessed value of the property that is the basis for determination of the property taxes. Provides that for property taxes first due and payable in 2010 and thereafter, the circuit breaker credit is equal to the amount by which a person's property tax liability attributable to the person's: (1) homestead exceeds 1%; (2) residential property exceeds 2%; (3) agricultural land exceeds 2%; (4) long term care property exceeds 2%; (5) nonresidential real property exceeds 3%; or (6) personal property exceeds 3%; of the gross assessed value of the property that is the basis for determination of the property taxes. Specifies that property taxes imposed after being approved by the voters in a referendum or local public question shall not be considered for purposes of calculating the circuit breaker credit. Provides that for certain eligible counties, property taxes imposed 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 the circuit breaker credit. Changes the membership of the distressed unit appeal board. Makes changes to the relief available from the distressed unit appeal board. Provides that the distressed unit appeal board may provide that some or all of the property taxes that are being imposed to pay debt and that would otherwise be included in the calculation of the circuit breaker credit shall not be included for purposes of calculating the credit. Authorizes a distressed political subdivision to petition the tax court for judicial review of a final determination of the distressed unit appeal board. Provides that political subdivisions are required to fully fund the payment of their debt obligations, regardless of any reduction in property tax collections due to the circuit breaker credit. Provides for a grant in 2009 and 2010 to replace a portion of the revenue lost to a school corporation from the application of the circuit breaker credit. Specifies that a school corporation is entitled to such a grant in a particular year only if it expects to lose more than 2% of its property tax revenue because of application of the circuit-breaker credits. Provides that a school bus replacement plan must apply to at least 12 years (rather than 10 years). Requires the state board of education to adopt administrative rules setting forth guidelines for the selection of school sites and the construction, alteration, and repair of school buildings, athletic facilities, and other categories of facilities related to the operation and administration of school corporations. Requires a school corporation to consider the guidelines and to submit proposed plans and specifications to the department of education. Requires the department of education to provide written recommendations to the school corporation, including findings as to any material differences between the plans and specifications and the guidelines. Requires the school corporation to have a public hearing on the plans and specifications. Requires the department of education to establish a central clearinghouse containing prototype designs for school facilities. Permits a school corporation to appeal to the department of local government finance to impose a shortfall levy to replace a shortfall in a tuition support levy imposed before 2009. Provides that beginning in 2010, the budget year for all school corporations shall be from July 1 of the year through June 30 of the following year. Effective July 1, 2008, transfers to the county assessor

property assessment duties of township assessors in all townships in which the number of real property parcels is less than 15,000 and in townships in which there is a trustee-assessor. Requires a referendum to be held at the general election in 2008 in each township in which the number of parcels of real property on January 1, 2008, is at least 15,000. Provides that the referendum shall determine whether to transfer to the county assessor the assessment duties that would otherwise be performed by the elected township assessor of the township. Provides that a person who runs in an election after January 1, 2012, for the office of township assessor must have attained the certification of a level three assessor-appraiser before taking office. Establishes a procedure for removal from office of county assessors and township assessors who fail to adequately perform the duties of office. Amends the procedure to obtain a review by the county property tax assessment board of appeals. Provides that each appraiser that performs assessments on behalf of a county property assessment contractor must have a level two assessor-appraiser certification, and requires the DLGF to consider before approving the contract the contractor's experience, training, and number of employees. Provides that the DLGF must be a party to appraisal and reassessment contracts. Specifies that after June 30, 2009, an employee of a county assessor who performs real property assessing duties must have attained the level of certification that the assessor is required to attain. Repeals the county land valuation commission and obsolete provisions. Provides that in 2009 and each year thereafter, the state pension relief fund shall pay to each unit of local government the total amount of pension, disability, and survivor benefit payments from the old police and firefighter funds by the unit. 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Provides that for purposes of computing and distributing excise taxes or local option income taxes, 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 circuit breaker credits. Provides that the local government tax control board is not abolished. Provides that a capital project is a controlled project if it will cost the political subdivision more than the lesser of \$2,000,000 or an amount equal to 1% of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least \$1,000,000). Provides that a project that is in response to a natural disaster, emergency, or accident that makes a building or facility unavailable for its intended use and that is approved by the county council is not a controlled project for purposes of the referendum process. Provides that a controlled project for a school building for kindergarten through grade 8 is subject to a referendum if the cost is more than \$10,000,000. Provides that a controlled project for a school building for grade 9 through grade 12 is subject to a referendum if the cost is more than \$20,000,000. Provides that other controlled project with a cost that exceeds the lesser of \$12,000,000 or 1% of assessed value (but at least \$1,000,000) are also subject to a referendum. Specifies that it takes 100 persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision or 5% of the registered voters residing within the political subdivision to initiate such a referendum. Provides that controlled projects that are not subject to a referendum are subject to the petition and remonstrance process. Repeals provisions concerning: (1) the procedures for amending a resolution previously adopted by a redevelopment commission; and (2) locally funded property tax replacement credits in tax increment financing (TIF) allocation areas. Provides that certain property tax levy appeals are eliminated beginning in 2009. Provides that the levy appeal for increased costs to a civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services is not eliminated. Allows such an appeal in the first year increased costs are incurred and the immediately succeeding four years, and makes the excessive levy for a year a permanent part of the unit's maximum permissible levy for succeeding years. Eliminates certain exceptions to the property tax levy limits. Provides that the exemptions from the property

tax levy limits for certain taxes to fund a community mental health center or community mental retardation and other developmental disabilities center do not apply to a civil taxing unit that did not fund a community mental health center or community mental retardation and other developmental disabilities center in 2008. Specifies the method for determining the assessed value of certain agricultural land that has been strip mined. Makes other changes related to property tax assessment. Repeals the county boards of tax and capital projects review. Provides that review and approval by the DLGF are not required before a civil taxing unit may issue or enter into bonds, a lease, or any other obligation if the civil taxing unit's determination to issue or enter into the bonds, lease, or other obligation is made after June 30, 2008. Provides that after June 30, 2008, review and approval by the DLGF are not required before a civil taxing unit may construct, alter, or repair a capital project. Provides that in counties without a county board of tax adjustment, each civil taxing unit that imposes property taxes shall file with the fiscal body of the county in which the civil taxing is located: (1) a statement of the proposed or estimated tax rate and tax levy for the civil taxing unit for the ensuing budget year; and (2) a copy of the civil taxing unit's proposed budget for the ensuing budget year. Provides that a county fiscal body shall issue a nonbinding recommendation to a civil taxing unit regarding the civil taxing unit's tax rate or levy or proposed budget. Provides that in the case of a taxing unit's governing body that does not consist of a majority of officials who are elected, the governing body 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 or the county fiscal body (as applicable). Provides that review by the DLGF and approval by the DLGF are not required before a school corporation may issue or enter into bonds, a lease, or any other obligation if the school corporation's determination to issue or enter into the bonds, lease, or other obligation is made after June 30, 2008. Provides that after June 30, 2008, review by the DLGF and approval by the DLGF are not required before a school corporation may construct, alter, or repair a capital project. Prohibits, with respect to bonds payable from property taxes, special benefit taxes, or tax increment revenues, a local issuing body from: (1) issuing refunding bonds that have a repayment date that is beyond the maximum term of the bonds being refunded; or (2) using savings resulting from refunding bonds or surplus proceeds for any purpose other than to maintain a debt service reserve fund, repay bonds, or reduce levies. Requires the local issuing body to pay interest and principal on bonds on a schedule that provides for substantially equal installment amounts and regular payment intervals, with certain exceptions. Provides that (with certain exceptions) the maximum terms for property tax based obligations are: (1) the maximum applicable period under federal law for obligations issued to evidence loans under a federal program; (2) 25 years for TIF obligations; and (3) 20 years for other property tax based obligations. Specifies that the need for level principal payments over the term of the obligations, in order to reduce total interest costs, is an exception to the requirement that an agreement for the issuance of obligations must provide for the payment of principal and interest on the obligations in nearly equal payment amounts and at regular designated intervals over the maximum term of the obligations. Provides that certain decisions with respect to TIF allocation areas are to be made by the legislative or fiscal body of the city, town, or county instead of the redevelopment commission or are subject to the approval of the legislative or fiscal body. Provides that if TIF revenues of an allocation area have been decreased by a law enacted by the general assembly or by an action of the DLGF below the amount needed to make all payments on obligations payable from tax increment revenues, the governing body of the TIF district may: (1) impose a special assessment on the owners of property in an allocation area; (2) impose a tax on all taxable property in the TIF district; or (3) reduce the base assessed value of property in the allocation area to an amount that is sufficient to increase the tax increment revenues. Requires review of these actions by the legislative body of the unit that established the TIF district. Makes other changes related to TIF. Provides three additional options for the distribution of local option income tax for property tax replacement in Lake County. Provides that an individual may claim a deduction for state income tax purposes for 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 in 2008 on or before the due date for the property taxes. Converts the 100% property tax deduction for inventory to an exemption by excluding inventory

from the definition of personal property subject to property tax. Repeals property tax credits and exemptions applicable to inventory. Provides that counties receive CAGIT, COIT, and CEDIT distributions that would otherwise be lost as a result of the termination of certain levies. Provides that a check issued by a county for a refund of the additional 2007 homestead credit is void if the check is: (1) outstanding and unpaid for 180 days after it is issued; and (2) for an amount that is not more than \$10. Allows the county council or county income tax council to adopt before October 1 of a year an ordinance changing the purposes for which revenue attributable to the LOIT for property tax relief shall be used in the following year. Provides that a county auditor may not grant an individual or a married couple a standard deduction if the individual or married couple, for the same year, claims the deduction on two or more different applications for the deduction and the applications claim the deduction for different property. Provides that a co-op is considered a homestead for purposes of the standard deduction and homestead credit. Provides that a civil taxing unit's levy appeal in a case where the civil taxing unit cannot carry out its governmental functions may be granted only if the civil taxing unit's inability to carry out its governmental functions is due to a natural disaster, an accident, or another unanticipated emergency. Provides that the local property tax replacement credit percentage for a particular year that is funded by a LOIT shall be based on the amount of tax revenue that will be used under the LOIT to provide local property tax replacement credits. Provides that a taxpayer that owns an industrial plant located in Jasper County is ineligible for a local property tax replacement credit against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeds 20% of the total assessed value of all taxable property in the county on that date. Allows a school corporation to appeal to the DLGF for a new facility adjustment to increase the school corporation's tuition support distribution for the following year to pay increased costs to open: (1) a new school facility; or (2) an existing facility that has not been used for at least three years. Deletes the expiration date in the provision authorizing a school corporation to use money in its capital projects fund for utility services and insurance. Appropriates to the department of education from the state general fund \$10,000,000 for the state fiscal year beginning July 1, 2008, and ending June 30, 2009, to make new facility adjustment distributions that are approved by the department of local government finance. Provides that a school corporation does not need the approval of the school property tax control board or the DLGF before holding a referendum concerning a referendum tax levy. Provides that a school corporation may hold a referendum on whether a referendum tax levy should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the circuit breaker credit. Provides that in counties other than Marion County, if the percentage increase in the proposed budget for a civil taxing unit with an unelected governing body for the ensuing calendar year is greater than the growth allowed under the assessed value growth quotient, the governing body of the civil taxing unit must submit its proposed budget and property tax levy for approval by the county fiscal body or municipal fiscal body. Provides that budgets, levies, and bond issues for taxing units in Marion County with an unelected board must be approved by the city-county council. Provides that 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. Provides that if such a correction results in a reduction in an assessment, the taxpayer is entitled to a credit on the taxpayer's next tax installment. Requires a township board to consider certain factors when determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy. Requires the DLGF to report to the commission on state tax and financing policy (CSTFP) regarding: (1) the possibility of eliminating the existing method of assessing and valuing property for the purpose of property taxation; and (2) the use of alternative methods of valuing property for the purpose of property taxation. Requires the CSTFP to study those issues and report to the legislative council. Requires the CSTFP to study the following issues and report to the legislative council: (1) Whether it is reasonable and appropriate to require all counties to use the state-designed software system. (2) Alternative methods for distribution of local option income taxes. (3) The possible elimination of property taxation of homestead property. Provides that a taxpayer that receives a tax statement or a

provisional tax statement for the first installment of property taxes based on the assessment date in 2007 and first due and payable in 2008 may appeal the assessment by filing a notice in writing with the proper assessing official not later than the later of 45 days after the tax statement (or reconciling statement) is given to the taxpayer or July 1, 2008. Provides that the county auditor's annual statement to political subdivisions and the DLGF for counties with taxing units that cross into or intersect with other counties must include the assessed valuation as shown on the most current abstract of property. Adjusts the maximum property tax rates for county cumulative capital development funds and for municipal cumulative capital development funds to reflect the change from 33.33% to 100% of true tax value. Provides that a county council or county income tax council may in 2008 adopt or increase a LOIT for property tax relief or public safety at any time before January 1, 2009. Provides that a county council or county income tax council may not adopt an ordinance determining that LOIT revenue shall be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council or county income tax council has: (a) made available the county council's best estimate of the amount of property tax replacement credits to be provided to various classes of property; and (b) adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the LOIT will receive a property tax replacement credit that is funded with LOIT revenue. Requires a county council or county income tax council to hold at least one public meeting each year at which the county council or county income tax council discusses whether the LOIT for levy replacement should be imposed or increased. Provides that a copy of a completed case plan concerning a child in need of services or a child adjudicated as a delinquent shall be sent to an agency having the legal responsibility or authorization to care for, treat, or supervise the child. Indicates that the certain assessment system software and hardware standards apply to all assessment system software and hardware rules and standards adopted by the DLGF. Provides for the distribution to the legislative services agency of policy documents provided to local taxing officials. Requires written standards for the operation and management of a property tax data base system. Authorizes the DLGF to adopt temporary rules to revise its rules establishing standards for computer systems used by Indiana counties for the administration of the property tax assessment, billing, and settlement processes. Requires employers to report to the department of state revenue the amount of withholdings attributable to local income taxes each time the employer remits to the department the tax that is withheld. Requires an individual filing an estimated tax return to designate the portion of the estimated tax payment that represents state income tax liability and the portion of the estimated tax payment that represents local income tax liability. Provides that if an individual requests the payor of a distribution to withhold taxes from the distribution, the individual must designate the portion of the withheld amount that represents state income tax liability and the portion of the withheld amount that represents local income tax liability. Requires the department of state revenue and the office of management and budget to develop certain reports related to local option income taxes. Requires the department of revenue to develop a system of crosschecks between annual withholding tax reports and individual taxpayer W-2 forms. Requires the office of management and budget to submit an informative summary of certain calculations related to the certified distribution of local income taxes to the county council and requires certain information to be included in the informative summary. Makes other changes. Makes appropriations. **(This conference committee report does the following: (1) Provides additional homestead credits in 2008 of \$620,000,000. Provides that in a county that adopted a LOIT in 2007, the county auditor, with the approval of the county fiscal body may petition the DLGF to permit a portion of the additional 2008 homestead credit to be used instead to increase the additional state funded homestead credit provided for 2009 or in both 2009 and 2010. Provides \$140,000,000 in homestead credits in 2009 and \$80,000,000 in homestead credits in 2010. (2) Increases the state earned income tax credit from 6% to 9% of the federal earned income tax credit, and repeals the expiration date for the state earned income tax credit. (3) Provides that the maximum amount of the standard deduction is the lesser of \$45,000 or 60% of assessed value for 2009 and thereafter. (4) Effective July 1, 2008, transfers to the county assessor property assessment duties of township assessors in all townships in which the number of real property parcels is less than 15,000 and in townships in which there is a trustee-assessor. Requires a referendum to be held at the general election in 2008 in each**

township in which the number of parcels of real property on January 1, 2008, is at least 15,000 to determine whether to transfer to the county assessor the assessment duties that would otherwise be performed by the elected township assessor of the township. (5) Provides that a person who runs in an election after January 1, 2012, for the office of township assessor must have attained the certification of a level three assessor-appraiser before taking office. (6) Provides that a capital project is a controlled project if it will cost the political subdivision more than the lesser of \$2,000,000 or an amount equal to 1% of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least \$1,000,000). (7) Provides that a controlled project for a school building for kindergarten through grade 8 is subject to a referendum if the cost is more than \$10,000,000. (8) Provides that a controlled project for a school building for grade 9 through grade 12 is subject to a referendum if the cost is more than \$20,000,000. Provides that other controlled project with a cost that exceeds the lesser of \$12,000,000 or 1% of assessed value (but at least \$1,000,000) are also subject to a referendum. Specifies that it takes 100 persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision or 5% of the registered voters residing within the political subdivision to initiate such a referendum. (9) Provides that controlled projects that are not subject to a referendum are subject to the petition and remonstrance process. (10) Deletes provisions that would have allowed 100 or more taxpayers who will be affected by certain proposed bonds or lease rental agreement to file a petition with the county fiscal body objecting on the grounds that the bond issue or lease rental agreement is unnecessary or excessive. (11) Deletes provisions that would have made TIF obligations subject to the petition and remonstrance law. (12) Provides that the local government tax control board is not abolished. (13) Deletes language providing that levy appeals are made to the county council or distressed unit appeal board. (14) Deletes a provision that would have provided that the county council (rather than the DLGF) must approve a school corporation's capital projects plan and school bus replacement plan. (15) Provides that a copy of a completed case plan concerning a child in need of services or a child adjudicated as a delinquent shall be sent to an agency having the legal responsibility or authorization to care for, treat, or supervise the child. (16) Changes the membership of the distressed unit appeal board. Makes changes to the relief available from the distressed unit appeal board. (17) Provides that a political subdivision that expects to have its property tax collections reduced by at least 5% because of the circuit breaker credit may appeal to the distressed unit appeal board. Provides that for certain eligible counties, property taxes imposed 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 the circuit breaker credit. (18) Adds certain provisions from SB 19 concerning withholding and reporting of local option income taxes. Requires employers to report to the department of state revenue the amount of withholdings attributable to local income taxes each time the employer remits to the department the tax that is withheld. Requires an individual filing an estimated tax return to designate the portion of the estimated tax payment that represents state income tax liability and the portion of the estimated tax payment that represents local income tax liability. Requires the office of management and budget to submit an informative summary of certain calculations related to the certified distribution of local income taxes to the county council, and requires certain information to be included in the informative summary. (19) Provides that in the case of a civil taxing unit that is governed by an unelected board and that was either originally established by a city or town or has its assessed valuation entirely contained within a city or town, the taxing unit's budget and levy must be approved by the city or town fiscal body. (20) Provides that bond issues for taxing units in Marion County with an unelected board must be approved by the city-county council. (21) Provides that a co-op is considered a homestead for purposes of the standard deduction and homestead credit. (22) Provides that in determining the amount of a new facility adjustment for a school corporation, the DLGF shall consider the extent to which a part of tuition support distributions offsets any increased costs of a new facility. (23) Provides that a school corporation may hold a referendum on whether a referendum tax levy should be imposed to replace property tax

revenue that the school corporation will not receive because of the application of the circuit breaker credit. (24) Specifies that a total of \$50,000,000 shall be transferred not later than December 31, 2010, from the state general fund to the state tuition reserve fund. (25) Provides that the total amount appropriated in 2010 for the grant to replace a portion of the revenue lost to a school corporation from the application of the circuit breaker credit is \$70,000,000 (rather than \$50,000,000), and changes the calculation of a school corporation's grant to replace revenue lost because of application of the circuit breaker credit. (26) Specifies that LOIT revenue is not considered property taxes for purposes of the circuit breaker credit. (27) Deletes the provisions allowing a county that, after December 31, 2007, issues a reconciling statement for property taxes first due and payable in 2007 to pay the additional 2007 homestead credit as a refund or as a credit against property tax liability and to adopt a different distribution method for the additional 2007 homestead credit in the county. (28) Deletes a provision specifying that the new facility adjustment is not included in a school corporation's tuition support distribution for the year following the year in which the increase applies. (29) Makes changes to the provisions concerning prototype design in the construction of school facilities. (30) Makes certain changes related to the department of child services. (31) Makes other changes and certain technical corrections. Incorporates corrections from the 2008 technical corrections bill. (32) Specifies that the need for level principal payments over the term of the obligations, in order to reduce total interest costs, is an exception to the requirement that an agreement for the issuance of obligations must provide for the payment of principal and interest on the obligations in nearly equal payment amounts and at regular designated intervals over the maximum term of the obligations. (33) Provides that for property taxes first due and payable after December 31, 2008, the DLGF shall reduce the maximum permissible property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the state of Indiana for pre-1977 public safety retirement, survivor, and disability benefits. (34) Deletes the provision specifying that a school corporation is entitled to receive a grant to pay principal or interest payments on bonds issued to finance or retire retirement or severance liability obligations. (35) Provides that a referendum on debt issuance may be held at a municipal election. (36) Eliminates the hospital care for the indigent fund levy and a portion of the health and hospital corporation levy, and provides for the assumption by the state of the amount previously raised by the hospital care for the indigent fund levy and a portion of the health and hospital corporation levy. (37) Provides that the circuit breaker credit percentage in 2009 for nonresidential real property and personal property is 3.5%. (38) Deletes the provision allowing a unit of local government to donate money in the unit's local major moves construction fund to a charitable nonprofit community foundation. (39) Deletes provisions authorizing bonds for the IPFW student services and library complex and a provision concerning bonding for Indiana State University satellite chiller capacity. (40) Deletes provisions concerning shortfall loans from the common school fund and loans from the rainy day fund. (41) Adds a provision specifying that a taxpayer that receives a tax statement or a provisional tax statement for the first installment of property taxes based on the assessment date in 2007 and first due and payable in 2008 may appeal the assessment by filing a notice in writing with the proper assessing official not later than the later of 45 days after the tax statement (or reconciling statement) is given to the taxpayer or July 1, 2008. (42) Provides that the county auditor's annual statement to political subdivisions and the DLGF for counties with taxing units that cross into or intersect with other counties must include the assessed valuation as shown on the most current abstract of property. Adjusts the maximum property tax rates for county cumulative capital development funds and for municipal cumulative capital development funds to reflect the change from 33.33% to 100% of true tax value. (43) Indicates that certain assessment system software and hardware standards apply to all assessment system software and hardware rules and standards adopted by the DLGF. Provides for the distribution to the legislative services agency of policy documents provided to local taxing officials. Requires written standards for the operation and management of a property tax data base system. Authorizes the DLGF to adopt temporary rules to revise its rules establishing standards for computer systems used by Indiana



counties for the administration of the property tax assessment, billing, and settlement processes. (44) Amends the additional options for distribution of LOITs in Lake County. (45) Provides that a county council or county income tax council may in 2008 adopt or increase a LOIT for property tax relief or public safety at any time before January 1, 2009. (46) Deletes provisions requiring county fiscal body review of conservancy districts, county toll road authorities, leases of qualified airport development projects, the Upper Wabash River basin commission, and the Maumee River basin commission. (47) Deletes provisions changing the base year calculation for commercial vehicle excise tax. (48) Deletes the requirement that certain additional information must be published by a political subdivision issuing bonds or entering into leases subject to a referendum. (49) Deletes the general assembly's findings concerning integrated steelmaking facilities. (50) Deletes the provision allowing a county to authorize county taxpayers to pay property taxes by automatic deduction from a checking account. (51) Specifies that a school corporation is entitled to a grant to replace a portion of the revenue lost to a school corporation from the application of the circuit breaker credits in a particular year only if it expects to lose more than 2% of its property tax revenue because of application of the circuit-breaker credits. (52) Authorizes a distressed political subdivision to petition the tax court for judicial review of a final determination of the distressed unit appeal board. (53) Requires a county council or county income tax council to hold at least one public meeting each year at which the county council or county income tax council discusses whether the LOIT for levy replacement should be imposed or increased. (54) Provides that a county council or county income tax council may not adopt an ordinance determining that LOIT revenue shall be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council or county income tax council has: (A) made available the county council's best estimate of the amount of property tax replacement credits to be provided to various classes of property; and (B) adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the LOIT will receive a property tax replacement credit that is funded with LOIT revenue. (55) Provides that an individual who owns a homestead with a gross assessed value of less than \$160,000 and who has adjusted gross income of \$30,000 (in the case of a single return) or \$40,000 (in the case of a joint return) is entitled to a property tax credit to the extent that property taxes on the individual's homestead increase by more than 2% from the prior year. (56) Deletes the expiration date in the provision authorizing a school corporation to use money in its capital projects fund for utility services and insurance.)

**Effective:** Upon passage; July 1, 2007 (retroactive); January 1, 2008 (retroactive); April 1, 2008; May 1, 2008; June 1, 2008; July 1, 2008; January 1, 2009.

## CONFERENCE COMMITTEE REPORT

**MR. SPEAKER:**

*Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1001 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:  
 2 SECTION 1. IC 3-7-15-2, AS AMENDED BY P.L.161-2007,  
 3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 4 UPON PASSAGE]: Sec. 2. The general assembly finds that the  
 5 following offices in Indiana provide public assistance within the scope  
 6 of NVRA:  
 7 (1) Each ~~county local~~ office of family and children established  
 8 under ~~IC 12-19-1~~ IC 12-19-1-1 that administers:  
 9 (A) the Temporary Assistance for Needy Families program  
 10 (TANF) under IC 12-14; or  
 11 (B) the Medicaid program under IC 12-15.  
 12 (2) Each office of the division of family resources that administers  
 13 the food stamp program under federal law.  
 14 (3) Each office of the state department of health that administers  
 15 the Special Supplemental Nutrition Program for the Women,  
 16 Infants and Children Program (WIC) under IC 16-35-1.5.  
 17 SECTION 2. IC 3-8-1-23, AS AMENDED BY P.L.219-2007,  
 18 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 19 JULY 1, 2008]: Sec. 23. (a) Subject to subsection (b), a candidate for  
 20 the office of county assessor must:  
 21 (1) have resided in the county for at least one (1) year before the  
 22 election, as provided in Article 6, Section 4 of the Constitution of

1 the State of Indiana; and  
 2 (2) own real property located in the county upon taking office.  
 3 (b) A candidate for the office of county assessor who runs in an  
 4 election after June 30, 2008, must have attained the certification of a  
 5 level two assessor-appraiser under IC 6-1.1-35.5.

6 **(c) A candidate for the office of county assessor who runs in an**  
 7 **election after January 1, 2012, must have attained the certification**  
 8 **of a level three assessor-appraiser under IC 6-1.1-35.5.**

9 SECTION 3. IC 3-8-1-23.6 AS ADDED BY HEA 1137-2008,  
 10 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 UPON PASSAGE]: Sec. 23.6. (a) A person who runs in an election  
 12 after June 30, 2008, for the office of township assessor under  
 13 IC 36-6-5-1 must have attained the certification of a level two  
 14 assessor-appraiser under IC 6-1.1-35.5 before taking office.

15 ~~(b) A person who runs in an election after June 30, 2008, for the~~  
 16 ~~office of township trustee and who performs all the duties and has all~~  
 17 ~~the rights and powers of a township assessor under IC 36-6-5-1 must~~  
 18 ~~have attained the certification of a level two assessor-appraiser under~~  
 19 ~~IC 6-1.1-35.5 before taking office to qualify to perform those duties~~  
 20 ~~and to assume those rights and powers.~~

21 ~~(c) A person who runs successfully under subsection (b) but has not~~  
 22 ~~attained the certification of a level two assessor-appraiser under~~  
 23 ~~IC 6-1.1-35.5 before taking office:~~

24 ~~(1) may perform in office only duties other than the duties of a~~  
 25 ~~township assessor under IC 36-6-5-1; and~~

26 ~~(2) has only the rights and powers of the trustee other than the~~  
 27 ~~rights and powers of a township assessor under IC 36-6-5-1.~~

28 The restrictions listed in this subsection apply to the entire term for  
 29 which the person takes office, regardless of whether the person attains  
 30 the certification of a level two assessor-appraiser under IC 6-1.1-35.5  
 31 during the term of office.

32 **(b) A person who runs in an election after January 1, 2012, for**  
 33 **the office of township assessor under IC 36-6-5-1 must have**  
 34 **attained the certification of a level three assessor-appraiser under**  
 35 **IC 6-1.1-35.5 before taking office.**

36 SECTION 4. IC 3-10-1-19, AS AMENDED BY P.L.164-2006,  
 37 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JANUARY 1, 2009]: Sec. 19. (a) The ballot for a primary election shall  
 39 be printed in substantially the following form for all the offices for  
 40 which candidates have qualified under IC 3-8:

41 OFFICIAL PRIMARY BALLOT

42 \_\_\_\_\_ Party

43 For paper ballots, print: To vote for a person, make a voting mark  
 44 (X or ✓) on or in the box before the person's name in the proper  
 45 column. For optical scan ballots, print: To vote for a person, darken or  
 46 shade in the circle, oval, or square (or draw a line to connect the arrow)  
 47 that precedes the person's name in the proper column. For optical scan  
 48 ballots that do not contain a candidate's name, print: To vote for a  
 49 person, darken or shade in the oval that precedes the number assigned  
 50 to the person's name in the proper column. For electronic voting  
 51 systems, print: To vote for a person, touch the screen (or press the

1 button) in the location indicated.

2 Vote for one (1) only

3 Representative in Congress

4  (1) AB\_\_\_\_\_

5  (2) CD\_\_\_\_\_

6  (3) EF\_\_\_\_\_

7  (4) GH\_\_\_\_\_

8 (b) The offices with candidates for nomination shall be placed on  
9 the primary election ballot in the following order:

10 (1) Federal and state offices:

11 (A) President of the United States.

12 (B) United States Senator.

13 (C) Governor.

14 (D) United States Representative.

15 (2) Legislative offices:

16 (A) State senator.

17 (B) State representative.

18 (3) Circuit offices and county judicial offices:

19 (A) Judge of the circuit court, and unless otherwise specified  
20 under IC 33, with each division separate if there is more than  
21 one (1) judge of the circuit court.

22 (B) Judge of the superior court, and unless otherwise specified  
23 under IC 33, with each division separate if there is more than  
24 one (1) judge of the superior court.

25 (C) Judge of the probate court.

26 (D) Judge of the county court, with each division separate, as  
27 required by IC 33-30-3-3.

28 (E) Prosecuting attorney.

29 (F) Circuit court clerk.

30 (4) County offices:

31 (A) County auditor.

32 (B) County recorder.

33 (C) County treasurer.

34 (D) County sheriff.

35 (E) County coroner.

36 (F) County surveyor.

37 (G) County assessor.

38 (H) County commissioner.

39 (I) County council member.

40 (5) Township offices:

41 (A) Township assessor (**only in a township referred to in**  
42 **IC 36-6-5-1(d)**).

43 (B) Township trustee.

44 (C) Township board member.

45 (D) Judge of the small claims court.

46 (E) Constable of the small claims court.

47 (6) City offices:

48 (A) Mayor.

49 (B) Clerk or clerk-treasurer.

50 (C) Judge of the city court.

51 (D) City-county council member or common council member.

- 1 (7) Town offices:  
 2 (A) Clerk-treasurer.  
 3 (B) Judge of the town court.  
 4 (C) Town council member.  
 5 (c) The political party offices with candidates for election shall be  
 6 placed on the primary election ballot in the following order after the  
 7 offices described in subsection (b):  
 8 (1) Precinct committeeman.  
 9 (2) State convention delegate.  
 10 (d) The following offices and public questions shall be placed on the  
 11 primary election ballot in the following order after the offices described  
 12 in subsection (c):  
 13 (1) School board offices to be elected at the primary election.  
 14 (2) Other local offices to be elected at the primary election.  
 15 (3) Local public questions.  
 16 (e) The offices and public questions described in subsection (d)  
 17 shall be placed:  
 18 (1) in a separate column on the ballot if voting is by paper ballot;  
 19 (2) after the offices described in subsection (c) in the form  
 20 specified in IC 3-11-13-11 if voting is by ballot card; or  
 21 (3) either:  
 22 (A) on a separate screen for each office or public question; or  
 23 (B) after the offices described in subsection (c) in the form  
 24 specified in IC 3-11-14-3.5;  
 25 if voting is by an electronic voting system.  
 26 (f) A public question shall be placed on the primary election ballot  
 27 in the following form:  
 28 (The explanatory text for the public question,  
 29 if required by law.)  
 30 "Shall (insert public question)?"  
 31  YES  
 32  NO  
 33 SECTION 5. IC 3-10-2-13 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 13. The following  
 35 public officials shall be elected at the general election before their  
 36 terms of office expire and every four (4) years thereafter:  
 37 (1) Clerk of the circuit court.  
 38 (2) County auditor.  
 39 (3) County recorder.  
 40 (4) County treasurer.  
 41 (5) County sheriff.  
 42 (6) County coroner.  
 43 (7) County surveyor.  
 44 (8) County assessor.  
 45 (9) County commissioner.  
 46 (10) County council member.  
 47 (11) Township trustee.  
 48 (12) Township board member.  
 49 (13) Township assessor (**only in a township referred to in**  
 50 **IC 36-6-5-1(d)**).  
 51 (14) Judge of a small claims court.

- 1 (15) Constable of a small claims court.
- 2 SECTION 6. IC 3-11-2-12, AS AMENDED BY P.L.2-2005,  
3 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JANUARY 1, 2009]: Sec. 12. The following offices shall be placed on  
5 the general election ballot in the following order:
- 6 (1) Federal and state offices:
- 7 (A) President and Vice President of the United States.  
8 (B) United States Senator.  
9 (C) Governor and lieutenant governor.  
10 (D) Secretary of state.  
11 (E) Auditor of state.  
12 (F) Treasurer of state.  
13 (G) Attorney general.  
14 (H) Superintendent of public instruction.  
15 (I) United States Representative.
- 16 (2) Legislative offices:
- 17 (A) State senator.  
18 (B) State representative.
- 19 (3) Circuit offices and county judicial offices:
- 20 (A) Judge of the circuit court, and unless otherwise specified  
21 under IC 33, with each division separate if there is more than  
22 one (1) judge of the circuit court.  
23 (B) Judge of the superior court, and unless otherwise specified  
24 under IC 33, with each division separate if there is more than  
25 one (1) judge of the superior court.  
26 (C) Judge of the probate court.  
27 (D) Judge of the county court, with each division separate, as  
28 required by IC 33-30-3-3.  
29 (E) Prosecuting attorney.  
30 (F) Clerk of the circuit court.
- 31 (4) County offices:
- 32 (A) County auditor.  
33 (B) County recorder.  
34 (C) County treasurer.  
35 (D) County sheriff.  
36 (E) County coroner.  
37 (F) County surveyor.  
38 (G) County assessor.  
39 (H) County commissioner.  
40 (I) County council member.
- 41 (5) Township offices:
- 42 (A) Township assessor (**only in a township referred to in**  
43 **IC 36-6-5-1(d)**).  
44 (B) Township trustee.  
45 (C) Township board member.  
46 (D) Judge of the small claims court.  
47 (E) Constable of the small claims court.
- 48 (6) City offices:
- 49 (A) Mayor.  
50 (B) Clerk or clerk-treasurer.  
51 (C) Judge of the city court.

- 1 (D) City-county council member or common council member.  
 2 (7) Town offices:  
 3 (A) Clerk-treasurer.  
 4 (B) Judge of the town court.  
 5 (C) Town council member.

6 SECTION 7. IC 4-10-13-2 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) The auditor of  
 8 state shall prepare and publish each year the following financial  
 9 reports:

10 (1) A report showing receipts by source of revenue and by type of  
 11 fund disbursements as they relate to each agency, department, and  
 12 fund of the state government. This report shall include a recital of  
 13 disbursements made by the following functions of state  
 14 government:

- 15 (A) Education.  
 16 (B) Welfare.  
 17 (C) Highway.  
 18 (D) Health.  
 19 (E) Natural resources.  
 20 (F) Public safety.  
 21 (G) General governmental.  
 22 (H) Hospital and state institutions.  
 23 (I) Correction, parole, and probation.

24 (2) A report containing the following property tax data by  
 25 counties:

- 26 (A) A report showing:  
 27 (i) the total amount of tax delinquencies;  
 28 (ii) the total amount of the administrative costs of the offices  
 29 of township ~~and~~ assessors (if any), county assessors, the  
 30 offices of county auditors, and the offices of county  
 31 treasurers; and  
 32 (iii) the total amount of other local taxes collected.

33 (B) An abstract of taxable real and personal property, which  
 34 must include a recital of the number and the total amount of  
 35 tax exemptions, including mortgage exemptions, veterans'  
 36 exemptions, exemptions granted to blind persons, exemptions  
 37 granted to persons over sixty-five (65) years of age, and any  
 38 and all other exemptions granted to any person under ~~the~~  
 39 ~~provisions of~~ the Constitution and the laws of the state.

40 (b) The reports described in this section shall be made available for  
 41 inspection as soon as they are prepared and shall be published in the  
 42 manner provided in section 7 of this chapter by the auditor of state not  
 43 later than December 31 following the end of each fiscal year.

44 SECTION 8. IC 4-10-18-1 IS AMENDED TO READ AS  
 45 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. As used in this  
 46 chapter:

47 "Adjusted personal income" for a particular calendar year means the  
 48 adjusted state personal income for that year as determined under  
 49 section 3(b) of this chapter.

50 "Annual growth rate" for a particular calendar year means the  
 51 percentage change in adjusted personal income for the particular

1 calendar year as determined under section 3(c) of this chapter.

2 "Budget director" refers to the director of the budget agency  
3 established under IC 4-12-1.

4 "Costs" means the cost of construction, equipment, land, property  
5 rights (including leasehold interests), easements, franchises, leases,  
6 financing charges, interest costs during and for a reasonable period  
7 after construction, architectural, engineering, legal, and other  
8 consulting or advisory services, plans, specifications, surveys, cost  
9 estimates, and other costs or expenses necessary or incident to the  
10 acquisition, development, construction, financing, and operating of an  
11 economic growth initiative.

12 "Current calendar year" means a calendar year during which a  
13 transfer to or from the fund is initially determined under sections 4 and  
14 5 of this chapter.

15 "Economic growth initiative" means:

- 16 (1) the construction, extension, or completion of sewerlines,  
17 waterlines, streets, sidewalks, bridges, roads, highways, public  
18 ways, and any other infrastructure improvements;
- 19 (2) the leasing or purchase of land and any site improvements to  
20 land;
- 21 (3) the construction, leasing, or purchase of buildings or other  
22 structures;
- 23 (4) the rehabilitation, renovation, or enlargement of buildings or  
24 other structures;
- 25 (5) the leasing or purchase of machinery, equipment, or  
26 furnishings; or
- 27 (6) the training or retraining of employees whose jobs will be  
28 created or retained as a result of the initiative.

29 "Fund" means the counter-cyclical revenue and economic  
30 stabilization fund established under this chapter.

31 "General fund revenue" means all general purpose tax revenue and  
32 other unrestricted general purpose revenue of the state, including  
33 federal revenue sharing monies, credited to the state general fund and  
34 from which appropriations may be made. ~~The term "general fund~~  
35 ~~revenue" does not include revenue held in the reserve for tuition~~  
36 ~~support under IC 4-12-1-12.~~

37 "Implicit price deflator for the gross national product" means the  
38 implicit price deflator for the gross national product, or its closest  
39 equivalent, which is available from the United States Bureau of  
40 Economic Analysis.

41 "Political subdivision" has the meaning set forth in IC 36-1-2-13.

42 "Qualified economic growth initiative" means an economic growth  
43 initiative that is:

- 44 (1) proposed by or on behalf of a political subdivision to promote  
45 economic growth, including the creation or retention of jobs or  
46 the infrastructure necessary to create or retain jobs;
- 47 (2) supported by a financing plan by or on behalf of the political  
48 subdivision in an amount at least equal to the proposed amount of  
49 the grant under section 15 of this chapter; and
- 50 (3) estimated to cost not less than twelve million five hundred  
51 thousand dollars (\$12,500,000).



1 "State personal income" means state personal income as that term  
 2 is defined by the Bureau of Economic Analysis of the United States  
 3 Department of Commerce or its successor agency.

4 "Total state general fund revenue" for a particular state fiscal year  
 5 means the amount of that revenue for the particular state fiscal year as  
 6 finally determined by the auditor of state.

7 "Transfer payments" means transfer payments as that term is  
 8 defined by the Bureau of Economic Analysis of the United States  
 9 Department of Commerce or its successor agency.

10 SECTION 9. IC 4-10-18-8 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) Except as  
 12 provided in subsection (b), if the balance, at the end of a state fiscal  
 13 year, in the fund exceeds seven percent (7%) of the total state general  
 14 fund revenues for that state fiscal year, the excess is appropriated from  
 15 the fund to the **property tax replacement state general fund**.  
 16 ~~established under IC 6-1.1-21.~~ The auditor of state and the treasurer of  
 17 state shall transfer the amount so appropriated from the fund to the  
 18 **property tax replacement state general fund** during the immediately  
 19 following state fiscal year.

20 (b) If an appropriation is made out of the fund under section 4 of  
 21 this chapter for a state fiscal year during which a transfer is to be made  
 22 from the fund to the **property tax replacement state general fund**, the  
 23 amount of the appropriation made under subsection (a) shall be  
 24 reduced by the amount of the appropriation made under section 4 of  
 25 this chapter. However, the amount of the appropriation made under  
 26 subsection (a) may not be reduced to less than zero (0).

27 SECTION 10. IC 4-10-21-2 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) For the state  
 29 fiscal year beginning July 1, 2003, and ending June 30, 2004, the state  
 30 spending cap is equal to the result determined under STEP THREE of  
 31 the following formula:

32 STEP ONE: Determine the sum of the total of the appropriations  
 33 made from the state general fund and the property tax  
 34 replacement fund (including continuing appropriations) for the  
 35 state fiscal year beginning July 1, 2002, and ending June 30,  
 36 2003.

37 STEP TWO: Subtract from the STEP ONE result two hundred  
 38 forty-three million dollars (\$243,000,000), which is the amount  
 39 of certain reversions made by state agencies.

40 STEP THREE: Multiply the STEP TWO result by one and  
 41 thirty-five thousandths (1.035).

42 (b) For the state fiscal year beginning July 1, 2004, and ending June  
 43 30, 2005, the state spending cap is equal to the product of the result  
 44 determined under subsection (a) multiplied by one and thirty-five  
 45 thousandths (1.035).

46 (c) The state spending cap for a state fiscal year beginning after  
 47 June 30, 2005, is equal to the product of the state spending growth  
 48 quotient for the state fiscal year determined under section 3 of this  
 49 chapter multiplied by the state spending cap for the immediately  
 50 preceding state fiscal year.

51 (d) The state spending cap imposed under this section is increased

1 in the initial state fiscal year in which the state receives additional  
 2 revenue for deposit in the state general fund ~~or property tax~~  
 3 ~~replacement fund~~ as a result of the enactment of a law that:

- 4 (1) establishes a new tax or fee after June 30, 2002;
- 5 (2) increases the rate of a previously enacted tax or fee after June  
 6 30, 2002; or
- 7 (3) reduces or eliminates an exemption, a deduction, or a credit  
 8 against a previously enacted tax or fee after June 30, 2002.

9 The amount of the increase is equal to the average revenue that the  
 10 budget agency estimates will be raised by the legislative action in the  
 11 initial two (2) full state fiscal years in which the legislative change is  
 12 in effect.

13 (e) The state spending cap imposed under this section is decreased  
 14 in the initial state fiscal year in which the state is affected by a decrease  
 15 in revenue deposited in the state general fund ~~or property tax~~  
 16 ~~replacement fund~~ as the result of the enactment of a law that:

- 17 (1) eliminates a tax or fee after June 30, 2002;
- 18 (2) eliminates any part of a tax rate or fee after June 30, 2002; or
- 19 (3) establishes or increases an exemption, a deduction, or a credit  
 20 against a tax or fee after June 30, 2002.

21 The amount of the decrease is equal to the average revenue that the  
 22 budget agency estimates will be lost as a result of the legislative action  
 23 in the initial two (2) full state fiscal years in which the legislative  
 24 change is in effect.

25 SECTION 11. IC 4-10-21-5 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) The  
 27 maximum total amount that may be expended in a state fiscal year from  
 28 the state general fund ~~the property tax replacement fund~~; and the  
 29 counter-cyclical revenue and economic stabilization fund is the least of  
 30 the following:

- 31 (1) Subject to sections 6 and 7 of this chapter, the state spending  
 32 cap for the state fiscal year.
- 33 (2) The amount appropriated by the general assembly from the  
 34 state general fund ~~the property tax replacement fund~~; and the  
 35 counter-cyclical revenue and economic stabilization fund.
- 36 (3) The amount of money available in the state general fund ~~the~~  
 37 ~~property tax replacement fund~~; and the counter-cyclical revenue  
 38 and economic stabilization fund to pay expenditures.

39 (b) Subject to sections 6 and 7 of this chapter, if the state spending  
 40 cap for the state fiscal year is less than the amount appropriated by the  
 41 general assembly in the state fiscal year from the state general fund ~~the~~  
 42 ~~property tax replacement fund~~; and the counter-cyclical revenue and  
 43 economic stabilization fund, the budget agency shall reduce the  
 44 amounts available for expenditure from the state general fund ~~the~~  
 45 ~~property tax replacement fund~~; and the counter-cyclical revenue and  
 46 economic stabilization fund in the state fiscal year by using the  
 47 procedures in IC 4-13-2-18.

48 SECTION 12. IC 4-10-21-6 IS AMENDED TO READ AS  
 49 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. The following  
 50 expenditures that would otherwise be subject to this chapter shall be  
 51 excluded from all computations and determinations related to a state

- 1 spending cap:
- 2 (1) Expenditures derived from money deposited in the state
- 3 general fund ~~the property tax replacement fund~~; and the
- 4 counter-cyclical revenue and economic stabilization fund from
- 5 any of the following:
- 6 (A) Gifts.
- 7 (B) Federal funds.
- 8 (C) Dedicated funds.
- 9 (D) Intergovernmental transfers.
- 10 (E) Damage awards.
- 11 (F) Property sales.
- 12 (2) Expenditures for any of the following:
- 13 (A) Transfers of money among the state general fund ~~the~~
- 14 ~~property tax replacement fund~~; and the counter-cyclical
- 15 revenue and economic stabilization fund.
- 16 (B) Reserve fund deposits.
- 17 (C) Refunds of intergovernmental transfers.
- 18 (D) Payment of judgments against the state and settlement
- 19 payments made to avoid a judgment against the state, other
- 20 than a judgment or settlement payment for failure to pay a
- 21 contractual obligation or a personnel expenditure.
- 22 (E) Distributions or allocations of state tax revenues to a unit
- 23 of local government under IC 36-7-13, IC 36-7-26, IC 36-7-27,
- 24 IC 36-7-31, or IC 36-7-31.3.
- 25 (F) Motor vehicle excise tax replacement payments that are
- 26 derived from amounts transferred to the state general fund
- 27 from the lottery and gaming surplus account of the build
- 28 Indiana fund.
- 29 (G) Distributions of state tax revenues collected under IC 7.1
- 30 that are payable to cities and towns.
- 31 SECTION 13. IC 4-12-1-12, AS AMENDED BY P.L.2-2006,
- 32 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 33 JULY 1, 2008]: Sec. 12. (a) Within forty-five (45) days following the
- 34 adjournment of the regular session of the general assembly, the budget
- 35 agency shall examine the acts of such general assembly and, with the
- 36 aid of its own records and those of the budget committee, shall prepare
- 37 a complete list of all appropriations made by law for the budget period
- 38 beginning on July 1 following such regular session, or so made for such
- 39 other period as is provided in the appropriation. While such list is being
- 40 made by it the budget agency shall review and analyze the fiscal status
- 41 and affairs of the state as affected by such appropriations. A written
- 42 report thereof shall be made and signed by the budget director and shall
- 43 be transmitted to the governor and the auditor of state. The report shall
- 44 be transmitted in an electronic format under IC 5-14-6 to the general
- 45 assembly.
- 46 (b) Not later than the first day of June of each calendar year, the
- 47 budget agency shall prepare a list of all appropriations made by law for
- 48 expenditure or encumbrance during the fiscal year beginning on the
- 49 first day of July of that calendar year. ~~At the same time, the budget~~
- 50 ~~agency shall establish the amount of a reserve from the general fund~~
- 51 ~~surplus which such agency estimates will be necessary and required to~~

1 provide funds with which to pay the distribution to local school units  
 2 required by law to be made so early in such fiscal year that revenues  
 3 received in such year prior to the distribution will not be sufficient to  
 4 cover such distribution. Not later than the first day of June following  
 5 adjournment of such regular session of the general assembly the  
 6 amounts of the appropriations for such fiscal year, and the amount of  
 7 such reserve, shall be written and transmitted formally to the auditor of  
 8 state who then shall establish the amounts of such appropriations, and  
 9 the amount of such reserve, in the records of the auditor's office as  
 10 fixed in such communication of the budget agency.

11 (c) Within sixty (60) days following the adjournment of any special  
 12 session of the general assembly, or within such shorter period as the  
 13 circumstances may require, the budget agency shall prepare for and  
 14 transmit to the governor and members of the general assembly and the  
 15 auditor of state, like information **and a** list of sums appropriated, **and**  
 16 **if required, an estimate for a reserve from the general fund surplus for**  
 17 **distribution to local school units;** all as is done upon the adjournment  
 18 of a regular session, pursuant to subsections (a) and (b) of this section  
 19 to the extent the same are applicable. The budget agency shall transmit  
 20 any information under this subsection to the general assembly in an  
 21 electronic format under IC 5-14-6.

22 (d) The budget agency shall administer the allotment system  
 23 provided in IC 4-13-2-18.

24 (e) The budget agency may transfer, assign, and reassign any  
 25 appropriation or appropriations, or parts of them, excepting those  
 26 appropriations made to the Indiana state teacher's retirement fund  
 27 established by IC 5-10.4-2, made for one specific use or purpose to  
 28 another use or purpose of the agency of state to which the appropriation  
 29 is made, but only when the uses and purposes to which the funds  
 30 transferred, assigned and reassigned are uses and purposes the agency  
 31 of state is by law required or authorized to perform. No transfer may be  
 32 made as in this subsection authorized unless upon the request of and  
 33 with the consent of the agency of state whose appropriations are  
 34 involved. Except to the extent otherwise specifically provided, every  
 35 appropriation made and hereafter made and provided, for any specific  
 36 use or purpose of an agency of the state is and shall be construed to be  
 37 an appropriation to the agency, for all other necessary and lawful uses  
 38 and purposes of the agency, subject to the aforesaid request and  
 39 consent of the agency and concurrence of the budget agency.

40 (f) One (1) or more emergency or contingency appropriations for  
 41 each fiscal year or for the budget period may be made to the budget  
 42 agency. Such appropriations shall be in amounts definitely fixed by  
 43 law, or ascertainable or determinable according to a formula, or  
 44 according to appropriate provisions of law taking into account the  
 45 revenues and income of the agency of state. No transfer shall be made  
 46 from any such appropriation to the regular appropriation of an agency  
 47 of the state except upon an order of the budget agency made pursuant  
 48 to the authority vested in it hereby or otherwise vested in it by law.

49 SECTION 14. IC 4-12-1-15.7 IS ADDED TO THE INDIANA  
 50 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 51 [EFFECTIVE JUNE 1, 2008]: **Sec. 15.7. (a) As used in this section,**

- 1 **"fund" refers to the state tuition reserve fund.**  
 2 **(b) The state tuition reserve fund is established for the following**  
 3 **purposes:**  
 4 **(1) To fund a tuition support distribution under IC 20-43**  
 5 **whenever the budget director determines that state general**  
 6 **fund cash balances are insufficient to cover the distribution.**  
 7 **(2) To meet revenue shortfalls whenever the budget director,**  
 8 **after review by the budget committee, determines that state**  
 9 **tax revenues available for deposit in the state general fund**  
 10 **will be insufficient to fully fund tuition support distributions**  
 11 **under IC 20-43 in any particular state fiscal year.**  
 12 **(c) The fund consists of the following:**  
 13 **(1) Money appropriated to the fund by the general assembly.**  
 14 **(2) Money transferred to the fund under any law.**  
 15 **(3) Interest earned on the balance of the fund.**  
 16 **(d) The treasurer of state shall invest the money in the fund not**  
 17 **currently needed to meet the obligations of the fund in the same**  
 18 **manner as other public money may be invested. Interest that**  
 19 **accrues from these investments shall be deposited in the fund.**  
 20 **(e) Money in the fund at the end of a state fiscal year does not**  
 21 **revert for any other purpose of the state general fund.**  
 22 **(f) The budget agency shall administer the fund. Whenever the**  
 23 **budget director makes a determination under subsection (b)(1) or**  
 24 **(b)(2), the budget agency shall notify the auditor of state of the**  
 25 **amount from the fund to be used for state tuition support**  
 26 **distributions. The auditor of state shall transfer the amount from**  
 27 **the fund to the state general fund. The amount transferred may be**  
 28 **used only for the purposes of making state tuition support**  
 29 **distributions under IC 20-43. If the amount is transferred under**  
 30 **subsection (b)(1), the amount shall be repaid to the fund from the**  
 31 **state general fund before the end of the state fiscal year in which**  
 32 **the transfer is made.**  
 33 **SECTION 15. IC 4-24-7-4, AS AMENDED BY P.L.246-2005,**  
 34 **SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**  
 35 **JANUARY 1, 2009]: Sec. 4. (~~α~~) Accounts of state institutions**  
 36 **described in sections ~~1 and 3~~ of this chapter shall be paid as follows:**  
 37 **(1) All such accounts shall be signed by the superintendent of**  
 38 **such institution, attested to by the seal of the institution, and**  
 39 **forwarded to the auditor of the county for payment from which**  
 40 **county the inmate or patient was admitted.**  
 41 **(2) All accounts accruing between January 1 and June 30 of each**  
 42 **year shall be forwarded to the county auditor on or before October**  
 43 **1 of such year.**  
 44 **(3) All accounts accruing between July 1 and December 31 of**  
 45 **each year shall be forwarded to the county auditor on or before**  
 46 **April 1 of the following year.**  
 47 **(4) Upon receipt of any such account, the county auditor shall**  
 48 **draw a warrant on the treasurer of the county for the payment of**  
 49 **the account, and the same shall be paid out of the funds of the**  
 50 **county appropriated therefor.**  
 51 **(5) The county council of each county of the state shall annually**

- 1 appropriate sufficient funds to pay such accounts.
- 2 (b) All accounts of state institutions described in section 2 of this
- 3 chapter shall be paid as follows:
- 4 (1) All such accounts shall be signed by the superintendent of the
- 5 institution; attested to by the seal of the institution; and forwarded
- 6 to the auditor of the county for payment from the county from
- 7 which the inmate was admitted:
- 8 (2) All accounts accruing after December 31 and before April 1
- 9 of each year shall be forwarded to the county auditor on or before
- 10 May 15 of that year:
- 11 (3) All accounts accruing after March 31 and before July 1 of
- 12 each year shall be forwarded to the county auditor on or before
- 13 August 15 of that year:
- 14 (4) All accounts accruing after June 30 and before October 1 of
- 15 each year shall be forwarded to the county auditor on or before
- 16 November 15 of that year:
- 17 (5) All accounts accruing after September 30 and before January
- 18 1 of each year; and any reconciliations for previous periods; shall
- 19 be forwarded to the county auditor on or before March 15 of the
- 20 following year:
- 21 (6) Upon receipt of an account; the county auditor shall draw a
- 22 warrant on the treasurer of the county for the payment of the
- 23 account; which shall be paid from the funds of the county that
- 24 were appropriated for the payment:
- 25 (7) The county council of each county shall annually appropriate
- 26 sufficient funds to pay these accounts:

27 If a county has not paid an account within six (6) months after the  
 28 account is forwarded under this subsection; the auditor of state shall;  
 29 notwithstanding anything to the contrary in IC 6-1.1-21; reduce the  
 30 next distribution of property tax replacement credits under IC 6-1.1-21  
 31 to the county and withhold the amount owed on the account. The  
 32 auditor of state shall credit the withheld amount to the state general  
 33 fund for the purpose of curing the default. The account is then  
 34 considered paid. A county that has the county's distribution reduced  
 35 under this subsection shall apply the withheld amount only to the  
 36 county unit's share of the distribution and may not reduce a distribution  
 37 to any other civil taxing unit or school corporation within the county:

38 SECTION 16. IC 4-30-16-3, AS AMENDED BY P.L.2-2006,  
 39 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JANUARY 1, 2009]: Sec. 3. (a) The commission shall transfer the  
 41 surplus revenue in the administrative trust fund as follows:

- 42 (1) Before the last business day of January, April, July, and
- 43 October, the commission shall transfer to the treasurer of state, for
- 44 deposit in the Indiana state teachers' retirement fund (IC
- 45 5-10.4-2), seven million five hundred thousand dollars
- 46 (\$7,500,000). Notwithstanding any other law, including any
- 47 appropriations law resulting from a budget bill (as defined in
- 48 IC 4-12-1-2), the money transferred under this subdivision shall
- 49 be set aside in the pension stabilization fund (IC 5-10.4-2-5) to be
- 50 used as a credit against the unfunded accrued liability of the
- 51 pre-1996 account (as defined in IC 5-10.4-1-12) of the Indiana

1 state teachers' retirement fund. The money transferred is in  
2 addition to the appropriation needed to pay benefits for the state  
3 fiscal year.

4 (2) Before the last business day of January, April, July, and  
5 October, the commission shall transfer

6 ~~(A) two~~ **seven** million five hundred thousand dollars  
7 ~~(\$2,500,000)~~ **(\$7,500,000)** of the surplus revenue to the  
8 treasurer of state for deposit in ~~the "k" portion of~~ the pension  
9 relief fund (IC 5-10.3-11). ~~and~~

10 ~~(B) five million dollars (\$5,000,000) of the surplus revenue to~~  
11 ~~the treasurer of state for deposit in the "m" portion of the~~  
12 ~~pension relief fund (IC 5-10.3-11).~~

13 (3) The surplus revenue remaining in the fund on the last day of  
14 January, April, July, and October after the transfers under  
15 subdivisions (1) and (2) shall be transferred by the commission to  
16 the treasurer of state for deposit on that day in the build Indiana  
17 fund.

18 (b) The commission may make transfers to the treasurer of state  
19 more frequently than required by subsection (a). However, the number  
20 of transfers does not affect the amount that is required to be transferred  
21 for the purposes listed in subsection (a)(1) and (a)(2). Any amount  
22 transferred during the month in excess of the amount required to be  
23 transferred for the purposes listed in subsection (a)(1) and (a)(2) shall  
24 be transferred to the build Indiana fund.

25 SECTION 17. IC 4-33-12-6, AS AMENDED BY HEA 1137-2008,  
26 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JANUARY 1, 2009]: Sec. 6. (a) The department shall place in the state  
28 general fund the tax revenue collected under this chapter.

29 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,  
30 the treasurer of state shall quarterly pay the following amounts:

31 (1) Except as provided in subsection (k), one dollar (\$1) of the  
32 admissions tax collected by the licensed owner for each person  
33 embarking on a gambling excursion during the quarter or  
34 admitted to a riverboat that has implemented flexible scheduling  
35 under IC 4-33-6-21 during the quarter shall be paid to:

36 (A) the city in which the riverboat is docked, if the city:

37 (i) is located in a county having a population of more than  
38 one hundred ten thousand (110,000) but less than one  
39 hundred fifteen thousand (115,000); or

40 (ii) is contiguous to the Ohio River and is the largest city in  
41 the county; and

42 (B) the county in which the riverboat is docked, if the  
43 riverboat is not docked in a city described in clause (A).

44 (2) Except as provided in subsection (k), one dollar (\$1) of the  
45 admissions tax collected by the licensed owner for each person:

46 (A) embarking on a gambling excursion during the quarter; or

47 (B) admitted to a riverboat during the quarter that has  
48 implemented flexible scheduling under IC 4-33-6-21;

49 shall be paid to the county in which the riverboat is docked. In the  
50 case of a county described in subdivision (1)(B), this one dollar  
51 (\$1) is in addition to the one dollar (\$1) received under

- 1 subdivision (1)(B).
- 2 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
- 3 admissions tax collected by the licensed owner for each person:
- 4 (A) embarking on a gambling excursion during the quarter; or
- 5 (B) admitted to a riverboat during the quarter that has
- 6 implemented flexible scheduling under IC 4-33-6-21;
- 7 shall be paid to the county convention and visitors bureau or
- 8 promotion fund for the county in which the riverboat is docked.
- 9 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
- 10 the admissions tax collected by the licensed owner for each
- 11 person:
- 12 (A) embarking on a gambling excursion during the quarter; or
- 13 (B) admitted to a riverboat during a quarter that has
- 14 implemented flexible scheduling under IC 4-33-6-21;
- 15 shall be paid to the state fair commission, for use in any activity
- 16 that the commission is authorized to carry out under IC 15-13-3.
- 17 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
- 18 admissions tax collected by the licensed owner for each person:
- 19 (A) embarking on a gambling excursion during the quarter; or
- 20 (B) admitted to a riverboat during the quarter that has
- 21 implemented flexible scheduling under IC 4-33-6-21;
- 22 shall be paid to the division of mental health and addiction. The
- 23 division shall allocate at least twenty-five percent (25%) of the
- 24 funds derived from the admissions tax to the prevention and
- 25 treatment of compulsive gambling.
- 26 (6) Except as provided in subsection (k) and section 7 of this
- 27 chapter, sixty-five cents (\$0.65) of the admissions tax collected by
- 28 the licensed owner for each person embarking on a gambling
- 29 excursion during the quarter or admitted to a riverboat during the
- 30 quarter that has implemented flexible scheduling under
- 31 IC 4-33-6-21 shall be paid to the Indiana horse racing commission
- 32 to be distributed as follows, in amounts determined by the Indiana
- 33 horse racing commission, for the promotion and operation of
- 34 horse racing in Indiana:
- 35 (A) To one (1) or more breed development funds established
- 36 by the Indiana horse racing commission under IC 4-31-11-10.
- 37 (B) To a racetrack that was approved by the Indiana horse
- 38 racing commission under IC 4-31. The commission may make
- 39 a grant under this clause only for purses, promotions, and
- 40 routine operations of the racetrack. No grants shall be made
- 41 for long term capital investment or construction, and no grants
- 42 shall be made before the racetrack becomes operational and is
- 43 offering a racing schedule.
- 44 (c) With respect to tax revenue collected from a riverboat located in
- 45 a historic hotel district, the treasurer of state shall quarterly pay the
- 46 following amounts:
- 47 (1) Twenty-two percent (22%) of the admissions tax collected
- 48 during the quarter shall be paid to the county treasurer of the
- 49 county in which the riverboat is docked. The county treasurer
- 50 shall distribute the money received under this subdivision as
- 51 follows:



1 (A) Twenty-two and seventy-five hundredths percent (22.75%)  
 2 shall be quarterly distributed to the county treasurer of a  
 3 county having a population of more than thirty-nine thousand  
 4 six hundred (39,600) but less than forty thousand (40,000) for  
 5 appropriation by the county fiscal body after receiving a  
 6 recommendation from the county executive. The county fiscal  
 7 body for the receiving county shall provide for the distribution  
 8 of the money received under this clause to one (1) or more  
 9 taxing units (as defined in IC 6-1.1-1-21) in the county under  
 10 a formula established by the county fiscal body after receiving  
 11 a recommendation from the county executive.

12 (B) Twenty-two and seventy-five hundredths percent (22.75%)  
 13 shall be quarterly distributed to the county treasurer of a  
 14 county having a population of more than ten thousand seven  
 15 hundred (10,700) but less than twelve thousand (12,000) for  
 16 appropriation by the county fiscal body. The county fiscal  
 17 body for the receiving county shall provide for the distribution  
 18 of the money received under this clause to one (1) or more  
 19 taxing units (as defined in IC 6-1.1-1-21) in the county under  
 20 a formula established by the county fiscal body after receiving  
 21 a recommendation from the county executive.

22 (C) Fifty-four and five-tenths percent (54.5%) shall be retained  
 23 by the county where the riverboat is docked for appropriation  
 24 by the county fiscal body after receiving a recommendation  
 25 from the county executive.

26 (2) Five percent (5%) of the admissions tax collected during the  
 27 quarter shall be paid to a town having a population of more than  
 28 two thousand two hundred (2,200) but less than three thousand  
 29 five hundred (3,500) located in a county having a population of  
 30 more than nineteen thousand three hundred (19,300) but less than  
 31 twenty thousand (20,000). At least twenty percent (20%) of the  
 32 taxes received by a town under this subdivision must be  
 33 transferred to the school corporation in which the town is located.

34 (3) Five percent (5%) of the admissions tax collected during the  
 35 quarter shall be paid to a town having a population of more than  
 36 three thousand five hundred (3,500) located in a county having a  
 37 population of more than nineteen thousand three hundred  
 38 (19,300) but less than twenty thousand (20,000). At least twenty  
 39 percent (20%) of the taxes received by a town under this  
 40 subdivision must be transferred to the school corporation in which  
 41 the town is located.

42 (4) Twenty percent (20%) of the admissions tax collected during  
 43 the quarter shall be paid in equal amounts to each town that:

- 44 (A) is located in the county in which the riverboat docks; and
- 45 (B) contains a historic hotel.

46 At least twenty percent (20%) of the taxes received by a town  
 47 under this subdivision must be transferred to the school  
 48 corporation in which the town is located.

49 (5) Ten percent (10%) of the admissions tax collected during the  
 50 quarter shall be paid to the Orange County development  
 51 commission established under IC 36-7-11.5. At least one-third

- 1 (1/3) of the taxes paid to the Orange County development  
 2 commission under this subdivision must be transferred to the  
 3 Orange County convention and visitors bureau.
- 4 (6) Thirteen percent (13%) of the admissions tax collected during  
 5 the quarter shall be paid to the West Baden Springs historic hotel  
 6 preservation and maintenance fund established by  
 7 IC 36-7-11.5-11(b).
- 8 (7) Twenty-five percent (25%) of the admissions tax collected  
 9 during the quarter shall be paid to the Indiana economic  
 10 development corporation to be used by the corporation for the  
 11 development and implementation of a regional economic  
 12 development strategy to assist the residents of the county in which  
 13 the riverboat is located and residents of contiguous counties in  
 14 improving their quality of life and to help promote successful and  
 15 sustainable communities. The regional economic development  
 16 strategy must include goals concerning the following issues:
- 17 (A) Job creation and retention.
  - 18 (B) Infrastructure, including water, wastewater, and storm  
 19 water infrastructure needs.
  - 20 (C) Housing.
  - 21 (D) Workforce training.
  - 22 (E) Health care.
  - 23 (F) Local planning.
  - 24 (G) Land use.
  - 25 (H) Assistance to regional economic development groups.
  - 26 (I) Other regional development issues as determined by the  
 27 Indiana economic development corporation.
- 28 (d) With respect to tax revenue collected from a riverboat that  
 29 operates from a county having a population of more than four hundred  
 30 thousand (400,000) but less than seven hundred thousand (700,000),  
 31 the treasurer of state shall quarterly pay the following amounts:
- 32 (1) Except as provided in subsection (k), one dollar (\$1) of the  
 33 admissions tax collected by the licensed owner for each person:
    - 34 (A) embarking on a gambling excursion during the quarter; or
    - 35 (B) admitted to a riverboat during the quarter that has  
 36 implemented flexible scheduling under IC 4-33-6-21;
 shall be paid to the city in which the riverboat is docked.
  - 38 (2) Except as provided in subsection (k), one dollar (\$1) of the  
 39 admissions tax collected by the licensed owner for each person:
    - 40 (A) embarking on a gambling excursion during the quarter; or
    - 41 (B) admitted to a riverboat during the quarter that has  
 42 implemented flexible scheduling under IC 4-33-6-21;
 shall be paid to the county in which the riverboat is docked.
  - 44 (3) Except as provided in subsection (k), nine cents (\$0.09) of the  
 45 admissions tax collected by the licensed owner for each person:
    - 46 (A) embarking on a gambling excursion during the quarter; or
    - 47 (B) admitted to a riverboat during the quarter that has  
 48 implemented flexible scheduling under IC 4-33-6-21;
 shall be paid to the county convention and visitors bureau or  
 49 promotion fund for the county in which the riverboat is docked.
  - 50 (4) Except as provided in subsection (k), one cent (\$0.01) of the  
 51

1 admissions tax collected by the licensed owner for each person:

2 (A) embarking on a gambling excursion during the quarter; or

3 (B) admitted to a riverboat during the quarter that has  
4 implemented flexible scheduling under IC 4-33-6-21;

5 shall be paid to the northwest Indiana law enforcement training  
6 center.

7 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of  
8 the admissions tax collected by the licensed owner for each  
9 person:

10 (A) embarking on a gambling excursion during the quarter; or

11 (B) admitted to a riverboat during a quarter that has  
12 implemented flexible scheduling under IC 4-33-6-21;

13 shall be paid to the state fair commission for use in any activity  
14 that the commission is authorized to carry out under IC 15-13-3.

15 (6) Except as provided in subsection (k), ten cents (\$0.10) of the  
16 admissions tax collected by the licensed owner for each person:

17 (A) embarking on a gambling excursion during the quarter; or

18 (B) admitted to a riverboat during the quarter that has  
19 implemented flexible scheduling under IC 4-33-6-21;

20 shall be paid to the division of mental health and addiction. The  
21 division shall allocate at least twenty-five percent (25%) of the  
22 funds derived from the admissions tax to the prevention and  
23 treatment of compulsive gambling.

24 (7) Except as provided in subsection (k) and section 7 of this  
25 chapter, sixty-five cents (\$0.65) of the admissions tax collected by  
26 the licensed owner for each person embarking on a gambling  
27 excursion during the quarter or admitted to a riverboat during the  
28 quarter that has implemented flexible scheduling under  
29 IC 4-33-6-21 shall be paid to the Indiana horse racing commission  
30 to be distributed as follows, in amounts determined by the Indiana  
31 horse racing commission, for the promotion and operation of  
32 horse racing in Indiana:

33 (A) To one (1) or more breed development funds established  
34 by the Indiana horse racing commission under IC 4-31-11-10.

35 (B) To a racetrack that was approved by the Indiana horse  
36 racing commission under IC 4-31. The commission may make  
37 a grant under this clause only for purses, promotions, and  
38 routine operations of the racetrack. No grants shall be made  
39 for long term capital investment or construction, and no grants  
40 shall be made before the racetrack becomes operational and is  
41 offering a racing schedule.

42 (e) Money paid to a unit of local government under subsection  
43 (b)(1) through (b)(2), (c)(1) through (c)(4), or (d)(1) through (d)(2):

44 (1) must be paid to the fiscal officer of the unit and may be  
45 deposited in the unit's general fund or riverboat fund established  
46 under IC 36-1-8-9, or both;

47 (2) may not be used to reduce the unit's maximum levy under  
48 IC 6-1.1-18.5 but may be used at the discretion of the unit to  
49 reduce the property tax levy of the unit for a particular year;

50 (3) may be used for any legal or corporate purpose of the unit,  
51 including the pledge of money to bonds, leases, or other

1 obligations under IC 5-1-14-4; and

2 (4) is considered miscellaneous revenue.

3 (f) Money paid by the treasurer of state under subsection (b)(3) or  
4 (d)(3) shall be:

5 (1) deposited in:

6 (A) the county convention and visitor promotion fund; or

7 (B) the county's general fund if the county does not have a  
8 convention and visitor promotion fund; and

9 (2) used only for the tourism promotion, advertising, and  
10 economic development activities of the county and community.

11 (g) Money received by the division of mental health and addiction  
12 under subsections (b)(5) and (d)(6):

13 (1) is annually appropriated to the division of mental health and  
14 addiction;

15 (2) shall be distributed to the division of mental health and  
16 addiction at times during each state fiscal year determined by the  
17 budget agency; and

18 (3) shall be used by the division of mental health and addiction  
19 for programs and facilities for the prevention and treatment of  
20 addictions to drugs, alcohol, and compulsive gambling, including  
21 the creation and maintenance of a toll free telephone line to  
22 provide the public with information about these addictions. The  
23 division shall allocate at least twenty-five percent (25%) of the  
24 money received to the prevention and treatment of compulsive  
25 gambling.

26 (h) This subsection applies to the following:

27 (1) Each entity receiving money under subsection (b).

28 (2) Each entity receiving money under subsection (d)(1) through  
29 (d)(2).

30 (3) Each entity receiving money under subsection (d)(5) through  
31 (d)(7).

32 The treasurer of state shall determine the total amount of money paid  
33 by the treasurer of state to an entity subject to this subsection during  
34 the state fiscal year 2002. The amount determined under this subsection  
35 is the base year revenue for each entity subject to this subsection. The  
36 treasurer of state shall certify the base year revenue determined under  
37 this subsection to each entity subject to this subsection.

38 (i) This subsection applies to an entity receiving money under  
39 subsection (d)(3) or (d)(4). The treasurer of state shall determine the  
40 total amount of money paid by the treasurer of state to the entity  
41 described in subsection (d)(3) during state fiscal year 2002. The  
42 amount determined under this subsection multiplied by nine-tenths  
43 (0.9) is the base year revenue for the entity described in subsection  
44 (d)(3). The amount determined under this subsection multiplied by  
45 one-tenth (0.1) is the base year revenue for the entity described in  
46 subsection (d)(4). The treasurer of state shall certify the base year  
47 revenue determined under this subsection to each entity subject to this  
48 subsection.

49 (j) This subsection does not apply to an entity receiving money  
50 under subsection (c). For state fiscal years beginning after June 30,  
51 2002, the total amount of money distributed to an entity under this

1 section during a state fiscal year may not exceed the entity's base year  
 2 revenue as determined under subsection (h) or (i). If the treasurer of  
 3 state determines that the total amount of money distributed to an entity  
 4 under this section during a state fiscal year is less than the entity's base  
 5 year revenue, the treasurer of state shall make a supplemental  
 6 distribution to the entity under IC 4-33-13-5(g).

7 (k) This subsection does not apply to an entity receiving money  
 8 under subsection (c). For state fiscal years beginning after June 30,  
 9 2002, the treasurer of state shall pay that part of the riverboat  
 10 admissions taxes that:

- 11 (1) exceeds a particular entity's base year revenue; and
- 12 (2) would otherwise be due to the entity under this section;

13 to the **property tax replacement state general** fund instead of to the  
 14 entity.

15 SECTION 18. IC 4-33-13-5, AS AMENDED BY HEA 1137-2008,  
 16 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 JANUARY 1, 2009]: Sec. 5. (a) This subsection does not apply to tax  
 18 revenue remitted by an operating agent operating a riverboat in a  
 19 historic hotel district. After funds are appropriated under section 4 of  
 20 this chapter, each month the treasurer of state shall distribute the tax  
 21 revenue deposited in the state gaming fund under this chapter to the  
 22 following:

23 (1) The first thirty-three million dollars (\$33,000,000) of tax  
 24 revenues collected under this chapter shall be set aside for  
 25 revenue sharing under subsection (e).

26 (2) Subject to subsection (c), twenty-five percent (25%) of the  
 27 remaining tax revenue remitted by each licensed owner shall be  
 28 paid:

29 (A) to the city that is designated as the home dock of the  
 30 riverboat from which the tax revenue was collected, in the case  
 31 of:

- 32 (i) a city described in IC 4-33-12-6(b)(1)(A); or
- 33 (ii) a city located in a county having a population of more  
 34 than four hundred thousand (400,000) but less than seven  
 35 hundred thousand (700,000); or

36 (B) to the county that is designated as the home dock of the  
 37 riverboat from which the tax revenue was collected, in the case  
 38 of a riverboat whose home dock is not in a city described in  
 39 clause (A).

40 (3) Subject to subsection (d), the remainder of the tax revenue  
 41 remitted by each licensed owner shall be paid to the **property tax**  
 42 **replacement state general** fund. In each state fiscal year, the  
 43 treasurer of state shall make the transfer required by this  
 44 subdivision not later than the last business day of the month in  
 45 which the tax revenue is remitted to the state for deposit in the  
 46 state gaming fund. However, if tax revenue is received by the  
 47 state on the last business day in a month, the treasurer of state  
 48 may transfer the tax revenue to the **property tax replacement state**  
 49 **general** fund in the immediately following month.

50 (b) This subsection applies only to tax revenue remitted by an  
 51 operating agent operating a riverboat in a historic hotel district. After

1 funds are appropriated under section 4 of this chapter, each month the  
 2 treasurer of state shall distribute the tax revenue remitted by the  
 3 operating agent under this chapter as follows:

4 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the  
 5 **property tax replacement state general fund. established under**  
 6 ~~IC 6-1.1-21.~~

7 (2) Nineteen percent (19%) shall be paid to the West Baden  
 8 Springs historic hotel preservation and maintenance fund  
 9 established by IC 36-7-11.5-11(b). However, at any time the  
 10 balance in that fund exceeds twenty million dollars  
 11 (\$20,000,000), the amount described in this subdivision shall be  
 12 paid to the **property tax replacement state general fund.**  
 13 ~~established under IC 6-1.1-21.~~

14 (3) Eight percent (8%) shall be paid to the Orange County  
 15 development commission established under IC 36-7-11.5.

16 (4) Sixteen percent (16%) shall be paid in equal amounts to each  
 17 town that is located in the county in which the riverboat docks and  
 18 contains a historic hotel. The following apply to taxes received by  
 19 a town under this subdivision:

20 (A) At least twenty-five percent (25%) of the taxes must be  
 21 transferred to the school corporation in which the town is  
 22 located.

23 (B) At least twelve and five-tenths percent (12.5%) of the  
 24 taxes must be transferred to the Orange County convention  
 25 and visitors bureau.

26 (5) Nine percent (9%) shall be paid to the county treasurer of the  
 27 county in which the riverboat is docked. The county treasurer  
 28 shall distribute the money received under this subdivision as  
 29 follows:

30 (A) Twenty-two and twenty-five hundredths percent (22.25%)  
 31 shall be quarterly distributed to the county treasurer of a  
 32 county having a population of more than thirty-nine thousand  
 33 six hundred (39,600) but less than forty thousand (40,000) for  
 34 appropriation by the county fiscal body after receiving a  
 35 recommendation from the county executive. The county fiscal  
 36 body for the receiving county shall provide for the distribution  
 37 of the money received under this clause to one (1) or more  
 38 taxing units (as defined in IC 6-1.1-1-21) in the county under  
 39 a formula established by the county fiscal body after receiving  
 40 a recommendation from the county executive.

41 (B) Twenty-two and twenty-five hundredths percent (22.25%)  
 42 shall be quarterly distributed to the county treasurer of a  
 43 county having a population of more than ten thousand seven  
 44 hundred (10,700) but less than twelve thousand (12,000) for  
 45 appropriation by the county fiscal body after receiving a  
 46 recommendation from the county executive. The county fiscal  
 47 body for the receiving county shall provide for the distribution  
 48 of the money received under this clause to one (1) or more  
 49 taxing units (as defined in IC 6-1.1-1-21) in the county under  
 50 a formula established by the county fiscal body after receiving  
 51 a recommendation from the county executive.

- 1 (C) Fifty-five and five-tenths percent (55.5%) shall be retained  
 2 by the county where the riverboat is docked for appropriation  
 3 by the county fiscal body after receiving a recommendation  
 4 from the county executive.
- 5 (6) Five percent (5%) shall be paid to a town having a population  
 6 of more than two thousand two hundred (2,200) but less than  
 7 three thousand five hundred (3,500) located in a county having a  
 8 population of more than nineteen thousand three hundred  
 9 (19,300) but less than twenty thousand (20,000). At least forty  
 10 percent (40%) of the taxes received by a town under this  
 11 subdivision must be transferred to the school corporation in which  
 12 the town is located.
- 13 (7) Five percent (5%) shall be paid to a town having a population  
 14 of more than three thousand five hundred (3,500) located in a  
 15 county having a population of more than nineteen thousand three  
 16 hundred (19,300) but less than twenty thousand (20,000). At least  
 17 forty percent (40%) of the taxes received by a town under this  
 18 subdivision must be transferred to the school corporation in which  
 19 the town is located.
- 20 (8) Five-tenths percent (0.5%) shall be paid to the Orange County  
 21 convention and visitors bureau.
- 22 (c) For each city and county receiving money under subsection  
 23 (a)(2), the treasurer of state shall determine the total amount of money  
 24 paid by the treasurer of state to the city or county during the state fiscal  
 25 year 2002. The amount determined is the base year revenue for the city  
 26 or county. The treasurer of state shall certify the base year revenue  
 27 determined under this subsection to the city or county. The total  
 28 amount of money distributed to a city or county under this section  
 29 during a state fiscal year may not exceed the entity's base year revenue.  
 30 For each state fiscal year, the treasurer of state shall pay that part of the  
 31 riverboat wagering taxes that:
- 32 (1) exceeds a particular city's or county's base year revenue; and  
 33 (2) would otherwise be due to the city or county under this  
 34 section;
- 35 to the ~~property tax replacement state general~~ fund instead of to the city  
 36 or county.
- 37 (d) Each state fiscal year the treasurer of state shall transfer from the  
 38 tax revenue remitted to the ~~property tax replacement state general~~ fund  
 39 under subsection (a)(3) to the build Indiana fund an amount that when  
 40 added to the following may not exceed two hundred fifty million  
 41 dollars (\$250,000,000):
- 42 (1) Surplus lottery revenues under IC 4-30-17-3.  
 43 (2) Surplus revenue from the charity gaming enforcement fund  
 44 under IC 4-32.2-7-7.  
 45 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.
- 46 The treasurer of state shall make transfers on a monthly basis as needed  
 47 to meet the obligations of the build Indiana fund. If in any state fiscal  
 48 year insufficient money is transferred to the ~~property tax replacement~~  
 49 **state general** fund under subsection (a)(3) to comply with this  
 50 subsection, the treasurer of state shall reduce the amount transferred to  
 51 the build Indiana fund to the amount available in the ~~property tax~~

1 ~~replacement state general~~ fund from the transfers under subsection  
2 (a)(3) for the state fiscal year.

3 (e) Before August 15 of each year, the treasurer of state shall  
4 distribute the wagering taxes set aside for revenue sharing under  
5 subsection (a)(1) to the county treasurer of each county that does not  
6 have a riverboat according to the ratio that the county's population  
7 bears to the total population of the counties that do not have a  
8 riverboat. Except as provided in subsection (h), the county auditor shall  
9 distribute the money received by the county under this subsection as  
10 follows:

11 (1) To each city located in the county according to the ratio the  
12 city's population bears to the total population of the county.

13 (2) To each town located in the county according to the ratio the  
14 town's population bears to the total population of the county.

15 (3) After the distributions required in subdivisions (1) and (2) are  
16 made, the remainder shall be retained by the county.

17 (f) Money received by a city, town, or county under subsection (e)  
18 or (h) may be used for any of the following purposes:

19 (1) To reduce the property tax levy of the city, town, or county for  
20 a particular year (a property tax reduction under this subdivision  
21 does not reduce the maximum levy of the city, town, or county  
22 under IC 6-1.1-18.5).

23 (2) For deposit in a special fund or allocation fund created under  
24 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and  
25 IC 36-7-30 to provide funding for ~~additional credits for property~~  
26 ~~tax replacement in property tax increment allocation areas or debt~~  
27 ~~repayment.~~

28 (3) To fund sewer and water projects, including storm water  
29 management projects.

30 (4) For police and fire pensions.

31 (5) To carry out any governmental purpose for which the money  
32 is appropriated by the fiscal body of the city, town, or county.  
33 Money used under this subdivision does not reduce the property  
34 tax levy of the city, town, or county for a particular year or reduce  
35 the maximum levy of the city, town, or county under  
36 IC 6-1.1-18.5.

37 (g) This subsection does not apply to an entity receiving money  
38 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer  
39 of state shall determine the total amount of money distributed to an  
40 entity under IC 4-33-12-6 during the preceding state fiscal year. If the  
41 treasurer of state determines that the total amount of money distributed  
42 to an entity under IC 4-33-12-6 during the preceding state fiscal year  
43 was less than the entity's base year revenue (as determined under  
44 IC 4-33-12-6), the treasurer of state shall make a supplemental  
45 distribution to the entity from taxes collected under this chapter and  
46 deposited into the ~~property tax replacement state general~~ fund. Except  
47 as provided in subsection (i), the amount of an entity's supplemental  
48 distribution is equal to:

49 (1) the entity's base year revenue (as determined under  
50 IC 4-33-12-6); minus

51 (2) the sum of:



1 (A) the total amount of money distributed to the entity during  
 2 the preceding state fiscal year under IC 4-33-12-6; plus  
 3 (B) any amounts deducted under IC 6-3.1-20-7.

4 (h) This subsection applies only to a county containing a  
 5 consolidated city. The county auditor shall distribute the money  
 6 received by the county under subsection (e) as follows:

7 (1) To each city, other than a consolidated city, located in the  
 8 county according to the ratio that the city's population bears to the  
 9 total population of the county.

10 (2) To each town located in the county according to the ratio that  
 11 the town's population bears to the total population of the county.

12 (3) After the distributions required in subdivisions (1) and (2) are  
 13 made, the remainder shall be paid in equal amounts to the  
 14 consolidated city and the county.

15 (i) This subsection applies only to the Indiana horse racing  
 16 commission. For each state fiscal year the amount of the Indiana horse  
 17 racing commission's supplemental distribution under subsection (g)  
 18 must be reduced by the amount required to comply with  
 19 IC 4-33-12-7(a).

20 SECTION 19. IC 4-35-5-3, AS ADDED BY P.L.233-2007,  
 21 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JANUARY 1, 2009]: Sec. 3. (a) A permit holder that is issued a  
 23 gambling game license under this article must pay to the commission  
 24 an initial licensing fee of two hundred fifty million dollars  
 25 (\$250,000,000) as follows:

26 (1) One hundred fifty million dollars (\$150,000,000) payable  
 27 before November 1, 2007.

28 (2) One hundred million dollars (\$100,000,000) payable before  
 29 November 1, 2008.

30 (b) The commission shall deposit any initial licensing fees collected  
 31 under this section into the ~~property tax reduction trust state general~~  
 32 ~~fund. established by IC 4-35-8-2. Subject to an appropriation by the~~  
 33 ~~general assembly, money deposited into the property tax reduction trust~~  
 34 ~~fund under this section may be used to provide property tax relief in~~  
 35 ~~any manner prescribed by the general assembly.~~

36 SECTION 20. IC 4-35-5-4, AS ADDED BY P.L.233-2007,  
 37 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JANUARY 1, 2009]: Sec. 4. (a) An initial gambling game license  
 39 expires five (5) years after the effective date of the license. Unless the  
 40 gambling game license is terminated or revoked, the gambling game  
 41 license may be renewed annually thereafter upon:

42 (1) the payment of an annual renewal fee of one hundred dollars  
 43 (\$100) per slot machine operated by the licensee; and

44 (2) a determination by the commission that the licensee satisfies  
 45 the conditions of this chapter.

46 Renewal fees paid under this section shall be deposited in the ~~property~~  
 47 ~~tax reduction trust state general~~ fund. ~~established by IC 4-35-8-2.~~

48 (b) Except as provided in subsection (c), an initial gaming license  
 49 may not be transferred by the initial licensee for at least five (5) years  
 50 after the effective date of the license.

51 (c) A gambling game license may be transferred for any of the

1 following reasons:

2 (1) As a result of a bankruptcy, a receivership, or a debt  
3 adjustment initiated by or against the initial licensee or the  
4 substantial owners of the initial licensee.

5 (2) Because:

6 (A) the licensee's license has been cancelled, terminated, or  
7 revoked by the commission; or

8 (B) the commission determines that transferring the license is  
9 in the best interests of Indiana.

10 (3) Because of the death of a substantial owner of the initial  
11 licensee.

12 A transfer permitted under this subsection is subject to section 7 of this  
13 chapter.

14 SECTION 21. IC 4-35-7-12, AS ADDED BY P.L.233-2007,  
15 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 JANUARY 1, 2009]: Sec. 12. (a) The Indiana horse racing commission  
17 shall enforce the requirements of this section.

18 (b) Except as provided in subsections (j) and (k), a licensee shall  
19 before the fifteenth day of each month devote to the gaming integrity  
20 fund, horse racing purses, and to horsemen's associations an amount  
21 equal to fifteen percent (15%) of the adjusted gross receipts of the slot  
22 machine wagering from the previous month at the licensee's racetrack.  
23 The Indiana horse racing commission may not use any of this money  
24 for any administrative purpose or other purpose of the Indiana horse  
25 racing commission, and the entire amount of the money shall be  
26 distributed as provided in this section. A licensee shall pay the first two  
27 hundred fifty thousand dollars (\$250,000) distributed under this section  
28 in a state fiscal year to the commission for deposit in the gaming  
29 integrity fund established by IC 4-35-8.7-3. After this money has been  
30 distributed to the commission, a licensee shall distribute the remaining  
31 money devoted to horse racing purses and to horsemen's associations  
32 under this subsection as follows:

33 (1) Five-tenths percent (0.5%) shall be transferred to horsemen's  
34 associations for equine promotion or welfare according to the  
35 ratios specified in subsection (e).

36 (2) Two and five-tenths percent (2.5%) shall be transferred to  
37 horsemen's associations for backside benevolence according to  
38 the ratios specified in subsection (e).

39 (3) Ninety-seven percent (97%) shall be distributed to promote  
40 horses and horse racing as provided in subsection (d).

41 (c) A horsemen's association shall expend the amounts distributed  
42 to the horsemen's association under subsection (b)(1) through (b)(2) for  
43 a purpose promoting the equine industry or equine welfare or for a  
44 benevolent purpose that the horsemen's association determines is in the  
45 best interests of horse racing in Indiana for the breed represented by the  
46 horsemen's association. Expenditures under this subsection are subject  
47 to the regulatory requirements of subsection (f).

48 (d) A licensee shall distribute the amounts described in subsection  
49 (b)(3) as follows:

50 (1) Forty-six percent (46%) for thoroughbred purposes as follows:

51 (A) Sixty percent (60%) for the following purposes:

- 1 (i) Ninety-seven percent (97%) for thoroughbred purses.  
 2 (ii) Two and four-tenths percent (2.4%) to the horsemen's  
 3 association representing thoroughbred owners and trainers.  
 4 (iii) Six-tenths percent (0.6%) to the horsemen's association  
 5 representing thoroughbred owners and breeders.  
 6 (B) Forty percent (40%) to the breed development fund  
 7 established for thoroughbreds under IC 4-31-11-10.  
 8 (2) Forty-six percent (46%) for standardbred purposes as follows:  
 9 (A) Fifty percent (50%) for the following purposes:  
 10 (i) Ninety-six and five-tenths percent (96.5%) for  
 11 standardbred purses.  
 12 (ii) Three and five-tenths percent (3.5%) to the horsemen's  
 13 association representing standardbred owners and trainers.  
 14 (B) Fifty percent (50%) to the breed development fund  
 15 established for standardbreds under IC 4-31-11-10.  
 16 (3) Eight percent (8%) for quarter horse purposes as follows:  
 17 (A) Seventy percent (70%) for the following purposes:  
 18 (i) Ninety-five percent (95%) for quarter horse purses.  
 19 (ii) Five percent (5%) to the horsemen's association  
 20 representing quarter horse owners and trainers.  
 21 (B) Thirty percent (30%) to the breed development fund  
 22 established for quarter horses under IC 4-31-11-10.  
 23 Expenditures under this subsection are subject to the regulatory  
 24 requirements of subsection (f).  
 25 (e) Money distributed under subsection (b)(1) and (b)(2) shall be  
 26 allocated as follows:  
 27 (1) Forty-six percent (46%) to the horsemen's association  
 28 representing thoroughbred owners and trainers.  
 29 (2) Forty-six percent (46%) to the horsemen's association  
 30 representing standardbred owners and trainers.  
 31 (3) Eight percent (8%) to the horsemen's association representing  
 32 quarter horse owners and trainers.  
 33 (f) Money distributed under this section may not be expended unless  
 34 the expenditure is for a purpose authorized in this section and is either  
 35 for a purpose promoting the equine industry or equine welfare or is for  
 36 a benevolent purpose that is in the best interests of horse racing in  
 37 Indiana or the necessary expenditures for the operations of the  
 38 horsemen's association required to implement and fulfill the purposes  
 39 of this section. The Indiana horse racing commission may review any  
 40 expenditure of money distributed under this section to ensure that the  
 41 requirements of this section are satisfied. The Indiana horse racing  
 42 commission shall adopt rules concerning the review and oversight of  
 43 money distributed under this section and shall adopt rules concerning  
 44 the enforcement of this section. The following apply to a horsemen's  
 45 association receiving a distribution of money under this section:  
 46 (1) The horsemen's association must annually file a report with  
 47 the Indiana horse racing commission concerning the use of the  
 48 money by the horsemen's association. The report must include  
 49 information as required by the commission.  
 50 (2) The horsemen's association must register with the Indiana  
 51 horse racing commission.

1 (g) The commission shall provide the Indiana horse racing  
2 commission with the information necessary to enforce this section.

3 (h) The Indiana horse racing commission shall investigate any  
4 complaint that a licensee has failed to comply with the horse racing  
5 purse requirements set forth in this section. If, after notice and a  
6 hearing, the Indiana horse racing commission finds that a licensee has  
7 failed to comply with the purse requirements set forth in this section,  
8 the Indiana horse racing commission may:

9 (1) issue a warning to the licensee;

10 (2) impose a civil penalty that may not exceed one million dollars  
11 (\$1,000,000); or

12 (3) suspend a meeting permit issued under IC 4-31-5 to conduct  
13 a pari-mutuel wagering horse racing meeting in Indiana.

14 (i) A civil penalty collected under this section must be deposited in  
15 the state general fund.

16 (j) For a state fiscal year beginning after June 30, 2008, and ending  
17 before July 1, 2009, the amount of money dedicated to the purposes  
18 described in subsection (b) for a particular state fiscal year is equal to  
19 the lesser of:

20 (1) fifteen percent (15%) of the licensee's adjusted gross receipts  
21 for the state fiscal year; or

22 (2) eighty-five million dollars (\$85,000,000).

23 If fifteen percent (15%) of a licensee's adjusted gross receipts for the  
24 state fiscal year exceeds the amount specified in subdivision (2), the  
25 licensee shall transfer the amount of the excess to the commission for  
26 deposit in the ~~property tax reduction trust~~ **state general fund**.  
27 ~~established by IC 4-35-8-2.~~ The licensee shall adjust the transfers  
28 required under this section in the final month of the state fiscal year to  
29 comply with the requirements of this subsection.

30 (k) For a state fiscal year beginning after June 30, 2009, the amount  
31 of money dedicated to the purposes described in subsection (b) for a  
32 particular state fiscal year is equal to the lesser of:

33 (1) fifteen percent (15%) of the licensee's adjusted gross receipts  
34 for the state fiscal year; or

35 (2) the amount dedicated to the purposes described in subsection  
36 (b) in the previous state fiscal year increased by a percentage that  
37 does not exceed the percent of increase in the United States  
38 Department of Labor Consumer Price Index during the year  
39 preceding the year in which an increase is established.

40 If fifteen percent (15%) of a licensee's adjusted gross receipts for the  
41 state fiscal year exceeds the amount specified in subdivision (2), the  
42 licensee shall transfer the amount of the excess to the commission for  
43 deposit in the ~~property tax reduction trust~~ **state general fund**.  
44 ~~established by IC 4-35-8-2.~~ The licensee shall adjust the transfers  
45 required under this section in the final month of the state fiscal year to  
46 comply with the requirements of this subsection.

47 SECTION 22. IC 4-35-8-3, AS ADDED BY P.L.233-2007,  
48 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
49 JANUARY 1, 2009]: Sec. 3. The department shall deposit tax revenue  
50 collected under section 1 of this chapter in the ~~property tax reduction~~  
51 **trust state general fund**.

1 SECTION 23. IC 5-1-5-1, AS AMENDED BY P.L.2-2006,  
 2 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2008]: Sec. 1. The following terms as used in this chapter  
 4 have the following meanings:

5 (a) "Governing body" means the council, commission, board of  
 6 commissioners, board of directors, board of trustees, or other  
 7 legislative body in which the legislative powers of the issuing body are  
 8 vested.

9 (b) "Issuing body" means the state of Indiana, its agencies,  
 10 commissions, universities, colleges, institutions, political subdivisions,  
 11 counties, school corporations, hospital associations, municipal and  
 12 quasi-municipal corporations, special taxing districts, and any  
 13 corporation which has issued bonds payable directly or indirectly from  
 14 lease rentals payable by any of the foregoing issuing bodies, now or  
 15 hereafter existing under the laws of the state.

16 (c) "Bond" means any revenue bond, general obligation bond, or  
 17 advance refunding bond.

18 (d) "Revenue bond" means any bond note, warrant, certificate of  
 19 indebtedness, or other obligation, including a certificate or other  
 20 evidence of participation in the lessor's interest in and rights under a  
 21 lease, for the payment of money issued by an issuing body or any  
 22 predecessor of any issuing body which is payable from designated  
 23 revenues, rental payments, special benefits, taxes, or a special fund but  
 24 excluding any obligation constituting an indebtedness within the  
 25 meaning of the constitutional debt limitation and any obligation  
 26 payable solely from special assessments or special assessments and a  
 27 guaranty fund.

28 (e) "General obligation bond" means any bond, note, warrant,  
 29 certificate of indebtedness, or other obligation of an issuing body which  
 30 constitutes an indebtedness within the meaning of the constitutional  
 31 debt limitation.

32 (f) "Advance refunding bonds" means bonds issued for the purpose  
 33 of refunding bonds first subject to redemption or maturing after the  
 34 date of the advance refunding bonds.

35 (g) "Ordinance" means an ordinance of a city or town or resolution  
 36 or other instrument by which the governing body of the issuing body  
 37 exercising any power hereunder takes formal action and adopts  
 38 legislative provisions and matters of some permanency.

39 (h) "Corporation which has issued bonds" means a corporation  
 40 organized under IC 20-47-2 or IC 20-47-3, the laws of any state of the  
 41 United States of America or of the United States of America, including  
 42 any bank, trust company, or national association serving as a trustee  
 43 under an indenture providing for issuance of bonds.

44 (i) "Local issuing body" means an issuing body that is:

45 (1) a political subdivision (as defined in IC 36-1-2-13);

46 (2) a district (as defined in IC 6-1.1-21.2-5); or

47 (3) a corporation or other entity that:

48 (A) is not a body corporate and politic established as an  
 49 instrumentality of the state; and

50 (B) has issued bonds that are payable directly or indirectly  
 51 from lease rentals payable by a political subdivision or

- 1 district described in subdivision (1) or (2).
- 2 (j) "Special benefit taxes" means a special tax levied and  
3 collected on an ad valorem basis on property for the purpose of  
4 financing local public improvements that:
- 5 (1) are not political or governmental in nature; and  
6 (2) are of special benefit to the residents and property of the  
7 area.
- 8 (k) "Tax increment revenues" means an allocation of:
- 9 (1) ad valorem property taxes;  
10 (2) state or local adjusted gross income taxes; or  
11 (3) state or local gross retail and use taxes;
- 12 to a redevelopment district that is based on an increase in the  
13 assessed value, wages, sales, or other economic activity occurring  
14 in a designated area. The term includes allocations described in  
15 IC 5-28-26-9, IC 6-1.1-21.2-10, IC 36-7-26-10, IC 36-7-27-8,  
16 IC 36-7-31-6, and IC 36-7-31.3-4.
- 17 (l) "Redevelopment district" refers to the following:
- 18 (1) An airport development zone under IC 8-22-3.5.  
19 (2) A redevelopment district established under:  
20 (A) IC 36-7-14; or  
21 (B) IC 36-7-15.1.  
22 (3) A special taxing district described in:  
23 (A) IC 36-7-14.5-12.5(d); or  
24 (B) IC 36-7-30-3(b).  
25 (4) Another public entity to which tax increment revenues are  
26 allocated.
- 27 (†) (m) Words used in this chapter importing singular or plural  
28 number may be construed so that one (1) number includes both.
- 29 SECTION 24. IC 5-1-5-17 IS ADDED TO THE INDIANA CODE  
30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
31 1, 2008]: **Sec. 17. (a) This section applies to bonds that are:**
- 32 (1) issued after June 30, 2008, by a local issuing body; and  
33 (2) payable from ad valorem property taxes, special benefit  
34 taxes on property, or tax increment revenues derived from  
35 property taxes;
- 36 including bonds that are issued under a statute that permits the  
37 bonds to be issued without complying with any other law or  
38 otherwise expressly exempts the bonds from the requirements of  
39 this section.
- 40 (b) The last date permitted under an agreement for the payment  
41 of principal and interest on bonds that are issued to retire or  
42 otherwise refund other revenue bonds or general obligation bonds  
43 may not extend beyond the maximum term of the bonds being  
44 refunded.
- 45 SECTION 25. IC 5-1-5-18 IS ADDED TO THE INDIANA CODE  
46 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
47 1, 2008]: **Sec. 18. (a) This section applies to bonds that are:**
- 48 (1) issued after June 30, 2008, by a local issuing body; and  
49 (2) payable from ad valorem property taxes, special benefit  
50 taxes on property, or tax increment revenues derived from  
51 property taxes;

1 including bonds that are issued under a statute that permits the  
 2 bonds to be issued without complying with any other law or  
 3 otherwise expressly exempts the bonds from the requirements of  
 4 this section.

5 (b) Savings (as computed under section 2 of this chapter) that  
 6 accrue from the issuance of bonds to retire or otherwise refund  
 7 other bonds may be used only for the following purposes:

8 (1) To maintain a debt service reserve fund for the refunding  
 9 bonds at the level required under the terms of the refunding  
 10 bonds, if the local issuing body adopts an ordinance,  
 11 resolution, or order authorizing that use of the proceeds or  
 12 earnings.

13 (2) To pay the principal or interest, or both, on:

14 (A) the refunding bonds; or

15 (B) other bonds, if the issuing body approves an ordinance  
 16 authorizing the use of the savings to pay principal or  
 17 interest on other bonds.

18 (3) To reduce the rate or amount of ad valorem property  
 19 taxes, special benefit taxes on property, or tax increment  
 20 revenues imposed by or allocated to the local issuing body.

21 SECTION 26. IC 5-1-13-1 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~As used in~~ **The**  
 23 **definitions in this section apply throughout** this chapter:

24 (1) "Bonds" has the same definition that the term is given in  
 25 IC 5-1-11-1.

26 (2) "**Local issuing body**" has the meaning set forth in  
 27 **IC 5-1-5-1.**

28 (3) "Political subdivision" has the same definition that the term is  
 29 given in IC 36-1-2-13.

30 (4) "**Special benefit taxes**" has the meaning set forth in  
 31 **IC 5-1-5-1.**

32 (5) "**Tax increment revenues**" has the meaning set forth in  
 33 **IC 5-1-5-1.**

34 SECTION 27. IC 5-1-13-2 IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) Notwithstanding  
 36 any other law, whenever:

37 (1) bonds are issued by any ~~political subdivision~~ **local issuing**  
 38 **body** in the state of Indiana for any lawful purpose or project;

39 (2) the purpose or project for which the bonds were issued has  
 40 been accomplished or abandoned; and

41 (3) a surplus remains from the proceeds of the bonds or  
 42 investment earnings derived from the proceeds of those bonds;  
 43 the ~~political subdivision~~ **local issuing body** may use the surplus only  
 44 in the manner prescribed by subsection (b), ~~or~~ (c), **or** (d).

45 (b) The legislative body **or other governing body** of any such  
 46 ~~political subdivision~~ **local issuing body** may by an order, ordinance, or  
 47 resolution entered of record direct the disbursing officer of such  
 48 ~~political subdivision~~ **local issuing body** to transfer the surplus bond  
 49 proceeds or investment earnings to the fund of the ~~political subdivision~~  
 50 **local issuing body** pledged to the payment of principal and interest on  
 51 those bonds, and upon such order, ordinance, or resolution being made,

1 the disbursing officer shall make such transfer. Thereafter such funds  
 2 transferred shall be used for the payment of the bonds to which the  
 3 surplus bond proceeds or investment earnings are attributable or  
 4 interest due for such bonds.

5 **(c) Surplus bond proceeds or investment earnings may be used**  
 6 **by a local issuing body for the following purposes:**

7 **(1) To maintain a debt service reserve fund for the bonds to**  
 8 **which the surplus bond proceeds or investment earnings are**  
 9 **attributable, at the level required under the terms of the**  
 10 **bonds, if the local issuing body adopts an ordinance,**  
 11 **resolution, or order authorizing that use of the proceeds or**  
 12 **earnings.**

13 **(2) To pay the principal or interest, or both, on any other**  
 14 **bonds of the local issuing body, if the local issuing body adopts**  
 15 **an ordinance, a resolution, or an order authorizing the use of**  
 16 **the surplus proceeds to pay principal or interest on the bonds.**

17 **(3) To reduce the rate or amount of ad valorem property**  
 18 **taxes, special benefit taxes on property, or tax increment**  
 19 **revenues imposed by or allocated to the local issuing body.**

20 ~~(c)~~ **(d) This section applies to bonds that are not payable from**  
 21 **ad valorem property taxes, special benefit taxes on property, or tax**  
 22 **increment revenues derived from property taxes.** Surplus bond  
 23 proceeds or investment earnings may be used by a ~~political subdivision~~  
 24 **local issuing body** for the same purpose or type of project for which  
 25 the bonds were originally issued, if:

26 (1) the fiscal officer of the ~~political subdivision~~ **local issuing**  
 27 **body** certifies before or at the time of that use that the surplus was  
 28 not anticipated at the time of issuance of the bonds; and

29 (2) the board or legislative body responsible for issuing the bonds  
 30 takes action approving the use of surplus bond proceeds or  
 31 investment earnings for the same purpose or type of project for  
 32 which the bonds were originally issued.

33 SECTION 28. IC 5-1-14-1.3 IS ADDED TO THE INDIANA CODE  
 34 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 35 1, 2008]: **Sec. 1.3. The following definitions apply throughout this**  
 36 **chapter:**

37 **(1) "Local issuing body" has the meaning set forth in**  
 38 **IC 5-1-5-1.**

39 **(2) "Special benefit taxes" has the meaning set forth in**  
 40 **IC 5-1-5-1.**

41 **(3) "Tax increment revenues" has the meaning set forth in**  
 42 **IC 5-1-5-1.**

43 SECTION 29. IC 5-1-14-10 IS AMENDED TO READ AS  
 44 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) If an issuer has  
 45 issued obligations under a statute that establishes a maximum term or  
 46 repayment period for the obligations, notwithstanding that statute, the  
 47 issuer may continue to make payments of principal, interest, or both, on  
 48 the obligations after the expiration of the term or period if principal or  
 49 interest owed to owners of the obligations remains unpaid.

50 (b) This section does not authorize the use of revenues or funds to  
 51 make payments of principal and interest other than those revenues or



1 funds that were pledged for the payments before the expiration of the  
2 term or period.

3 **(c) Except as otherwise provided by this section, IC 36-7-12-27,**  
4 **or IC 36-7-14-25.1, the maximum term or repayment period for**  
5 **obligations issued after June 30, 2008, that are wholly or partially**  
6 **payable from ad valorem property taxes, special benefit taxes on**  
7 **property, or tax increment revenues derived from property taxes**  
8 **may not exceed:**

9 **(1) the maximum applicable period under federal law, for**  
10 **obligations that are issued to evidence loans made or**  
11 **guaranteed by the federal government or a federal agency;**

12 **(2) twenty-five (25) years, for obligations that are wholly or**  
13 **partially payable from tax increment revenues derived from**  
14 **property taxes; or**

15 **(3) twenty (20) years, for obligations that are not described in**  
16 **subdivision (1) or (2) and are wholly or partially payable from**  
17 **ad valorem property taxes or special benefit taxes on**  
18 **property.**

19 SECTION 30. IC 5-1-14-15, AS ADDED BY P.L.234-2007,  
20 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 JULY 1, 2008]: Sec. 15. (a) **Before July 1, 2008,** a county or  
22 municipality may issue bonds, notes, or other obligations for the  
23 purpose of providing funds to pay pension benefits under IC 36-8-6,  
24 IC 36-8-7, or IC 36-8-7.5.

25 (b) Notwithstanding any other law:

26 (1) bonds, notes, or other obligations issued for the purpose  
27 described in this section may have a final maturity date up to, but  
28 not exceeding, forty (40) years from the date of original issuance;

29 (2) the amount of bonds, notes, or other obligations that may be  
30 issued for the purpose described in this section may not exceed  
31 two percent (2%) of the true tax value of property located within  
32 the county or municipality; and

33 (3) the proceeds of bonds, notes, or other obligations issued for  
34 the purpose described in this section may be deposited to the  
35 issuing county's or municipality's separate account described in  
36 IC 5-10.3-11-6.

37 (c) This section is supplemental to all other laws but does not  
38 relieve a county or municipality from complying with other procedural  
39 requirements for the issuance of bonds, notes, or other obligations.

40 SECTION 31. IC 5-1-14-16 IS ADDED TO THE INDIANA CODE  
41 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
42 1, 2008]: **Sec. 16. (a) This section applies to obligations that are:**

43 **(1) issued after June 30, 2008, by a local issuing body; and**

44 **(2) payable from ad valorem property taxes, special benefit**  
45 **taxes on property, or tax increment revenues derived from**  
46 **property taxes;**

47 **including obligations that are issued under a statute that permits**  
48 **the bonds to be issued without complying with any other law or**  
49 **otherwise expressly exempts the bonds from the requirements of**  
50 **this section.**

51 **(b) An agreement for the issuance of obligations must provide**

1 **for the payment of principal and interest on the obligations in**  
 2 **nearly equal payment amounts and at regular designated intervals**  
 3 **over the maximum term of the obligations except to the extent that:**

4 **(1) interest for a particular repayment period has been paid**  
 5 **from the proceeds of the obligations under section 6 of this**  
 6 **chapter; or**

7 **(2) the local issuing body authorizes a different payment**  
 8 **schedule to:**

9 **(A) maintain substantially equal payments, in the**  
 10 **aggregate, in any period in which the local issuing body**  
 11 **pays the interest and principal on outstanding obligations;**

12 **(B) provide for the payment of principal on the obligations**  
 13 **in amounts and at intervals that will produce an aggregate**  
 14 **amount of principal payments greater than or equal to the**  
 15 **aggregate amount that would otherwise be paid as of the**  
 16 **same date;**

17 **(C) provide for level principal payments over the term of**  
 18 **the obligations, in order to reduce total interest costs; or**

19 **(D) with respect to obligations wholly or partially payable**  
 20 **from tax increment revenues derived from property taxes,**  
 21 **provide for the payment of principal and interest in**  
 22 **varying amounts over the term of the obligations as**  
 23 **necessary due to the variation in the amount of tax**  
 24 **increment revenues available for those payments.**

25 SECTION 32. IC 5-1-16-42 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 42. (a) When the  
 27 authority, the board of trustees or board of managers of the hospital, the  
 28 board of commissioners of the county, and a majority of the county  
 29 council have agreed upon the terms and conditions of any lease  
 30 proposed to be entered into under section 38 or 39 of this chapter, and  
 31 before the final execution of the lease, the county auditor shall give  
 32 notice by publication of a public hearing to be held in the county by the  
 33 board of commissioners. The hearing shall take place on a day not  
 34 earlier than ten (10) days after the publication of the notice. The notice  
 35 of the hearing shall be published one (1) time in a newspaper of general  
 36 circulation printed in the English language and published in the county.  
 37 The notice shall do the following:

38 (1) Name the day, place, and hour of the hearing.

39 (2) Set forth a brief summary of the principal terms of the lease  
 40 agreed upon, including the character and location of the property  
 41 to be leased, the lease rental to be paid, and the number of years  
 42 the contract is to be in effect.

43 (3) State a location where the proposed lease, drawings, plans,  
 44 specifications, and estimates may be examined.

45 The proposed lease and the drawings, plans, specifications, and  
 46 estimates of construction cost for the building shall be open to  
 47 inspection by the public during the ten (10) day period and at the  
 48 hearing. All interested persons shall have a right to be heard at the  
 49 hearing on the necessity for the execution of the lease and whether the  
 50 lease rental under the lease is fair and reasonable. The hearing may be  
 51 adjourned to a later date with the place of the hearing fixed prior to

1 adjournment. Following the hearing, the board of commissioners may  
 2 either authorize the execution of the lease as originally agreed upon or  
 3 may make modifications that are agreed upon by the authority, the  
 4 board of trustees or board of managers of the hospital, and the county  
 5 council. The authorization shall be by an order that is entered in the  
 6 official records of the board of commissioners. The lease contract shall  
 7 be executed on behalf of the county by the board of commissioners.

8 (b) If the execution of the lease as originally agreed upon or as  
 9 modified by agreement is authorized, notice of the signing of the lease  
 10 shall be given on behalf of the county by publication one (1) time in a  
 11 newspaper of general circulation printed in the English language and  
 12 published in the county. Except as provided in subsection (d), ten (10)  
 13 or more taxpayers in the county whose tax rate will be affected by the  
 14 proposed lease and who may be of the opinion that no necessity exists  
 15 for the execution of the lease or that the lease rental under the lease is  
 16 not fair and reasonable may file a petition in the office of the county  
 17 auditor within thirty (30) days after publication of notice of the  
 18 execution of the lease that sets forth the taxpayers' objections and facts  
 19 supporting those objections. Upon the filing of a petition, the county  
 20 auditor shall immediately certify a copy of the petition together with  
 21 such other data as may be necessary in order to present the questions  
 22 involved to the department of local government finance. Upon receipt  
 23 of the certified petition and information, the department of local  
 24 government finance shall fix a time and place in the affected county for  
 25 the hearing of the matter that is not less than five (5) or more than  
 26 fifteen (15) days after receipt. Notice of the hearing shall be given by  
 27 the department of local government finance to the board of county  
 28 commissioners and to the first ten (10) taxpayer petitioners upon the  
 29 petition by certified mail sent to the addresses listed on the petition at  
 30 least five (5) days before the date of the hearing.

31 (c) No action to contest the validity of the lease or to enjoin the  
 32 performance of any of the terms and conditions of the lease shall be  
 33 instituted at any time later than thirty (30) days after publication of  
 34 notice of the execution of the lease, or if an appeal has been taken to  
 35 the department of local government finance, then within thirty (30)  
 36 days after the decision of the department.

37 (d) The authority for taxpayers to object to a proposed lease under  
 38 subsection (b) does not apply if the authority complies with the  
 39 procedures for the issuance of bonds and other evidences of  
 40 indebtedness described in ~~IC 6-1.1-20-3.1~~ and ~~IC 6-1.1-20-3.2~~.  
 41 **IC 6-1.1-20.**

42 SECTION 33. IC 5-4-1-8 IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) The official bonds of officers,  
 44 if sufficient, shall be approved as follows:

45 (1) Of county officers required to give bonds, by the clerk of the  
 46 circuit court unless otherwise specified in this section.

47 (2) Of county sheriff, county coroner, county recorder, county  
 48 auditor, county treasurer, and clerk of the circuit court, by the  
 49 county executive.

50 (3) Of county assessor, township trustee, and township assessor  
 51 **(if any)**, by the county auditor.

- 1 (4) Of city officers, except the executive and members of the  
 2 legislative body, by the city executive.  
 3 (5) Of members of the board of public works or of the board of  
 4 public works and safety in cities, by the city legislative body.  
 5 (6) Of clerk-treasurer and marshal of a town, by the town  
 6 legislative body.  
 7 (7) Of a controller of a solid waste management district  
 8 established under IC 13-21 or IC 13-9.5 (before its repeal), by the  
 9 board of directors of the solid waste management district.

10 (b) A person who approves an official bond shall write the approval  
 11 on the bond.

12 (c) A bond must be approved before it is filed.

13 SECTION 34. IC 5-4-1-18 IS AMENDED TO READ AS  
 14 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 18. (a) Except as  
 15 provided in subsection (b), the following city, town, county, or  
 16 township officers and employees shall file an individual surety bond:

- 17 (1) City judges, controllers, clerks, and clerk-treasurers.  
 18 (2) Town judges and clerk-treasurers.  
 19 (3) Auditors, treasurers, recorders, surveyors, sheriffs, coroners,  
 20 assessors, and clerks.  
 21 (4) Township trustees. ~~and assessors.~~  
 22 (5) Those employees directed to file an individual bond by the  
 23 fiscal body of a city, town, or county.

24 **(6) Township assessors (if any).**

25 (b) The fiscal body of a city, town, county, or township may by  
 26 ordinance authorize the purchase of a blanket bond or a crime  
 27 insurance policy endorsed to include faithful performance to cover the  
 28 faithful performance of all employees, commission members, and  
 29 persons acting on behalf of the local government unit, including those  
 30 officers described in subsection (a).

31 (c) The fiscal bodies of the respective units shall fix the amount of  
 32 the bond of city controllers, city clerk-treasurers, town clerk-treasurers,  
 33 Barrett Law fund custodians, county treasurers, county sheriffs, circuit  
 34 court clerks, township trustees, and conservancy district financial  
 35 clerks as follows:

- 36 (1) The amount must equal fifteen thousand dollars (\$15,000) for  
 37 each one million dollars (\$1,000,000) of receipts of the officer's  
 38 office during the last complete fiscal year before the purchase of  
 39 the bond, subject to subdivision (2).  
 40 (2) The amount may not be less than fifteen thousand dollars  
 41 (\$15,000) nor more than three hundred thousand dollars  
 42 (\$300,000).

43 County auditors shall file bonds in amounts of not less than fifteen  
 44 thousand dollars (\$15,000), as fixed by the fiscal body of the county.  
 45 The amount of the bond of any other person required to file an  
 46 individual bond shall be fixed by the fiscal body of the unit at not less  
 47 than eight thousand five hundred dollars (\$8,500).

48 (d) A controller of a solid waste management district established  
 49 under IC 13-21 or IC 13-9.5 (before its repeal) shall file an individual  
 50 surety bond in an amount:

- 51 (1) fixed by the board of directors of the solid waste management

1 district; and

2 (2) that is at least fifteen thousand dollars (\$15,000).

3 (e) Except as provided under subsection (d), a person who is  
4 required to file an individual surety bond by the board of directors of  
5 a solid waste management district established under IC 13-21 or  
6 IC 13-9.5 (before its repeal) shall file a bond in an amount fixed by the  
7 board of directors.

8 (f) In 1982 and every four (4) years after that, the state examiner  
9 shall review the bond amounts fixed under this section and report in an  
10 electronic format under IC 5-14-6 to the general assembly whether  
11 changes are necessary to ensure adequate and economical coverage.

12 (g) The commissioner of insurance shall prescribe the form of the  
13 bonds or crime policies required by this section, in consultation with  
14 the commission on public records under IC 5-15-5.1-6.

15 SECTION 35. IC 5-10.3-11-4 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Monies  
17 from the pension relief fund shall be paid annually by the state board  
18 under the procedures specified in this section.

19 (b) ~~Before April 1 of~~ Each year, **before a date set by the state**  
20 **board**, each unit of local government must certify to the state board:

21 (1) the amount of payments made during the preceding year for  
22 benefits under its pension funds covered by this chapter, referred  
23 to in this section as "pension payments";

24 (2) the data determined necessary by the state board to perform an  
25 actuarial valuation of the unit's pension funds covered by this  
26 chapter; ~~and~~

27 (3) the names required to prepare the list specified in subsection  
28 (c); **and**

29 **(4) any other information that is necessary for the state board**  
30 **to make distributions to units under this chapter.**

31 A unit is ineligible to receive a distribution under this section if it does  
32 not supply ~~before April 1 of each year (i)~~ the complete information  
33 required by this subsection or ~~(ii)~~ a substantial amount of the  
34 information required if it is accompanied by an affidavit of the chief  
35 executive officer of the unit detailing the steps which have been taken  
36 to obtain the information and the reasons the complete information has  
37 not been obtained. This subsection supersedes the reporting  
38 requirement of IC 5-10-1.5 as it applies to pension funds covered by  
39 this chapter.

40 (c) ~~Before July 1 of~~ Each year, **before a date set by the state**  
41 **board**, the state board shall prepare a list of all police officers and  
42 firefighters, active, retired, and deceased if their beneficiaries are  
43 eligible for benefits, who are members of a police or fire pension fund  
44 that was established before May 1, 1977. The list may not include  
45 police officers, firefighters, or their beneficiaries for whom no future  
46 benefits will be paid. The state board shall then compute the present  
47 value of the accrued liability to provide the pension and other benefits  
48 to each person on the list.

49 (d) ~~Before July 1 of~~ Each year, **before a date set by the state**  
50 **board**, the state board shall determine the total pension payments made  
51 by all units of local government for the preceding year and shall

1 estimate the total pension payments to be made to all units in the  
2 calendar year in which the July 1 occurs and in the following calendar  
3 year.

4 (e) Each calendar year, the state board shall, with respect to the  
5 following calendar year, determine for each unit of local government  
6 an amount ( $D_y$ ). The state board shall, in two (2) equal installments  
7 before July 1 and before October 2; distribute to each eligible unit of  
8 local government the amount ( $D_y$ ) determined for the unit with respect  
9 to the following calendar year. The amount ( $D_y$ ) shall be determined by  
10 the following STEPS:

11 STEP ONE: Subtract the total distribution made to units ( $D_{y-1}$ ) in the  
12 preceding calendar year from the total pension payments made by units  
13 ( $P_{y-1}$ ) in the preceding calendar year.

14 STEP TWO: Multiply the STEP ONE difference by  $(1+k)$  as  $(k)$  is  
15 determined in STEP THREE:

16 STEP THREE: Determine the annual percentage increase  $(k)$  in the  
17 STEP ONE difference which will allow the present value of all future  
18 estimated distributions, as computed under STEP FOUR, from the  
19 pension relief fund to equal the "k portion" of the pension relief fund  
20 balance plus the present value of all future receipts to the "k portion"  
21 of the fund; but which will not allow the "k portion" of the pension  
22 relief fund balance to be negative. These present values shall be  
23 determined based on the current long term actuarial assumptions. The  
24 "k portion" of the pension relief fund balance is the total pension relief  
25 fund balance less the "m portion" of the fund. The percentage increase  
26  $(k)$  shall be computed to the nearest one thousandth of one percent  
27 (.001%). All years, after the year 2000; in which the receipts to the  
28 fund plus the net pension payments by all the units equal or exceed the  
29 total pension payments shall be ignored for the purposes of these  
30 calculations:

31 STEP FOUR: Subtract the STEP TWO product from the estimated  
32 total pension payments to be made by all units ( $P_y$ ) in the calendar year  
33 for which the distribution is to be made:

34 STEP FIVE: Multiply the STEP FOUR difference by one-half ( $1/2$ )  
35 of the sum of two quotients; (1) the quotient of the unit's number of  
36 police officers and firefighters on December 31 of the year before the  
37 year of the distribution who are members of a pension fund established  
38 before May 1, 1977, who are retired, and who are deceased if their  
39 beneficiaries are eligible for benefits (unit) divided by the total number  
40 of these police officers and firefighters (total units) on December 31 of  
41 the year before the year of the distribution in all units plus (2) the  
42 quotient of the unit's pension payments (payments) divided by the total  
43 pension payments (total payments) by all units:

44 Expressed mathematically:

$$45 \quad D_y = (P_y - ((P_{y-1} - D_{y-1}) \times (1 + k))) \times \frac{1}{2}$$

$$46 \quad (\text{unit}/(\text{total unit}) + \text{payment}/(\text{total payment})).$$

47 (f) If in any year the distribution made to a unit of local government  
48 is larger than the unit's pension payments to its retirees and their  
49 beneficiaries for that year, the excess may not be distributed to the unit  
50 but must be transferred to the 1977 police officers' and firefighters'  
51 pension and disability fund and the unit's contributions to that fund

1 shall be reduced for that year by the amount of the transfer.

2 (g) If in any year after 2000, the STEP FOUR difference under  
3 subsection (e) is smaller than the revenue to the pension relief fund in  
4 that year; then the revenue plus interest plus the fund balance in that  
5 year shall be used in STEP FIVE of subsection (e) instead of the STEP  
6 FOUR difference.

7 (h) The state board shall have its actuary report annually on the  
8 appropriateness of the actuarial assumptions used in determining the  
9 distribution amount under subsection (e). At least every five (5) years;  
10 the state board shall have its actuary recompute the value of (k) under  
11 STEP TWO of subsection (e).

12 (i) Each calendar year the state board shall determine the amounts  
13 to be allocated to the "m portion" of the pension relief fund under the  
14 following STEPS, which shall be completed before July 1 of each year:

15 STEP ONE: The state board shall determine the following:

16 (1) "Excess earnings"; which are the state board's projection of  
17 earnings for the calendar year from investments of the "k portion" of  
18 the fund that exceed the amount of earnings that would have been  
19 earned if the rate of earnings was the rate assumed by the actuary of the  
20 state board in his calculation of (k) under STEP THREE of subsection  
21 (e).

22 (2) "Prior deficit amount"; which is:

23 (A) the amount of earnings that would have been earned under  
24 the rate assumed by the actuary of the state board in his  
25 calculation of (k) under STEP THREE of subsection (e);  
26 minus

27 (B) the amount of earnings received;

28 for a calendar year after 1981 in which (B) is less than (A):

29 STEP TWO: The state board shall distribute to the "m portion" the  
30 excess earnings less any prior deficit amounts:

31 (j) The "m portion" of the fund shall be any direct allocations plus:

32 (1) amounts allocated under subsection (i); and

33 (2) any earnings on the "m portion" less amounts previously  
34 distributed under subsection (i):

35 (k) The state board shall determine, based on actual experience and  
36 reasonable projections, the units eligible for distribution from the "m  
37 portion" of the pension relief fund according to the following STEPS:

38 STEP ONE: Determine the amount of pension payments to be paid  
39 by the unit in the calendar year; net of the amount of the distribution to  
40 be received by the unit under subsection (e) in that year; plus  
41 contributions to be made under IC 36-8-8 in that year:

42 STEP TWO: Divide the amount determined under STEP ONE by  
43 the amount of the maximum permissible ad valorem property tax levy  
44 for the unit as determined under IC 6-1.1-18.5 for the calendar year:

45 STEP THREE: If the quotient determined under STEP TWO is  
46 equal to or greater than one-tenth (0.1); the unit shall receive a  
47 distribution under subsection (i):

48 (l) For a calendar year; the state board shall; before July 1 of the  
49 year; distribute from the "m portion" of the pension relief fund to the  
50 extent there are assets in the "m portion" to each eligible unit an  
51 amount; not less than zero (0); determined according to the following

1 STEPS:

2 STEP ONE: For the first of consecutive years that a unit is eligible  
3 to receive a distribution under this subsection; determine the amount  
4 of pension payments paid by the unit in the calendar year two (2) years  
5 preceding the calendar year net of the amount of distributions received  
6 by the unit under subsection (e) in the calendar year two (2) years  
7 preceding the calendar year.

8 STEP TWO: For the first of consecutive years that a unit is eligible  
9 to receive a distribution under this subsection; divide the amount  
10 determined under STEP ONE by the amount of the maximum  
11 permissible ad valorem property tax levy for the unit as determined  
12 under IC 6-1.1-18.5 for the calendar year two (2) years preceding the  
13 calendar year.

14 STEP THREE: For the first and all subsequent consecutive years  
15 that a unit is eligible to receive a distribution under this subsection;  
16 multiply the amount of the maximum permissible ad valorem property  
17 tax levy for the unit as determined under IC 6-1.1-18.5 for the calendar  
18 year by the quotient determined under STEP TWO.

19 STEP FOUR: Subtract the amount determined under STEP THREE  
20 from the amount of pension payments to be paid by the unit in the  
21 calendar year; net of distributions to be received under subsection (e)  
22 for the calendar year.

23 SECTION 36. IC 5-10.3-11-4.7, AS AMENDED BY P.L.234-2007,  
24 SECTION 277, IS AMENDED TO READ AS FOLLOWS  
25 [EFFECTIVE JANUARY 1, 2009]: Sec. 4.7. (a) In addition to the  
26 amounts distributed under sections 4 and 4.5 of this chapter; **In 2009**  
27 **and** each year **thereafter**, the state board shall distribute from the  
28 pension relief fund to each unit of local government an amount  
29 determined under the following STEPS:

30 STEP ONE: Determine the amount of the total amount of  
31 pension, **disability, and survivor benefit** payments **from the**  
32 **1925 police pension fund (IC 36-8-6), the 1937 firefighters'**  
33 **pension fund (IC 36-8-7), and the 1953 police pension fund**  
34 **(IC 36-8-7.5)** to be made by the unit in the calendar year, as  
35 estimated by the state board under section 4 of this chapter, **after**  
36 **subtracting any distributions to the unit from the public**  
37 **deposit insurance fund that will be used for benefit payments.**

38 STEP TWO: Determine the result of:

39 (A) the STEP ONE result; multiplied by

40 (B) fifty percent (50%).

41 STEP THREE: Determine the amount to be distributed in the  
42 current calendar year to the unit of local government under  
43 section 4 of this chapter.

44 STEP FOUR: Determine the greater of zero (0) or the result of:

45 (A) the STEP TWO result; minus

46 (B) the STEP THREE result.

47 (b) The state board shall make the distributions under subsection (a)  
48 in two (2) equal installments before July 1 and before October 2 of  
49 each year.

50 (c) This section expires January 1, 2011.

51 SECTION 37. IC 5-10.3-11-6 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) The state  
2 board shall maintain separate accounts for each unit of local  
3 government for purposes of this section. The accounts

4 ~~(1) are separate and distinct accounts within the public employees'~~  
5 ~~retirement fund and the pension relief fund. and~~  
6 ~~(2) are not part of the "k portion" or "m portion" of the pension~~  
7 ~~relief fund.~~

8 (b) A unit of local government may do the following:

9 (1) Make deposits at any time to the separate account established  
10 for the unit under this section.

11 (2) Withdraw once each year from the unit's separate account all  
12 or a part of the balance in the account to pay pension benefits  
13 under IC 36-8-6, IC 36-8-7, or IC 36-8-7.5.

14 SECTION 38. IC 5-13-6-3 IS AMENDED TO READ AS  
15 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) All taxes  
16 collected by the county treasurer shall be deposited as one (1) fund in  
17 the several depositories selected for the deposit of county funds and,  
18 except as provided in subsection (b), remain in the depositories until  
19 distributed at the following semiannual distribution made by the county  
20 auditor.

21 (b) Every county treasurer who, by virtue of the treasurer's office, is  
22 the collector of any taxes for any political subdivision wholly or partly  
23 within the county shall, not later than thirty (30) days after receipt of a  
24 written request for funds filed with the treasurer by a proper officer of  
25 any political subdivision within the county, advance to that political  
26 subdivision a portion of the taxes collected before the semiannual  
27 distribution. The amount advanced may not exceed the lesser of:

28 (1) ninety-five percent (95%) of the total amount collected at the  
29 time of the advance; or

30 (2) ninety-five percent (95%) of the amount to be distributed at  
31 the semiannual distribution.

32 ~~(c) Every county treasurer shall, not later than thirty (30) days after~~  
33 ~~receipt of a written request for funds filed with the treasurer by a proper~~  
34 ~~officer of any political subdivision within the county, advance to that~~  
35 ~~political subdivision a part of the distributions received under~~  
36 ~~IC 6-1.1-21-10 from the property tax replacement fund for the political~~  
37 ~~subdivision. The amount advanced may not exceed the lesser of:~~

38 ~~(1) ninety-five percent (95%) of the amount distributed from the~~  
39 ~~fund to the county treasurer for the political subdivision at the~~  
40 ~~time of the advance; or~~

41 ~~(2) ninety-five percent (95%) of the total amount to be distributed~~  
42 ~~by the county treasurer to the political subdivision on the next~~  
43 ~~scheduled distribution date.~~

44 ~~(d)~~ (c) Upon notice from the county treasurer of the amount to be  
45 advanced, the county auditor shall draw a warrant upon the county  
46 treasurer for the amount. The amount of the advance must be available  
47 immediately for the use of the political subdivision.

48 ~~(e)~~ (d) At the semiannual distribution all the advances made to any  
49 political subdivision under subsection (b) ~~or (c)~~ shall be deducted from  
50 the total amount due any political subdivision as shown by the  
51 distribution.

1 SECTION 39. IC 5-13-12-4 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) The  
 3 secretary-investment manager shall administer, manage, and direct the  
 4 affairs and activities of the board under the policies and under the  
 5 control and direction of the board. In carrying out these duties, the  
 6 secretary-investment manager has the power to do the following:

7 (1) Approve all accounts for salaries and allowable expenses of  
 8 the board, including, but not limited to:

9 (A) the employment of general or special attorneys,  
 10 consultants, and employees and agents as may be necessary to  
 11 assist the secretary-investment manager in carrying out the  
 12 duties of that office and to assist the board in its consideration  
 13 of applications for a guarantee of an industrial development  
 14 obligation or credit enhancement obligation guarantee; and

15 (B) the setting of compensation of persons employed under  
 16 ~~subdivision clause~~ (A).

17 (2) Approve all expenses incidental to the operation of the public  
 18 deposit insurance fund.

19 (3) Perform other duties and functions that may be delegated to  
 20 the secretary-investment manager by the board or that are  
 21 necessary to carry out the duties of the secretary-investment  
 22 manager under this chapter.

23 (b) The secretary-investment manager shall keep a record of the  
 24 proceedings of the board, and shall maintain and be custodian of all  
 25 books, documents, and papers filed with the board, and its official seal.  
 26 The secretary-investment manager may make copies of all minutes and  
 27 other records and documents of the board, and may give certificates  
 28 under seal of the board to the effect that the copies are true copies. All  
 29 persons dealing with the board may rely upon the certificates.

30 (c) Each year, beginning in 2001 and ending in ~~2011~~; **2021**, after the  
 31 treasurer of state prepares the annual report required by IC 4-8.1-2-14,  
 32 the secretary-investment manager shall determine:

33 (1) the amount of interest earned by the public deposit insurance  
 34 fund during the state fiscal year ending on the preceding June 30,  
 35 after deducting:

36 (A) all expenses and other costs of the board for depositories  
 37 that were not paid from other sources during that state fiscal  
 38 year; and

39 (B) all expenses and other costs associated with the Indiana  
 40 education savings authority that were not paid from other  
 41 sources during that state fiscal year; and

42 (2) the amount of interest earned during the state fiscal year  
 43 ending on the preceding June 30 by the pension distribution fund  
 44 established by subsection (g).

45 (d) On or before November 1 of each year, beginning in 2001 and  
 46 ending in ~~2011~~; **2021**, the public employees' retirement fund shall  
 47 provide a report to the secretary-investment manager concerning the  
 48 individual and aggregate payments made by all units of local  
 49 government (as defined in IC 5-10.3-11-3) during the preceding  
 50 calendar year for benefits under the police and firefighter pension funds  
 51 established by IC 36-8-6, IC 36-8-7, and IC 36-8-7.5.

1 (e) On or before the last business day of November of each year,  
 2 beginning in 2001 and ending in ~~2011~~, **2021**, the secretary-investment  
 3 manager shall compute the amount of earned interest to be distributed  
 4 under this section to each unit of local government (as defined in  
 5 IC 5-10.3-11-3) in accordance with subsection (h) according to the  
 6 following formula:

7 STEP ONE: Add the amount determined under subsection (c)(1)  
 8 to the amount determined under subsection (c)(2).

9 STEP TWO: Divide the STEP ONE sum by the aggregate amount  
 10 of payments made by all units of local government during the  
 11 preceding calendar year for benefits under the police and  
 12 firefighter pension funds established by IC 36-8-6, IC 36-8-7, and  
 13 IC 36-8-7.5, as reported under subsection (d).

14 STEP THREE: Multiply the STEP TWO quotient by the amount  
 15 of payments made by each unit of local government during the  
 16 preceding calendar year for benefits under the police and  
 17 firefighter pension funds established by IC 36-8-6, IC 36-8-7, and  
 18 IC 36-8-7.5, as reported under subsection (d).

19 (f) Subject to subsection (j), on or before the last business day of  
 20 December of each year, beginning in 2001 and ending in ~~2011~~, **2021**,  
 21 the secretary-investment manager shall provide to the auditor of state:

22 (1) a report setting forth the amounts to be distributed to units of  
 23 local government, as determined under subsection (e); and

24 (2) a check payable from the public deposit insurance fund to the  
 25 pension distribution fund established by subsection (g) in an  
 26 amount equal to the amount determined under subsection (c)(1).

27 (g) The pension distribution fund is established. The pension  
 28 distribution fund shall be administered by the treasurer of state. The  
 29 treasurer of state shall invest money in the pension distribution fund  
 30 not currently needed to meet the obligations of the pension distribution  
 31 fund in the same manner as other public money may be invested.  
 32 Interest that accrues from these investments shall be deposited in the  
 33 pension distribution fund. Money in the pension distribution fund at the  
 34 end of a state fiscal year does not revert to the state general fund.

35 (h) Subject to subsection (j), on June 30 and October 1 of each year,  
 36 beginning in 2002 and ending in ~~2012~~, **2022**, the auditor of state shall  
 37 distribute in two (2) equal installments from the pension distribution  
 38 fund to the fiscal officer of each unit of local government identified  
 39 under subsection (d) the amount computed for that unit under  
 40 subsection (e) in November of the preceding year.

41 (i) Each unit of local government shall deposit distributions received  
 42 under subsection (h) in the pension fund or funds identified by the  
 43 secretary-investment manager and shall use those distributions to pay  
 44 a portion of the obligations with respect to the pension fund or funds.

45 (j) Before providing a check to the auditor of state under subsection  
 46 (f)(2) in December of any year, the secretary-investment manager shall  
 47 determine:

48 (1) the total amount of payments made from the public deposit  
 49 insurance fund under IC 5-13-13-3 after June 30, 2001;

50 (2) the total amount of payments received by the board for  
 51 depositories and deposited in the public deposit insurance fund

1 under IC 5-13-13-3 after June 30, 2001; and  
 2 (3) the total amount of interest earned by the public deposit  
 3 insurance fund after the first of the payments described in  
 4 subdivision (1).

5 If the total amount of payments determined under subdivision (1) less  
 6 the total amount of payments determined under subdivision (2)  
 7 (referred to in this subsection as the "net draw on the fund") exceeds  
 8 ten million dollars (\$10,000,000) and also exceeds the total amount of  
 9 interest determined under subdivision (3), the secretary-investment  
 10 manager may not provide a check to the auditor of state under  
 11 subsection (f)(2) and a distribution may not be made from the pension  
 12 distribution fund under subsection (h) in the following calendar year  
 13 until the total amount of interest earned by the public deposit insurance  
 14 fund equals the net draw on the fund. A check may not be provided  
 15 under subsection (f)(2) and a distribution may not be made under  
 16 subsection (f) in any subsequent calendar year if a study conducted by  
 17 the board under section 7(b) of this chapter demonstrates that payment  
 18 of the distribution would reduce the balance of the public deposit  
 19 insurance fund to a level insufficient to ensure the safekeeping and  
 20 prompt payment of public funds to the extent they are not covered by  
 21 insurance of any federal deposit insurance agency.

22 SECTION 40. IC 5-28-9-16, AS AMENDED BY P.L.2-2006,  
 23 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JANUARY 1, 2009]: Sec. 16. A qualified entity receiving a loan under  
 25 this chapter may levy an annual tax on personal and real property  
 26 located within the qualified entity's geographical limits for industrial  
 27 development purposes, in addition to any other tax authorized by  
 28 statute to be levied for such purposes, at a rate that will produce  
 29 sufficient revenue to pay the annual installment and interest on a loan  
 30 made under this chapter. The tax may be in addition to the maximum  
 31 annual rates prescribed by IC 6-1.1-18, IC 6-1.1-18.5, ~~IC 20-45-3~~, and  
 32 other statutes.

33 SECTION 41. IC 5-28-15-3, AS ADDED BY P.L.214-2005,  
 34 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 3. As used in this  
 36 chapter, "zone business" means an entity that accesses at least one (1)  
 37 tax credit, deduction, or exemption incentive available under this  
 38 chapter, ~~IC 6-1.1-20.8~~, IC 6-1.1-45, IC 6-3-3-10, IC 6-3.1-7, or  
 39 IC 6-3.1-10.

40 SECTION 42. IC 5-28-15-5, AS ADDED BY P.L.214-2005,  
 41 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 5. (a) The board has the  
 43 following powers, in addition to other powers that are contained in this  
 44 chapter:

- 45 (1) To review and approve or reject all applicants for enterprise  
 46 zone designation, according to the criteria for designation that this  
 47 chapter provides.
- 48 (2) To waive or modify rules as provided in this chapter.
- 49 (3) To provide a procedure by which enterprise zones may be  
 50 monitored and evaluated on an annual basis.
- 51 (4) To adopt rules for the disqualification of a zone business from

1 eligibility for any or all incentives available to zone businesses,  
2 if that zone business does not do one (1) of the following:

3 (A) If all its incentives, as contained in the summary required  
4 under section 7 of this chapter, exceed one thousand dollars  
5 (\$1,000) in any year, pay a registration fee to the board in an  
6 amount equal to one percent (1%) of all its incentives.

7 (B) Use all its incentives, except for the amount of the  
8 registration fee, for its property or employees in the zone.

9 (C) Remain open and operating as a zone business for twelve  
10 (12) months of the assessment year for which the incentive is  
11 claimed.

12 (5) To disqualify a zone business from eligibility for any or all  
13 incentives available to zone businesses in accordance with the  
14 procedures set forth in the board's rules.

15 (6) After a recommendation from a U.E.A., to modify an  
16 enterprise zone boundary if the board determines that the  
17 modification:

18 (A) is in the best interests of the zone; and

19 (B) meets the threshold criteria and factors set forth in section  
20 9 of this chapter.

21 (7) To employ staff and contract for services.

22 (8) To receive funds from any source and expend the funds for the  
23 administration and promotion of the enterprise zone program.

24 (9) To make determinations under IC 6-3.1-11 concerning the  
25 designation of locations as industrial recovery sites. ~~and the~~  
26 ~~availability of the credit provided by IC 6-1.1-20.7 to persons~~  
27 ~~owning inventory located on an industrial recovery site.~~

28 (10) To make determinations under ~~IC 6-1.1-20.7 and~~ IC 6-3.1-11  
29 concerning the disqualification of persons from claiming credits  
30 provided by ~~those chapters that~~ **chapter** in appropriate cases.

31 (11) To make determinations under IC 6-3.1-11.5 concerning the  
32 designation of locations as military base recovery sites and the  
33 availability of the credit provided by IC 6-3.1-11.5 to persons  
34 making qualified investments in military base recovery sites.

35 (12) To make determinations under IC 6-3.1-11.5 concerning the  
36 disqualification of persons from claiming the credit provided by  
37 IC 6-3.1-11.5 in appropriate cases.

38 (b) In addition to a registration fee paid under subsection (a)(4)(A),  
39 each zone business that receives an incentive described in section 3 of  
40 this chapter shall assist the zone U.E.A. in an amount determined by  
41 the legislative body of the municipality in which the zone is located. If  
42 a zone business does not assist a U.E.A., the legislative body of the  
43 municipality in which the zone is located may pass an ordinance  
44 disqualifying a zone business from eligibility for all credits or  
45 incentives available to zone businesses. If a legislative body  
46 disqualifies a zone business under this subsection, the legislative body  
47 shall notify the board, the department of local government finance, and  
48 the department of state revenue in writing not more than thirty (30)  
49 days after the passage of the ordinance disqualifying the zone business.  
50 Disqualification of a zone business under this section is effective  
51 beginning with the taxable year in which the ordinance disqualifying

1 the zone business is adopted.

2 SECTION 43. IC 5-28-15-8, AS ADDED BY P.L.4-2005,  
3 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2008]: Sec. 8. (a) This section applies to records and other  
5 information, including records and information that are otherwise  
6 confidential, maintained by the following:

- 7 (1) The board.
- 8 (2) A U.E.A.
- 9 (3) The department of state revenue.
- 10 (4) The corporation.
- 11 (5) The department of local government finance.
- 12 (6) A county auditor.
- 13 (7) A township assessor **(if any)**.
- 14 **(8) A county assessor.**

15 (b) A person or an entity listed in subsection (a) may request a  
16 second person or entity described in subsection (a) to provide any  
17 records or other information maintained by the second person or entity  
18 that concern an individual or a business that is receiving a tax  
19 deduction, exemption, or credit related to an enterprise zone.  
20 Notwithstanding any other law, the person or entity to whom the  
21 request is made under this section must comply with the request. A  
22 person or entity receiving records or information under this section that  
23 are confidential must also keep the records or information confidential.

24 (c) A person or an entity that receives confidential records or  
25 information under this section and knowingly or intentionally discloses  
26 the records or information to an unauthorized person commits a Class  
27 A misdemeanor.

28 SECTION 44. IC 5-28-26-18, AS ADDED BY P.L.203-2005,  
29 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
30 JULY 1, 2008]: Sec. 18. (a) A unit may issue bonds for the purpose of  
31 providing public facilities under this chapter.

32 (b) The bonds are payable from any funds available to the unit.

33 (c) The bonds shall be authorized by a resolution of the unit.

34 (d) The terms and form of the bonds shall be set out either in the  
35 resolution or in a form of trust indenture approved by the resolution.

36 (e) The bonds must mature within:

- 37 (1) fifty (50) years, **for bonds issued before July 1, 2008; or**
- 38 (2) **twenty-five (25) years, for bonds issued after June 30,**
- 39 **2008.**

40 (f) The unit shall sell the bonds at public or private sale upon terms  
41 determined by the district.

42 (g) All money received from any bonds issued under this chapter  
43 shall be applied solely to the payment of the cost of providing public  
44 facilities within a global commerce center, or the cost of refunding or  
45 refinancing outstanding bonds, for which the bonds are issued. The cost  
46 may include the cost of:

- 47 (1) planning and development of the public facilities and all  
48 related buildings, facilities, structures, and improvements;
- 49 (2) acquisition of a site and clearing and preparing the site for  
50 construction;
- 51 (3) equipment, facilities, structures, and improvements that are

- 1 necessary or desirable to make the public facilities suitable for use  
 2 and operation;  
 3 (4) architectural, engineering, consultant, and attorney's fees;  
 4 (5) incidental expenses in connection with the issuance and sale  
 5 of bonds;  
 6 (6) reserves for principal and interest;  
 7 (7) interest during construction and for a period thereafter  
 8 determined by the district, but not to exceed five (5) years;  
 9 (8) financial advisory fees;  
 10 (9) insurance during construction;  
 11 (10) municipal bond insurance, debt service reserve insurance,  
 12 letters of credit, or other credit enhancement; and  
 13 (11) in the case of refunding or refinancing, payment of the  
 14 principal of, redemption premiums, if any, for, and interest on, the  
 15 bonds being refunded or refinanced.

16 (h) A unit that issues bonds under this section may enter an  
 17 interlocal agreement with any other unit located in the area served by  
 18 the district in which the global commerce center is designated. A party  
 19 to an agreement under this section may pledge any of its revenues,  
 20 including taxes or allocated taxes under IC 36-7-14, to the bonds or  
 21 lease rental obligations of another party to the agreement.

22 SECTION 45. IC 6-1.1-1-1.5, AS AMENDED BY P.L.88-2005,  
 23 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2008]: Sec. 1.5. (a) "Assessing official" means:

- 25 (1) a township assessor **(if any)**;  
 26 **(2) a county assessor**; or  
 27 ~~(2)~~ **(3) a member of a county property tax assessment board of**  
 28 **appeals.**

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

32 SECTION 46. IC 6-1.1-1-3, AS AMENDED BY P.L.2-2006,  
 33 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JANUARY 1, 2009]: Sec. 3. (a) Except as provided in subsection (b),  
 35 "assessed value" or "assessed valuation" means an amount equal to:

- 36 (1) for assessment dates before March 1, 2001, thirty-three and  
 37 one-third percent (33 1/3%) of the true tax value of property; and  
 38 (2) for assessment dates after February 28, 2001, the true tax  
 39 value of property.

40 (b) For purposes of calculating a budget, rate, or levy under  
 41 IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-20, ~~IC 20-45-3,~~  
 42 IC 20-46-4, IC 20-46-5, and IC 20-46-6, "assessed value" or "assessed  
 43 valuation" does not include the assessed value of tangible property  
 44 excluded and kept separately on a tax duplicate by a county auditor  
 45 under IC 6-1.1-17-0.5.

46 SECTION 47. IC 6-1.1-1-8.4 IS ADDED TO THE INDIANA  
 47 CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 8.4.**

48 **"Inventory" means:**

- 49 **(1) materials held for processing or for use in production;**  
 50 **(2) finished or partially finished goods of a manufacturer or**  
 51

1           **processor; and**  
 2           **(3) property held for sale in the ordinary course of trade or**  
 3           **business.**

4           **The term includes items that qualify as inventory under 50**  
 5           **IAC 4.2-5-1 (as effective December 31, 2008).**

6           SECTION 48. IC 6-1.1-1-11, AS AMENDED BY P.L.214-2005,  
 7           SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8           JANUARY 1, 2008 (RETROACTIVE)]: Sec. 11. (a) Subject to the  
 9           limitation contained in subsection (b), "personal property" means:

10           ~~(1) nursery stock that has been severed from the ground;~~  
 11           ~~(2) florists' stock of growing crops which are ready for sale as pot~~  
 12           ~~plants on benches;~~

13           ~~(3) (1) billboards and other advertising devices which are located~~  
 14           ~~on real property that is not owned by the owner of the devices;~~

15           ~~(4) (2) motor vehicles, mobile houses, airplanes, boats not subject~~  
 16           ~~to the boat excise tax under IC 6-6-11, and trailers not subject to~~  
 17           ~~the trailer tax under IC 6-6-5;~~

18           ~~(5) (3) foundations (other than foundations which support a~~  
 19           ~~building or structure) on which machinery or equipment is~~  
 20           ~~installed; and~~

21           ~~(6) (4) all other tangible property (other than real property) which:~~  
 22           ~~is being:~~

23           ~~(A) held for sale in the ordinary course of a trade or business;~~  
 24           ~~(B) held, used, or consumed in connection with the production~~  
 25           ~~of income; or~~

26           ~~(C) (A) is being held as an investment; or~~

27           ~~(B) is depreciable personal property.~~

28           (b) Personal property does not include the following:

29           (1) Commercially planted and growing crops while they are in the  
 30           ground.

31           (2) Computer application software. ~~that is not held as~~

32           (3) Inventory. ~~(as defined in IC 6-1.1-3-11):~~

33           SECTION 49. IC 6-1.1-1-15 IS AMENDED TO READ AS  
 34           FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. "Real property"  
 35           means:

36           (1) land located within this state;

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

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

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

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

45           (A) licensed under IC 4-33; or

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

48           for which the department of local government finance shall prescribe  
 49           standards to be used by ~~township assessors:~~ **assessing officials.**

50           SECTION 50. IC 6-1.1-2-7 IS AMENDED TO READ AS  
 51           FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:



1 Sec. 7. The following property is not subject to assessment and taxation  
2 under this article:

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

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

7 (3) A boat that is subject to the boat excise tax imposed under  
8 IC 6-6-11.

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

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

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

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

18 **(6) Inventory.**

19 SECTION 51. IC 6-1.1-3-1 IS AMENDED TO READ AS  
20 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Except as  
21 provided in subsection (c), ~~and section 11 of this chapter~~, personal  
22 property which is owned by a person who is a resident of this state shall  
23 be assessed at the place where the owner resides on the assessment date  
24 of the year for which the assessment is made.

25 (b) Except as provided in subsection (c), ~~and section 11 of this~~  
26 ~~chapter~~, personal property which is owned by a person who is not a  
27 resident of this state shall be assessed at the place where the owner's  
28 principal office within this state is located on the assessment date of the  
29 year for which the assessment is made.

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

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

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

36 (d) If a personal property return is filed pursuant to subsection (c),  
37 the owner of the property shall provide, within forty-five (45) days after  
38 the filing deadline, a copy or other written evidence of the filing of the  
39 return to the assessor of the township in which the owner resides **or to**  
40 **the county assessor if there is no township assessor for the**  
41 **township**. If such evidence is not filed within forty-five (45) days after  
42 the filing deadline, the **township or county** assessor ~~of for~~ **for the**  
43 ~~township in which area where~~ the owner resides shall determine if the  
44 owner filed a personal property return in the township **or county** where  
45 the property is situated. If such a return was filed, the property shall be  
46 assessed where it is situated. If such a return was not filed, the  
47 **township or county** assessor ~~of for~~ **for the township area** where the  
48 owner resides shall notify the assessor of the township **or county**  
49 where the property is situated, and the property shall be assessed where  
50 it is situated. This subsection does not apply to a taxpayer who:

51 (1) is required to file duplicate personal property returns under

1 section 7(c) of this chapter and under regulations promulgated by  
2 the department of local government finance with respect to that  
3 section; or

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

7 SECTION 52. IC 6-1.1-3-4 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) If a question  
9 arises as to the proper place to assess personal property, the county  
10 assessor shall determine the place if:

11 **(1) two (2) or more townships in the county are served by**  
12 **township assessors and the conflict involves different townships**  
13 **which are located within the county the assessor serves: two (2)**  
14 **or more of those townships; or**

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

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

19 (b) A determination made under this section by a county assessor or  
20 the department of local government finance is final.

21 (c) If taxes are paid to a county which is not entitled to collect them,  
22 the department of local government finance may direct the authorities  
23 of the county which wrongfully collected the taxes to refund the taxes  
24 collected and any penalties charged on the taxes.

25 SECTION 53. IC 6-1.1-3-5 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. Before the  
27 assessment date of each year, the county auditor shall deliver to each  
28 township assessor **(if any) and the county assessor** the proper  
29 assessment books and necessary blanks for the listing and assessment  
30 of personal property.

31 SECTION 54. IC 6-1.1-3-6 IS AMENDED TO READ AS  
32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. Between the  
33 assessment date and the filing date of each year, the appropriate  
34 township assessor, **or the county assessor if there is no township**  
35 **assessor for the township**, shall furnish each person whose personal  
36 property is subject to assessment for that year with a personal property  
37 return.

38 SECTION 55. IC 6-1.1-3-7 IS AMENDED TO READ AS  
39 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) Except as  
40 provided in subsections (b) and (d), a taxpayer shall, on or before the  
41 filing date of each year, file a personal property return with:

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

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

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

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

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

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

9 (d) ~~A taxpayer may file a consolidated return with the county~~  
 10 ~~assessor If: the~~

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

13 (2) ~~the total assessed value of the personal property in the county~~  
 14 ~~is less than one million five hundred thousand dollars~~  
 15 ~~(\$1,500,000); ~~A~~~~

16 ~~the taxpayer filing a consolidated return shall file a single return with~~  
 17 ~~the county assessor and~~ attach a schedule listing, by township, all the  
 18 taxpayer's personal property and the property's assessed value. ~~A~~  
 19 ~~taxpayer filing a consolidated return is not required to file a personal~~  
 20 ~~property return with the assessor of each township. ~~A~~ The taxpayer~~  
 21 ~~filing a consolidated return shall provide the following: (1) the county~~  
 22 ~~assessor with the information necessary for the county assessor to~~  
 23 ~~allocate the assessed value of the taxpayer's personal property among~~  
 24 ~~the townships listed on the return, including the street address, the~~  
 25 ~~township, and the location of the property.~~

26 ~~(2) A copy of the consolidated return, with attachments, for each~~  
 27 ~~township listed on the return.~~

28 (e) The county assessor shall provide to each affected township  
 29 assessor **(if any)** in the county all information filed by a taxpayer under  
 30 subsection (d) that affects the township. ~~The county assessor shall~~  
 31 ~~provide the information before:~~

32 ~~(1) May 25 of each year, for a return filed on or before the filing~~  
 33 ~~date for the return; or~~

34 ~~(2) June 30 of each year, for a return filed after the filing date for~~  
 35 ~~the return.~~

36 ~~(f) The township assessor shall send all required notifications to the~~  
 37 ~~taxpayer.~~

38 ~~(g) (f) The county assessor may refuse to accept a consolidated~~  
 39 ~~personal property tax return that does not have attached to it a schedule~~  
 40 ~~listing, by township, all the personal property of the taxpayer and the~~  
 41 ~~assessed value of the property as required under **comply with**~~  
 42 ~~subsection (d). For purposes of IC 6-1.1-37-7, a consolidated return to~~  
 43 ~~**which subsection (d) applies** is filed on the date it is filed with the~~  
 44 ~~county assessor with the schedule of personal property and assessed~~  
 45 ~~value required by subsection (d) attached.~~

46 SECTION 56. IC 6-1.1-3-14 IS AMENDED TO READ AS  
 47 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 14. The township  
 48 assessor, **or the county assessor if there is no township assessor for**  
 49 **the township**, shall:

50 (1) examine and verify; or

1 (2) allow a contractor under IC 6-1.1-36-12 to examine and  
 2 verify;  
 3 the accuracy of each personal property return filed with the township  
 4 **or county** assessor by a taxpayer. If appropriate, the assessor or  
 5 contractor under IC 6-1.1-36-12 shall compare a return with the books  
 6 of the taxpayer and with personal property owned, held, possessed,  
 7 controlled, or occupied by the taxpayer.

8 SECTION 57. IC 6-1.1-3-15 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) In connection  
 10 with the activities required by section 14 of this chapter, or if a person  
 11 owning, holding, possessing, or controlling any personal property fails  
 12 to file a personal property return with the township **or county** assessor  
 13 as required by this chapter, the township **or county** assessor may  
 14 examine:

15 (1) the personal property of the person;  
 16 (2) the books and records of the person; and  
 17 (3) under oath, the person or any other person whom the assessor  
 18 believes has knowledge of the amount, identity, or value of the  
 19 personal property reported or not reported by the person on a  
 20 return.

21 (b) After such an examination, the assessor shall assess the personal  
 22 property to the person owning, holding, possessing, or controlling that  
 23 property.

24 (c) As an alternative to such an examination, the township **or**  
 25 **county** assessor may estimate the value of the personal property of the  
 26 taxpayer and shall assess the person owning, holding, possessing, or  
 27 controlling the property in an amount based upon the estimate. Upon  
 28 receiving a notification of estimated value from the township **or county**  
 29 assessor, the taxpayer may elect to file a personal property return,  
 30 subject to the penalties imposed by IC 6-1.1-37-7.

31 SECTION 58. IC 6-1.1-3-16 IS AMENDED TO READ AS  
 32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 16. If, from the  
 33 evidence before ~~him~~, a township **or county assessor**, ~~the~~ assessor  
 34 determines that a person has temporarily converted any part of ~~his~~ **the**  
 35 **person's** personal property into property which is not taxable under  
 36 this article to avoid the payment of taxes on the converted property, the  
 37 township **or county** assessor shall assess the converted property to the  
 38 taxpayer.

39 SECTION 59. IC 6-1.1-3-17 IS AMENDED TO READ AS  
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) On or before  
 41 June 1 of each year, each township assessor (**if any**) of a county shall  
 42 deliver to the county assessor a list which states by taxing district the  
 43 total of the personal property assessments as shown on the personal  
 44 property returns filed with the **township** assessor on or before the filing  
 45 date of that year and in a county with a township assessor under  
 46 IC 36-6-5-1 in every township the township assessor shall deliver the  
 47 lists to the county auditor as prescribed in subsection (b).

48 (b) On or before July 1 of each year, each county assessor shall  
 49 certify to the county auditor the assessment value of the personal  
 50 property in every taxing district.

1 (c) The department of local government finance shall prescribe the  
2 forms required by this section.

3 SECTION 60. IC 6-1.1-3-18, AS AMENDED BY P.L.219-2007,  
4 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2008]: Sec. 18. (a) Each township assessor of a county (**if  
6 any**) shall periodically report to the county assessor and the county  
7 auditor with respect to the returns and properties of taxpayers which  
8 the township assessor has examined. The township assessor shall  
9 submit these reports in the form and on the dates prescribed by the  
10 department of local government finance.

11 (b) ~~Each year, on or before the time prescribed by the department of~~  
12 ~~local government finance, each township assessor of a county shall~~  
13 ~~deliver to the county assessor a copy of each business personal property~~  
14 ~~return which the taxpayer is required to file in duplicate under section~~  
15 ~~7(c) of this chapter and a copy of any supporting data supplied by the~~  
16 ~~taxpayer with the return.~~ Each year, the county assessor:

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

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

22 SECTION 61. IC 6-1.1-3-19 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 19. (a) While a county  
24 property tax assessment board of appeals is in session, each township  
25 assessor of the county (**if any**) shall make the following information  
26 available to the county assessor and the board:

27 (1) Personal property returns.

28 (2) Documents related to the returns. ~~and~~

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

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

35 SECTION 62. IC 6-1.1-3-20 IS AMENDED TO READ AS  
36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. If an assessing  
37 official ~~or board~~ changes a valuation made by a person on ~~his~~ **the**  
38 **person's** personal property return or adds personal property and its  
39 value to a return, the assessing official ~~or board~~ shall, by mail,  
40 immediately give the person notice of the action taken. However, if a  
41 taxpayer lists property on ~~his~~ **the taxpayer's** return but does not place  
42 a value on the property, a notice of the action of an assessing official  
43 ~~or board~~ in placing a value on the property is not required.

44 SECTION 63. IC 6-1.1-3-21 IS AMENDED TO READ AS  
45 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 21. ~~(a)~~ Subject to the  
46 limitations ~~contained~~ in IC 6-1.1-35-9, assessment returns, lists, and  
47 any other documents and information related to the determination of  
48 personal property assessments shall be preserved as public records and  
49 open to public inspection. The township assessor, **or the county**  
50 **assessor if there is no township assessor for the township,** shall

1 preserve and maintain these records. if quarters for his office are  
 2 provided in the county court house, or a branch thereof. If quarters are  
 3 not provided for the township assessor, he shall, as soon as he  
 4 completes his audit of a return, deliver the return and all related  
 5 documents and information to the county assessor, and the county  
 6 assessor shall maintain and preserve the items. The township assessor  
 7 shall ensure that the county assessor has full access to the assessment  
 8 records maintained by the township assessor:

9 (b) Each county shall furnish an office for a township assessor in the  
 10 county courthouse, or a branch thereof, if the township he serves has  
 11 a population of thirty-five thousand (35,000) or more. A county may  
 12 furnish an office in the county courthouse, or branch thereof, for any  
 13 township assessor:

14 SECTION 64. IC 6-1.1-4-4, AS AMENDED BY P.L.228-2005,  
 15 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2008]: Sec. 4. (a) A general reassessment, involving a  
 17 physical inspection of all real property in Indiana, shall begin July 1,  
 18 2000, and be the basis for taxes payable in 2003.

19 (b) A general reassessment, involving a physical inspection of all  
 20 real property in Indiana, shall begin July 1, 2009, and each fifth year  
 21 thereafter. Each reassessment under this subsection:

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

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

27 (c) In order to ensure that assessing officials ~~and members of each~~  
 28 ~~county property tax assessment board of appeals~~ are prepared for a  
 29 general reassessment of real property, the department of local  
 30 government finance shall give adequate advance notice of the general  
 31 reassessment to the ~~county and township taxing assessing~~ officials of  
 32 each county.

33 SECTION 65. IC 6-1.1-4-4.7, AS ADDED BY P.L.228-2005,  
 34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2008]: Sec. 4.7. (a) For purposes of this section, "assessor"  
 36 means:

37 (1) a township assessor; or

38 (2) a county assessor who assumes the responsibility for verifying  
 39 sales under 50 IAC 21-3-2(b):

40 (b) The department of local government finance shall provide  
 41 training to **township assessors, county** assessors, and county auditors  
 42 with respect to the verification of sales disclosure forms under 50  
 43 IAC 21-3-2.

44 SECTION 66. IC 6-1.1-4-12.4 IS AMENDED TO READ AS  
 45 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.4. (a) For purposes  
 46 of this section, the term "oil or gas interest" includes but is not limited  
 47 to:

48 (1) royalties;

49 (2) overriding royalties;

50 (3) mineral rights; or

51 (4) working interest;

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

3 (b) Oil or gas interest is subject to assessment and taxation as real  
4 property. Notwithstanding ~~the provisions of IC 1971, 6-1.1-4-4,~~ **section**  
5 **4 of this chapter**, each oil or gas interest shall be assessed annually by  
6 the assessor of the township in which the oil or gas is located, **or the**  
7 **county assessor if there is no township assessor for the township.**  
8 The township **or county** assessor shall assess the oil or gas interest to  
9 the person who owns or operates the interest.

10 (c) A piece of equipment is an appurtenance to land if it is incident  
11 to and necessary for the production of oil and gas from the land  
12 covered by the oil or gas interest. This equipment includes but is not  
13 limited to wells, pumping units, lines, treaters, separators, tanks, and  
14 secondary recovery facilities. These appurtenances are subject to  
15 ~~assessment~~ **assessment** as real property. Notwithstanding ~~the provisions~~  
16 ~~of IC 1971, 6-1.1-4-4,~~ **section 4 of this chapter**, each of these  
17 appurtenances shall be assessed annually by the assessor of the  
18 township in which the appurtenance is located, **or the county assessor**  
19 **if there is no township assessor for the township.** The township **or**  
20 **county** assessor shall assess the appurtenance to the person who owns  
21 or operates the working interest in the oil or gas interest.

22 SECTION 67. IC 6-1.1-4-12.6 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.6. (a) For purposes  
24 of this section, the term "secondary recovery method" includes but is  
25 not limited to the stimulation of oil production by means of the  
26 injection of water, steam, hydrocarbons, or chemicals, or by means of  
27 in situ combustion.

28 (b) The total assessed value of all interests in the oil located on or  
29 beneath the surface of a particular tract of land equals the product of:

- 30 (1) the average daily production of the oil; multiplied by
- 31 (2) three hundred sixty-five (365); and multiplied by
- 32 (3) the posted price of oil on the assessment date.

33 However, if the oil is being extracted by use of a secondary recovery  
34 method, the total assessed value of all interests in the oil equals  
35 one-half (1/2) the assessed value computed under the formula  
36 prescribed in this subsection. The appropriate township assessor (**if**  
37 **any**), **or the county assessor if there is no township assessor for the**  
38 **township**, shall, in the manner prescribed by the department of local  
39 government finance, apportion the total assessed value of all interests  
40 in the oil among the owners of those interests.

41 (c) The appropriate township assessor, **or the county assessor if**  
42 **there is no township assessor for the township**, shall, in the manner  
43 prescribed by the department of local government finance, determine  
44 and apportion the total assessed value of all interests in the gas located  
45 beneath the surface of a particular tract of land.

46 (d) The department of local government finance shall prescribe a  
47 schedule for township **and county** assessors to use in assessing the  
48 appurtenances described in section 12.4(c) of this chapter.

49 SECTION 68. IC 6-1.1-4-13.6 IS AMENDED TO READ AS  
50 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13.6. (a) The township

1 assessor, **or the county assessor if there is no township assessor for**  
 2 **the township**, shall determine the values of all classes of commercial,  
 3 industrial, and residential land (including farm homesites) in the  
 4 township **or county** using guidelines determined by the department of  
 5 local government finance. Not later than November 1 of the year  
 6 preceding the year in which a general reassessment becomes effective,  
 7 the assessor determining the values of land shall submit the values to  
 8 the county property tax assessment board of appeals. Not later than  
 9 December 1 of the year preceding the year in which a general  
 10 reassessment becomes effective, the county property tax assessment  
 11 board of appeals shall hold a public hearing in the county concerning  
 12 those values. The property tax assessment board of appeals shall give  
 13 notice of the hearing in accordance with IC 5-3-1 and shall hold the  
 14 hearing after March 31 and before December 1 of the year preceding  
 15 the year in which the general reassessment under ~~IC 6-1.1-4-4~~ **section**  
 16 **4 of this chapter** becomes effective.

17 (b) The county property tax assessment board of appeals shall  
 18 review the values submitted under subsection (a) and may make any  
 19 modifications it considers necessary to provide uniformity and equality.  
 20 The county property tax assessment board of appeals shall coordinate  
 21 the valuation of property adjacent to the boundaries of the county with  
 22 the county property tax assessment boards of appeals of the adjacent  
 23 counties using the procedures adopted by rule under IC 4-22-2 by the  
 24 department of local government finance. If the county assessor ~~or~~  
 25 ~~township assessor~~ fails to submit land values under subsection (a) to  
 26 the county property tax assessment board of appeals before November  
 27 1 of the year before the date the general reassessment under  
 28 ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective, the county  
 29 property tax assessment board of appeals shall determine the values. If  
 30 the county property tax assessment board of appeals fails to determine  
 31 the values before the general reassessment becomes effective, the  
 32 department of local government finance shall determine the values.

33 (c) The county assessor shall notify all township assessors in the  
 34 county (**if any**) of the values as modified by the county property tax  
 35 assessment board of appeals. ~~Township assessors~~ **Assessing officials**  
 36 shall use the values determined under this section.

37 SECTION 69. IC 6-1.1-4-15 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) If real property  
 39 is subject to assessment or reassessment under this chapter, the  
 40 assessor of the township in which the property is located, **or the**  
 41 **county assessor if there is no township assessor for the township**,  
 42 shall either appraise the property ~~himself~~ or have it appraised.

43 (b) In order to determine the assessed value of buildings and other  
 44 improvements, the township **or county** assessor or ~~his~~ **the assessor's**  
 45 authorized representative may, after first making known ~~his~~ **the**  
 46 **assessor's or representative's** intention to the owner or occupant,  
 47 enter and fully examine all buildings and structures which are located  
 48 within the township ~~he serves~~ **or county** and which are subject to  
 49 assessment.

50 SECTION 70. IC 6-1.1-4-16, AS AMENDED BY P.L.228-2005,



1 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2008]: Sec. 16. (a) For purposes of making a general  
3 reassessment of real property or annual adjustments under section 4.5  
4 of this chapter, ~~any~~ a township assessor (**if any**) and ~~any~~ a county  
5 assessor may employ:

- 6 (1) deputies;
- 7 (2) employees; and
- 8 (3) technical advisors who are:
  - 9 (A) qualified to determine real property values;
  - 10 (B) professional appraisers certified under 50 IAC 15; and
  - 11 (C) employed either on a full-time or a part-time basis, subject  
12 to sections 18.5 and 19.5 of this chapter.

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

16 SECTION 71. IC 6-1.1-4-17, AS AMENDED BY P.L.228-2005,  
17 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 JULY 1, 2008]: Sec. 17. (a) Subject to the approval of the department  
19 of local government finance and the requirements of section 18.5 of  
20 this chapter, a

- 21 ~~(1) township assessor; or~~
- 22 ~~(2) group consisting of the county assessor and the township~~  
23 ~~assessors in a county;~~

24 may employ professional appraisers as technical advisors **for**  
25 **assessments in all townships in the county. The department of local**  
26 **government finance may approve employment under this**  
27 **subsection only if the department is a party to the employment**  
28 **contract.**

29 (b) A decision by ~~one~~ ~~(1)~~ or more assessors referred to in  
30 subdivisions ~~(1)~~ and ~~(2)~~ a county assessor to not employ a professional  
31 appraiser as a technical advisor in a general reassessment is subject to  
32 approval by the department of local government finance.

33 ~~(b) After notice to the county assessor and all township assessors in~~  
34 ~~the county, a majority of the assessors authorized to vote under this~~  
35 ~~subsection may vote to:~~

- 36 ~~(1) employ a professional appraiser to act as a technical advisor~~  
37 ~~in the county during a general reassessment period;~~
- 38 ~~(2) appoint an assessor or a group of assessors to:~~
  - 39 ~~(A) enter into and administer the contract with a professional~~  
40 ~~appraiser employed under this section; and~~
  - 41 ~~(B) oversee the work of a professional appraiser employed~~  
42 ~~under this section.~~

43 Each township assessor and the county assessor has one ~~(1)~~ vote. A  
44 decision by a majority of the persons authorized to vote is binding on  
45 the county assessor and all township assessors in the county. Subject  
46 to the limitations in section 18.5 of this chapter, the assessor or  
47 assessors appointed under subdivision ~~(2)~~ may contract with a  
48 professional appraiser employed under this section to supply technical  
49 advice during a general reassessment period for all townships in the  
50 county. A proportionate part of the appropriation to all townships for  
51 assessing purposes shall be used to pay for the technical advice.

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

3 SECTION 72. IC 6-1.1-4-18.5 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 18.5. (a) A ~~township~~  
5 ~~assessor; a group of township assessors; or the~~ county assessor may not  
6 use the services of a professional appraiser for assessment or  
7 reassessment purposes without a written contract. The contract used  
8 must be either a standard contract developed by the ~~state board of tax~~  
9 ~~commissioners (before the board was abolished) or the~~ department of  
10 local government finance or a contract ~~which that~~ has been specifically  
11 approved by the ~~board or the~~ department. The department shall ensure  
12 that the contract:

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

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

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

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

35 SECTION 73. IC 6-1.1-4-19.5 IS AMENDED TO READ AS  
36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 19.5. (a) The  
37 department of local government finance shall develop a standard  
38 contract or standard provisions for contracts to be used in securing  
39 professional appraising services.

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

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

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

46 (3) a provision requiring the appraiser, or appraisal firm, to make  
47 periodic reports to the ~~township assessors involved; county~~  
48 ~~assessor;~~

49 (4) a provision stipulating the manner in which, and the time  
50 intervals at which, the periodic reports referred to in subdivision

51 (3) of this subsection are to be made;

- 1 (5) a precise stipulation of what service or services are to be  
 2 provided and what class or classes of property are to be appraised;  
 3 (6) a provision stipulating that the contractor will generate  
 4 complete parcel characteristics and parcel assessment data in a  
 5 manner and format acceptable to the legislative services agency  
 6 and the department of local government finance; ~~and~~  
 7 (7) a provision stipulating that the legislative services agency and  
 8 the department of local government finance have unrestricted  
 9 access to the contractor's work product under the contract; **and**  
 10 **(8) a provision stating that the department of local**  
 11 **government finance is a party to the contract.**

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

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

- 17 (1) one (1) or more model contracts;  
 18 (2) one (1) contract with alternate provisions; or  
 19 (3) any combination of subdivisions (1) and (2).

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

22 SECTION 74. IC 6-1.1-4-20 IS AMENDED TO READ AS  
 23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. The department of  
 24 local government finance may establish a period with respect to each  
 25 general reassessment that is the only time during which a ~~township or~~  
 26 county assessor may enter into a contract with a professional appraiser.  
 27 The period set by the department of local government finance may not  
 28 begin before January 1 of the year the general reassessment begins. If  
 29 no period is established by the department of local government finance,  
 30 a ~~township or~~ county assessor may enter into such a contract only on or  
 31 after January 1 and before April 16 of the year in which the general  
 32 reassessment is to commence.

33 SECTION 75. IC 6-1.1-4-21 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 21. (a) If, during a  
 35 period of general reassessment, a ~~township~~ **county** assessor **personally**  
 36 makes the real property appraisals, ~~himself~~, the appraisals of the  
 37 parcels subject to taxation must be completed as follows:

- 38 (1) The appraisal of one-fourth (1/4) of the parcels shall be  
 39 completed before December 1 of the year in which the general  
 40 reassessment begins.  
 41 (2) The appraisal of one-half (1/2) of the parcels shall be  
 42 completed before May 1 of the year following the year in which  
 43 the general reassessment begins.  
 44 (3) The appraisal of three-fourths (3/4) of the parcels shall be  
 45 completed before October 1 of the year following the year in  
 46 which the general reassessment begins.  
 47 (4) The appraisal of all the parcels shall be completed before  
 48 March 1 of the second year following the year in which the  
 49 general reassessment begins.

50 (b) If a ~~township~~ **county** assessor employs a professional appraiser  
 51 or a professional appraisal firm to make real property appraisals during

1 a period of general reassessment, the professional appraiser or  
 2 appraisal firm must file appraisal reports with the ~~township~~ county  
 3 assessor as follows:

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

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

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

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

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

19 SECTION 76. IC 6-1.1-4-22 IS AMENDED TO READ AS  
 20 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) If any assessing  
 21 official ~~or any county property tax assessment board of appeals~~  
 22 assesses or reassesses any real property under ~~the provisions of~~ this  
 23 article, the official ~~or county property tax assessment board of appeals~~  
 24 shall give notice to the taxpayer and the county assessor, by mail, of the  
 25 amount of the assessment or reassessment.

26 (b) During a period of general reassessment, each township ~~or~~  
 27 **county** assessor shall mail the notice required by this section within  
 28 ninety (90) days after ~~he:~~ **the assessor:**

29 (1) completes ~~his~~ **the** appraisal of a parcel; or

30 (2) receives a report for a parcel from a professional appraiser or  
 31 professional appraisal firm.

32 SECTION 77. IC 6-1.1-4-25, AS AMENDED BY P.L.177-2005,  
 33 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2008]: Sec. 25. (a) Each township assessor **and each county**  
 35 **assessor** shall keep the assessor's reassessment data and records current  
 36 by securing the necessary field data and by making changes in the  
 37 assessed value of real property as changes occur in the use of the real  
 38 property. The township ~~or county~~ assessor's records shall at all times  
 39 show the assessed value of real property in accordance with ~~the~~  
 40 ~~provisions of~~ this chapter. The township assessor shall ensure that the  
 41 county assessor has full access to the assessment records maintained by  
 42 the township assessor.

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

47 (1) maintain an electronic data file of:

48 (A) the parcel characteristics and parcel assessments of all  
 49 parcels; and

50 (B) the personal property return characteristics and

- 1 assessments by return;  
 2 for each township in the county as of each assessment date;  
 3 (2) maintain the electronic file in a form that formats the  
 4 information in the file with the standard data, field, and record  
 5 coding required and approved by:  
 6 (A) the legislative services agency; and  
 7 (B) the department of local government finance;  
 8 (3) transmit the data in the file with respect to the assessment date  
 9 of each year before October 1 of the year to:  
 10 (A) the legislative services agency; and  
 11 (B) the department of local government finance;  
 12 in a manner that meets the data export and transmission  
 13 requirements in a standard format, as prescribed by the office of  
 14 technology established by IC 4-13.1-2-1 and approved by the  
 15 legislative services agency; and  
 16 (4) resubmit the data in the form and manner required under this  
 17 subsection, upon request of the legislative services agency or the  
 18 department of local government finance, if data previously  
 19 submitted under this subsection does not comply with the  
 20 requirements of this subsection, as determined by the legislative  
 21 services agency or the department of local government finance.

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

28 SECTION 78. IC 6-1.1-4-27.5, AS AMENDED BY P.L.219-2007,  
 29 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2008]: Sec. 27.5. (a) The auditor of each county shall establish  
 31 a property reassessment fund. The county treasurer shall deposit all  
 32 collections resulting from the property taxes that the county levies for  
 33 the county's property reassessment fund.

34 (b) With respect to the general reassessment of real property that is  
 35 to commence on July 1, 2009, the county council of each county shall,  
 36 for property taxes due in 2006, 2007, 2008, and 2009, levy in each year  
 37 against all the taxable property in the county an amount equal to  
 38 one-fourth (1/4) of the remainder of:

- 39 (1) the estimated costs referred to in section 28.5(a) of this  
 40 chapter; minus  
 41 (2) the amount levied under this section by the county council for  
 42 property taxes due in 2004 and 2005.

43 (c) With respect to a general reassessment of real property that is to  
 44 commence on July 1, 2014, and each fifth year thereafter, the county  
 45 council of each county shall, for property taxes due in the year that the  
 46 general reassessment is to commence and the four (4) years preceding  
 47 that year, levy against all the taxable property in the county an amount  
 48 equal to one-fifth (1/5) of the estimated costs of the general  
 49 reassessment under section 28.5 of this chapter.

50 (d) The department of local government finance shall give to each  
 51 county council notice, before January 1 in a year, of the tax levies

- 1 required by this section for that year.
- 2 (e) The department of local government finance may raise or lower  
3 the property tax levy under this section for a year if the department  
4 determines it is appropriate because the estimated cost of:
- 5 (1) a general reassessment; or  
6 (2) making annual adjustments under section 4.5 of this chapter;  
7 has changed.
- 8 (f) The county assessor ~~or township assessor~~ may petition the county  
9 fiscal body to increase the levy under subsection (b) or (c) to pay for  
10 the costs of:
- 11 (1) a general reassessment;  
12 (2) verification under 50 IAC 21-3-2 of sales disclosure forms  
13 forwarded to  
14 ~~(A) the county assessor or~~  
15 ~~(B) township assessors;~~  
16 under IC 6-1.1-5.5-3; or  
17 (3) processing annual adjustments under section 4.5 of this  
18 chapter.
- 19 The assessor must document the needs and reasons for the increased  
20 funding.
- 21 (g) If the county fiscal body denies a petition under subsection (f),  
22 the **county** assessor may appeal to the department of local government  
23 finance. The department of local government finance shall:
- 24 (1) hear the appeal; and  
25 (2) determine whether the additional levy is necessary.
- 26 SECTION 79. IC 6-1.1-4-28.5, AS AMENDED BY P.L.219-2007,  
27 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JULY 1, 2008]: Sec. 28.5. (a) Money assigned to a property  
29 reassessment fund under section 27.5 of this chapter may be used only  
30 to pay the costs of:
- 31 (1) the general reassessment of real property, including the  
32 computerization of assessment records;  
33 (2) payments to ~~county assessors, members of property tax~~  
34 ~~assessment boards of appeals, or~~ assessing officials **and hearing**  
35 **officers for county property tax assessment boards of appeals**  
36 under IC 6-1.1-35.2;  
37 (3) the development or updating of detailed soil survey data by  
38 the United States Department of Agriculture or its successor  
39 agency;  
40 (4) the updating of plat books;  
41 (5) payments for the salary of permanent staff or for the  
42 contractual services of temporary staff who are necessary to assist  
43 ~~county assessors, members of a county property tax assessment~~  
44 ~~board of appeals, and~~ assessing officials;  
45 (6) making annual adjustments under section 4.5 of this chapter;  
46 and  
47 (7) the verification under 50 IAC 21-3-2 of sales disclosure forms  
48 forwarded to:  
49 (A) the county assessor; or  
50 (B) township assessors **(if any)**;  
51 under IC 6-1.1-5.5-3.

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

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

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

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

16 SECTION 80. IC 6-1.1-4-29 IS AMENDED TO READ AS  
 17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 29. (a) The expenses  
 18 of a reassessment, except those incurred by the department of local  
 19 government finance in performing its normal functions, shall be paid  
 20 by the county in which the reassessed property is situated. These  
 21 expenses, except for the expenses of a general reassessment, shall be  
 22 paid from county funds. The county auditor shall issue warrants for the  
 23 payment of reassessment expenses. No prior appropriations are  
 24 required in order for the auditor to issue warrants.

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

31 SECTION 81. IC 6-1.1-4-31, AS AMENDED BY P.L.228-2005,  
 32 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 JULY 1, 2008]: Sec. 31. (a) The department of local government  
 34 finance shall periodically check the conduct of:

- 35 (1) a general reassessment of property;
- 36 (2) work required to be performed by local officials under 50  
 37 IAC 21; and
- 38 (3) other property assessment activities in the county, as  
 39 determined by the department.

40 The department of local government finance may inform township  
 41 assessors **(if any)**, county assessors, and the presidents of county  
 42 councils in writing if its check reveals that the general reassessment or  
 43 other property assessment activities are not being properly conducted,  
 44 work required to be performed by local officials under 50 IAC 21 is not  
 45 being properly conducted, or property assessments are not being  
 46 properly made.

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

- 50 (1) the general reassessment or other property assessment  
 51 activities are being properly conducted;

- 1 (2) work required to be performed by local officials under 50  
 2 IAC 21 is being properly conducted; or  
 3 (3) property assessments are being properly made.
- 4 (c) If the department of local government finance:  
 5 (1) determines under subsection (a) that a general reassessment  
 6 or other assessment activities for a general reassessment year or  
 7 any other year are not being properly conducted; and  
 8 (2) informs:  
 9 (A) the township assessor (**if any**) of each affected township;  
 10 (B) the county assessor; and  
 11 (C) the president of the county council;  
 12 in writing under subsection (a);  
 13 the department may order a state conducted assessment or reassessment  
 14 under section 31.5 of this chapter to begin not less than sixty (60) days  
 15 after the date of the notice under subdivision (2). If the department  
 16 determines during the period between the date of the notice under  
 17 subdivision (2) and the proposed date for beginning the state conducted  
 18 assessment or reassessment that the general reassessment or other  
 19 assessment activities for the general reassessment are being properly  
 20 conducted, the department may rescind the order.
- 21 (d) If the department of local government finance:  
 22 (1) determines under subsection (a) that work required to be  
 23 performed by local officials under 50 IAC 21 is not being  
 24 properly conducted; and  
 25 (2) informs:  
 26 (A) the township assessor of each affected township (**if any**);  
 27 (B) the county assessor; and  
 28 (C) the president of the county council;  
 29 in writing under subsection (a);  
 30 the department may conduct the work or contract to have the work  
 31 conducted to begin not less than sixty (60) days after the date of the  
 32 notice under subdivision (2). If the department determines during the  
 33 period between the date of the notice under subdivision (2) and the  
 34 proposed date for beginning the work or having the work conducted  
 35 that work required to be performed by local officials under 50 IAC 21  
 36 is being properly conducted, the department may rescind the order.
- 37 (e) If the department of local government finance contracts to have  
 38 work conducted under subsection (d), the department shall forward the  
 39 bill for the services to the county and the county shall pay the bill under  
 40 the same procedures that apply to county payments of bills for  
 41 assessment or reassessment services under section 31.5 of this chapter.
- 42 (f) **A county council president who is informed by the**  
 43 **department of local government finance under subsection (a) shall**  
 44 **provide the information to the board of county commissioners. A**  
 45 **board of county commissioners that receives information under**  
 46 **this subsection may adopt an ordinance to do either or both of the**  
 47 **following:**  
 48 (1) **Determine that:**  
 49 (A) **the information indicates that the county assessor has**  
 50 **failed to perform adequately the duties of county assessor;**  
 51 **and**



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

4           **(2) Determine that:**

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

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

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

16           SECTION 82. IC 6-1.1-4-31.5, AS ADDED BY P.L.228-2005,  
 17           SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 18           JANUARY 1, 2009]: Sec. 31.5. (a) ~~As used in this section, "assessment~~  
 19           ~~official" means any of the following:~~

20           ~~(1) A county assessor.~~

21           ~~(2) A township assessor.~~

22           ~~(3) A township trustee-assessor.~~

23           ~~(b) (a)~~ As used in this section, "department" refers to the department  
 24           of local government finance.

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

29           ~~(d) (c)~~ If the department orders a state conducted assessment or  
 30           reassessment in a county, the department shall assume the duties of the  
 31           ~~county's assessment officials.~~ **county assessor.** Notwithstanding  
 32           sections 15 and 17 of this chapter, ~~an assessment official in~~ a county  
 33           **assessor** subject to an order issued under this section may not assess  
 34           property or have property assessed for the assessment or general  
 35           reassessment. Until the state conducted assessment or reassessment is  
 36           completed under this section, the assessment or reassessment duties of  
 37           ~~an assessment official in~~ the county **assessor** are limited to providing  
 38           the department or a contractor of the department the support and  
 39           information requested by the department or the contractor.

40           ~~(e) (d)~~ Before assuming the duties of a ~~county's assessment officials;~~  
 41           **county assessor**, the department shall transmit a copy of the  
 42           department's order requiring a state conducted assessment or  
 43           reassessment to the ~~county's assessment officials;~~ **county assessor**, the  
 44           county fiscal body, the county auditor, and the county treasurer. Notice  
 45           of the department's actions must be published one (1) time in a  
 46           newspaper of general circulation published in the county. The  
 47           department is not required to conduct a public hearing before taking  
 48           action under this section.

49           ~~(f) Township and county officials in~~ (e) A county **assessor** subject  
 50           to an order issued under this section shall, at the request of the  
 51           department or the department's contractor, make available and provide

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

10 related to the assessment or reassessment of real property in the county.  
11 The information described in this subsection must be provided at no  
12 cost to the department or the contractor of the department. A failure to  
13 provide information requested under this subsection constitutes a  
14 failure to perform a duty related to an assessment or a general  
15 reassessment and is subject to IC 6-1.1-37-2.

16 ~~(g)~~ (f) The department may enter into a contract with a professional  
17 appraising firm to conduct an assessment or reassessment under this  
18 section. If a county ~~or a township located in the county~~ entered into a  
19 contract with a professional appraising firm to conduct the county's  
20 assessment or reassessment before the department orders a state  
21 conducted assessment or reassessment in the county under this section,  
22 the contract:  
23 (1) is as valid as if it had been entered into by the department; and  
24 (2) shall be treated as the contract of the department.

25 ~~(h)~~ (g) After receiving the report of assessed values from the  
26 appraisal firm acting under a contract described in subsection ~~(g)~~, (f),  
27 the department shall give notice to the taxpayer and the county  
28 assessor, by mail, of the amount of the assessment or reassessment. The  
29 notice of assessment or reassessment:  
30 (1) is subject to appeal by the taxpayer under section 31.7 of this  
31 chapter; and  
32 (2) must include a statement of the taxpayer's rights under section  
33 31.7 of this chapter.

34 ~~(i)~~ (h) The department shall forward a bill for services provided  
35 under a contract described in subsection ~~(g)~~ (f) to the auditor of the  
36 county in which the state conducted reassessment occurs. The county  
37 shall pay the bill under the procedures prescribed by subsection ~~(j)~~: (i).  
38 ~~(j)~~ (i) A county subject to an order issued under this section shall  
39 pay the cost of a contract described in subsection ~~(g)~~, (f), without  
40 appropriation, from the county property reassessment fund. A  
41 contractor may periodically submit bills for partial payment of work  
42 performed under the contract. Notwithstanding any other law, a  
43 contractor is entitled to payment under this subsection for work  
44 performed under a contract if the contractor:  
45 (1) submits to the department a fully itemized, certified bill in the  
46 form required by IC 5-11-10-1 for the costs of the work performed  
47 under the contract;  
48 (2) obtains from the department:  
49 (A) approval of the form and amount of the bill; and  
50 (B) a certification that the billed goods and services have been  
51 received and comply with the contract; and

1 (3) files with the county auditor:

- 2 (A) a duplicate copy of the bill submitted to the department;  
 3 (B) proof of the department's approval of the form and amount  
 4 of the bill; and  
 5 (C) the department's certification that the billed goods and  
 6 services have been received and comply with the contract.

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

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

- 33 (1) The commissioner of the Indiana department of  
 34 administration.  
 35 (2) The director of the budget agency.  
 36 (3) The attorney general.

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

42 ~~(m)~~ (l) The department or the contractor of the department shall use  
 43 the land values determined under section 13.6 of this chapter for a  
 44 county subject to an order issued under this section to the extent that  
 45 the department or the contractor finds that the land values reflect the  
 46 true tax value of land, as determined under this article and the rules of  
 47 the department. If the department or the contractor finds that the land  
 48 values determined for the county under section 13.6 of this chapter do  
 49 not reflect the true tax value of land, the department or the contractor  
 50 shall determine land values for the county that reflect the true tax value  
 51 of land, as determined under this article and the rules of the

1 department. Land values determined under this subsection shall be  
 2 used to the same extent as if the land values had been determined under  
 3 section 13.6 of this chapter. The department or the contractor of the  
 4 department shall notify the county's ~~assessment~~ **assessing** officials of  
 5 the land values determined under this subsection.

6 ~~(n)~~ **(m)** A contractor of the department may notify the department  
 7 if:

8 (1) a county auditor fails to:

9 (A) certify the contractor's bill;

10 (B) publish the contractor's claim;

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

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

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

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

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

23 ~~(o)~~ **(n)** The department, upon receiving notice under subsection ~~(n)~~  
 24 **(m)** from a contractor of the department, shall:

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

27 (A) a failure occurred as described in subsection ~~(n)(1)~~ **(1)**  
 28 or ~~(n)(2)~~; **(2)**; or

29 (B) a person or an entity acted or failed to act as described in  
 30 subsection ~~(n)(3)~~; **(3)**; and

31 (2) provide to the treasurer of state the department's approval  
 32 under subsection ~~(j)(2)(A)~~ **(i)(2)(A)** of the contractor's bill with  
 33 respect to which the contractor gave notice under subsection ~~(n)~~;  
 34 **(m)**.

35 ~~(p)~~ **(o)** Upon receipt of the department's approval of a contractor's  
 36 bill under subsection ~~(o)~~; **(n)**, the treasurer of state shall pay the  
 37 contractor the amount of the bill approved by the department from  
 38 money in the possession of the state that would otherwise be available  
 39 for distribution to the county, including distributions ~~from the property~~  
 40 ~~tax replacement fund or distribution~~ of admissions taxes or wagering  
 41 taxes.

42 ~~(q)~~ **(p)** The treasurer of state shall withhold from the money that  
 43 would be distributed under IC 4-33-12-6, IC 4-33-13-5,  
 44 ~~IC 6-1.1-21-4(b)~~; or any other law to a county described in a notice  
 45 provided under subsection ~~(n)~~ **(m)** the amount of a payment made by  
 46 the treasurer of state to the contractor of the department under  
 47 subsection ~~(p)~~; **(o)**. Money shall be withheld first from the money  
 48 payable to the county under ~~IC 6-1.1-21-4(b)~~ and then from all other  
 49 sources **any source** payable to the county.

50 ~~(r)~~ **(q)** Compliance with subsections ~~(n)~~ **(m)** through ~~(q)~~ **(p)**

1 constitutes compliance with IC 5-11-10.

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

9 ~~(t)~~ **(s)** The provisions of this section are severable as provided in  
10 IC 1-1-1-8(b).

11 SECTION 83. IC 6-1.1-4-31.6, AS ADDED BY P.L.228-2005,  
12 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2008]: Sec. 31.6. (a) Subject to the other requirements of this  
14 section, the department of local government finance may:

15 (1) negotiate an addendum to a contract referred to in ~~section~~  
16 ~~31.5(g)~~ **section 31.5(f)** of this chapter that is treated as a contract  
17 of the department; or

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

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

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

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

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

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

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

33 (5) note and consider objections of the taxpayer;

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

35 (7) otherwise educate the taxpayer about:

36 (A) the taxpayer's assessment or reassessment;

37 (B) the assessment or reassessment process; and

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

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

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

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

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

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

50 (d) To preserve the right to appeal under section 31.7 of this  
51 chapter, a taxpayer must initiate the informal hearing process by

1 notifying the department of local government finance or its designee of  
 2 the taxpayer's intent to participate in an informal hearing referred to in  
 3 subsection (b) not later than forty-five (45) days after the department  
 4 of local government finance gives notice under ~~section 31.5(h)~~ **section**  
 5 **31.5(g)** of this chapter to taxpayers of the amount of the reassessment.

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

- 8 (1) in the county where the property is located; and
- 9 (2) in a manner determined by the department of local  
 10 government finance.

11 (f) The department of local government finance shall:

- 12 (1) consider the recommendation of the contractor under  
 13 subsection (c); and
- 14 (2) if the department accepts a recommendation that a change in  
 15 the assessment or reassessment is warranted, accept or modify the  
 16 recommended amount of the changed assessment or reassessment.

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

- 19 (1) the taxpayer;
- 20 (2) the county auditor;
- 21 (3) the county assessor; and
- 22 (4) the township assessor (**if any**) of the township in which the  
 23 property is located.

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

- 25 (1) state whether the assessment or reassessment was changed as  
 26 a result of the informal hearing; and
- 27 (2) if the assessment or reassessment was changed as a result of  
 28 the informal hearing:
  - 29 (A) indicate the amount of the changed assessment or  
 30 reassessment; and
  - 31 (B) provide information on the taxpayer's right to appeal under  
 32 section 31.7 of this chapter.

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

- 38 (1) the department may not change the amount of the assessment  
 39 or reassessment under the informal hearing process described in  
 40 this section; and
- 41 (2) the taxpayer may appeal the assessment or reassessment under  
 42 section 31.7 of this chapter.

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

45 (k) Payment for an addendum to a contract under subsection (a)(1)  
 46 is made in the same manner as payment for the contract under ~~section~~  
 47 ~~31.5(i)~~ **section 31.5(h)** of this chapter.

48 SECTION 84. IC 6-1.1-4-31.7, AS AMENDED BY P.L.219-2007,  
 49 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 50 JULY 1, 2008]: Sec. 31.7. (a) As used in this section, "special master"  
 51 refers to a person designated by the Indiana board under subsection (e).

1 (b) The notice of assessment or reassessment under ~~section 31.5(h)~~  
 2 **section 31.5(g)** of this chapter is subject to appeal by the taxpayer to  
 3 the Indiana board. The procedures and time limitations that apply to an  
 4 appeal to the Indiana board of a determination of the department of  
 5 local government finance do not apply to an appeal under this  
 6 subsection. The Indiana board may establish applicable procedures and  
 7 time limitations under subsection (l).

8 (c) In order to appeal under subsection (b), the taxpayer must:

9 (1) participate in the informal hearing process under section 31.6  
 10 of this chapter;

11 (2) except as provided in section 31.6(i) of this chapter, receive  
 12 a notice under section 31.6(g) of this chapter; and

13 (3) file a petition for review with the appropriate county assessor  
 14 not later than thirty (30) days after:

15 (A) the date of the notice to the taxpayer under section 31.6(g)  
 16 of this chapter; or

17 (B) the date after which the department may not change the  
 18 amount of the assessment or reassessment under the informal  
 19 hearing process described in section 31.6 of this chapter.

20 (d) The Indiana board may develop a form for petitions under  
 21 subsection (c) that outlines:

22 (1) the appeal process;

23 (2) the burden of proof; and

24 (3) evidence necessary to warrant a change to an assessment or  
 25 reassessment.

26 (e) The Indiana board may contract with, appoint, or otherwise  
 27 designate the following to serve as special masters to conduct  
 28 evidentiary hearings and prepare reports required under subsection (g):

29 (1) Independent, licensed appraisers.

30 (2) Attorneys.

31 (3) Certified level two or level three Indiana assessor-appraisers  
 32 (including administrative law judges employed by the Indiana  
 33 board).

34 (4) Other qualified individuals.

35 (f) Each contract entered into under subsection (e) must specify the  
 36 appointee's compensation and entitlement to reimbursement for  
 37 expenses. The compensation and reimbursement for expenses are paid  
 38 from the county property reassessment fund.

39 (g) With respect to each petition for review filed under subsection  
 40 (c), the special masters shall:

41 (1) set a hearing date;

42 (2) give notice of the hearing at least thirty (30) days before the  
 43 hearing date, by mail, to:

44 (A) the taxpayer;

45 (B) the department of local government finance;

46 (C) the township assessor (**if any**); and

47 (D) the county assessor;

48 (3) conduct a hearing and hear all evidence submitted under this  
 49 section; and

50 (4) make evidentiary findings and file a report with the Indiana  
 51 board.

- 1 (h) At the hearing under subsection (g):  
 2 (1) the taxpayer shall present:  
 3 (A) the taxpayer's evidence that the assessment or  
 4 reassessment is incorrect;  
 5 (B) the method by which the taxpayer contends the assessment  
 6 or reassessment should be correctly determined; and  
 7 (C) comparable sales, appraisals, or other pertinent  
 8 information concerning valuation as required by the Indiana  
 9 board; and  
 10 (2) the department of local government finance shall present its  
 11 evidence that the assessment or reassessment is correct.
- 12 (i) The Indiana board may dismiss a petition for review filed under  
 13 subsection (c) if the evidence and other information required under  
 14 subsection (h)(1) is not provided at the hearing under subsection (g).
- 15 (j) The township assessor (**if any**) and the county assessor may  
 16 attend and participate in the hearing under subsection (g).
- 17 (k) The Indiana board may:  
 18 (1) consider the report of the special masters under subsection  
 19 (g)(4);  
 20 (2) make a final determination based on the findings of the special  
 21 masters without:  
 22 (A) conducting a hearing; or  
 23 (B) any further proceedings; and  
 24 (3) incorporate the findings of the special masters into the board's  
 25 findings in resolution of the appeal.
- 26 (l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:  
 27 (1) establish procedures to expedite:  
 28 (A) the conduct of hearings under subsection (g); and  
 29 (B) the issuance of determinations of appeals under subsection  
 30 (k); and  
 31 (2) establish deadlines:  
 32 (A) for conducting hearings under subsection (g); and  
 33 (B) for issuing determinations of appeals under subsection (k).
- 34 (m) A determination by the Indiana board of an appeal under  
 35 subsection (k) is subject to appeal to the tax court under IC 6-1.1-15.
- 36 SECTION 85. IC 6-1.1-4-39, AS AMENDED BY P.L.199-2005,  
 37 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JULY 1, 2008]: Sec. 39. (a) For assessment dates after February 28,  
 39 2005, except as provided in subsections (c) and (e), the true tax value  
 40 of real property regularly used to rent or otherwise furnish residential  
 41 accommodations for periods of thirty (30) days or more and that has  
 42 more than four (4) rental units is the lowest valuation determined by  
 43 applying each of the following appraisal approaches:  
 44 (1) Cost approach that includes an estimated reproduction or  
 45 replacement cost of buildings and land improvements as of the  
 46 date of valuation together with estimates of the losses in value  
 47 that have taken place due to wear and tear, design and plan, or  
 48 neighborhood influences.  
 49 (2) Sales comparison approach, using data for generally  
 50 comparable property.  
 51 (3) Income capitalization approach, using an applicable



1 capitalization method and appropriate capitalization rates that are  
2 developed and used in computations that lead to an indication of  
3 value commensurate with the risks for the subject property use.

4 (b) The gross rent multiplier method is the preferred method of  
5 valuing:

6 (1) real property that has at least one (1) and not more than four  
7 (4) rental units; and

8 (2) mobile homes assessed under IC 6-1.1-7.

9 (c) A township assessor (**if any**) or the **county assessor** is not  
10 required to appraise real property referred to in subsection (a) using the  
11 three (3) appraisal approaches listed in subsection (a) if the **township**  
12 assessor and the taxpayer agree before notice of the assessment is given  
13 to the taxpayer under section 22 of this chapter to the determination of  
14 the true tax value of the property by the assessor using one (1) of those  
15 appraisal approaches.

16 (d) To carry out this section, the department of local government  
17 finance may adopt rules for assessors to use in gathering and  
18 processing information for the application of the income capitalization  
19 method and the gross rent multiplier method. A taxpayer must verify  
20 under penalties for perjury any information provided to the **township**  
21 **or county** assessor for use in the application of either method.

22 (e) The true tax value of low income rental property (as defined in  
23 section 41 of this chapter) is not determined under subsection (a). The  
24 assessment method prescribed in section 41 of this chapter is the  
25 exclusive method for assessment of that property. This subsection does  
26 not impede any rights to appeal an assessment.

27 SECTION 86. IC 6-1.1-4-39.5, AS ADDED BY P.L.233-2007,  
28 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29 JULY 1, 2008]: Sec. 39.5. (a) As used in this section, "qualified real  
30 property" means a riverboat (as defined in IC 4-33-2-17).

31 (b) Except as provided in subsection (c), the true tax value of  
32 qualified real property is the lowest valuation determined by applying  
33 each of the following appraisal approaches:

34 (1) Cost approach that includes an estimated reproduction or  
35 replacement cost of buildings and land improvements as of the  
36 date of valuation together with estimates of the losses in value  
37 that have taken place due to wear and tear, design and plan, or  
38 neighborhood influences using base prices determined under 50  
39 IAC 2.3 and associated guidelines published by the department.

40 (2) Sales comparison approach, using data for generally  
41 comparable property, excluding values attributable to licenses,  
42 fees, or personal property as determined under 50 IAC 4.2.

43 (3) Income capitalization approach, using an applicable  
44 capitalization method and appropriate capitalization rates that are  
45 developed and used in computations that lead to an indication of  
46 value commensurate with the risks for the subject property use.

47 (c) A township **or county** assessor is not required to appraise  
48 qualified real property using the three (3) appraisal approaches listed  
49 in subsection (b) if the township **or county** assessor and the taxpayer  
50 agree before notice of the assessment is given to the taxpayer under  
51 section 22 of this chapter to the determination of the true tax value of

1 the property by the assessor using one (1) of those appraisal  
2 approaches.

3 (d) To carry out this section, the department of local government  
4 finance may adopt rules for assessors to use in gathering and  
5 processing information for the application of the income capitalization  
6 method. A taxpayer must verify under penalties for perjury any  
7 information provided to the assessor for use in the application of the  
8 income capitalization method.

9 SECTION 87. IC 6-1.1-5-8 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. Except as provided  
11 in section 9 of this chapter, the county auditor of each county shall  
12 annually prepare and deliver to the township assessor **(if any) or the**  
13 **county assessor** a list of all real property entered in the township **or**  
14 **county** as of the assessment date. The county auditor shall deliver the  
15 list within thirty (30) days after the assessment date. The county auditor  
16 shall prepare the list in the form prescribed or approved by the  
17 department of local government finance.

18 SECTION 88. IC 6-1.1-5-9 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. ~~Except as provided~~  
20 ~~in section 4(b) of this chapter, for all civil townships in which~~ **In a**  
21 **county containing** a consolidated city: ~~is situated;~~

22 (1) the township assessor has the duties and authority described  
23 in sections 1 through 8 of this chapter; **and**

24 (2) **the county assessor has the duties and authority described**  
25 **in sections 1 through 8 of this chapter for a township for**  
26 **which there is no township assessor.**

27 These duties and authority include effecting the transfer of title to real  
28 property and preparing, maintaining, approving, correcting, indexing,  
29 and publishing the list or record of, or description of title to, real  
30 property. If a court renders a judgment for the partition or transfer of  
31 real property located in ~~one (1) of these townships,~~ **a county**  
32 **containing a consolidated city**, the clerk of the court shall deliver the  
33 transcript to the ~~township~~ **county** assessor.

34 SECTION 89. IC 6-1.1-5-9.1 IS AMENDED TO READ AS  
35 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9.1. (a) Except:

36 (1) as provided in subsection (b); and

37 (2) for civil townships described in section 9 of this chapter;  
38 and notwithstanding the provisions of sections 1 through 8 of this  
39 chapter, for all other civil townships having a population of thirty-five  
40 thousand (35,000) or more, for a civil township that falls below a  
41 population of thirty-five thousand (35,000) at a federal decennial  
42 census that takes effect after December 31, 2001, and for all other civil  
43 townships in which a city of the second class is located, the township  
44 assessor, **or the county assessor if there is no township assessor for**  
45 **the township**, shall make the real property lists and the plats described  
46 in sections 1 through 8 of this chapter.

47 (b) In a civil township that attains a population of thirty-five  
48 thousand (35,000) or more at a federal decennial census that takes  
49 effect after December 31, 2001, the county auditor shall make the real  
50 property lists and the plats described in sections 1 through 8 of this

1 chapter unless the township assessor determines to assume the duty  
2 from the county auditor.

3 (c) With respect to townships in which the township assessor makes  
4 the real property lists and the plats described in sections 1 through 8 of  
5 this chapter, the county auditor shall, upon completing the tax  
6 duplicate, return the real property lists to the township assessor for the  
7 continuation of the lists by the assessor. If land located in one (1) of  
8 these townships is platted, the plat shall be presented to the township  
9 assessor instead of the county auditor, before it is recorded. The  
10 township assessor shall then enter the lots or parcels described in the  
11 plat on the tax lists in lieu of the land included in the plat.

12 SECTION 90. IC 6-1.1-5-10 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. If a township  
14 assessor, **or the county assessor if there is no township assessor for**  
15 **the township**, believes that it is necessary to obtain an accurate  
16 description of a specific lot or tract, ~~which is situated in the township~~  
17 ~~he serves~~, the assessor may demand in writing that the owner or  
18 occupant of the lot or tract deliver all the title papers in ~~his~~ **the owner's**  
19 **or occupant's** possession to the assessor for ~~his~~ **the assessor's**  
20 examination. If the person fails to deliver the title papers to the assessor  
21 at ~~his~~ **the assessor's** office within five (5) days after the demand is  
22 mailed, the assessor shall prepare the real property list according to the  
23 best information ~~he~~ **the assessor** can obtain. For that purpose, the  
24 assessor may examine, under oath, any person whom ~~he~~ **the assessor**  
25 believes has any knowledge relevant to the issue.

26 SECTION 91. IC 6-1.1-5-11 IS AMENDED TO READ AS  
27 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) In order to  
28 determine the quantity of land contained within a tract, an assessor  
29 shall follow the rules contained in this section.

30 (b) Except as provided in subsection (c), ~~of this section~~, the assessor  
31 shall recognize the quantity of land stated in a deed or patent if the  
32 owner or person in whose name the property is listed holds the land by  
33 virtue of:

- 34 (1) a deed from another party or from this state; or
- 35 (2) a patent from the United States.

36 (c) If land described in subsection (b) ~~of this section~~ has been  
37 surveyed subsequent to the survey made by the United States and if the  
38 **township county** assessor is satisfied that the tract contains a different  
39 quantity of land than is stated in the patent or deed, the assessor shall  
40 recognize the quantity of land stated in the subsequent survey.

41 (d) Except as provided in ~~subsection (e) of this section~~, **subsection**  
42 **(f)**, a **township county** assessor shall demand in writing that the owner  
43 of a tract, or person in whose name the land is listed, have the tract  
44 surveyed and that ~~he~~ **the owner or person in whose name the land is**  
45 **listed** return a sworn certificate from the surveyor stating the quantity  
46 of land contained in the tract if:

- 47 (1) the land was within the French or Clark's grant; and
- 48 (2) the party holds the land under original entry or survey.

49 (e) If the party fails to return the certificate **under subsection (d)**  
50 within thirty (30) days after the demand is mailed, the assessor shall

1 have a surveyor survey the land. The expenses of a survey made under  
 2 this subsection shall be paid for from the county treasury. However, the  
 3 county auditor shall charge the survey expenses against the land, and  
 4 the expenses shall be collected with the taxes payable in the succeeding  
 5 year.

6 ~~(e)~~ (f) A **township county** assessor shall not demand a survey of  
 7 land described in subsection (d) ~~of this section~~ if:

8 (1) the owner or holder of the land has previously had it surveyed  
 9 and presents to the assessor a survey certificate which states the  
 10 quantity of land; or

11 (2) the assessor is satisfied from other competent evidence, given  
 12 under oath or affirmation, that the quantity of land stated in the  
 13 original survey is correct.

14 SECTION 92. IC 6-1.1-5-14, AS AMENDED BY P.L.88-2005,  
 15 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2008]: Sec. 14. Not later than May 15, each ~~assessing official~~  
 17 **township assessor in the county (if any)** shall prepare and deliver to  
 18 the county assessor a detailed list of the real property listed for taxation  
 19 in the township. On or before July 1 of each year, each county assessor  
 20 shall, under oath, prepare and deliver to the county auditor a detailed  
 21 list of the real property listed for taxation in the county. ~~In a county~~  
 22 ~~with an elected township assessor in every township the township~~  
 23 ~~assessor shall prepare the real property list:~~ The assessing officials and  
 24 the county assessor shall prepare the list in the form prescribed by the  
 25 department of local government finance. ~~The township assessor shall~~  
 26 ~~ensure that the county assessor has full access to the assessment~~  
 27 ~~records maintained by the township assessor:~~

28 SECTION 93. IC 6-1.1-5-15, AS AMENDED BY P.L.228-2005,  
 29 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2008]: Sec. 15. (a) Except as provided in subsection (b),  
 31 before an owner of real property demolishes, structurally modifies, or  
 32 improves it at a cost of more than five hundred dollars (\$500) for  
 33 materials or labor, or both, the owner or the owner's agent shall file  
 34 with the area plan commission or the county assessor in the county  
 35 where the property is located an assessment registration notice on a  
 36 form prescribed by the department of local government finance.

37 (b) If the owner of the real property, or the person performing the  
 38 work for the owner, is required to obtain a permit from an agency or  
 39 official of the state or a political subdivision for the demolition,  
 40 structural modification, or improvement, the owner or the person  
 41 performing the work for the owner is not required to file an assessment  
 42 registration notice.

43 (c) Each state or local government official or agency shall, before  
 44 the tenth day of each month, deliver a copy of each permit described in  
 45 subsection (b) to the assessor of the county in which the real property  
 46 to be improved is situated. Each area plan commission shall, before the  
 47 tenth day of each month, deliver a copy of each assessment registration  
 48 notice described in subsection (a) to the assessor of the county where  
 49 the property is located.

50 (d) Before the last day of each month, the county assessor shall  
 51 distribute a copy of each assessment registration notice filed under

1 subsection (a) or permit received under subsection (b) to the assessor  
 2 of the township (**if any**) in which the real property to be demolished,  
 3 modified, or improved is situated.

4 (e) A fee of five dollars (\$5) shall be charged by the area plan  
 5 commission or the county assessor for the filing of the assessment  
 6 registration notice. All fees collected under this subsection shall be  
 7 deposited in the county property reassessment fund.

8 (f) A township or county assessor shall immediately notify the  
 9 county treasurer if the assessor discovers property that has been  
 10 improved or structurally modified at a cost of more than five hundred  
 11 dollars (\$500) and the owner of the property has failed to obtain the  
 12 required building permit or to file an assessment registration notice.

13 (g) Any person who fails to:

14 (1) file the registration notice required by subsection (a); or

15 (2) obtain a building permit described in subsection (b);

16 before demolishing, structurally modifying, or improving real property  
 17 is subject to a civil penalty of one hundred dollars (\$100). The county  
 18 treasurer shall include the penalty on the person's property tax  
 19 statement and collect it in the same manner as delinquent personal  
 20 property taxes under IC 6-1.1-23. However, if a person files a late  
 21 registration notice, the person shall pay the fee, if any, and the penalty  
 22 to the area plan commission or the county assessor at the time the  
 23 person files the late registration notice.

24 SECTION 94. IC 6-1.1-5.5-3, AS AMENDED BY P.L.219-2007,  
 25 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2008]: Sec. 3. (a) For purposes of this section, "party"  
 27 includes:

28 (1) a seller of property that is exempt under the seller's ownership;  
 29 or

30 (2) a purchaser of property that is exempt under the purchaser's  
 31 ownership;

32 from property taxes under IC 6-1.1-10.

33 (b) Before filing a conveyance document with the county auditor  
 34 under IC 6-1.1-5-4, all the parties to the conveyance must do the  
 35 following:

36 (1) Complete and sign a sales disclosure form as prescribed by the  
 37 department of local government finance under section 5 of this  
 38 chapter. All the parties may sign one (1) form, or if all the parties  
 39 do not agree on the information to be included on the completed  
 40 form, each party may sign and file a separate form.

41 (2) Before filing a sales disclosure form with the county auditor,  
 42 submit the sales disclosure form to the county assessor. The  
 43 county assessor must review the accuracy and completeness of  
 44 each sales disclosure form submitted immediately upon receipt of  
 45 the form and, if the form is accurate and complete, stamp the form  
 46 as eligible for filing with the county auditor and return the form  
 47 to the appropriate party for filing with the county auditor. If  
 48 multiple forms are filed in a short period, the county assessor  
 49 shall process the forms as quickly as possible. For purposes of this  
 50 subdivision, a sales disclosure form is considered to be accurate  
 51 and complete if:

- 1 (A) the county assessor does not have substantial evidence  
 2 when the form is reviewed under this subdivision that  
 3 information in the form is inaccurate; and  
 4 (B) the form:  
 5 (i) substantially conforms to the sales disclosure form  
 6 prescribed by the department of local government finance  
 7 under section 5 of this chapter; and  
 8 (ii) is submitted to the county assessor in a format usable to  
 9 the county assessor.
- 10 (3) File the sales disclosure form with the county auditor.
- 11 (c) ~~Except as provided in subsection (d)~~; The auditor shall forward  
 12 each sales disclosure form to the county assessor. The county assessor  
 13 shall retain the forms for five (5) years. The county assessor shall  
 14 forward the sales disclosure form data to the department of local  
 15 government finance and the legislative services agency in an electronic  
 16 format specified jointly by the department of local government finance  
 17 and the legislative services agency. The county assessor shall forward  
 18 a copy of the sales disclosure forms to the township assessors in the  
 19 county. The forms may be used by the county assessing officials, the  
 20 department of local government finance, and the legislative services  
 21 agency for the purposes established in IC 6-1.1-4-13.6, sales ratio  
 22 studies, equalization, adoption of rules under IC 6-1.1-31-3 and  
 23 IC 6-1.1-31-6, and any other authorized purpose.
- 24 (d) In a county containing a consolidated city, the auditor shall  
 25 forward the sales disclosure form to the appropriate township assessor  
 26 **(if any)**. The township **or county** assessor shall forward the sales  
 27 disclosure form to the department of local government finance and the  
 28 legislative services agency in an electronic format specified jointly by  
 29 the department of local government finance and the legislative services  
 30 agency. The forms may be used by the county assessing officials, the  
 31 department of local government finance, and the legislative services  
 32 agency for the purposes established in IC 6-1.1-4-13.6, sales ratio  
 33 studies, equalization, adoption of rules under IC 6-1.1-31-3 and  
 34 IC 6-1.1-31-6, and any other authorized purpose.
- 35 (e) If a sales disclosure form includes the telephone number or  
 36 Social Security number of a party, the telephone number or Social  
 37 Security number is confidential.
- 38 (f) County assessing officials and other local officials may not  
 39 establish procedures or requirements concerning sales disclosure forms  
 40 that substantially differ from the procedures and requirements of this  
 41 chapter.
- 42 SECTION 95. IC 6-1.1-7-3 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. A person who  
 44 permits a mobile home to be placed on any land which ~~he~~ **the person**  
 45 owns, possesses, or controls shall report that fact to the assessor of the  
 46 township in which the land is located, **or the county assessor if there**  
 47 **is no township assessor for the township**, within ten (10) days after  
 48 the mobile home is placed on the land. The ten (10) day period  
 49 commences the day after the day that the mobile home is placed upon  
 50 the land.
- 51 SECTION 96. IC 6-1.1-7-5 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. A mobile home  
 2 which is subject to taxation under this chapter shall be assessed by the  
 3 assessor of the township within which the place of assessment is  
 4 located, **or the county assessor if there is no township assessor for**  
 5 **the township.** Each township assessor ~~of a county~~ **and the county**  
 6 **assessor** shall certify the assessments of mobile homes to the county  
 7 auditor in the same manner provided for the certification of personal  
 8 property assessments. The township **or county** assessor shall make this  
 9 certification on the forms prescribed by the department of local  
 10 government finance.

11 SECTION 97. IC 6-1.1-8-23 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 23. Each year a public  
 13 utility company shall file a statement with the assessor of each  
 14 township **(if any)** and county assessor of each county in which the  
 15 company's property is located. The company shall file the statement on  
 16 the form prescribed by the department of local government finance.  
 17 The statement shall contain a description of the company's tangible  
 18 personal property located in the township **or county.**

19 SECTION 98. IC 6-1.1-8-24, AS AMENDED BY P.L.88-2005,  
 20 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2008]: Sec. 24. (a) Each year, a township assessor, **or the**  
 22 **county assessor if there is no township assessor for the township,**  
 23 shall assess the fixed property ~~which that~~ as of the assessment date of  
 24 that year is:

25 (1) owned or used by a public utility company; and

26 (2) located in the township ~~the township assessor serves:~~ **or**  
 27 **county.**

28 (b) The township **or county** assessor shall determine the assessed  
 29 value of fixed property. ~~The A~~ township assessor shall certify the  
 30 assessed values to the county assessor on or before April 1 of the year  
 31 of assessment. However, in a county with ~~an~~ **an elected a** township  
 32 assessor in every township, the township assessor shall certify the list  
 33 to the department of local government finance. The county assessor  
 34 shall review the assessed values and shall certify the assessed values  
 35 to the department of local government finance on or before April 10 of  
 36 ~~the that year. of assessment.~~

37 SECTION 99. IC 6-1.1-8-33 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 33. A public utility  
 39 company may appeal a township **or county** assessor's assessment of  
 40 fixed property in the same manner that it may appeal a township **or**  
 41 **county** assessor's assessment of tangible property under ~~IC 1971,~~  
 42 **IC 6-1.1-15.**

43 SECTION 100. IC 6-1.1-8-39 IS AMENDED TO READ AS  
 44 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 39. The annual  
 45 assessments of a public utility company's property are presumed to  
 46 include all the company's property which is subject to taxation under  
 47 this chapter. However, this presumption does not preclude the  
 48 subsequent assessment of a specific item of tangible property which is  
 49 clearly shown to have been omitted from the assessments for that year.  
 50 The appropriate township assessor, **or the county assessor if there is**

1 **no township assessor for the township**, shall make assessments of  
2 omitted fixed property. The department of local government finance  
3 shall make assessments of omitted distributable property. However, the  
4 department of local government finance may not assess omitted  
5 distributable property after the expiration of ten (10) years from the last  
6 day of the year in which the assessment should have been made.

7 SECTION 101. IC 6-1.1-8.5-7 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The township  
9 assessor (**if any**) of each township in a qualifying county shall notify  
10 the department of local government finance of a newly constructed  
11 industrial facility that is located in the township served by the township  
12 assessor. **The county assessor shall perform this duty for a township**  
13 **in a qualifying county if there is no township assessor for the**  
14 **township.**

15 (b) Each building commissioner in a qualifying county shall notify  
16 the department of local government finance of a newly constructed  
17 industrial facility that is located in the jurisdiction served by the  
18 building commissioner.

19 (c) The department of local government finance shall schedule an  
20 assessment under this chapter of a newly constructed industrial facility  
21 within six (6) months after receiving notice of the construction ~~from the~~  
22 ~~appropriate township assessor or building commissioner.~~ **under this**  
23 **section.**

24 SECTION 102. IC 6-1.1-9-1, AS AMENDED BY P.L.219-2007,  
25 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JULY 1, 2008]: Sec. 1. If a township assessor (**if any**), county assessor,  
27 or county property tax assessment board of appeals believes that any  
28 taxable tangible property has been omitted from or undervalued on the  
29 assessment rolls or the tax duplicate for any year or years, the official  
30 or board shall give written notice under IC 6-1.1-3-20 or IC 6-1.1-4-22  
31 of the assessment or increase in assessment. The notice shall contain  
32 a general description of the property and a statement describing the  
33 taxpayer's right to a review with the county property tax assessment  
34 board of appeals under IC 6-1.1-15-1.

35 SECTION 103. IC 6-1.1-9-6 IS AMENDED TO READ AS  
36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. The county assessor  
37 shall obtain from the county auditor or the township assessors (**if any**)  
38 all returns for tangible property made by the township assessors of the  
39 county and all assessment lists, schedules, statements, maps, and other  
40 books and papers filed with the county auditor by the township  
41 assessors. For purposes of discovering undervalued or omitted  
42 property, the county assessor shall carefully examine the county tax  
43 duplicates and all other pertinent records and papers of the county  
44 auditor, treasurer, recorder, clerk, sheriff, and surveyor. The county  
45 assessor shall, in the manner prescribed in this article, assess all  
46 omitted or undervalued tangible property which is subject to  
47 assessment.

48 SECTION 104. IC 6-1.1-10-10 IS AMENDED TO READ AS  
49 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) The owner of an  
50 industrial waste control facility who wishes to obtain the exemption  
51 provided in section 9 of this chapter shall file an exemption claim



1 **along** with the assessor of the township in which the property is located  
 2 ~~when he files his~~ owner's annual personal property return. The claim  
 3 shall describe and state the assessed value of the property for which an  
 4 exemption is claimed.

5 (b) The owner shall, by registered or certified mail, forward a copy  
 6 of the exemption claim to the department of environmental  
 7 management. The department shall acknowledge its receipt of the  
 8 claim.

9 (c) The department of environmental management may investigate  
 10 any claim. The department may also determine if the property for  
 11 which the exemption is claimed is being utilized as an industrial waste  
 12 control facility. Within one hundred twenty (120) days after a claim is  
 13 mailed to the department, the department may certify its written  
 14 determination to the township **or county** assessor with whom the claim  
 15 was filed.

16 (d) The determination of the department remains in effect:

17 (1) as long as the owner owns the property and uses the property  
 18 as an industrial waste control facility; or

19 (2) for five (5) years;

20 whichever is less. In addition, during the five (5) years after the  
 21 department's determination the owner of the property must notify the  
 22 **township county** assessor and the department in writing if any of the  
 23 property on which the department's determination was based is  
 24 disposed of or removed from service as an industrial waste control  
 25 facility.

26 (e) The department may revoke a determination if the department  
 27 finds that the property is not predominantly used as an industrial waste  
 28 control facility.

29 (f) The township **or county** assessor, in accord with the  
 30 determination of the department, shall allow or deny in whole or in part  
 31 each exemption claim. However, if the owner provides the assessor  
 32 with proof that a copy of the claim has been mailed to the department,  
 33 and if the department has not certified a determination to the assessor  
 34 within one hundred twenty (120) days after the claim has been mailed  
 35 to the department, the assessor shall allow the total exemption claimed  
 36 by the owner.

37 (g) The assessor shall reduce the assessed value of the owner's  
 38 personal property for the year for which an exemption is claimed by the  
 39 amount of exemption allowed.

40 SECTION 105. IC 6-1.1-10-13 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) The owner of  
 42 personal property which is part of a stationary or unlicensed mobile air  
 43 pollution control system who wishes to obtain the exemption provided  
 44 in section 12 of this chapter shall claim the exemption on ~~his the~~  
 45 **owner's** annual personal property return. ~~which he files with the~~  
 46 ~~assessor of the township in which the property is located~~. On the return,  
 47 the owner shall describe and state the assessed value of the property for  
 48 which the exemption is claimed.

49 (b) The township **or county** assessor shall:

50 (1) review the exemption claim; and ~~he shall~~

- 1           (2) allow or deny it in whole or in part.
- 2           In making ~~his~~ **the** decision, the township **or county** assessor shall
- 3           consider the requirements stated in section 12 of this chapter.
- 4           (c) The township **or county** assessor shall reduce the assessed value
- 5           of the owner's personal property for the year for which the exemption
- 6           is claimed by the amount of exemption allowed.
- 7           SECTION 106. IC 6-1.1-10-14 IS AMENDED TO READ AS
- 8           FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 14. The action taken by
- 9           a township **or county** assessor on an exemption claim filed under
- 10          section 10 or ~~section~~ 13 of this chapter shall be treated as an
- 11          assessment of personal property. Thus, the assessor's action is subject
- 12          to all the provisions of this article pertaining to notice, review, or
- 13          appeal of personal property assessments.
- 14          SECTION 107. IC 6-1.1-11-3, AS AMENDED BY P.L.219-2007,
- 15          SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 16          JULY 1, 2008]: Sec. 3. (a) Subject to subsections (e), (f), and (g), an
- 17          owner of tangible property who wishes to obtain an exemption from
- 18          property taxation shall file a certified application in duplicate with the
- 19          county assessor of the county in which the property that is the subject
- 20          of the exemption is located. The application must be filed annually on
- 21          or before May 15 on forms prescribed by the department of local
- 22          government finance. Except as provided in sections 1, 3.5, and 4 of this
- 23          chapter, the application applies only for the taxes imposed for the year
- 24          for which the application is filed.
- 25          (b) The authority for signing an exemption application may not be
- 26          delegated by the owner of the property to any other person except by
- 27          an executed power of attorney.
- 28          (c) An exemption application which is required under this chapter
- 29          shall contain the following information:
- 30                (1) A description of the property claimed to be exempt in
- 31                sufficient detail to afford identification.
- 32                (2) A statement showing the ownership, possession, and use of
- 33                the property.
- 34                (3) The grounds for claiming the exemption.
- 35                (4) The full name and address of the applicant.
- 36                (5) For the year that ends on the assessment date of the property,
- 37                identification of:
- 38                    (A) each part of the property used or occupied; and
- 39                    (B) each part of the property not used or occupied;
- 40                for one (1) or more exempt purposes under IC 6-1.1-10 during the
- 41                time the property is used or occupied.
- 42                (6) Any additional information which the department of local
- 43                government finance may require.
- 44          (d) A person who signs an exemption application shall attest in
- 45          writing and under penalties of perjury that, to the best of the person's
- 46          knowledge and belief, a predominant part of the property claimed to be
- 47          exempt is not being used or occupied in connection with a trade or
- 48          business that is not substantially related to the exercise or performance
- 49          of the organization's exempt purpose.
- 50          (e) An owner must file with an application for exemption of real
- 51          property under subsection (a) or section 5 of this chapter a copy of the

1 township assessor's record kept under IC 6-1.1-4-25(a) that shows the  
 2 calculation of the assessed value of the real property for the assessment  
 3 date for which the exemption is claimed. Upon receipt of the  
 4 exemption application, the county assessor shall examine that record  
 5 and determine if the real property for which the exemption is claimed  
 6 is properly assessed. If the county assessor determines that the real  
 7 property is not properly assessed, the county assessor shall: ~~direct the~~  
 8 ~~township assessor of the township in which the real property is located~~  
 9 ~~to:~~

10 (1) properly assess the real property **or direct the township**  
 11 **assessor to properly assess the real property;** and

12 (2) notify the ~~county assessor and~~ county auditor of the proper  
 13 assessment **or direct the township assessor to notify the county**  
 14 **auditor of the proper assessment.**

15 (f) If the county assessor determines that the applicant has not filed  
 16 with an application for exemption a copy of the record referred to in  
 17 subsection (e), the county assessor shall notify the applicant in writing  
 18 of that requirement. The applicant then has thirty (30) days after the  
 19 date of the notice to comply with that requirement. The county property  
 20 tax assessment board of appeals shall deny an application described in  
 21 this subsection if the applicant does not comply with that requirement  
 22 within the time permitted under this subsection.

23 (g) This subsection applies whenever a law requires an exemption  
 24 to be claimed on or in an application accompanying a personal property  
 25 tax return. The claim or application may be filed on or with a personal  
 26 property tax return not more than thirty (30) days after the filing date  
 27 for the personal property tax return, regardless of whether an extension  
 28 of the filing date has been granted under IC 6-1.1-3-7.

29 SECTION 108. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2007,  
 30 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JANUARY 1, 2009]: Sec. 12. (a) Except as provided in section 17.8 of  
 32 this chapter, a person who desires to claim the deduction provided in  
 33 section 11 of this chapter must file an application, on forms prescribed  
 34 by the department of local government finance, with the auditor of the  
 35 county in which the real property, mobile home not assessed as real  
 36 property, or manufactured home not assessed as real property is  
 37 located. With respect to real property, the application must be filed  
 38 during the twelve (12) months before June 11 ~~of~~ each year for which  
 39 the individual wishes to obtain the deduction. With respect to a mobile  
 40 home that is not assessed as real property or a manufactured home that  
 41 is not assessed as real property, the application must be filed during the  
 42 twelve (12) months before March 31 of each year for which the  
 43 individual wishes to obtain the deduction. The application may be filed  
 44 in person or by mail. If mailed, the mailing must be postmarked on or  
 45 before the last day for filing.

46 (b) Proof of blindness may be supported by:

47 (1) the records of ~~a county office of family and children;~~ the  
 48 division of family resources or the division of disability and  
 49 rehabilitative services; or

50 (2) the written statement of a physician who is licensed by this  
 51 state and skilled in the diseases of the eye or of a licensed

1 optometrist.

2 (c) The application required by this section must contain the record  
3 number and page where the contract or memorandum of the contract  
4 is recorded if the individual is buying the real property, mobile home,  
5 or manufactured home on a contract that provides that the individual  
6 is to pay property taxes on the real property, mobile home, or  
7 manufactured home.

8 SECTION 109. IC 6-1.1-12-20, AS AMENDED BY P.L.154-2006,  
9 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2008]: Sec. 20. (a) A property owner who desires to obtain the  
11 deduction provided by section 18 of this chapter must file a certified  
12 deduction application, on forms prescribed by the department of local  
13 government finance, with the auditor of the county in which the  
14 rehabilitated property is located. The application may be filed in person  
15 or by mail. If mailed, the mailing must be postmarked on or before the  
16 last day for filing. Except as provided in subsection (b), the application  
17 must be filed before June 11 of the year in which the addition to  
18 assessed value is made.

19 (b) If notice of the addition to assessed value for any year is not  
20 given to the property owner before May 11 of that year, the application  
21 required by this section may be filed not later than thirty (30) days after  
22 the date such a notice is mailed to the property owner at the address  
23 shown on the records of the township **or county** assessor.

24 (c) The application required by this section shall contain the  
25 following information:

- 26 (1) A description of the property for which a deduction is claimed  
27 in sufficient detail to afford identification.  
28 (2) Statements of the ownership of the property.  
29 (3) The assessed value of the improvements on the property  
30 before rehabilitation.  
31 (4) The number of dwelling units on the property.  
32 (5) The number of dwelling units rehabilitated.  
33 (6) The increase in assessed value resulting from the  
34 rehabilitation. ~~and~~  
35 (7) The amount of deduction claimed.

36 (d) A deduction application filed under this section is applicable for  
37 the year in which the increase in assessed value occurs and for the  
38 immediately following four (4) years without any additional application  
39 being filed.

40 (e) On verification of an application by the assessor of the township  
41 in which the property is located, **or the county assessor if there is no**  
42 **township assessor for the township**, the county auditor shall make the  
43 deduction.

44 SECTION 110. IC 6-1.1-12-24, AS AMENDED BY P.L.154-2006,  
45 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
46 JULY 1, 2008]: Sec. 24. (a) A property owner who desires to obtain the  
47 deduction provided by section 22 of this chapter must file a certified  
48 deduction application, on forms prescribed by the department of local  
49 government finance, with the auditor of the county in which the  
50 property is located. The application may be filed in person or by mail.  
51 If mailed, the mailing must be postmarked on or before the last day for

1 filing. Except as provided in subsection (b), the application must be  
 2 filed before June 11 of the year in which the addition to assessed  
 3 valuation is made.

4 (b) If notice of the addition to assessed valuation for any year is not  
 5 given to the property owner before May 11 of that year, the application  
 6 required by this section may be filed not later than thirty (30) days after  
 7 the date such a notice is mailed to the property owner at the address  
 8 shown on the records of the township **or county** assessor.

9 (c) The application required by this section shall contain the  
 10 following information:

11 (1) The name of the property owner.

12 (2) A description of the property for which a deduction is claimed  
 13 in sufficient detail to afford identification.

14 (3) The assessed value of the improvements on the property  
 15 before rehabilitation.

16 (4) The increase in the assessed value of improvements resulting  
 17 from the rehabilitation. ~~and~~

18 (5) The amount of deduction claimed.

19 (d) A deduction application filed under this section is applicable for  
 20 the year in which the addition to assessed value is made and in the  
 21 immediate following four (4) years without any additional application  
 22 being filed.

23 (e) On verification of the correctness of an application by the  
 24 assessor of the township in which the property is located, **or the**  
 25 **county assessor if there is no township assessor for the township,**  
 26 the county auditor shall make the deduction.

27 SECTION 111. IC 6-1.1-12-27.1, AS AMENDED BY  
 28 P.L.183-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS  
 29 [EFFECTIVE JULY 1, 2008]: Sec. 27.1. Except as provided in section  
 30 36 of this chapter, a person who desires to claim the deduction  
 31 provided by section 26 of this chapter must file a certified statement in  
 32 duplicate, on forms prescribed by the department of local government  
 33 finance, with the auditor of the county in which the real property or  
 34 mobile home is subject to assessment. With respect to real property, the  
 35 person must file the statement during the twelve (12) months before  
 36 June 11 of each year for which the person desires to obtain the  
 37 deduction. With respect to a mobile home which is not assessed as real  
 38 property, the person must file the statement during the twelve (12)  
 39 months before March 31 of each year for which the person desires to  
 40 obtain the deduction. The statement may be filed in person or by mail.  
 41 If mailed, the mailing must be postmarked on or before the last day for  
 42 filing. On verification of the statement by the assessor of the township  
 43 in which the real property or mobile home is subject to assessment, **or**  
 44 **the county assessor if there is no township assessor for the**  
 45 **township,** the county auditor shall allow the deduction.

46 SECTION 112. IC 6-1.1-12-28.5, AS AMENDED BY  
 47 P.L.137-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS  
 48 [EFFECTIVE JULY 1, 2008]: Sec. 28.5. (a) For purposes of this  
 49 section:

50 (1) "Hazardous waste" has the meaning set forth in  
 51 IC 13-11-2-99(a) and includes a waste determined to be a

1 hazardous waste under IC 13-22-2-3(b).  
2 (2) "Resource recovery system" means tangible property directly  
3 used to dispose of solid waste or hazardous waste by converting  
4 it into energy or other useful products.

5 (3) "Solid waste" has the meaning set forth in IC 13-11-2-205(a)  
6 but does not include dead animals or any animal solid or  
7 semisolid wastes.

8 (b) Except as provided in this section, the owner of a resource  
9 recovery system is entitled to an annual deduction in an amount equal  
10 to ninety-five percent (95%) of the assessed value of the system if:

11 (1) the system was certified by the department of environmental  
12 management for the 1993 assessment year or a prior assessment  
13 year; and

14 (2) the owner filed a timely application for the deduction for the  
15 1993 assessment year.

16 For purposes of this section, a system includes tangible property that  
17 replaced tangible property in the system after the certification by the  
18 department of environmental management.

19 (c) The owner of a resource recovery system that is directly used to  
20 dispose of hazardous waste is not entitled to the deduction provided by  
21 this section for a particular assessment year if during that assessment  
22 year the owner:

23 (1) is convicted of any violation under IC 13-7-13-3 (repealed),  
24 IC 13-7-13-4 (repealed), or a criminal statute under IC 13; or

25 (2) is subject to an order or a consent decree with respect to  
26 property located in Indiana based upon a violation of a federal or  
27 state rule, regulation, or statute governing the treatment, storage,  
28 or disposal of hazardous wastes that had a major or moderate  
29 potential for harm.

30 (d) The certification of a resource recovery system by the  
31 department of environmental management for the 1993 assessment  
32 year or a prior assessment year is valid through the 1997 assessment  
33 year so long as the property is used as a resource recovery system. If  
34 the property is no longer used for the purpose for which the property  
35 was used when the property was certified, the owner of the property  
36 shall notify the county auditor. However, the deduction from the  
37 assessed value of the system is:

38 (1) ninety-five percent (95%) for the 1994 assessment year;

39 (2) ninety percent (90%) for the 1995 assessment year;

40 (3) seventy-five percent (75%) for the 1996 assessment year; and

41 (4) sixty percent (60%) for the 1997 assessment year.

42 Notwithstanding this section as it existed before 1995, for the 1994  
43 assessment year, the portion of any tangible property comprising a  
44 resource recovery system that was assessed and first deducted for the  
45 1994 assessment year may not be deducted for property taxes first due  
46 and payable in 1995 or later.

47 (e) In order to qualify for a deduction under this section, the person  
48 who desires to claim the deduction must file an application with the  
49 county auditor after February 28 and before May 16 of the current  
50 assessment year. An application must be filed in each year for which  
51 the person desires to obtain the deduction. The application may be filed

1 in person or by mail. If mailed, the mailing must be postmarked on or  
2 before the last day for filing. If the application is not filed before the  
3 applicable deadline under this subsection, the deduction is waived. The  
4 application must be filed on a form prescribed by the department of  
5 local government finance. The application for a resource recovery  
6 system deduction must include:

7 (1) a certification by the department of environmental  
8 management for the 1993 assessment year or a prior assessment  
9 year as described in subsection (d); or

10 (2) the certification by the department of environmental  
11 management for the 1993 assessment year as described in  
12 subsection (g).

13 Beginning with the 1995 assessment year a person must also file an  
14 itemized list of all property on which a deduction is claimed. The list  
15 must include the date of purchase of the property and the cost to  
16 acquire the property.

17 (f) Before July 1, 1995, the department of environmental  
18 management shall transfer all the applications, records, or other  
19 material the department has with respect to resource recovery system  
20 deductions under this section for the 1993 and 1994 assessment years.  
21 The township assessor, **or the county assessor if there is no township**  
22 **assessor for the township**, shall verify each deduction application  
23 filed under this section and the county auditor shall determine the  
24 deduction. The county auditor shall send to the department of local  
25 government finance a copy of each deduction application. The county  
26 auditor shall notify the county property tax assessment board of appeals  
27 of all deductions allowed under this section. A denial of a deduction  
28 claimed under this subsection may be appealed as provided in  
29 IC 6-1.1-15. The appeal is limited to a review of a determination made  
30 by the township **assessor, the county** assessor, or the county auditor.

31 (g) Notwithstanding subsection (d), the certification for the 1993  
32 assessment year of a resource recovery system in regard to which a  
33 political subdivision is liable for the payment of the property taxes  
34 remains valid at the ninety-five percent (95%) deduction level allowed  
35 before 1994 as long as the political subdivision remains liable for the  
36 payment of the property taxes on the system.

37 SECTION 113. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2007,  
38 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2008]: Sec. 30. Except as provided in section 36 of this  
40 chapter, a person who desires to claim the deduction provided by  
41 section 29 of this chapter must file a certified statement in duplicate,  
42 on forms prescribed by the department of local government finance,  
43 with the auditor of the county in which the real property or mobile  
44 home is subject to assessment. With respect to real property, the person  
45 must file the statement during the twelve (12) months before June 11  
46 of each year for which the person desires to obtain the deduction. With  
47 respect to a mobile home which is not assessed as real property, the  
48 person must file the statement during the twelve (12) months before  
49 March 31 of each year for which the person desires to obtain the  
50 deduction. On verification of the statement by the assessor of the  
51 township in which the real property or mobile home is subject to

1 assessment, **or the county assessor if there is no township assessor**  
2 **for the township**, the county auditor shall allow the deduction.

3 SECTION 114. IC 6-1.1-12-35.5, AS AMENDED BY  
4 P.L.183-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2008]: Sec. 35.5. (a) Except as provided in  
6 section 36 of this chapter, a person who desires to claim the deduction  
7 provided by section 31, 33, 34, or 34.5 of this chapter must file a  
8 certified statement in duplicate, on forms prescribed by the department  
9 of local government finance, and proof of certification under  
10 subsection (b) or (f) with the auditor of the county in which the  
11 property for which the deduction is claimed is subject to assessment.  
12 Except as provided in subsection (e), with respect to property that is not  
13 assessed under IC 6-1.1-7, the person must file the statement during the  
14 twelve (12) months before June 11 of the assessment year. The person  
15 must file the statement in each year for which the person desires to  
16 obtain the deduction. With respect to a property which is assessed  
17 under IC 6-1.1-7, the person must file the statement during the twelve  
18 (12) months before March 31 of each year for which the person desires  
19 to obtain the deduction. The statement may be filed in person or by  
20 mail. If mailed, the mailing must be postmarked on or before the last  
21 day for filing. On verification of the statement by the assessor of the  
22 township in which the property for which the deduction is claimed is  
23 subject to assessment, **or the county assessor if there is no township**  
24 **assessor for the township**, the county auditor shall allow the  
25 deduction.

26 (b) This subsection does not apply to an application for a deduction  
27 under section 34.5 of this chapter. The department of environmental  
28 management, upon application by a property owner, shall determine  
29 whether a system or device qualifies for a deduction provided by  
30 section 31, 33, or 34 of this chapter. If the department determines that  
31 a system or device qualifies for a deduction, it shall certify the system  
32 or device and provide proof of the certification to the property owner.  
33 The department shall prescribe the form and manner of the certification  
34 process required by this subsection.

35 (c) This subsection does not apply to an application for a deduction  
36 under section 34.5 of this chapter. If the department of environmental  
37 management receives an application for certification before May 11 of  
38 the assessment year, the department shall determine whether the system  
39 or device qualifies for a deduction before June 11 of the assessment  
40 year. If the department fails to make a determination under this  
41 subsection before June 11 of the assessment year, the system or device  
42 is considered certified.

43 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5  
44 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal  
45 is limited to a review of a determination made by the township  
46 assessor, county property tax assessment board of appeals, or  
47 department of local government finance.

48 (e) A person who timely files a personal property return under  
49 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the  
50 deduction provided in section 31 of this chapter for property that is not  
51 assessed under IC 6-1.1-7 must file the statement described in



1 subsection (a) during the twelve (12) months before June 11 of that  
 2 year A person who obtains a filing extension under IC 6-1.1-3-7(b) for  
 3 an assessment year must file the application between March 1 and the  
 4 extended due date for that year.

5 (f) This subsection applies only to an application for a deduction  
 6 under section 34.5 of this chapter. The center for coal technology  
 7 research established by IC 21-47-4-1, upon receiving an application  
 8 from the owner of a building, shall determine whether the building  
 9 qualifies for a deduction under section 34.5 of this chapter. If the center  
 10 determines that a building qualifies for a deduction, the center shall  
 11 certify the building and provide proof of the certification to the owner  
 12 of the building. The center shall prescribe the form and procedure for  
 13 certification of buildings under this subsection. If the center receives  
 14 an application for certification of a building under section 34.5 of this  
 15 chapter before May 11 of an assessment year:

16 (1) the center shall determine whether the building qualifies for  
 17 a deduction before June 11 of the assessment year; and

18 (2) if the center fails to make a determination before June 11 of  
 19 the assessment year, the building is considered certified.

20 SECTION 115. IC 6-1.1-12-37, AS AMENDED BY P.L.224-2007,  
 21 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JANUARY 1, 2009]: Sec. 37. (a) **The following definitions apply  
 23 throughout this section:**

24 (1) **"Dwelling" means any of the following:**

25 (A) **Residential real property improvements that an  
 26 individual uses as the individual's residence, including a  
 27 house or garage.**

28 (B) **A mobile home that is not assessed as real property  
 29 that an individual uses as the individual's residence.**

30 (C) **A manufactured home that is not assessed as real  
 31 property that an individual uses as the individual's  
 32 residence.**

33 (2) **"Homestead" means an individual's principal place of  
 34 residence that:**

35 (A) **is located in Indiana;**

36 (B) **the individual:**

37 (i) **owns;**

38 (ii) **is buying under a contract, recorded in the county  
 39 recorder's office, that provides that the individual is to  
 40 pay the property taxes on the residence; or**

41 (iii) **is entitled to occupy as a tenant-stockholder (as  
 42 defined in 26 U.S.C. 216) of a cooperative housing  
 43 corporation (as defined in 26 U.S.C. 216); and**

44 (C) **consists of a dwelling and the real estate, not exceeding  
 45 one (1) acre, that immediately surrounds that dwelling.**

46 (b) **Each year a person an individual who on March 1 of a  
 47 particular year or, in the case of a mobile home that is assessed as  
 48 personal property, the immediately following January 15, either  
 49 owns or is buying a homestead under a contract, recorded in the  
 50 county recorder's office, that provides the individual is to pay  
 51 property taxes on the homestead is entitled to receive the homestead**

1 credit provided under IC 6-1.1-20.9 for property taxes payable in the  
 2 following year is entitled to a standard deduction from the assessed  
 3 value of the real property; mobile home not assessed as real property;  
 4 or manufactured home not assessed as real property that qualifies for  
 5 the homestead credit. The auditor of the county shall record and make  
 6 the deduction for the person qualifying for the deduction.

7 ~~(b)~~ (c) Except as provided in section 40.5 of this chapter, the total  
 8 amount of the deduction that a person may receive under this section  
 9 for a particular year is the lesser of:

10 (1) ~~one-half (1/2)~~ **sixty percent (60%)** of the assessed value of  
 11 the real property, mobile home not assessed as real property, or  
 12 manufactured home not assessed as real property; or

13 (2) ~~for property taxes first due and payable:~~

14 (A) before January 1, 2007, thirty-five thousand dollars  
 15 (\$35,000);

16 (B) after December 31, 2006, and before January 1, 2009,  
 17 forty-five thousand dollars (\$45,000).

18 (C) after December 31, 2008, and before January 1, 2010,  
 19 forty-four thousand dollars (\$44,000);

20 ~~(D) after December 31, 2009, and before January 1, 2011,~~  
 21 ~~forty-three thousand dollars (\$43,000);~~

22 (E) after December 31, 2010, and before January 1, 2012,  
 23 forty-two thousand dollars (\$42,000);

24 (F) after December 31, 2011, and before January 1, 2013,  
 25 forty-one thousand dollars (\$41,000); and

26 ~~(G) after December 31, 2012, forty thousand dollars (\$40,000):~~

27 ~~(c)~~ (d) A person who has sold real property, a mobile home not  
 28 assessed as real property, or a manufactured home not assessed as real  
 29 property to another person under a contract that provides that the  
 30 contract buyer is to pay the property taxes on the real property, mobile  
 31 home, or manufactured home may not claim the deduction provided  
 32 under this section with respect to that real property, mobile home, or  
 33 manufactured home.

34 (e) **The department of local government finance shall adopt**  
 35 **rules or guidelines concerning the application for a deduction**  
 36 **under this section.**

37 (f) **The county auditor may not grant an individual or a married**  
 38 **couple a deduction under this section if:**

39 (1) **the individual or married couple, for the same year, claims**  
 40 **the deduction on two (2) or more different applications for the**  
 41 **deduction; and**

42 (2) **the applications claim the deduction for different property.**

43 SECTION 116. IC 6-1.1-12-37.5 IS ADDED TO THE INDIANA  
 44 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 45 [EFFECTIVE JANUARY 1, 2009]: **Sec. 37.5. (a) A person who is**  
 46 **entitled to a standard deduction from the assessed value of**  
 47 **property under section 37 of this chapter is also entitled to receive**  
 48 **a supplemental deduction from the assessed value of the homestead**  
 49 **to which the standard deduction applies after the application of the**  
 50 **standard deduction but before the application of any other**  
 51 **deduction, exemption, or credit for which the person is eligible.**

1           **(b) The amount of the deduction under this section is equal to**  
 2 **the sum of the following:**

3           **(1) Thirty-five percent (35%) of the assessed value**  
 4 **determined under subsection (a) that is not more than six**  
 5 **hundred thousand dollars (\$600,000).**

6           **(2) Twenty-five percent (25%) of the assessed value**  
 7 **determined under subsection (a) that is more than six**  
 8 **hundred thousand dollars (\$600,000).**

9           **(c) The auditor of the county shall record and make the**  
 10 **deduction for the person qualifying for the deduction.**

11           **(d) The deduction granted under this section shall not be**  
 12 **considered in applying section 40.5 of this chapter to the**  
 13 **deductions applicable to property. Section 40.5 of this chapter does**  
 14 **not apply to the deduction granted under this section.**

15           SECTION 117. IC 6-1.1-12-38, AS AMENDED BY SEA 190-2008,  
 16 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 JULY 1, 2008]: Sec. 38. (a) A person is entitled to a deduction from the  
 18 assessed value of the person's property in an amount equal to the  
 19 difference between:

20           (1) the assessed value of the person's property, including the  
 21 assessed value of the improvements made to comply with the  
 22 fertilizer storage rules adopted by the state chemist under  
 23 IC 15-16-2-44 and the pesticide storage rules adopted by the state  
 24 chemist under IC 15-16-4-52; minus

25           (2) the assessed value of the person's property, excluding the  
 26 assessed value of the improvements made to comply with the  
 27 fertilizer storage rules adopted by the state chemist under  
 28 IC 15-16-2-44 and the pesticide storage rules adopted by the state  
 29 chemist under IC 15-16-4-52.

30           (b) To obtain the deduction under this section, a person must file a  
 31 certified statement in duplicate, on forms prescribed by the department  
 32 of local government finance, with the auditor of the county in which the  
 33 property is subject to assessment. In addition to the certified statement,  
 34 the person must file a certification by the state chemist listing the  
 35 improvements that were made to comply with the fertilizer storage  
 36 rules adopted under IC 15-16-2-44 and the pesticide storage rules  
 37 adopted by the state chemist under IC 15-16-4-52. The statement and  
 38 certification must be filed before June 11 of the year preceding the year  
 39 the deduction will first be applied. Upon the verification of the  
 40 statement and certification by the assessor of the township in which the  
 41 property is subject to assessment, **or the county assessor if there is no**  
 42 **township assessor for the township**, the county auditor shall allow the  
 43 deduction.

44           SECTION 118. IC 6-1.1-12-41, AS AMENDED BY P.L.199-2005,  
 45 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 46 JULY 1, 2008]: Sec. 41. (a) This section does not apply to assessment  
 47 years beginning after December 31, 2005.

48           (b) As used in this section, "assessed value of inventory" means the  
 49 assessed value determined after the application of any deductions or  
 50 adjustments that apply by statute or rule to the assessment of inventory,  
 51 other than the deduction allowed under subsection (f).

1 (c) As used in this section, "county income tax council" means a  
2 council established by IC 6-3.5-6-2.

3 (d) As used in this section, "fiscal body" has the meaning set forth  
4 in IC 36-1-2-6.

5 (e) As used in this section, "inventory" has the meaning set forth in  
6 IC 6-1.1-3-11 **(repealed)**.

7 (f) An ordinance may be adopted in a county to provide that a  
8 deduction applies to the assessed value of inventory located in the  
9 county. The deduction is equal to one hundred percent (100%) of the  
10 assessed value of inventory located in the county for the appropriate  
11 year of assessment. An ordinance adopted under this section in a  
12 particular year applies:

13 (1) if adopted before March 31, 2004, to each subsequent  
14 assessment year ending before January 1, 2006; and

15 (2) if adopted after March 30, 2004, and before June 1, 2005, to  
16 the March 1, 2005, assessment date.

17 An ordinance adopted under this section may be consolidated with an  
18 ordinance adopted under IC 6-3.5-7-25 or IC 6-3.5-7-26. The  
19 consolidation of an ordinance adopted under this section with an  
20 ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance  
21 adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

22 (g) An ordinance may not be adopted under subsection (f) after May  
23 30, 2005. However, an ordinance adopted under this section:

24 (1) before March 31, 2004, may be amended after March 30,  
25 2004; and

26 (2) before June 1, 2005, may be amended after May 30, 2005;  
27 to consolidate an ordinance adopted under IC 6-3.5-7-26.

28 (h) The entity that may adopt the ordinance permitted under  
29 subsection (f) is:

30 (1) the county income tax council if the county option income tax  
31 is in effect on January 1 of the year in which an ordinance under  
32 this section is adopted;

33 (2) the county fiscal body if the county adjusted gross income tax  
34 is in effect on January 1 of the year in which an ordinance under  
35 this section is adopted; or

36 (3) the county income tax council or the county fiscal body,  
37 whichever acts first, for a county not covered by subdivision (1)  
38 or (2).

39 To adopt an ordinance under subsection (f), a county income tax  
40 council shall use the procedures set forth in IC 6-3.5-6 concerning the  
41 imposition of the county option income tax. The entity that adopts the  
42 ordinance shall provide a certified copy of the ordinance to the  
43 department of local government finance before February 1.

44 (i) A taxpayer is not required to file an application to qualify for the  
45 deduction permitted under subsection (f).

46 (j) The department of local government finance shall incorporate the  
47 deduction established in this section in the personal property return  
48 form to be used each year for filing under IC 6-1.1-3-7 or  
49 IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the  
50 form. If a taxpayer fails to enter the deduction on the form, the  
51 township assessor, **or the county assessor if there is no township**

1 **assessor for the township**, shall:

- 2 (1) determine the amount of the deduction; and  
 3 (2) within the period established in IC 6-1.1-16-1, issue a notice  
 4 of assessment to the taxpayer that reflects the application of the  
 5 deduction to the inventory assessment.

6 (k) The deduction established in this section must be applied to any  
 7 inventory assessment made by:

- 8 (1) an assessing official;  
 9 (2) a county property tax board of appeals; or  
 10 (3) the department of local government finance.

11 SECTION 119. IC 6-1.1-12-42 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 42. (a) As used in this  
 13 section, "assessed value of inventory" means the assessed value  
 14 determined after the application of any deductions or adjustments that  
 15 apply by statute or rule to the assessment of inventory, other than the  
 16 deduction established in subsection (c).

17 (b) As used in this section, "inventory" has the meaning set forth in  
 18 IC 6-1.1-3-11 (**repealed**).

19 (c) A taxpayer is entitled to a deduction from assessed value equal  
 20 to one hundred percent (100%) of the taxpayer's assessed value of  
 21 inventory ~~beginning with~~ **for** assessments made in 2006 for property  
 22 taxes first due and payable in 2007.

23 (d) A taxpayer is not required to file an application to qualify for the  
 24 deduction established by this section.

25 (e) The department of local government finance shall incorporate  
 26 the deduction established by this section in the personal property return  
 27 form to be used each year for filing under IC 6-1.1-3-7 or  
 28 IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the  
 29 form. If a taxpayer fails to enter the deduction on the form, the  
 30 township assessor, **or the county assessor if there is no township**  
 31 **assessor for the township**, shall:

- 32 (1) determine the amount of the deduction; and  
 33 (2) within the period established in IC 6-1.1-16-1, issue a notice  
 34 of assessment to the taxpayer that reflects the application of the  
 35 deduction to the inventory assessment.

36 (f) The deduction established by this section must be applied to any  
 37 inventory assessment made by:

- 38 (1) an assessing official;  
 39 (2) a county property tax assessment board of appeals; or  
 40 (3) the department of local government finance.

41 SECTION 120. IC 6-1.1-12-43 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 43. (a) For  
 43 purposes of this section:

- 44 (1) "benefit" refers to  
 45 ~~(A)~~ a deduction under section 1, 9, 11, 13, 14, 16, 17.4, 26, 29,  
 46 31, 33, or 34 of this chapter; ~~or~~  
 47 ~~(B)~~ ~~the homestead credit under IC 6-1.1-20.9-2;~~  
 48 (2) "closing agent" means a person that closes a transaction;  
 49 (3) "customer" means an individual who obtains a loan in a  
 50 transaction; and  
 51 (4) "transaction" means a single family residential:

- 1 (A) first lien purchase money mortgage transaction; or  
 2 (B) refinancing transaction.
- 3 (b) Before closing a transaction after December 31, 2004, a closing  
 4 agent must provide to the customer the form referred to in subsection  
 5 (c).
- 6 (c) Before June 1, 2004, the department of local government finance  
 7 shall prescribe the form to be provided by closing agents to customers  
 8 under subsection (b). The department shall make the form available to  
 9 closing agents, county assessors, county auditors, and county treasurers  
 10 in hard copy and electronic form. County assessors, county auditors,  
 11 and county treasurers shall make the form available to the general  
 12 public. The form must:
- 13 (1) on one (1) side:  
 14 (A) list each benefit;  
 15 (B) list the eligibility criteria for each benefit; and  
 16 (C) indicate that a new application for a deduction under  
 17 section 1 of this chapter is required when residential real  
 18 property is refinanced;
- 19 (2) on the other side indicate:  
 20 (A) each action by; and  
 21 (B) each type of documentation from;  
 22 the customer required to file for each benefit; and  
 23 (3) be printed in one (1) of two (2) or more colors prescribed by  
 24 the department of local government finance that distinguish the  
 25 form from other documents typically used in a closing referred to  
 26 in subsection (b).
- 27 (d) A closing agent:  
 28 (1) may reproduce the form referred to in subsection (c);  
 29 (2) in reproducing the form, must use a print color prescribed by  
 30 the department of local government finance; and  
 31 (3) is not responsible for the content of the form referred to in  
 32 subsection (c) and shall be held harmless by the department of  
 33 local government finance from any liability for the content of the  
 34 form.
- 35 (e) A closing agent to which this section applies shall document its  
 36 compliance with this section with respect to each transaction in the  
 37 form of verification of compliance signed by the customer.
- 38 (f) A closing agent is subject to a civil penalty of twenty-five dollars  
 39 (\$25) for each instance in which the closing agent fails to comply with  
 40 this section with respect to a customer. The penalty:  
 41 (1) may be enforced by the state agency that has administrative  
 42 jurisdiction over the closing agent in the same manner that the  
 43 agency enforces the payment of fees or other penalties payable to  
 44 the agency; and  
 45 (2) shall be paid into the **property tax replacement state general**  
 46 **fund**.
- 47 A closing agent is not liable for any other damages claimed by a  
 48 customer because of the closing agent's mere failure to provide the  
 49 appropriate document to the customer.
- 50 (g) The state agency that has administrative jurisdiction over a  
 51 closing agent shall:

1 (1) examine the closing agent to determine compliance with this  
2 section; and

3 (2) impose and collect penalties under subsection (f).

4 SECTION 121. IC 6-1.1-12.1-2, AS AMENDED BY P.L.154-2006,  
5 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 JULY 1, 2008]: Sec. 2. (a) A designating body may find that a  
7 particular area within its jurisdiction is an economic revitalization area.  
8 However, the deduction provided by this chapter for economic  
9 revitalization areas not within a city or town shall not be available to  
10 retail businesses.

11 (b) In a county containing a consolidated city or within a city or  
12 town, a designating body may find that a particular area within its  
13 jurisdiction is a residentially distressed area. Designation of an area as  
14 a residentially distressed area has the same effect as designating an  
15 area as an economic revitalization area, except that the amount of the  
16 deduction shall be calculated as specified in section 4.1 of this chapter  
17 and the deduction is allowed for not more than five (5) years. In order  
18 to declare a particular area a residentially distressed area, the  
19 designating body must follow the same procedure that is required to  
20 designate an area as an economic revitalization area and must make all  
21 the following additional findings or all the additional findings  
22 described in subsection (c):

23 (1) The area is comprised of parcels that are either unimproved or  
24 contain only one (1) or two (2) family dwellings or multifamily  
25 dwellings designed for up to four (4) families, including accessory  
26 buildings for those dwellings.

27 (2) Any dwellings in the area are not permanently occupied and  
28 are:

29 (A) the subject of an order issued under IC 36-7-9; or

30 (B) evidencing significant building deficiencies.

31 (3) Parcels of property in the area:

32 (A) have been sold and not redeemed under IC 6-1.1-24 and  
33 IC 6-1.1-25; or

34 (B) are owned by a unit of local government.

35 However, in a city in a county having a population of more than two  
36 hundred thousand (200,000) but less than three hundred thousand  
37 (300,000), the designating body is only required to make one (1) of the  
38 additional findings described in this subsection or one (1) of the  
39 additional findings described in subsection (c).

40 (c) In a county containing a consolidated city or within a city or  
41 town, a designating body that wishes to designate a particular area a  
42 residentially distressed area may make the following additional  
43 findings as an alternative to the additional findings described in  
44 subsection (b):

45 (1) A significant number of dwelling units within the area are not  
46 permanently occupied or a significant number of parcels in the  
47 area are vacant land.

48 (2) A significant number of dwelling units within the area are:

49 (A) the subject of an order issued under IC 36-7-9; or

50 (B) evidencing significant building deficiencies.

51 (3) The area has experienced a net loss in the number of dwelling

1 units, as documented by census information, local building and  
2 demolition permits, or certificates of occupancy, or the area is  
3 owned by Indiana or the United States.

4 (4) The area (plus any areas previously designated under this  
5 subsection) will not exceed ten percent (10%) of the total area  
6 within the designating body's jurisdiction.

7 However, in a city in a county having a population of more than two  
8 hundred thousand (200,000) but less than three hundred thousand  
9 (300,000), the designating body is only required to make one (1) of the  
10 additional findings described in this subsection as an alternative to one  
11 (1) of the additional findings described in subsection (b).

12 (d) A designating body is required to attach the following conditions  
13 to the grant of a residentially distressed area designation:

14 (1) The deduction will not be allowed unless the dwelling is  
15 rehabilitated to meet local code standards for habitability.

16 (2) If a designation application is filed, the designating body may  
17 require that the redevelopment or rehabilitation be completed  
18 within a reasonable period of time.

19 (e) To make a designation described in subsection (a) or (b), the  
20 designating body shall use procedures prescribed in section 2.5 of this  
21 chapter.

22 (f) The property tax deductions provided by section 3, 4.5, or 4.8 of  
23 this chapter are only available within an area which the designating  
24 body finds to be an economic revitalization area.

25 (g) The designating body may adopt a resolution establishing  
26 general standards to be used, along with the requirements set forth in  
27 the definition of economic revitalization area, by the designating body  
28 in finding an area to be an economic revitalization area. The standards  
29 must have a reasonable relationship to the development objectives of  
30 the area in which the designating body has jurisdiction. The following  
31 four (4) sets of standards may be established:

32 (1) One (1) relative to the deduction under section 3 of this  
33 chapter for economic revitalization areas that are not residentially  
34 distressed areas.

35 (2) One (1) relative to the deduction under section 3 of this  
36 chapter for residentially distressed areas.

37 (3) One (1) relative to the deduction allowed under section 4.5 of  
38 this chapter.

39 (4) One (1) relative to the deduction allowed under section 4.8 of  
40 this chapter.

41 (h) A designating body may impose a fee for filing a designation  
42 application for a person requesting the designation of a particular area  
43 as an economic revitalization area. The fee may be sufficient to defray  
44 actual processing and administrative costs. However, the fee charged  
45 for filing a designation application for a parcel that contains one (1) or  
46 more owner-occupied, single-family dwellings may not exceed the cost  
47 of publishing the required notice.

48 (i) In declaring an area an economic revitalization area, the  
49 designating body may:

50 (1) limit the time period to a certain number of calendar years  
51 during which the economic revitalization area shall be so



- 1 designated;
- 2 (2) limit the type of deductions that will be allowed within the
- 3 economic revitalization area to the deduction allowed under
- 4 section 3 of this chapter, the deduction allowed under section 4.5
- 5 of this chapter, the deduction allowed under section 4.8 of this
- 6 chapter, or any combination of these deductions;
- 7 (3) limit the dollar amount of the deduction that will be allowed
- 8 with respect to new manufacturing equipment, new research and
- 9 development equipment, new logistical distribution equipment,
- 10 and new information technology equipment if a deduction under
- 11 this chapter had not been filed before July 1, 1987, for that
- 12 equipment;
- 13 (4) limit the dollar amount of the deduction that will be allowed
- 14 with respect to redevelopment and rehabilitation occurring in
- 15 areas that are designated as economic revitalization areas on or
- 16 after September 1, 1988;
- 17 (5) limit the dollar amount of the deduction that will be allowed
- 18 under section 4.8 of this chapter with respect to the occupation of
- 19 an eligible vacant building; or
- 20 (6) impose reasonable conditions related to the purpose of this
- 21 chapter or to the general standards adopted under subsection (g)
- 22 for allowing the deduction for the redevelopment or rehabilitation
- 23 of the property or the installation of the new manufacturing
- 24 equipment, new research and development equipment, new
- 25 logistical distribution equipment, or new information technology
- 26 equipment.
- 27 To exercise one (1) or more of these powers, a designating body must
- 28 include this fact in the resolution passed under section 2.5 of this
- 29 chapter.
- 30 (j) Notwithstanding any other provision of this chapter, if a
- 31 designating body limits the time period during which an area is an
- 32 economic revitalization area, that limitation does not:
- 33 (1) prevent a taxpayer from obtaining a deduction for new
- 34 manufacturing equipment, new research and development
- 35 equipment, new logistical distribution equipment, or new
- 36 information technology equipment installed on or before the
- 37 approval deadline determined under section 9 of this chapter, but
- 38 after the expiration of the economic revitalization area if:
- 39 (A) the economic revitalization area designation expires after
- 40 December 30, 1995; and
- 41 (B) the new manufacturing equipment, new research and
- 42 development equipment, new logistical distribution
- 43 equipment, or new information technology equipment was
- 44 described in a statement of benefits submitted to and approved
- 45 by the designating body in accordance with section 4.5 of this
- 46 chapter before the expiration of the economic revitalization
- 47 area designation; or
- 48 (2) limit the length of time a taxpayer is entitled to receive a
- 49 deduction to a number of years that is less than the number of
- 50 years designated under section 4, 4.5, or 4.8 of this chapter.
- 51 (k) Notwithstanding any other provision of this chapter, deductions:

1 (1) that are authorized under section 3 of this chapter for property  
 2 in an area designated as an urban development area before March  
 3 1, 1983, and that are based on an increase in assessed valuation  
 4 resulting from redevelopment or rehabilitation that occurs before  
 5 March 1, 1983; or

6 (2) that are authorized under section 4.5 of this chapter for new  
 7 manufacturing equipment installed in an area designated as an  
 8 urban development area before March 1, 1983;

9 apply according to the provisions of this chapter as they existed at the  
 10 time that an application for the deduction was first made. No deduction  
 11 that is based on the location of property or new manufacturing  
 12 equipment in an urban development area is authorized under this  
 13 chapter after February 28, 1983, unless the initial increase in assessed  
 14 value resulting from the redevelopment or rehabilitation of the property  
 15 or the installation of the new manufacturing equipment occurred before  
 16 March 1, 1983.

17 (l) **In addition to the other requirements of this chapter, if**  
 18 **property located in an economic revitalization area is also located in an**  
 19 **allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), an**  
 20 **application for the property tax deduction provided by this chapter a**  
 21 **taxpayer's statement of benefits concerning that property may not**  
 22 **be approved under this chapter unless the commission that designated**  
 23 **the allocation area adopts a resolution approving the application**  
 24 **statement of benefits is adopted by the legislative body of the unit**  
 25 **that approved the designation of the allocation area.**

26 SECTION 122. IC 6-1.1-12.1-4.5, AS AMENDED BY HEA  
 27 1137-2008, SECTION 36, IS AMENDED TO READ AS FOLLOWS  
 28 [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) For purposes of this  
 29 section, "personal property" means personal property other than  
 30 inventory (as defined in IC 6-1.1-3-11(a)).

31 (b) (a) An applicant must provide a statement of benefits to the  
 32 designating body. The applicant must provide the completed statement  
 33 of benefits form to the designating body before the hearing specified in  
 34 section 2.5(c) of this chapter or before the installation of the new  
 35 manufacturing equipment, new research and development equipment,  
 36 new logistical distribution equipment, or new information technology  
 37 equipment for which the person desires to claim a deduction under this  
 38 chapter. The department of local government finance shall prescribe a  
 39 form for the statement of benefits. The statement of benefits must  
 40 include the following information:

41 (1) A description of the new manufacturing equipment, new  
 42 research and development equipment, new logistical distribution  
 43 equipment, or new information technology equipment that the  
 44 person proposes to acquire.

45 (2) With respect to:

46 (A) new manufacturing equipment not used to dispose of solid  
 47 waste or hazardous waste by converting the solid waste or  
 48 hazardous waste into energy or other useful products; and

49 (B) new research and development equipment, new logistical  
 50 distribution equipment, or new information technology  
 51 equipment;

- 1 an estimate of the number of individuals who will be employed or  
 2 whose employment will be retained by the person as a result of  
 3 the installation of the new manufacturing equipment, new  
 4 research and development equipment, new logistical distribution  
 5 equipment, or new information technology equipment and an  
 6 estimate of the annual salaries of these individuals.
- 7 (3) An estimate of the cost of the new manufacturing equipment,  
 8 new research and development equipment, new logistical  
 9 distribution equipment, or new information technology  
 10 equipment.
- 11 (4) With respect to new manufacturing equipment used to dispose  
 12 of solid waste or hazardous waste by converting the solid waste  
 13 or hazardous waste into energy or other useful products, an  
 14 estimate of the amount of solid waste or hazardous waste that will  
 15 be converted into energy or other useful products by the new  
 16 manufacturing equipment.
- 17 The statement of benefits may be incorporated in a designation  
 18 application. Notwithstanding any other law, a statement of benefits is  
 19 a public record that may be inspected and copied under IC 5-14-3-3.
- 20 ~~(c)~~ **(b)** The designating body must review the statement of benefits  
 21 required under subsection ~~(b)~~: **(a)**. The designating body shall  
 22 determine whether an area should be designated an economic  
 23 revitalization area or whether the deduction shall be allowed, based on  
 24 (and after it has made) the following findings:
- 25 (1) Whether the estimate of the cost of the new manufacturing  
 26 equipment, new research and development equipment, new  
 27 logistical distribution equipment, or new information technology  
 28 equipment is reasonable for equipment of that type.
- 29 (2) With respect to:
- 30 (A) new manufacturing equipment not used to dispose of solid  
 31 waste or hazardous waste by converting the solid waste or  
 32 hazardous waste into energy or other useful products; and  
 33 (B) new research and development equipment, new logistical  
 34 distribution equipment, or new information technology  
 35 equipment;
- 36 whether the estimate of the number of individuals who will be  
 37 employed or whose employment will be retained can be  
 38 reasonably expected to result from the installation of the new  
 39 manufacturing equipment, new research and development  
 40 equipment, new logistical distribution equipment, or new  
 41 information technology equipment.
- 42 (3) Whether the estimate of the annual salaries of those  
 43 individuals who will be employed or whose employment will be  
 44 retained can be reasonably expected to result from the proposed  
 45 installation of new manufacturing equipment, new research and  
 46 development equipment, new logistical distribution equipment, or  
 47 new information technology equipment.
- 48 (4) With respect to new manufacturing equipment used to dispose  
 49 of solid waste or hazardous waste by converting the solid waste  
 50 or hazardous waste into energy or other useful products, whether  
 51 the estimate of the amount of solid waste or hazardous waste that

- 1 will be converted into energy or other useful products can be
- 2 reasonably expected to result from the installation of the new
- 3 manufacturing equipment.
- 4 (5) Whether any other benefits about which information was
- 5 requested are benefits that can be reasonably expected to result
- 6 from the proposed installation of new manufacturing equipment,
- 7 new research and development equipment, new logistical
- 8 distribution equipment, or new information technology
- 9 equipment.
- 10 (6) Whether the totality of benefits is sufficient to justify the
- 11 deduction.

12 The designating body may not designate an area an economic  
 13 revitalization area or approve the deduction unless it makes the  
 14 findings required by this subsection in the affirmative.

15 ~~(d)~~ (c) Except as provided in subsection ~~(h)~~, (g), and subject to  
 16 subsection ~~(i)~~ (h) and section 15 of this chapter, an owner of new  
 17 manufacturing equipment, new research and development equipment,  
 18 new logistical distribution equipment, or new information technology  
 19 equipment whose statement of benefits is approved after June 30, 2000,  
 20 is entitled to a deduction from the assessed value of that equipment for  
 21 the number of years determined by the designating body under  
 22 subsection ~~(g)~~ (f). Except as provided in subsection ~~(h)~~ (e) and in  
 23 section 2(i)(3) of this chapter, and subject to subsection ~~(i)~~ (h) and  
 24 section 15 of this chapter, the amount of the deduction that an owner  
 25 is entitled to for a particular year equals the product of:

- 26 (1) the assessed value of the new manufacturing equipment, new
- 27 research and development equipment, new logistical distribution
- 28 equipment, or new information technology equipment in the year
- 29 of deduction under the appropriate table set forth in subsection
- 30 ~~(e)~~ (d); multiplied by
- 31 (2) the percentage prescribed in the appropriate table set forth in
- 32 subsection ~~(e)~~ (d).

33 ~~(e)~~ (d) The percentage to be used in calculating the deduction under  
 34 subsection ~~(d)~~ (c) is as follows:

35	(1) For deductions allowed over a one (1) year period:	
36	YEAR OF DEDUCTION	PERCENTAGE
37	1st	100%
38	2nd and thereafter	0%
39	(2) For deductions allowed over a two (2) year period:	
40	YEAR OF DEDUCTION	PERCENTAGE
41	1st	100%
42	2nd	50%
43	3rd and thereafter	0%
44	(3) For deductions allowed over a three (3) year period:	
45	YEAR OF DEDUCTION	PERCENTAGE
46	1st	100%
47	2nd	66%
48	3rd	33%
49	4th and thereafter	0%
50	(4) For deductions allowed over a four (4) year period:	
51	YEAR OF DEDUCTION	PERCENTAGE

1	1st	100%
2	2nd	75%
3	3rd	50%
4	4th	25%
5	5th and thereafter	0%
6	(5) For deductions allowed over a five (5) year period:	
7	YEAR OF DEDUCTION	PERCENTAGE
8	1st	100%
9	2nd	80%
10	3rd	60%
11	4th	40%
12	5th	20%
13	6th and thereafter	0%
14	(6) For deductions allowed over a six (6) year period:	
15	YEAR OF DEDUCTION	PERCENTAGE
16	1st	100%
17	2nd	85%
18	3rd	66%
19	4th	50%
20	5th	34%
21	6th	25%
22	7th and thereafter	0%
23	(7) For deductions allowed over a seven (7) year period:	
24	YEAR OF DEDUCTION	PERCENTAGE
25	1st	100%
26	2nd	85%
27	3rd	71%
28	4th	57%
29	5th	43%
30	6th	29%
31	7th	14%
32	8th and thereafter	0%
33	(8) For deductions allowed over an eight (8) year period:	
34	YEAR OF DEDUCTION	PERCENTAGE
35	1st	100%
36	2nd	88%
37	3rd	75%
38	4th	63%
39	5th	50%
40	6th	38%
41	7th	25%
42	8th	13%
43	9th and thereafter	0%
44	(9) For deductions allowed over a nine (9) year period:	
45	YEAR OF DEDUCTION	PERCENTAGE
46	1st	100%
47	2nd	88%
48	3rd	77%
49	4th	66%
50	5th	55%
51	6th	44%

1	7th	33%
2	8th	22%
3	9th	11%
4	10th and thereafter	0%
5	(10) For deductions allowed over a ten (10) year period:	
6	YEAR OF DEDUCTION	PERCENTAGE
7	1st	100%
8	2nd	90%
9	3rd	80%
10	4th	70%
11	5th	60%
12	6th	50%
13	7th	40%
14	8th	30%
15	9th	20%
16	10th	10%
17	11th and thereafter	0%

18 ~~(f)~~ (e) With respect to new manufacturing equipment and new  
 19 research and development equipment installed before March 2, 2001,  
 20 the deduction under this section is the amount that causes the net  
 21 assessed value of the property after the application of the deduction  
 22 under this section to equal the net assessed value after the application  
 23 of the deduction under this section that results from computing:

24 (1) the deduction under this section as in effect on March 1, 2001;  
 25 and

26 (2) the assessed value of the property under 50 IAC 4.2, as in  
 27 effect on March 1, 2001, or, in the case of property subject to  
 28 IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

29 ~~(g)~~ (f) For an economic revitalization area designated before July 1,  
 30 2000, the designating body shall determine whether a property owner  
 31 whose statement of benefits is approved after April 30, 1991, is entitled  
 32 to a deduction for five (5) or ten (10) years. For an economic  
 33 revitalization area designated after June 30, 2000, the designating body  
 34 shall determine the number of years the deduction is allowed. However,  
 35 the deduction may not be allowed for more than ten (10) years. This  
 36 determination shall be made:

37 (1) as part of the resolution adopted under section 2.5 of this  
 38 chapter; or

39 (2) by resolution adopted within sixty (60) days after receiving a  
 40 copy of a property owner's certified deduction application from  
 41 the county auditor. A certified copy of the resolution shall be sent  
 42 to the county auditor.

43 A determination about the number of years the deduction is allowed  
 44 that is made under subdivision (1) is final and may not be changed by  
 45 following the procedure under subdivision (2).

46 ~~(h)~~ (g) The owner of new manufacturing equipment that is directly  
 47 used to dispose of hazardous waste is not entitled to the deduction  
 48 provided by this section for a particular assessment year if during that  
 49 assessment year the owner:

50 (1) is convicted of a criminal violation under IC 13, including  
 51 IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

1 (2) is subject to an order or a consent decree with respect to  
 2 property located in Indiana based on a violation of a federal or  
 3 state rule, regulation, or statute governing the treatment, storage,  
 4 or disposal of hazardous wastes that had a major or moderate  
 5 potential for harm.

6 ~~(f)~~ **(h)** For purposes of subsection ~~(d)~~, **(e)**, the assessed value of new  
 7 manufacturing equipment, new research and development equipment,  
 8 new logistical distribution equipment, or new information technology  
 9 equipment that is part of an owner's assessable depreciable personal  
 10 property in a single taxing district subject to the valuation limitation in  
 11 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

12 (1) the assessed value of the equipment determined without  
 13 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50  
 14 IAC 5.1-6-9; multiplied by

15 (2) the quotient of:

16 (A) the amount of the valuation limitation determined under  
 17 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's  
 18 depreciable personal property in the taxing district; divided by  
 19 (B) the total true tax value of all of the owner's depreciable  
 20 personal property in the taxing district that is subject to the  
 21 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9  
 22 determined:

23 (i) under the depreciation schedules in the rules of the  
 24 department of local government finance before any  
 25 adjustment for abnormal obsolescence; and

26 (ii) without regard to the valuation limitation in 50  
 27 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

28 SECTION 123. IC 6-1.1-12.1-4.7 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:  
 30 Sec. 4.7. (a) Section ~~4.5(f)~~ **4.5(e)** of this chapter does not apply to new  
 31 manufacturing equipment located in a township having a population of  
 32 more than four thousand (4,000) but less than seven thousand (7,000)  
 33 located in a county having a population of more than forty thousand  
 34 (40,000) but less than forty thousand nine hundred (40,900) if the total  
 35 original cost of all new manufacturing equipment placed into service  
 36 by the owner during the preceding sixty (60) months exceeds fifty  
 37 million dollars (\$50,000,000), and if the economic revitalization area  
 38 in which the new manufacturing equipment was installed was approved  
 39 by the designating body before September 1, 1994.

40 (b) Section ~~4.5(f)~~ **4.5(e)** of this chapter does not apply to new  
 41 manufacturing equipment located in a county having a population of  
 42 more than thirty-two thousand (32,000) but less than thirty-three  
 43 thousand (33,000) if:

44 (1) the total original cost of all new manufacturing equipment  
 45 placed into service in the county by the owner exceeds five  
 46 hundred million dollars (\$500,000,000); and

47 (2) the economic revitalization area in which the new  
 48 manufacturing equipment was installed was approved by the  
 49 designating body before January 1, 2001.

50 (c) A deduction under section ~~4.5(d)~~ **4.5(c)** of this chapter is not  
 51 allowed with respect to new manufacturing equipment described in

1 subsection (b) in the first year the deduction is claimed or in  
 2 subsequent years as permitted by section ~~4.5(d)~~ **4.5(c)** of this chapter  
 3 to the extent the deduction would cause the assessed value of all real  
 4 property and personal property of the owner in the taxing district to be  
 5 less than the incremental net assessed value for that year.

6 (d) The following apply for purposes of subsection (c):

7 (1) A deduction under section ~~4.5(d)~~ **4.5(c)** of this chapter shall  
 8 be disallowed only with respect to new manufacturing equipment  
 9 installed after March 1, 2000.

10 (2) "Incremental net assessed value" means the sum of:

11 (A) the net assessed value of real property and depreciable  
 12 personal property from which property tax revenues are  
 13 required to be held in trust and pledged for the benefit of the  
 14 owners of bonds issued by the redevelopment commission of  
 15 a county described in subsection (b) under resolutions adopted  
 16 November 16, 1998, and July 13, 2000 (as amended  
 17 November 27, 2000); plus

18 (B) fifty-four million four hundred eighty-one thousand seven  
 19 hundred seventy dollars (\$54,481,770).

20 (3) The assessed value of real property and personal property of  
 21 the owner shall be determined after the deductions provided by  
 22 sections 3 and 4.5 of this chapter.

23 (4) The personal property of the owner shall include inventory.

24 (5) The amount of deductions provided by section 4.5 of this  
 25 chapter with respect to new manufacturing equipment that was  
 26 installed on or before March 1, 2000, shall be increased from  
 27 thirty-three and one-third percent (33 1/3%) of true tax value to  
 28 one hundred percent (100%) of true tax value for assessment  
 29 dates after February 28, 2001.

30 (e) A deduction not fully allowed under subsection (c) in the first  
 31 year the deduction is claimed or in a subsequent year permitted by  
 32 section 4.5 of this chapter shall be carried over and allowed as a  
 33 deduction in succeeding years. A deduction that is carried over to a  
 34 year but is not allowed in that year under this subsection shall be  
 35 carried over and allowed as a deduction in succeeding years. The  
 36 following apply for purposes of this subsection:

37 (1) A deduction that is carried over to a succeeding year is not  
 38 allowed in that year to the extent that the deduction, together  
 39 with:

40 (A) deductions otherwise allowed under section 3 of this  
 41 chapter;

42 (B) deductions otherwise allowed under section 4.5 of this  
 43 chapter; and

44 (C) other deductions carried over to the year under this  
 45 subsection;

46 would cause the assessed value of all real property and personal  
 47 property of the owner in the taxing district to be less than the  
 48 incremental net assessed value for that year.

49 (2) Each time a deduction is carried over to a succeeding year, the  
 50 deduction shall be reduced by the amount of the deduction that  
 51 was allowed in the immediately preceding year.



1 (3) A deduction may not be carried over to a succeeding year  
 2 under this subsection if such year is after the period specified in  
 3 section ~~4.5(d)~~ **4.5(c)** of this chapter or the period specified in a  
 4 resolution adopted by the designating body under section ~~4.5(h)~~  
 5 **4.5(g)** of this chapter.

6 SECTION 124. IC 6-1.1-12.1-5, AS AMENDED BY P.L.193-2005,  
 7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2008]: Sec. 5. (a) A property owner who desires to obtain the  
 9 deduction provided by section 3 of this chapter must file a certified  
 10 deduction application, on forms prescribed by the department of local  
 11 government finance, with the auditor of the county in which the  
 12 property is located. Except as otherwise provided in subsection (b) or  
 13 (e), the deduction application must be filed before May 10 of the year  
 14 in which the addition to assessed valuation is made.

15 (b) If notice of the addition to assessed valuation or new assessment  
 16 for any year is not given to the property owner before April 10 of that  
 17 year, the deduction application required by this section may be filed not  
 18 later than thirty (30) days after the date such a notice is mailed to the  
 19 property owner at the address shown on the records of the township **or**  
 20 **county** assessor.

21 (c) The deduction application required by this section must contain  
 22 the following information:

- 23 (1) The name of the property owner.
- 24 (2) A description of the property for which a deduction is claimed  
 25 in sufficient detail to afford identification.
- 26 (3) The assessed value of the improvements before rehabilitation.
- 27 (4) The increase in the assessed value of improvements resulting  
 28 from the rehabilitation.
- 29 (5) The assessed value of the new structure in the case of  
 30 redevelopment.
- 31 (6) The amount of the deduction claimed for the first year of the  
 32 deduction.
- 33 (7) If the deduction application is for a deduction in a  
 34 residentially distressed area, the assessed value of the  
 35 improvement or new structure for which the deduction is claimed.

36 (d) A deduction application filed under subsection (a) or (b) is  
 37 applicable for the year in which the addition to assessed value or  
 38 assessment of a new structure is made and in the following years the  
 39 deduction is allowed without any additional deduction application  
 40 being filed. However, property owners who had an area designated an  
 41 urban development area pursuant to a deduction application filed prior  
 42 to January 1, 1979, are only entitled to a deduction for a five (5) year  
 43 period. In addition, property owners who are entitled to a deduction  
 44 under this chapter pursuant to a deduction application filed after  
 45 December 31, 1978, and before January 1, 1986, are entitled to a  
 46 deduction for a ten (10) year period.

47 (e) A property owner who desires to obtain the deduction provided  
 48 by section 3 of this chapter but who has failed to file a deduction  
 49 application within the dates prescribed in subsection (a) or (b) may file  
 50 a deduction application between March 1 and May 10 of a subsequent  
 51 year which shall be applicable for the year filed and the subsequent

1 years without any additional deduction application being filed for the  
2 amounts of the deduction which would be applicable to such years  
3 pursuant to section 4 of this chapter if such a deduction application had  
4 been filed in accordance with subsection (a) or (b).

5 (f) Subject to subsection (i), the county auditor shall act as follows:

6 (1) If a determination about the number of years the deduction is  
7 allowed has been made in the resolution adopted under section  
8 2.5 of this chapter, the county auditor shall make the appropriate  
9 deduction.

10 (2) If a determination about the number of years the deduction is  
11 allowed has not been made in the resolution adopted under  
12 section 2.5 of this chapter, the county auditor shall send a copy of  
13 the deduction application to the designating body. Upon receipt  
14 of the resolution stating the number of years the deduction will be  
15 allowed, the county auditor shall make the appropriate deduction.

16 (3) If the deduction application is for rehabilitation or  
17 redevelopment in a residentially distressed area, the county  
18 auditor shall make the appropriate deduction.

19 (g) The amount and period of the deduction provided for property  
20 by section 3 of this chapter are not affected by a change in the  
21 ownership of the property if the new owner of the property:

22 (1) continues to use the property in compliance with any  
23 standards established under section 2(g) of this chapter; and

24 (2) files an application in the manner provided by subsection (e).

25 (h) The township **or county** assessor shall include a notice of the  
26 deadlines for filing a deduction application under subsections (a) and  
27 (b) with each notice to a property owner of an addition to assessed  
28 value or of a new assessment.

29 (i) Before the county auditor acts under subsection (f), the county  
30 auditor may request that the township assessor of the township in  
31 which the property is located, **or the county assessor if there is no**  
32 **township assessor for the township**, review the deduction application.

33 (j) A property owner may appeal a determination of the county  
34 auditor under subsection (f) to deny or alter the amount of the  
35 deduction by requesting in writing a preliminary conference with the  
36 county auditor not more than forty-five (45) days after the county  
37 auditor gives the person notice of the determination. An appeal  
38 initiated under this subsection is processed and determined in the same  
39 manner that an appeal is processed and determined under IC 6-1.1-15.

40 SECTION 125. IC 6-1.1-12.1-5.3, AS ADDED BY P.L.154-2006,  
41 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
42 JULY 1, 2008]: Sec. 5.3. (a) A property owner that desires to obtain the  
43 deduction provided by section 4.8 of this chapter must file a deduction  
44 application, on forms prescribed by the department of local government  
45 finance, with the auditor of the county in which the eligible vacant  
46 building is located. Except as otherwise provided in this section, the  
47 deduction application must be filed before May 10 of the year in which  
48 the property owner or a tenant of the property owner initially occupies  
49 the eligible vacant building.

50 (b) If notice of the assessed valuation or new assessment for a year  
51 is not given to the property owner before April 10 of that year, the

1 deduction application required by this section may be filed not later  
2 than thirty (30) days after the date the notice is mailed to the property  
3 owner at the address shown on the records of the township **or county**  
4 assessor.

5 (c) The deduction application required by this section must contain  
6 the following information:

7 (1) The name of the property owner and, if applicable, the  
8 property owner's tenant.

9 (2) A description of the property for which a deduction is claimed.

10 (3) The amount of the deduction claimed for the first year of the  
11 deduction.

12 (4) Any other information required by the department of local  
13 government finance or the designating body.

14 (d) A deduction application filed under this section applies to the  
15 year in which the property owner or a tenant of the property owner  
16 occupies the eligible vacant building and in the following year if the  
17 deduction is allowed for a two (2) year period, without an additional  
18 deduction application being filed.

19 (e) A property owner that desires to obtain the deduction provided  
20 by section 4.8 of this chapter but that did not file a deduction  
21 application within the dates prescribed in subsection (a) or (b) may file  
22 a deduction application between March 1 and May 10 of a subsequent  
23 year. A deduction application filed under this subsection applies to the  
24 year in which the deduction application is filed and the following year  
25 if the deduction is allowed for a two (2) year period, without an  
26 additional deduction application being filed. The amount of the  
27 deduction under this subsection is the amount that would have been  
28 applicable to the year under section 4.8 of this chapter if the deduction  
29 application had been filed in accordance with subsection (a) or (b).

30 (f) Subject to subsection (i), the county auditor shall do the  
31 following:

32 (1) If a determination concerning the number of years the  
33 deduction is allowed has been made in the resolution adopted  
34 under section 2.5 of this chapter, the county auditor shall make  
35 the appropriate deduction.

36 (2) If a determination concerning the number of years the  
37 deduction is allowed has not been made in the resolution adopted  
38 under section 2.5 of this chapter, the county auditor shall send a  
39 copy of the deduction application to the designating body. Upon  
40 receipt of the resolution stating the number of years the deduction  
41 will be allowed, the county auditor shall make the appropriate  
42 deduction.

43 (g) The amount and period of the deduction provided by section 4.8  
44 of this chapter are not affected by a change in the ownership of the  
45 eligible vacant building or a change in the property owner's tenant, if  
46 the new property owner or the new tenant:

47 (1) continues to occupy the eligible vacant building in compliance  
48 with any standards established under section 2(g) of this chapter;  
49 and

50 (2) files an application in the manner provided by subsection (e).

51 (h) Before the county auditor acts under subsection (f), the county

1 auditor may request that the township assessor of the township in  
 2 which the eligible vacant building is located, **or the county assessor**  
 3 **if there is no township assessor for the township**, review the  
 4 deduction application.

5 (i) A property owner may appeal a determination of the county  
 6 auditor under subsection (f) by requesting in writing a preliminary  
 7 conference with the county auditor not more than forty-five (45) days  
 8 after the county auditor gives the property owner notice of the  
 9 determination. An appeal under this subsection shall be processed and  
 10 determined in the same manner that an appeal is processed and  
 11 determined under IC 6-1.1-15.

12 (j) In addition to the requirements of subsection (c), a property  
 13 owner that files a deduction application under this section must provide  
 14 the county auditor and the designating body with information showing  
 15 the extent to which there has been compliance with the statement of  
 16 benefits approved under section 4.8 of this chapter. This information  
 17 must be included in the deduction application and must also be updated  
 18 each year in which the deduction is applicable:

19 (1) at the same time that the property owner or the property  
 20 owner's tenant files a personal property tax return for property  
 21 located at the eligible vacant building for which the deduction  
 22 was granted; or

23 (2) if subdivision (1) does not apply, before May 15 of each year.

24 (k) The following information is a public record if filed under this  
 25 section:

26 (1) The name and address of the property owner.

27 (2) The location and description of the eligible vacant building for  
 28 which the deduction was granted.

29 (3) Any information concerning the number of employees at the  
 30 eligible vacant building for which the deduction was granted,  
 31 including estimated totals that were provided as part of the  
 32 statement of benefits.

33 (4) Any information concerning the total of the salaries paid to the  
 34 employees described in subdivision (3), including estimated totals  
 35 that are provided as part of the statement of benefits.

36 (5) Any information concerning the assessed value of the eligible  
 37 vacant building, including estimates that are provided as part of  
 38 the statement of benefits.

39 (l) Information concerning the specific salaries paid to individual  
 40 employees by the property owner or tenant is confidential.

41 SECTION 126. IC 6-1.1-12.1-5.4, AS AMENDED BY  
 42 P.L.193-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE JULY 1, 2008]: Sec. 5.4. (a) A person that desires to  
 44 obtain the deduction provided by section 4.5 of this chapter must file  
 45 a certified deduction schedule with the person's personal property  
 46 return on a form prescribed by the department of local government  
 47 finance with the township assessor of the township in which the new  
 48 manufacturing equipment, new research and development equipment,  
 49 new logistical distribution equipment, or new information technology  
 50 equipment is located, **or with the county assessor if there is no**  
 51 **township assessor for the township**. Except as provided in subsection

1 (e), the deduction is applied in the amount claimed in a certified  
2 schedule that a person files with:

- 3 (1) a timely personal property return under IC 6-1.1-3-7(a) or  
4 IC 6-1.1-3-7(b); or  
5 (2) a timely amended personal property return under  
6 IC 6-1.1-3-7.5.

7 The township **or county** assessor shall forward to the county auditor  
8 ~~and the county assessor~~ a copy of each certified deduction schedule  
9 filed under this subsection. **The township assessor shall forward to**  
10 **the county assessor a copy of each certified deduction schedule**  
11 **filed with the township assessor under this subsection.**

12 (b) The deduction schedule required by this section must contain the  
13 following information:

- 14 (1) The name of the owner of the new manufacturing equipment,  
15 new research and development equipment, new logistical  
16 distribution equipment, or new information technology  
17 equipment.  
18 (2) A description of the new manufacturing equipment, new  
19 research and development equipment, new logistical distribution  
20 equipment, or new information technology equipment.  
21 (3) The amount of the deduction claimed for the first year of the  
22 deduction.

23 (c) This subsection applies to a deduction schedule with respect to  
24 new manufacturing equipment, new research and development  
25 equipment, new logistical distribution equipment, or new information  
26 technology equipment for which a statement of benefits was initially  
27 approved after April 30, 1991. If a determination about the number of  
28 years the deduction is allowed has not been made in the resolution  
29 adopted under section 2.5 of this chapter, the county auditor shall send  
30 a copy of the deduction schedule to the designating body, and the  
31 designating body shall adopt a resolution under section ~~4.5(g)(2)~~  
32 **4.5(f)(2)** of this chapter.

33 (d) A deduction schedule must be filed under this section in the year  
34 in which the new manufacturing equipment, new research and  
35 development equipment, new logistical distribution equipment, or new  
36 information technology equipment is installed and in each of the  
37 immediately succeeding years the deduction is allowed.

38 (e) The township assessor, or the county assessor **if there is no**  
39 **township assessor for the township**, may:

- 40 (1) review the deduction schedule; and  
41 (2) before the March 1 that next succeeds the assessment date for  
42 which the deduction is claimed, deny or alter the amount of the  
43 deduction.

44 If the township ~~assessor~~ or ~~the~~ county assessor does not deny the  
45 deduction, the county auditor shall apply the deduction in the amount  
46 claimed in the deduction schedule or in the amount as altered by the  
47 township ~~assessor~~ or ~~the~~ county assessor. A township ~~assessor~~ or a  
48 county assessor who denies a deduction under this subsection or alters  
49 the amount of the deduction shall notify the person that claimed the  
50 deduction and the county auditor of the assessor's action. The county  
51 auditor shall notify the designating body and the county property tax

1 assessment board of appeals of all deductions applied under this  
2 section.

3 (f) If the ownership of new manufacturing equipment, new research  
4 and development equipment, new logistical distribution equipment, or  
5 new information technology equipment changes, the deduction  
6 provided under section 4.5 of this chapter continues to apply to that  
7 equipment if the new owner:

8 (1) continues to use the equipment in compliance with any  
9 standards established under section 2(g) of this chapter; and

10 (2) files the deduction schedules required by this section.

11 (g) The amount of the deduction is the percentage under section 4.5  
12 of this chapter that would have applied if the ownership of the property  
13 had not changed multiplied by the assessed value of the equipment for  
14 the year the deduction is claimed by the new owner.

15 (h) A person may appeal a determination of the township ~~assessor~~  
16 or ~~the~~ county assessor under subsection (e) to deny or alter the amount  
17 of the deduction by requesting in writing a preliminary conference with  
18 the township ~~assessor~~ or ~~the~~ county assessor not more than forty-five  
19 (45) days after the township ~~assessor~~ or ~~the~~ county assessor gives the  
20 person notice of the determination. Except as provided in subsection  
21 (i), an appeal initiated under this subsection is processed and  
22 determined in the same manner that an appeal is processed and  
23 determined under IC 6-1.1-15.

24 (i) The county assessor is recused from any action the county  
25 property tax assessment board of appeals takes with respect to an  
26 appeal under subsection (h) of a determination by the county assessor.

27 SECTION 127. IC 6-1.1-12.1-5.8 IS AMENDED TO READ AS  
28 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5.8. In lieu of providing  
29 the statement of benefits required by section 3 or 4.5 of this chapter and  
30 the additional information required by section 5.1 or 5.6 of this chapter,  
31 the designating body may, by resolution, waive the statement of  
32 benefits if the designating body finds that the purposes of this chapter  
33 are served by allowing the deduction and the property owner has,  
34 during the thirty-six (36) months preceding the first assessment date to  
35 which the waiver would apply, installed new manufacturing equipment,  
36 new research and development equipment, new logistical distribution  
37 equipment, or new information technology equipment or developed or  
38 rehabilitated property at a cost of at least ten million dollars  
39 (\$10,000,000) as determined by the assessor of the township in which  
40 the property is located, **or by the county assessor if there is no**  
41 **township assessor for the township.**

42 SECTION 128. IC 6-1.1-12.1-5.9, AS AMENDED BY HEA  
43 1137-2008, SECTION 37, IS AMENDED TO READ AS FOLLOWS  
44 [EFFECTIVE JULY 1, 2008]: Sec. 5.9. (a) This section does not apply  
45 to:

46 (1) a deduction under section 3 of this chapter for property  
47 located in a residentially distressed area; or

48 (2) any other deduction under section 3 or 4.5 of this chapter for  
49 which a statement of benefits was approved before July 1, 1991.

50 (b) Not later than forty-five (45) days after receipt of the information  
51 described in section 5.1, 5.3(j), or 5.6 of this chapter, the designating

1 body may determine whether the property owner has substantially  
2 complied with the statement of benefits approved under section 3, 4.5,  
3 or 4.8 of this chapter. If the designating body determines that the  
4 property owner has not substantially complied with the statement of  
5 benefits and that the failure to substantially comply was not caused by  
6 factors beyond the control of the property owner (such as declines in  
7 demand for the property owner's products or services), the designating  
8 body shall mail a written notice to the property owner. The written  
9 notice must include the following provisions:

10 (1) An explanation of the reasons for the designating body's  
11 determination.

12 (2) The date, time, and place of a hearing to be conducted by the  
13 designating body for the purpose of further considering the  
14 property owner's compliance with the statement of benefits. The  
15 date of the hearing may not be more than thirty (30) days after the  
16 date on which the notice is mailed.

17 (c) On the date specified in the notice described in subsection  
18 (b)(2), the designating body shall conduct a hearing for the purpose of  
19 further considering the property owner's compliance with the statement  
20 of benefits. Based on the information presented at the hearing by the  
21 property owner and other interested parties, the designating body shall  
22 again determine whether the property owner has made reasonable  
23 efforts to substantially comply with the statement of benefits and  
24 whether any failure to substantially comply was caused by factors  
25 beyond the control of the property owner. If the designating body  
26 determines that the property owner has not made reasonable efforts to  
27 comply with the statement of benefits, the designating body shall adopt  
28 a resolution terminating the property owner's deduction under section  
29 3, 4.5, or 4.8 of this chapter. If the designating body adopts such a  
30 resolution, the deduction does not apply to the next installment of  
31 property taxes owed by the property owner or to any subsequent  
32 installment of property taxes.

33 (d) If the designating body adopts a resolution terminating a  
34 deduction under subsection (c), the designating body shall immediately  
35 mail a certified copy of the resolution to:

36 (1) the property owner;

37 (2) the county auditor; and

38 (3) ~~if the deduction applied under section 4.5 of this chapter, the~~  
39 **township county** assessor.

40 The county auditor shall remove the deduction from the tax duplicate  
41 and shall notify the county treasurer of the termination of the  
42 deduction. If the designating body's resolution is adopted after the  
43 county treasurer has mailed the statement required by IC 6-1.1-22-8.1,  
44 the county treasurer shall immediately mail the property owner a  
45 revised statement that reflects the termination of the deduction.

46 (e) A property owner whose deduction is terminated by the  
47 designating body under this section may appeal the designating body's  
48 decision by filing a complaint in the office of the clerk of the circuit or  
49 superior court together with a bond conditioned to pay the costs of the  
50 appeal if the appeal is determined against the property owner. An  
51 appeal under this subsection shall be promptly heard by the court

1 without a jury and determined within thirty (30) days after the time of  
 2 the filing of the appeal. The court shall hear evidence on the appeal and  
 3 may confirm the action of the designating body or sustain the appeal.  
 4 The judgment of the court is final and conclusive unless an appeal is  
 5 taken as in other civil actions.

6 (f) If an appeal under subsection (e) is pending, the taxes resulting  
 7 from the termination of the deduction are not due until after the appeal  
 8 is finally adjudicated and the termination of the deduction is finally  
 9 determined.

10 SECTION 129. IC 6-1.1-12.4-1, AS ADDED BY P.L.193-2005,  
 11 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2008]: Sec. 1. For purposes of this chapter, "official" means:

- 13 (1) a county auditor;
- 14 (2) a county assessor; or
- 15 (3) a township assessor **(if any)**.

16 SECTION 130. IC 6-1.1-12.4-2, AS AMENDED BY HEA  
 17 1137-2008, SECTION 38, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) For purposes of this section,  
 19 an increase in the assessed value of real property is determined in the  
 20 same manner that an increase in the assessed value of real property is  
 21 determined for purposes of IC 6-1.1-12.1.

22 (b) This subsection applies only to a development, redevelopment,  
 23 or rehabilitation that is first assessed after March 1, 2005, and before  
 24 March 2, 2007. Except as provided in subsection (h) and sections 4, 5,  
 25 and 8 of this chapter, an owner of real property that:

- 26 (1) develops, redevelops, or rehabilitates the real property; and
- 27 (2) creates or retains employment from the development,  
 28 redevelopment, or rehabilitation;

29 is entitled to a deduction from the assessed value of the real property.

30 (c) Subject to section 14 of this chapter, the deduction under this  
 31 section is first available in the year in which the increase in assessed  
 32 value resulting from the development, redevelopment, or rehabilitation  
 33 occurs and continues for the following two (2) years. The amount of the  
 34 deduction that a property owner may receive with respect to real  
 35 property located in a county for a particular year equals the lesser of:

- 36 (1) two million dollars (\$2,000,000); or
- 37 (2) the product of:
  - 38 (A) the increase in assessed value resulting from the
  - 39 development, rehabilitation, or redevelopment; multiplied by
  - 40 (B) the percentage from the following table:

41 YEAR OF DEDUCTION	PERCENTAGE
42 1st	75%
43 2nd	50%
44 3rd	25%

45 (d) A property owner that qualifies for the deduction under this  
 46 section must file a notice to claim the deduction in the manner  
 47 prescribed by the department of local government finance under rules  
 48 adopted by the department of local government finance under  
 49 IC 4-22-2 to implement this chapter. The township assessor, **or the**  
 50 **county assessor if there is no township assessor for the township,**  
 51 shall:



- 1 (1) inform the county auditor of the real property eligible for the
- 2 deduction as contained in the notice filed by the taxpayer under
- 3 this subsection; and
- 4 (2) inform the county auditor of the deduction amount.
- 5 (e) The county auditor shall:
- 6 (1) make the deductions; and
- 7 (2) notify the county property tax assessment board of appeals of
- 8 all deductions approved;
- 9 under this section.
- 10 (f) The amount of the deduction determined under subsection (c)(2)
- 11 is adjusted to reflect the percentage increase or decrease in assessed
- 12 valuation that results from:
- 13 (1) a general reassessment of real property under IC 6-1.1-4-4; or
- 14 (2) an annual adjustment under IC 6-1.1-4-4.5.
- 15 (g) If an appeal of an assessment is approved that results in a
- 16 reduction of the assessed value of the real property, the amount of the
- 17 deduction under this section is adjusted to reflect the percentage
- 18 decrease that results from the appeal.
- 19 (h) The deduction under this section does not apply to a facility
- 20 listed in IC 6-1.1-12.1-3(e).

21 SECTION 131. IC 6-1.1-12.4-3, AS AMENDED BY HEA  
 22 1137-2008, SECTION 39, IS AMENDED TO READ AS FOLLOWS  
 23 [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) For purposes of this section,  
 24 an increase in the assessed value of personal property is determined in  
 25 the same manner that an increase in the assessed value of new  
 26 manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

27 (b) This subsection applies only to personal property that the owner  
 28 purchases after March 1, 2005, and before March 2, 2007. Except as  
 29 provided in sections 4, 5, and 8 of this chapter, an owner that purchases  
 30 personal property ~~other than inventory (as defined in 50 IAC 4-2-5-1,~~  
 31 ~~as in effect on January 1, 2005)~~ that:

- 32 (1) was never before used by its owner for any purpose in Indiana;
  - 33 and
  - 34 (2) creates or retains employment;
- 35 is entitled to a deduction from the assessed value of the personal  
 36 property.

37 (c) Subject to section 14 of this chapter, the deduction under this  
 38 section is first available in the year in which the increase in assessed  
 39 value resulting from the purchase of the personal property occurs and  
 40 continues for the following two (2) years. The amount of the deduction  
 41 that a property owner may receive with respect to personal property  
 42 located in a county for a particular year equals the lesser of:

- 43 (1) two million dollars (\$2,000,000); or
- 44 (2) the product of:
- 45 (A) the increase in assessed value resulting from the purchase
- 46 of the personal property; multiplied by
- 47 (B) the percentage from the following table:

48	YEAR OF DEDUCTION	PERCENTAGE
49	1st	75%
50	2nd	50%
51	3rd	25%

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

5 (e) A property owner must claim the deduction under this section on  
 6 the owner's annual personal property tax return. The township assessor,  
 7 **or the county assessor if there is no township assessor for the**  
 8 **township**, shall:

9 (1) identify the personal property eligible for the deduction to the  
 10 county auditor; and

11 (2) inform the county auditor of the deduction amount.

12 (f) The county auditor shall:

13 (1) make the deductions; and

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

16 under this section.

17 (g) The deduction under this section does not apply to personal  
 18 property at a facility listed in IC 6-1.1-12.1-3(e).

19 SECTION 132. IC 6-1.1-12.4-9, AS AMENDED BY  
 20 HEA1137-2008, SECTION 40, IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. If an official  
 22 terminates a deduction under section 8 of this chapter:

23 (1) the official shall immediately mail a certified copy of the  
 24 determination to:

25 (A) the property owner; and

26 (B) if the determination is made by the county assessor or the  
 27 township assessor (**if any**), the county auditor;

28 (2) the county auditor shall:

29 (A) remove the deduction from the tax duplicate; and

30 (B) notify the county treasurer of the termination of the  
 31 deduction; and

32 (3) if the official's determination to terminate the deduction  
 33 occurs after the county treasurer has mailed the statement  
 34 required by IC 6-1.1-22-8.1, the county treasurer shall  
 35 immediately mail the property owner a revised statement that  
 36 reflects the termination of the deduction.

37 SECTION 133. IC 6-1.1-13-2 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. When the county  
 39 property tax assessment board of appeals convenes, the county auditor  
 40 shall submit to the board the assessment list of the county for the  
 41 current year as returned by the township assessors (**if any**) and as  
 42 amended and returned by the county assessor. The county assessor  
 43 shall make recommendations to the board for corrections and changes  
 44 in the returns and assessments. The board shall consider and act upon  
 45 all the recommendations.

46 SECTION 134. IC 6-1.1-14-7 IS AMENDED TO READ AS  
 47 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. The county assessor,  
 48 a township assessor (**if any**), or ten (10) or more taxpayers who are  
 49 affected by an equalization order issued under section 5 of this chapter  
 50 may file a petition for review of the order with the county ~~assessor~~  
 51 **auditor** of the county to which the equalization order is issued. The

1 petition must be filed within ten (10) days after notice of the order is  
 2 given under section 9 of this chapter. The petition shall set forth, in the  
 3 form and detail prescribed by the department of local government  
 4 finance, the objections to the equalization order.

5 SECTION 135. IC 6-1.1-14-8 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) If a petition for  
 7 review of an equalization order is filed with a county auditor under  
 8 section 7 of this chapter, the county auditor shall immediately mail a  
 9 certified copy of the petition and any information relevant to the  
 10 petition to the department of local government finance. Within a  
 11 reasonable period of time, the department of local government finance  
 12 shall fix a date for a hearing on the petition. The hearing shall be held  
 13 in the county to which the equalization order has been directed. At least  
 14 three (3) days before the date fixed for the hearing, the department of  
 15 local government finance shall give notice of the hearing by mail to the  
 16 township **assessor (if any)** and **the** county ~~assessors~~ **assessor** whose  
 17 ~~assessments are~~ **assessment is** affected by the order and to the first ten  
 18 (10) taxpayers whose names appear on the petition for review at the  
 19 addresses listed by those taxpayers on the petition. In addition, the  
 20 department of local government finance shall give the notice, if any,  
 21 required under section 9(a) of this chapter.

22 (b) After the hearing required by subsection (a), the department of  
 23 local government finance may affirm, modify, or set aside its  
 24 equalization order. The department shall certify its action with respect  
 25 to the order to the county auditor. The county auditor shall immediately  
 26 make any changes in the assessed values required by the action of the  
 27 department of local government finance.

28 (c) A person whose name appears on the petition for review may  
 29 petition for judicial review of the final determination of the department  
 30 of local government finance under subsection (b). The petition must be  
 31 filed in the tax court not more than forty-five (45) days after the  
 32 department certifies its action under subsection (b).

33 SECTION 136. IC 6-1.1-14-9 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:  
 35 Sec. 9. (a) If a hearing is required under section 4 or section 8 of this  
 36 chapter, the department of local government finance shall give notice  
 37 to the taxpayers of each county for which the department is to consider  
 38 an increase in the assessments. The notice shall state the time, place,  
 39 and object of the public hearing on the assessments. The department of  
 40 local government finance shall give the notice in the manner prescribed  
 41 in subsection (c).

42 (b) If an equalization order is issued under section 5 of this chapter,  
 43 the department of local government finance shall give notice of the  
 44 order to the taxpayers of each county to which the order is directed.  
 45 The department of local government finance shall give the notice in the  
 46 manner provided in subsection (c). The notice required by this  
 47 subsection is in lieu of the notices required by ~~IC 6-1.1-3-13~~  
 48 **IC 6-1.1-3-20** or IC 6-1.1-4-22.

49 (c) A notice required by this section shall be published once in:

- 50 (1) two (2) newspapers of general circulation published in the  
 51 county; or

1 (2) one (1) newspaper of general circulation published in the  
 2 county if two (2) newspapers of general circulation are not  
 3 published in the county.

4 If there are no newspapers of general circulation published in the  
 5 county, the notice shall be given by posting a statement of the time,  
 6 place, and object of the hearing in the county courthouse at the usual  
 7 place for posting public notices. The published or posted notice of a  
 8 hearing shall be given at least ten (10) days before the time fixed for  
 9 the hearing.

10 SECTION 137. IC 6-1.1-15-1, AS AMENDED BY P.L.1-2008,  
 11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2008]: Sec. 1. (a) A taxpayer may obtain a review by the  
 13 county board of a county or township official's action with respect to  
 14 **either or both of the following:**

15 (1) The assessment of the taxpayer's tangible property. ~~if the~~  
 16 ~~official's action requires the giving of notice to the taxpayer:~~

17 (2) **A deduction for which a review under this section is**  
 18 **authorized by any of the following:**

19 (A) **IC 6-1.1-12-25.5.**

20 (B) **IC 6-1.1-12-28.5.**

21 (C) **IC 6-1.1-12-35.5.**

22 (D) **IC 6-1.1-12.1-5.**

23 (E) **IC 6-1.1-12.1-5.3.**

24 (F) **IC 6-1.1-12.1-5.4.**

25 (b) At the time that notice **of an action referred to in subsection**  
 26 **(a)** is given to the taxpayer, the taxpayer shall also be informed in  
 27 writing of:

28 (1) the opportunity for a review under this section, including a  
 29 **preliminary informal** meeting under ~~subsection (h)~~ **subsection**  
 30 **(h)(2)** with the county or township official referred to in this  
 31 subsection; and

32 (2) the procedures the taxpayer must follow in order to obtain a  
 33 review under this section.

34 ~~(b)~~ (c) In order to obtain a review of an assessment **or deduction**  
 35 effective for the assessment date to which the notice referred to in  
 36 ~~subsection (a)~~ **subsection (b)** applies, the taxpayer must file a notice in  
 37 writing with the county or township official referred to in subsection (a)  
 38 not later than forty-five (45) days after the date of the notice referred  
 39 to in ~~subsection (a)~~: **subsection (b).**

40 ~~(c)~~ (d) A taxpayer may obtain a review by the county board of the  
 41 assessment of the taxpayer's tangible property effective for an  
 42 assessment date for which a notice of assessment is not given as  
 43 described in ~~subsection (a)~~: **subsection (b).** To obtain the review, the  
 44 taxpayer must file a notice in writing with the township assessor, ~~of the~~  
 45 ~~township in which the property is subject to assessment:~~ **or the county**  
 46 **assessor if the township is not served by a township assessor.** The  
 47 right of a taxpayer to obtain a review under this subsection for an  
 48 assessment date for which a notice of assessment is not given does not  
 49 relieve an assessing official of the duty to provide the taxpayer with the  
 50 notice of assessment as otherwise required by this article. For an  
 51 assessment date in a year before 2009, the notice must be filed on or

1 before May 10 of the year. For an assessment date in a year after 2008,  
2 the notice must be filed not later than the later of:

- 3 (1) May 10 of the year; or
- 4 (2) forty-five (45) days after the date of the statement mailed by  
5 the county auditor under IC 6-1.1-17-3(b).

6 ~~(d)~~ **(e)** A change in an assessment made as a result of a notice for  
7 review filed by a taxpayer under ~~subsection (c)~~ **subsection (d)** after the  
8 time prescribed in ~~subsection (c)~~ **subsection (d)** becomes effective for  
9 the next assessment date. A change in an assessment made as a result  
10 of a notice for review filed by a taxpayer under ~~subsection (b) or (c)~~  
11 **subsection (c) or (d)** remains in effect from the assessment date for  
12 which the change is made until the next assessment date for which the  
13 assessment is changed under this article.

14 ~~(e)~~ **(f)** The written notice filed by a taxpayer under ~~subsection (b) or~~  
15 ~~(c)~~ **subsection (c) or (d)** must include the following information:

- 16 (1) The name of the taxpayer.
- 17 (2) The address and parcel or key number of the property.
- 18 (3) The address and telephone number of the taxpayer.

19 **(g) The filing of a notice under subsection (c) or (d):**

- 20 **(1) initiates a review under this section; and**
- 21 **(2) constitutes a request by the taxpayer for a preliminary**  
22 **informal meeting with the official referred to in subsection**  
23 **(a).**

24 ~~(f)~~ **(h)** A county or township official who receives a notice for  
25 review filed by a taxpayer under ~~subsection (b) or (c)~~ **subsection (c) or**  
26 **(d)** shall:

- 27 **(1) immediately forward the notice to the county board; and**
- 28 **(2) attempt to hold a preliminary informal meeting with the**  
29 **taxpayer to resolve as many issues as possible by:**
  - 30 **(A) discussing the specifics of the taxpayer's assessment or**  
31 **deduction;**
  - 32 **(B) reviewing the taxpayer's property record card;**
  - 33 **(C) explaining to the taxpayer how the assessment or**  
34 **deduction was determined;**
  - 35 **(D) providing to the taxpayer information about the**  
36 **statutes, rules, and guidelines that govern the**  
37 **determination of the assessment or deduction;**
  - 38 **(E) noting and considering objections of the taxpayer;**
  - 39 **(F) considering all errors alleged by the taxpayer; and**
  - 40 **(G) otherwise educating the taxpayer about:**
    - 41 **(i) the taxpayer's assessment or deduction;**
    - 42 **(ii) the assessment or deduction process; and**
    - 43 **(iii) the assessment or deduction appeal process.**

44 **(i) Not later than ten (10) days after the informal preliminary**  
45 **meeting, the official referred to in subsection (a) shall forward to**  
46 **the county auditor and the county board the results of the**  
47 **conference on a form prescribed by the department of local**  
48 **government finance that must be completed and signed by the**  
49 **taxpayer and the official. The form must indicate the following:**

- 50 **(1) If the taxpayer and the official agree on the resolution of**  
51 **all assessment or deduction issues in the review, a statement**

- 1           **of:**
- 2           **(A) those issues; and**
- 3           **(B) the assessed value of the tangible property or the**
- 4           **amount of the deduction that results from the resolution of**
- 5           **those issues in the manner agreed to by the taxpayer and**
- 6           **the official.**
- 7           **(2) If the taxpayer and the official do not agree on the**
- 8           **resolution of all assessment or deduction issues in the review:**
- 9           **(A) a statement of those issues; and**
- 10           **(B) the identification of:**
- 11           **(i) the issues on which the taxpayer and the official**
- 12           **agree; and**
- 13           **(ii) the issues on which the taxpayer and the official**
- 14           **disagree.**
- 15           **(j) If the county board receives a form referred to in subsection**
- 16           **(i)(1) before the hearing scheduled under subsection (k):**
- 17           **(1) the county board shall cancel the hearing;**
- 18           **(2) the county official referred to in subsection (a) shall give**
- 19           **notice to the taxpayer, the county board, the county assessor,**
- 20           **and the county auditor of the assessment or deduction in the**
- 21           **amount referred to in subsection (i)(1)(B); and**
- 22           **(3) if the matter in issue is the assessment of tangible**
- 23           **property, the county board may reserve the right to change**
- 24           **the assessment under IC 6-1.1-13.**
- 25           ~~(g)~~ **(k) If:**
- 26           **(1) subsection (i)(2) applies; or**
- 27           **(2) the county board does not receive a form referred to in**
- 28           **subsection (i) not later than one hundred twenty (120) days**
- 29           **after the date of the notice for review filed by the taxpayer**
- 30           **under subsection (c) or (d);**
- 31           the county board shall hold a hearing on a review under this subsection
- 32           not later than one hundred eighty (180) days after the date of ~~the~~ **that**
- 33           **notice. for review filed by the taxpayer under subsection (b) or (c). The**
- 34           the county board shall, by mail, give notice of the date, time, and place
- 35           fixed for the hearing to the taxpayer and the county or township official
- 36           with whom the taxpayer filed the notice for review. The taxpayer and
- 37           the county or township official with whom the taxpayer filed the notice
- 38           for review are parties to the proceeding before the county board. **The**
- 39           **county assessor is recused from any action the county board takes**
- 40           **with respect to an assessment determination by the county**
- 41           **assessor.**
- 42           ~~(h)~~ **Before the county board holds the hearing required under**
- 43           **subsection (g), the taxpayer may request a meeting by filing a written**
- 44           **request with the county or township official with whom the taxpayer**
- 45           **filed the notice for review to:**
- 46           **(1) attempt to resolve as many issues under review as possible;**
- 47           **and**
- 48           **(2) seek a joint recommendation for settlement of some or all of**
- 49           **the issues under review.**
- 50           **A county or township official who receives a meeting request under**
- 51           **this subsection before the county board hearing shall meet with the**

1 taxpayer. The taxpayer and the county or township official shall present  
 2 a joint recommendation reached under this subsection to the county  
 3 board at the hearing required under subsection (g). The county board  
 4 may adopt or reject the recommendation in whole or in part.

5 ~~(i)~~ **(l)** At the hearing required under subsection ~~(g)~~: **subsection (k)**:

6 (1) the taxpayer may present the taxpayer's reasons for  
 7 disagreement with the assessment **or deduction**; and

8 (2) the county or township official with whom the taxpayer filed  
 9 the notice for review must present:

10 (A) the basis for the assessment **or deduction** decision; and

11 (B) the reasons the taxpayer's contentions should be denied.

12 ~~(j)~~ **(m)** **The official referred to in subsection (a) may not require**  
 13 **the taxpayer to provide documentary evidence at the preliminary**  
 14 **informal meeting under subsection (h).** The county board may not  
 15 require a taxpayer to file documentary evidence or summaries of  
 16 statements of testimonial evidence before the hearing required under  
 17 ~~subsection (g)~~: **subsection (k)**. If the action for which a taxpayer seeks  
 18 review under this section is the assessment of tangible property, the  
 19 taxpayer is not required to have an appraisal of the property in order to  
 20 do the following:

21 (1) Initiate the review.

22 (2) Prosecute the review.

23 ~~(k)~~ **Regardless of whether the county board adopts a**  
 24 **recommendation under subsection (h)**; **(n)** The county board shall  
 25 prepare a written decision resolving all of the issues under review. The  
 26 county board shall, by mail, give notice of its determination not later  
 27 than one hundred twenty (120) days after the hearing under ~~subsection~~  
 28 ~~(g)~~ **subsection (k)** to the taxpayer, **the official referred to in**  
 29 **subsection (a)**, the county assessor, and the ~~township assessor~~: **county**  
 30 **auditor**.

31 ~~(i)~~ **(o)** If the maximum time elapses:

32 (1) under ~~subsection (g)~~ **subsection (k)** for the county board to  
 33 hold a hearing; or

34 (2) under ~~subsection (k)~~ **subsection (n)** for the county board to  
 35 give notice of its determination;

36 the taxpayer may initiate a proceeding for review before the Indiana  
 37 board by taking the action required by section 3 of this chapter at any  
 38 time after the maximum time elapses.

39 SECTION 138. IC 6-1.1-15-9, AS AMENDED BY P.L.219-2007,  
 40 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2008]: Sec. 9. (a) If the assessment or exemption of tangible  
 42 property is corrected by the department of local government finance or  
 43 the county board under section 8 of this chapter, the owner of the  
 44 property has a right to appeal the final determination of the corrected  
 45 assessment or exemption to the Indiana board. The county assessor also  
 46 has a right to appeal the final determination of the reassessment or  
 47 exemption by the department of local government finance or the county  
 48 board, but only upon request by the county assessor, the ~~elected~~  
 49 township assessor **(if any)**, or an affected taxing unit. If the appeal is  
 50 taken at the request of an affected taxing unit, the taxing unit shall pay

1 the costs of the appeal.

2 (b) An appeal under this section must be initiated in the manner  
3 prescribed in section 3 of this chapter or IC 6-1.5-5.

4 SECTION 139. IC 6-1.1-15-10, AS AMENDED BY P.L.219-2007,  
5 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 UPON PASSAGE]: Sec. 10. (a) If a petition for review to any board or  
7 a proceeding for judicial review in the tax court regarding an  
8 assessment or increase in assessment is pending, the taxes resulting  
9 from the assessment or increase in assessment are, notwithstanding the  
10 provisions of IC 6-1.1-22-9, not due until after the petition for review,  
11 or the proceeding for judicial review, is finally adjudicated and the  
12 assessment or increase in assessment is finally determined. However,  
13 even though a petition for review or a proceeding for judicial review is  
14 pending, the taxpayer shall pay taxes on the tangible property when the  
15 property tax installments come due, unless the collection of the taxes  
16 is enjoined under IC 33-26-6-2 pending a final determination in the  
17 proceeding for judicial review. The amount of taxes which the taxpayer  
18 is required to pay, pending the final determination of the assessment or  
19 increase in assessment, shall be based on:

- 20 (1) the assessed value reported by the taxpayer on the taxpayer's  
21 personal property return if a personal property assessment, or an  
22 increase in such an assessment, is involved; or  
23 (2) an amount based on the immediately preceding year's  
24 assessment of real property if an assessment, or increase in  
25 assessment, of real property is involved.

26 (b) If the petition for review or the proceeding for judicial review is  
27 not finally determined by the last installment date for the taxes, the  
28 taxpayer, upon showing of cause by a taxing official or at the tax court's  
29 discretion, may be required to post a bond or provide other security in  
30 an amount not to exceed the taxes resulting from the contested  
31 assessment or increase in assessment.

32 (c) Each county auditor shall keep separate on the tax duplicate a  
33 record of that portion of the assessed value of property that is described  
34 in IC 6-1.1-17-0.5(b). When establishing rates and calculating state  
35 school support, the department of local government finance shall  
36 exclude from assessed value in the county the assessed value of  
37 property kept separate on the tax duplicate by the county auditor under  
38 ~~IC 6-1.1-17-0.5(b)~~. **IC 6-1.1-17-0.5.**

39 SECTION 140. IC 6-1.1-15-12, AS AMENDED BY P.L.219-2007,  
40 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
41 JULY 1, 2008]: Sec. 12. (a) Subject to the limitations contained in  
42 subsections (c) and (d), a county auditor shall correct errors which are  
43 discovered in the tax duplicate for any one (1) or more of the following  
44 reasons:

- 45 (1) The description of the real property was in error.  
46 (2) The assessment was against the wrong person.  
47 (3) Taxes on the same property were charged more than one (1)  
48 time in the same year.  
49 (4) There was a mathematical error in computing the taxes or  
50 penalties on the taxes.  
51 (5) There was an error in carrying delinquent taxes forward from



- 1           one (1) tax duplicate to another.
- 2           (6) The taxes, as a matter of law, were illegal.
- 3           (7) There was a mathematical error in computing an assessment.
- 4           (8) Through an error of omission by any state or county officer,
- 5           the taxpayer was not given credit for an exemption or deduction
- 6           permitted by law.
- 7           (b) The county auditor shall correct an error described under
- 8           subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county
- 9           auditor finds that the error exists.
- 10          (c) If the tax is based on an assessment made or determined by the
- 11          department of local government finance, the county auditor shall not
- 12          correct an error described under subsection (a)(6), (a)(7), or (a)(8) until
- 13          after the correction is either approved by the department of local
- 14          government finance or ordered by the tax court.
- 15          (d) If the tax is not based on an assessment made or determined by
- 16          the department of local government finance, the county auditor shall
- 17          correct an error described under subsection (a)(6), (a)(7), or (a)(8) only
- 18          if the correction is first approved by at least two (2) of the following
- 19          officials:
- 20               (1) The township assessor **(if any)**.
- 21               (2) The county auditor.
- 22               (3) The county assessor.
- 23          If two (2) of these officials do not approve such a correction, the county
- 24          auditor shall refer the matter to the county board for determination. The
- 25          county board shall provide a copy of the determination to the taxpayer
- 26          and to the county auditor.
- 27          (e) A taxpayer may appeal a determination of the county board to
- 28          the Indiana board for a final administrative determination. An appeal
- 29          under this section shall be conducted in the same manner as appeals
- 30          under sections 4 through 8 of this chapter. The Indiana board shall send
- 31          the final administrative determination to the taxpayer, the county
- 32          auditor, the county assessor, and the township assessor **(if any)**.
- 33          (f) If a correction or change is made in the tax duplicate after it is
- 34          delivered to the county treasurer, the county auditor shall transmit a
- 35          certificate of correction to the county treasurer. The county treasurer
- 36          shall keep the certificate as the voucher for settlement with the county
- 37          auditor.
- 38          (g) A taxpayer that files a personal property tax return under
- 39          IC 6-1.1-3 may not petition under this section for the correction of an
- 40          error made by the taxpayer on the taxpayer's personal property tax
- 41          return. If the taxpayer wishes to correct an error made by the taxpayer
- 42          on the taxpayer's personal property tax return, the taxpayer must
- 43          instead file an amended personal property tax return under
- 44          IC 6-1.1-3-7.5.
- 45          (h) A taxpayer that files a statement under IC 6-1.1-8-19 may not
- 46          petition under this section for the correction of an error made by the
- 47          taxpayer on the taxpayer's statement. If the taxpayer wishes to correct
- 48          an error made by the taxpayer on the taxpayer's statement, the taxpayer
- 49          must instead initiate an objection under IC 6-1.1-8-28 or an appeal
- 50          under IC 6-1.1-8-30.
- 51          (i) A taxpayer that files a statement under IC 6-1.1-8-23 may not

1 petition under this section for the correction of an error made by the  
 2 taxpayer on the taxpayer's statement. If the taxpayer wishes to correct  
 3 an error made by the taxpayer on the taxpayer's statement, the taxpayer  
 4 must instead file an amended statement not more than six (6) months  
 5 after the due date of the statement.

6 SECTION 141. IC 6-1.1-15-12.5 IS ADDED TO THE INDIANA  
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 8 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 12.5. (a)**  
 9 **If a township assessor determines that the township assessor has**  
 10 **made an error concerning:**

11 (1) the assessed valuation of property;

12 (2) the name of a taxpayer; or

13 (3) the description of property;

14 **in an assessment, the township assessor shall on the township**  
 15 **assessor's own initiative correct the error. However, the township**  
 16 **assessor may not increase an assessment under this section. The**  
 17 **township assessor shall correct the error in the assessment without**  
 18 **requiring the taxpayer to file a notice with the county board**  
 19 **requesting a review of the township assessor's original assessment.**

20 (b) **If a township assessor corrects an error under this section,**  
 21 **the township assessor shall give notice of the correction to the**  
 22 **taxpayer, the county auditor, and the county board.**

23 (c) **Subject to subsection (d), if a correction under this section**  
 24 **results in a reduction of the amount of an assessment of a**  
 25 **taxpayer's property, the taxpayer is entitled to a credit on the**  
 26 **taxpayer's next tax installment equal to the amount of any**  
 27 **overpayment of tax that resulted from the incorrect assessment.**

28 (d) **If the amount of the overpayment of tax exceeds the**  
 29 **taxpayer's next tax installment, the taxpayer is entitled to:**

30 (1) **a credit in the full amount of the next tax installment; and**

31 (2) **credits on succeeding tax installments until the taxpayer**  
 32 **has received total credits equal to the amount of the**  
 33 **overpayment.**

34 SECTION 142. IC 6-1.1-15-14, AS AMENDED BY P.L.219-2007,  
 35 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2008]: Sec. 14. In any assessment review, the assessing  
 37 official ~~the county assessor; and the members of a county board~~ shall:

38 (1) use the department of local government finance's rules in  
 39 effect; and

40 (2) consider the conditions and circumstances of the property as  
 41 they existed;

42 on the original assessment date of the property under review.

43 SECTION 143. IC 6-1.1-15-16, AS AMENDED BY P.L.219-2007,  
 44 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 45 JULY 1, 2008]: Sec. 16. Notwithstanding any provision in the 2002  
 46 Real Property Assessment Manual and Real Property Assessment  
 47 Guidelines for 2002-Version A, incorporated by reference in 50  
 48 IAC 2.3-1-2, a county board or the Indiana board shall consider all  
 49 evidence relevant to the assessment of real property regardless of  
 50 whether the evidence was submitted to the township assessor (**if any**)  
 51 **or county assessor** before the assessment of the property.

1 SECTION 144. IC 6-1.1-16-1 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Except as  
 3 provided in section 2 of this chapter, an assessing official ~~county~~  
 4 ~~assessor~~, or county property tax assessment board of appeals may not  
 5 change the assessed value claimed by a taxpayer on a personal property  
 6 return unless the assessing official ~~county assessor~~, or county property  
 7 tax assessment board of appeals takes the action and gives the notice  
 8 required by IC 6-1.1-3-20 within the following ~~time~~ periods:

9 (1) A township ~~or county assessing official assessor (if any)~~ must  
 10 make a change in the assessed value and give the notice of the  
 11 change on or before the ~~latter later~~ of:

12 (A) September 15 of the year for which the assessment is  
 13 made; or

14 (B) four (4) months from the date the personal property return  
 15 is filed if the return is filed after May 15 of the year for which  
 16 the assessment is made.

17 (2) A county assessor or county property tax assessment board of  
 18 appeals must make a change in the assessed value, including the  
 19 final determination by the board of an assessment changed by a  
 20 ~~township or county an~~ assessing official, ~~or county property tax~~  
 21 ~~assessment board of appeals~~, and give the notice of the change on  
 22 or before the ~~latter later~~ of:

23 (A) October 30 of the year for which the assessment is made;  
 24 or

25 (B) five (5) months from the date the personal property return  
 26 is filed if the return is filed after May 15 of the year for which  
 27 the assessment is made.

28 (3) The department of local government finance must make a  
 29 preliminary change in the assessed value and give the notice of  
 30 the change on or before the ~~latter later~~ of:

31 (A) October 1 of the year immediately following the year for  
 32 which the assessment is made; or

33 (B) sixteen (16) months from the date the personal property  
 34 return is filed if the return is filed after May 15 of the year for  
 35 which the assessment is made.

36 (b) Except as provided in section 2 of this chapter, if an assessing  
 37 official a ~~county assessor~~, or a county property tax assessment board of  
 38 appeals fails to change an assessment and give notice of the change  
 39 within the time prescribed by this section, the assessed value claimed  
 40 by the taxpayer on the personal property return is final.

41 (c) This section does not limit the authority of a county auditor to  
 42 correct errors in a tax duplicate under IC 6-1.1-15-12.

43 (d) This section does not apply if the taxpayer:

44 (1) fails to file a personal property return which substantially  
 45 complies with ~~the provisions of~~ this article and the regulations of  
 46 the department of local government finance; or

47 (2) files a fraudulent personal property return with the intent to  
 48 evade the payment of property taxes.

49 (e) A taxpayer may appeal a preliminary determination of the  
 50 department of local government finance under subsection (a)(3) to the  
 51 Indiana board. An appeal under this subdivision shall be conducted in

1 the same manner as an appeal under IC 6-1.1-15-4 through  
 2 IC 6-1.1-15-8. A preliminary determination that is not appealed under  
 3 this subsection is a final unappealable order of the department of local  
 4 government finance.

5 SECTION 145. IC 6-1.1-16-2, AS AMENDED BY P.L.219-2007,  
 6 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2008]: Sec. 2. (a) If a county property tax assessment board of  
 8 appeals fails to change an assessed value claimed by a taxpayer on a  
 9 personal property return and give notice of the change within the time  
 10 prescribed in section 1(a)(2) of this chapter, the township assessor, or  
 11 the county assessor **if there is no township assessor for the township,**  
 12 may file a petition for review of the assessment by the Indiana board.  
 13 The township assessor or ~~the~~ county assessor must file the petition for  
 14 review in the manner provided in IC 6-1.1-15-3(d). The ~~time~~ period for  
 15 filing the petition begins to run on the last day that the county board is  
 16 permitted to act on the assessment under section 1(a)(2) of this chapter  
 17 as though the board acted and gave notice of its action on that day.

18 (b) Notwithstanding section 1(a)(3) of this chapter, the department  
 19 of local government finance shall reassess tangible property when an  
 20 appealed assessment of the property is remanded to the board under  
 21 IC 6-1.1-15-8.

22 SECTION 146. IC 6-1.1-17-1, AS AMENDED BY P.L.154-2006,  
 23 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2008]: Sec. 1. (a) On or before August 1 of each year, the  
 25 county auditor shall send a certified statement, under the seal of the  
 26 board of county commissioners, to the fiscal officer of each political  
 27 subdivision of the county and the department of local government  
 28 finance. The statement shall contain:

- 29 (1) information concerning the assessed valuation in the political  
 30 subdivision for the next calendar year;
- 31 (2) an estimate of the taxes to be distributed to the political  
 32 subdivision during the last six (6) months of the current calendar  
 33 year;
- 34 (3) the current assessed valuation as shown on the abstract of  
 35 charges;
- 36 (4) the average growth in assessed valuation in the political  
 37 subdivision over the preceding three (3) budget years, excluding  
 38 years in which a general reassessment occurs, determined  
 39 according to procedures established by the department of local  
 40 government finance;
- 41 (5) the amount of the political subdivision's assessed valuation  
 42 reduction determined under section 0.5(d) of this chapter;
- 43 **(6) for counties with taxing units that cross into or intersect**  
 44 **with other counties, the assessed valuation as shown on the**  
 45 **most current abstract of property; and**
- 46 ~~(7)~~ (7) any other information at the disposal of the county auditor  
 47 that might affect the assessed value used in the budget adoption  
 48 process.

49 (b) The estimate of taxes to be distributed shall be based on:

- 50 (1) the abstract of taxes levied and collectible for the current  
 51 calendar year, less any taxes previously distributed for the

1           calendar year; and  
 2           (2) any other information at the disposal of the county auditor  
 3           which might affect the estimate.

4           (c) The fiscal officer of each political subdivision shall present the  
 5           county auditor's statement to the proper officers of the political  
 6           subdivision.

7           (d) Subject to subsection (e) and except as provided in subsection  
 8           (f), after the county auditor sends a certified statement under subsection  
 9           (a) or an amended certified statement under this subsection with  
 10          respect to a political subdivision and before the department of local  
 11          government finance certifies its action with respect to the political  
 12          subdivision under section 16(f) of this chapter, the county auditor may  
 13          amend the information concerning assessed valuation included in the  
 14          earlier certified statement. The county auditor shall send a certified  
 15          statement amended under this subsection, under the seal of the board  
 16          of county commissioners, to:

17           (1) the fiscal officer of each political subdivision affected by the  
 18           amendment; and

19           (2) the department of local government finance.

20          (e) Except as provided in subsection (g), before the county auditor  
 21          makes an amendment under subsection (d), the county auditor must  
 22          provide an opportunity for public comment on the proposed  
 23          amendment at a public hearing. The county auditor must give notice of  
 24          the hearing under IC 5-3-1. If the county auditor makes the amendment  
 25          as a result of information provided to the county auditor by an assessor,  
 26          the county auditor shall give notice of the public hearing to the  
 27          assessor.

28          (f) Subsection (d) does not apply to an adjustment of assessed  
 29          valuation under IC 36-7-15.1-26.9(d).

30          (g) The county auditor is not required to hold a public hearing under  
 31          subsection (e) if:

32           (1) the amendment under subsection (d) is proposed to correct a  
 33           mathematical error made in the determination of the amount of  
 34           assessed valuation included in the earlier certified statement;

35           (2) the amendment under subsection (d) is proposed to add to the  
 36           amount of assessed valuation included in the earlier certified  
 37           statement assessed valuation of omitted property discovered after  
 38           the county auditor sent the earlier certified statement; or

39           (3) the county auditor determines that the amendment under  
 40           subsection (d) will not result in an increase in the tax rate or tax  
 41           rates of the political subdivision.

42          SECTION 147. IC 6-1.1-17-3, AS AMENDED BY HEA  
 43          1137-2008, SECTION 41, IS AMENDED TO READ AS FOLLOWS  
 44          [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The proper officers of a  
 45          political subdivision shall formulate its estimated budget and its  
 46          proposed tax rate and tax levy on the form prescribed by the  
 47          department of local government finance and approved by the state  
 48          board of accounts. The political subdivision shall give notice by  
 49          publication to taxpayers of:

50           (1) the estimated budget;

51           (2) the estimated maximum permissible levy;

- 1 (3) the current and proposed tax levies of each fund; and  
 2 (4) the amounts of excessive levy appeals to be requested.

3 In the notice, the political subdivision shall also state the time and  
 4 place at which a public hearing will be held on these items. The notice  
 5 shall be published twice in accordance with IC 5-3-1 with the first  
 6 publication at least ten (10) days before the date fixed for the public  
 7 hearing. Beginning in 2009, the duties required by this subsection must  
 8 be completed before August 10 of the calendar year. A political  
 9 subdivision shall provide the estimated budget and levy information  
 10 required for the notice under subsection (b) to the county auditor on the  
 11 schedule determined by the department of local government finance.

12 (b) Beginning in ~~2009~~, **2010**, before ~~August 10~~ **October 1** of a  
 13 calendar year, the county auditor shall mail to the last known address  
 14 of each person liable for any property taxes, as shown on the tax  
 15 duplicate, or to the last known address of the most recent owner shown  
 16 in the transfer book, a statement that includes:

17 (1) the assessed valuation as of the assessment date in the current  
 18 calendar year of tangible property on which the person will be  
 19 liable for property taxes first due and payable in the immediately  
 20 succeeding calendar year and notice to the person of the  
 21 opportunity to appeal the assessed valuation under  
 22 IC 6-1.1-15-1(c) **(before July 1, 2008) or IC 6-1.1-15-1 (after**  
 23 **June 30, 2008);**

24 (2) the amount of property taxes for which the person will be  
 25 liable to each political subdivision on the tangible property for  
 26 taxes first due and payable in the immediately succeeding  
 27 calendar year, taking into account all factors that affect that  
 28 liability, including:

29 (A) the estimated budget and proposed tax rate and tax levy  
 30 formulated by the political subdivision under subsection (a);

31 (B) any deductions or exemptions that apply to the assessed  
 32 valuation of the tangible property;

33 (C) any credits that apply in the determination of the tax  
 34 liability; and

35 (D) the county auditor's best estimate of the effects on the tax  
 36 liability that might result from actions of:

37 (i) the county board of tax adjustment; ~~(before January 1,~~  
 38 ~~2009) or the county board of tax and capital projects review~~  
 39 ~~(after December 31, 2008); or~~

40 (ii) the department of local government finance;

41 (3) a prominently displayed notation that:

42 (A) the estimate under subdivision (2) is based on the best  
 43 information available at the time the statement is mailed; and

44 (B) based on various factors, including potential actions by:

45 (i) the county board of tax adjustment; ~~(before January 1,~~  
 46 ~~2009) or the county board of tax and capital projects review~~  
 47 ~~(after December 31, 2008); or~~

48 (ii) the department of local government finance;

49 it is possible that the tax liability as finally determined will  
 50 differ substantially from the estimate;

51 (4) comparative information showing the amount of property

- 1 taxes for which the person is liable to each political subdivision  
 2 on the tangible property for taxes first due and payable in the  
 3 current year; and  
 4 (5) the date, time, and place at which the political subdivision will  
 5 hold a public hearing on the political subdivision's estimated  
 6 budget and proposed tax rate and tax levy as required under  
 7 subsection (a).
- 8 (c) The department of local government finance shall:  
 9 (1) prescribe a form for; and  
 10 (2) provide assistance to county auditors in preparing;  
 11 statements under subsection (b). Mailing the statement described in  
 12 subsection (b) to a mortgagee maintaining an escrow account for a  
 13 person who is liable for any property taxes shall not be construed as  
 14 compliance with subsection (b).
- 15 (d) The board of directors of a solid waste management district  
 16 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may  
 17 conduct the public hearing required under subsection (a):  
 18 (1) in any county of the solid waste management district; and  
 19 (2) in accordance with the annual notice of meetings published  
 20 under IC 13-21-5-2.
- 21 (e) The trustee of each township in the county shall estimate the  
 22 amount necessary to meet the cost of township assistance in the  
 23 township for the ensuing calendar year. The township board shall adopt  
 24 with the township budget a tax rate sufficient to meet the estimated cost  
 25 of township assistance. The taxes collected as a result of the tax rate  
 26 adopted under this subsection are credited to the township assistance  
 27 fund.
- 28 (f) **This subsection expires January 1, 2009.** A county shall adopt  
 29 with the county budget and the department of local government finance  
 30 shall certify under section 16 of this chapter a tax rate sufficient to raise  
 31 the levy necessary to pay the following:  
 32 (1) The cost of child services (as defined in IC 12-19-7-1) of the  
 33 county payable from the family and children's fund.  
 34 (2) The cost of children's psychiatric residential treatment  
 35 services (as defined in IC 12-19-7.5-1) of the county payable from  
 36 the children's psychiatric residential treatment services fund.
- 37 A budget, tax rate, or tax levy adopted by a county fiscal body or  
 38 approved or modified by a county board of tax adjustment that is less  
 39 than the levy necessary to pay the costs described in subdivision (1) or  
 40 (2) shall not be treated as a final budget, tax rate, or tax levy under  
 41 section 11 of this chapter.
- 42 SECTION 148. IC 6-1.1-17-3.5 IS ADDED TO THE INDIANA  
 43 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 44 [EFFECTIVE JULY 1, 2008]: **Sec. 3.5. (a) This section does not**  
 45 **apply to civil taxing units located in a county in which a county**  
 46 **board of tax adjustment reviews budgets, tax rates, and tax levies.**  
 47 **This section does not apply to a civil taxing unit that has its**  
 48 **proposed budget and proposed property tax levy approved under**  
 49 **IC 6-1.1-17-20 or IC 36-3-6-9.**
- 50 (b) **This section applies to a civil taxing unit other than a county.**  
 51 **If a civil taxing unit will impose property taxes due and payable in**

1 **the ensuing calendar year, the civil taxing unit shall file with the**  
 2 **fiscal body of the county in which the civil taxing unit is located:**

- 3 (1) **a statement of the proposed or estimated tax rate and tax**  
 4 **levy for the civil taxing unit for the ensuing budget year; and**  
 5 **(2) a copy of the civil taxing unit's proposed budget for the**  
 6 **ensuing budget year.**

7 **(c) In the case of a civil taxing unit located in more than one (1)**  
 8 **county, the civil taxing unit shall file the information under**  
 9 **subsection (b) with the fiscal body of the county in which the**  
 10 **greatest part of the civil taxing unit's net assessed valuation is**  
 11 **located.**

12 **(d) A civil taxing unit must file the information under subsection**  
 13 **(b) at least fifteen (15) days before the civil taxing unit fixes its tax**  
 14 **rate and tax levy and adopts its budget under this chapter.**

15 **(e) A county fiscal body shall:**

- 16 **(1) review any proposed or estimated tax rate or tax levy or**  
 17 **proposed budget filed by a civil taxing unit with the county**  
 18 **fiscal body under this section; and**  
 19 **(2) issue a nonbinding recommendation to a civil taxing unit**  
 20 **regarding the civil taxing unit's proposed or estimated tax**  
 21 **rate or tax levy or proposed budget.**

22 **(f) The recommendation under subsection (e) must include a**  
 23 **comparison of any increase in the civil taxing unit's budget or tax**  
 24 **levy to:**

- 25 **(1) the average increase in Indiana nonfarm personal income**  
 26 **for the preceding six (6) calendar years and the average**  
 27 **increase in nonfarm personal income for the county for the**  
 28 **preceding six (6) calendar years; and**  
 29 **(2) increases in the budgets and tax levies of other civil taxing**  
 30 **units in the county.**

31 **(g) The department of local government finance must provide**  
 32 **each county fiscal body with the most recent available information**  
 33 **concerning increases in Indiana nonfarm personal income and**  
 34 **increases in county nonfarm personal income.**

35 SECTION 149. IC 6-1.1-17-5, AS AMENDED BY HEA  
 36 1137-2008, SECTION 42, IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The officers of political  
 38 subdivisions shall meet each year to fix the budget, tax rate, and tax  
 39 levy of their respective subdivisions for the ensuing budget year as  
 40 follows:

41 (1) The board of school trustees of a school corporation that is  
 42 located in a city having a population of more than one hundred  
 43 five thousand (105,000) but less than one hundred twenty  
 44 thousand (120,000), not later than:

45 (A) the time required in section 5.6(b) of this chapter; or

46 (B) **for budget years beginning before July 1, 2010,**  
 47 **September 30 if a resolution adopted under section 5.6(d) of**  
 48 **this chapter is in effect.**

49 (2) The proper officers of all other political subdivisions, not later  
 50 than September 30.

51 **(3) The governing body of each school corporation (including**



1           **a school corporation described in subdivision (1)), not later**  
 2           **than the time required under section 5.6(b) of this chapter for**  
 3           **budget years beginning after June 30, 2010.**

4           Except in a consolidated city and county and in a second class city, the  
 5           public hearing required by section 3 of this chapter must be completed  
 6           at least ten (10) days before the proper officers of the political  
 7           subdivision meet to fix the budget, tax rate, and tax levy. In a  
 8           consolidated city and county and in a second class city, that public  
 9           hearing, by any committee or by the entire fiscal body, may be held at  
 10          any time after introduction of the budget.

11          (b) Ten (10) or more taxpayers may object to a budget, tax rate, or  
 12          tax levy of a political subdivision fixed under subsection (a) by filing  
 13          an objection petition with the proper officers of the political  
 14          subdivision not more than seven (7) days after the hearing. The  
 15          objection petition must specifically identify the provisions of the  
 16          budget, tax rate, and tax levy to which the taxpayers object.

17          (c) If a petition is filed under subsection (b), the fiscal body of the  
 18          political subdivision shall adopt with its budget a finding concerning  
 19          the objections in the petition and any testimony presented at the  
 20          adoption hearing.

21          (d) This subsection does not apply to a school corporation. Each  
 22          year at least two (2) days before the first meeting after September 20  
 23          of the county board of tax adjustment (~~before January 1, 2009~~) or the  
 24          county board of tax and capital projects review (~~after December 31,~~  
 25          ~~2008~~) held under IC 6-1.1-29-4, a political subdivision shall file with  
 26          the county auditor:

27                 (1) a statement of the tax rate and levy fixed by the political  
 28                 subdivision for the ensuing budget year;

29                 (2) two (2) copies of the budget adopted by the political  
 30                 subdivision for the ensuing budget year; and

31                 (3) two (2) copies of any findings adopted under subsection (c).

32          Each year the county auditor shall present these items to the county  
 33          board of tax adjustment (~~before January 1, 2009~~) or the county board  
 34          of tax and capital projects review (~~after December 31, 2008~~) at the  
 35          board's first meeting under IC 6-1.1-29-4 after September 20 of that  
 36          year.

37          (e) In a consolidated city and county and in a second class city, the  
 38          clerk of the fiscal body shall, notwithstanding subsection (d), file the  
 39          adopted budget and tax ordinances with the county board of tax  
 40          adjustment (~~before January 1, 2009~~) or the county board of tax and  
 41          capital projects review (~~after December 31, 2008~~) within two (2) days  
 42          after the ordinances are signed by the executive, or within two (2) days  
 43          after action is taken by the fiscal body to override a veto of the  
 44          ordinances, whichever is later.

45          (f) If a fiscal body does not fix the budget, tax rate, and tax levy of  
 46          the political subdivisions for the ensuing budget year as required under  
 47          this section, the most recent annual appropriations and annual tax levy  
 48          are continued for the ensuing budget year.

49          SECTION 150. IC 6-1.1-17-5.6, AS AMENDED BY HEA  
 50          1137-2008, SECTION 43, IS AMENDED TO READ AS FOLLOWS  
 51          [EFFECTIVE UPON PASSAGE]: Sec. 5.6. (a) **For budget years**

1 **beginning before July 1, 2010**, this section applies only to a school  
 2 corporation that is located in a city having a population of more than  
 3 one hundred five thousand (105,000) but less than one hundred twenty  
 4 thousand (120,000). **For budget years beginning after June 30, 2010,**  
 5 **this section applies to all school corporations. Beginning in 2010,**  
 6 **each school corporation shall adopt a budget under this section**  
 7 **that applies from July 1 of the year through June 30 of the**  
 8 **following year. In the initial budget adopted by a school**  
 9 **corporation in 2010 under this section, the first six (6) months of**  
 10 **that initial budget must be consistent with the last six (6) months**  
 11 **of the budget adopted by the school corporation for calendar year**  
 12 **2010.**

13 (b) Before February 1 of each year, the officers of the school  
 14 corporation shall meet to fix the budget for the school corporation for  
 15 the ensuing budget year, with notice given by the same officers.  
 16 However, if a resolution adopted under subsection (d) is in effect, the  
 17 officers shall meet to fix the budget for the ensuing budget year before  
 18 September 30.

19 (c) Each year, at least two (2) days before the first meeting after  
 20 September 20 of the county board of tax adjustment (~~before January 1,~~  
 21 ~~2009~~) or the county board of tax and capital projects review (after  
 22 ~~December 31, 2008~~) held under IC 6-1.1-29-4, the school corporation  
 23 shall file with the county auditor:

- 24 (1) a statement of the tax rate and tax levy fixed by the school  
 25 corporation for the ensuing budget year;
- 26 (2) two (2) copies of the budget adopted by the school corporation  
 27 for the ensuing budget year; and
- 28 (3) any written notification from the department of local  
 29 government finance under section 16(i) of this chapter that  
 30 specifies a proposed revision, reduction, or increase in the budget  
 31 adopted by the school corporation for the ensuing budget year.

32 Each year the county auditor shall present these items to the county  
 33 board of tax adjustment (~~before January 1, 2009~~) or the county board  
 34 of tax and capital projects review (after ~~December 31, 2008~~) at the  
 35 board's first meeting after September 20 of that year.

36 (d) **This subsection does not apply to budget years after June 30,**  
 37 **2010.** The governing body of the school corporation may adopt a  
 38 resolution to cease using a school year budget year and return to using  
 39 a calendar year budget year. A resolution adopted under this subsection  
 40 must be adopted after January 1 and before July 1. The school  
 41 corporation's initial calendar year budget year following the adoption  
 42 of a resolution under this subsection begins on January 1 of the year  
 43 following the year the resolution is adopted. The first six (6) months of  
 44 the initial calendar year budget for the school corporation must be  
 45 consistent with the last six (6) months of the final school year budget  
 46 fixed by the department of local government finance before the  
 47 adoption of a resolution under this subsection. **Notwithstanding any**  
 48 **resolution adopted under this subsection, beginning in 2010, each**  
 49 **school corporation shall adopt a budget under this section that**  
 50 **applies from July 1 of the year through June 30 of the following**  
 51 **year.**

1 (e) A resolution adopted under subsection (d) may be rescinded by  
 2 a subsequent resolution adopted by the governing body. If the  
 3 governing body of the school corporation rescinds a resolution adopted  
 4 under subsection (d) and returns to a school year budget year, the  
 5 school corporation's initial school year budget year begins on July 1  
 6 following the adoption of the rescinding resolution and ends on June  
 7 30 of the following year. The first six (6) months of the initial school  
 8 year budget for the school corporation must be consistent with the last  
 9 six (6) months of the last calendar year budget fixed by the department  
 10 of local government finance before the adoption of a rescinding  
 11 resolution under this subsection.

12 SECTION 151. IC 6-1.1-17-6, AS AMENDED BY P.L.224-2007,  
 13 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 UPON PASSAGE]: Sec. 6. (a) The county board of tax adjustment  
 15 (~~before January 1, 2009~~) or the county board of tax and capital projects  
 16 review (~~after December 31, 2008~~) shall review the budget, tax rate, and  
 17 tax levy of each political subdivision filed with the county auditor  
 18 under section 5 or 5.6 of this chapter. The board shall revise or reduce,  
 19 but not increase, any budget, tax rate, or tax levy in order:

- 20 (1) to limit the tax rate to the maximum amount permitted under
- 21 IC 6-1.1-18; and
- 22 (2) to limit the budget to the amount of revenue to be available in
- 23 the ensuing budget year for the political subdivision.

24 (b) The county board of tax adjustment (~~before January 1, 2009~~) or  
 25 the county board of tax and capital projects review (~~after December 31,~~  
 26 ~~2008~~) shall make a revision or reduction in a political subdivision's  
 27 budget only with respect to the total amounts budgeted for each office  
 28 or department within each of the major budget classifications  
 29 prescribed by the state board of accounts.

30 (c) When the county board of tax adjustment (~~before January 1,~~  
 31 ~~2009~~) or the county board of tax and capital projects review (~~after~~  
 32 ~~December 31, 2008~~) makes a revision or reduction in a budget, tax rate,  
 33 or tax levy, it shall file with the county auditor a written order which  
 34 indicates the action taken. If the board reduces the budget, it shall also  
 35 indicate the reason for the reduction in the order. The chairman of the  
 36 county board shall sign the order.

37 SECTION 152. IC 6-1.1-17-7, AS AMENDED BY P.L.224-2007,  
 38 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39 UPON PASSAGE]: Sec. 7. If the boundaries of a political subdivision  
 40 cross one (1) or more county lines, the budget, tax levy, and tax rate  
 41 fixed by the political subdivision shall be filed with the county auditor  
 42 of each affected county in the manner prescribed in section 5 or 5.6 of  
 43 this chapter. The board of tax adjustment of the county which contains  
 44 the largest portion of the value of property taxable by the political  
 45 subdivision, as determined from the abstracts of taxable values last  
 46 filed with the auditor of state, has jurisdiction over the budget, tax rate,  
 47 and tax levy to the same extent as if the property taxable by the  
 48 political subdivision were wholly within the county. The secretary of  
 49 the county board of tax adjustment (~~before January 1, 2009~~) or the  
 50 county board of tax and capital projects review (~~after December 31,~~  
 51 ~~2008~~) shall notify the county auditor of each affected county of the

1 action of the board. Appeals from actions of the county board of tax  
2 adjustment (~~before January 1, 2009~~) or the county board of tax and  
3 capital projects review (~~after December 31, 2008~~) may be initiated in  
4 any affected county.

5 SECTION 153. IC 6-1.1-17-8, AS AMENDED BY P.L.224-2007,  
6 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 UPON PASSAGE]: Sec. 8. (a) If the county board of tax adjustment  
8 (~~before January 1, 2009~~) or the county board of tax and capital projects  
9 review (~~after December 31, 2008~~) determines that the maximum  
10 aggregate tax rate permitted within a political subdivision under  
11 IC 6-1.1-18 is inadequate, the county board shall, subject to the  
12 limitations prescribed in IC 20-45-4 (**before January 1, 2009**), file its  
13 written recommendations in duplicate with the county auditor. The  
14 board shall include with its recommendations:

- 15 (1) an analysis of the aggregate tax rate within the political  
16 subdivision;
- 17 (2) a recommended breakdown of the aggregate tax rate among  
18 the political subdivisions whose tax rates compose the aggregate  
19 tax rate within the political subdivision; and
- 20 (3) any other information that the county board considers relevant  
21 to the matter.

22 (b) The county auditor shall forward one (1) copy of the county  
23 board's recommendations to the department of local government  
24 finance and shall retain the other copy in the county auditor's office.  
25 The department of local government finance shall, in the manner  
26 prescribed in section 16 of this chapter, review the budgets by fund, tax  
27 rates, and tax levies of the political subdivisions described in  
28 subsection (a)(2).

29 SECTION 154. IC 6-1.1-17-9, AS AMENDED BY P.L.224-2007,  
30 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
31 UPON PASSAGE]: Sec. 9. (a) The county board of tax adjustment  
32 (~~before January 1, 2009~~) or the county board of tax and capital projects  
33 review (~~after December 31, 2008~~) shall complete the duties assigned  
34 to it under this chapter on or before October 1st of each year, except  
35 that in a consolidated city and county and in a county containing a  
36 second class city, the duties of this board need not be completed until  
37 November 1 of each year.

38 (b) If the county board of tax adjustment (~~before January 1, 2009~~)  
39 or the county board of tax and capital projects review (~~after December~~  
40 ~~31, 2008~~) fails to complete the duties assigned to it within the time  
41 prescribed in this section or to reduce aggregate tax rates so that they  
42 do not exceed the maximum rates permitted under IC 6-1.1-18, the  
43 county auditor shall calculate and fix the tax rate within each political  
44 subdivision of the county so that the maximum rate permitted under  
45 IC 6-1.1-18 is not exceeded.

46 (c) When the county auditor calculates and fixes tax rates, the  
47 county auditor shall send a certificate notice of those rates to each  
48 political subdivision of the county. The county auditor shall send these  
49 notices within five (5) days after publication of the notice required by  
50 section 12 of this chapter.

51 (d) When the county auditor calculates and fixes tax rates, that

1 action shall be treated as if it were the action of the county board of tax  
2 adjustment. ~~(before January 1, 2009) or the county board of tax and~~  
3 ~~capital projects review (after December 31, 2008):~~

4 SECTION 155. IC 6-1.1-17-10, AS AMENDED BY P.L.224-2007,  
5 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 UPON PASSAGE]: Sec. 10. When the aggregate tax rate within a  
7 political subdivision, as approved or modified by the county board of  
8 tax adjustment (before January 1, 2009), ~~or the county board of tax and~~  
9 ~~capital projects review (after December 31, 2008)~~, exceeds the  
10 maximum aggregate tax rate prescribed in IC 6-1.1-18-3(a), the county  
11 auditor shall certify the budgets, tax rates, and tax levies of the political  
12 subdivisions whose tax rates compose the aggregate tax rate within the  
13 political subdivision, as approved or modified by the county board, to  
14 the department of local government finance for final review. For  
15 purposes of this section, the maximum aggregate tax rate limit  
16 exceptions provided in IC 6-1.1-18-3(b) do not apply.

17 SECTION 156. IC 6-1.1-17-11, AS AMENDED BY P.L.224-2007,  
18 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19 UPON PASSAGE]: Sec. 11. A budget, tax rate, or tax levy of a  
20 political subdivision, as approved or modified by the county board of  
21 tax adjustment, ~~(before January 1, 2009) or the county board of tax and~~  
22 ~~capital projects review (after December 31, 2008)~~, is final unless:

- 23 (1) action is taken by the county auditor in the manner provided  
24 under section 9 of this chapter;
- 25 (2) the action of the county board is subject to review by the  
26 department of local government finance under section 8 or 10 of  
27 this chapter; or
- 28 (3) an appeal to the department of local government finance is  
29 initiated with respect to the budget, tax rate, or tax levy.

30 SECTION 157. IC 6-1.1-17-12, AS AMENDED BY P.L.224-2007,  
31 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 UPON PASSAGE]: Sec. 12. As soon as the budgets, tax rates, and tax  
33 levies are approved or modified by the county board of tax adjustment,  
34 ~~(before January 1, 2009) or the county board of tax and capital projects~~  
35 ~~review (after December 31, 2008)~~, the county auditor shall within  
36 fifteen (15) days prepare a notice of the tax rates to be charged on each  
37 one hundred dollars (\$100) of assessed valuation for the various funds  
38 in each taxing district. The notice shall also inform the taxpayers of the  
39 manner in which they may initiate an appeal of the county board's  
40 action. The county auditor shall post the notice at the county  
41 courthouse and publish it in two (2) newspapers which represent  
42 different political parties and which have a general circulation in the  
43 county.

44 SECTION 158. IC 6-1.1-17-14, AS AMENDED BY P.L.224-2007,  
45 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
46 UPON PASSAGE]: Sec. 14. The county auditor shall initiate an appeal  
47 to the department of local government finance if the county fiscal body  
48 **or** the county board of tax adjustment ~~(before January 1, 2009)~~, ~~or the~~  
49 ~~county board of tax and capital projects review (after December 31,~~  
50 ~~2008)~~ reduces:

- 51 (1) a township assistance tax rate below the rate necessary to meet

- 1 the estimated cost of township assistance;
- 2 (2) a family and children's fund tax rate below the rate necessary
- 3 to collect the levy recommended by the department of child
- 4 services, **for property taxes first due and payable before**
- 5 **January 1, 2009;** or
- 6 (3) a children's psychiatric residential treatment services fund tax
- 7 rate below the rate necessary to collect the levy recommended by
- 8 the department of child services, **for property taxes first due**
- 9 **and payable before January 1, 2009.**

10 SECTION 159. IC 6-1.1-17-15, AS AMENDED BY P.L.224-2007,  
 11 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 UPON PASSAGE]: Sec. 15. A political subdivision may appeal to the  
 13 department of local government finance for an increase in its tax rate  
 14 or tax levy as fixed by the county board of tax adjustment (~~before~~  
 15 ~~January 1, 2009~~); ~~the county board of tax and capital projects review~~  
 16 ~~(after December 31, 2008)~~; or the county auditor. To initiate the appeal,  
 17 the political subdivision must file a statement with the department of  
 18 local government finance not later than ten (10) days after publication  
 19 of the notice required by section 12 of this chapter. The legislative  
 20 body of the political subdivision must authorize the filing of the  
 21 statement by adopting a resolution. The resolution must be attached to  
 22 the statement of objections, and the statement must be signed by the  
 23 following officers:

- 24 (1) In the case of counties, by the board of county commissioners  
 25 and by the president of the county council.
- 26 (2) In the case of all other political subdivisions, by the highest  
 27 executive officer and by the presiding officer of the legislative  
 28 body.

29 SECTION 160. IC 6-1.1-17-16, AS AMENDED BY P.L.1-2007,  
 30 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JANUARY 1, 2009]: Sec. 16. (a) Subject to the limitations and  
 32 requirements prescribed in this section, the department of local  
 33 government finance may revise, reduce, or increase a political  
 34 subdivision's budget by fund, tax rate, or tax levy which the department  
 35 reviews under section 8 or 10 of this chapter.

36 (b) Subject to the limitations and requirements prescribed in this  
 37 section, the department of local government finance may review,  
 38 revise, reduce, or increase the budget by fund, tax rate, or tax levy of  
 39 any of the political subdivisions whose tax rates compose the aggregate  
 40 tax rate within a political subdivision whose budget, tax rate, or tax  
 41 levy is the subject of an appeal initiated under this chapter.

42 (c) Except as provided in subsections (j) and (k), before the  
 43 department of local government finance reviews, revises, reduces, or  
 44 increases a political subdivision's budget by fund, tax rate, or tax levy  
 45 under this section, the department must hold a public hearing on the  
 46 budget, tax rate, and tax levy. The department of local government  
 47 finance shall hold the hearing in the county in which the political  
 48 subdivision is located. The department of local government finance  
 49 may consider the budgets by fund, tax rates, and tax levies of several  
 50 political subdivisions at the same public hearing. At least five (5) days  
 51 before the date fixed for a public hearing, the department of local

1 government finance shall give notice of the time and place of the  
2 hearing and of the budgets by fund, levies, and tax rates to be  
3 considered at the hearing. The department of local government finance  
4 shall publish the notice in two (2) newspapers of general circulation  
5 published in the county. However, if only one (1) newspaper of general  
6 circulation is published in the county, the department of local  
7 government finance shall publish the notice in that newspaper.

8 (d) Except as provided in subsection (i), ~~IC 20-45~~, IC 20-46, or  
9 IC 6-1.1-18.5, the department of local government finance may not  
10 increase a political subdivision's budget by fund, tax rate, or tax levy to  
11 an amount which exceeds the amount originally fixed by the political  
12 subdivision. However, if the department of local government finance  
13 determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or  
14 budget of the political subdivision, the maximum amount by which the  
15 department may increase the tax rate, tax levy, or budget is the amount  
16 originally fixed by the political subdivision, and not the amount that  
17 was incorrectly published or omitted in the notice described in  
18 IC 5-3-1-2.3(b). The department of local government finance shall give  
19 the political subdivision written notification specifying any revision,  
20 reduction, or increase the department proposes in a political  
21 subdivision's tax levy or tax rate. The political subdivision has two (2)  
22 weeks from the date the political subdivision receives the notice to  
23 provide a written response to the department of local government  
24 finance's Indianapolis office. The response may include budget  
25 reductions, reallocation of levies, a revision in the amount of  
26 miscellaneous revenues, and further review of any other item about  
27 which, in the view of the political subdivision, the department is in  
28 error. The department of local government finance shall consider the  
29 adjustments as specified in the political subdivision's response if the  
30 response is provided as required by this subsection and shall deliver a  
31 final decision to the political subdivision.

32 (e) The department of local government finance may not approve a  
33 levy for lease payments by a city, town, county, library, or school  
34 corporation if the lease payments are payable to a building corporation  
35 for use by the building corporation for debt service on bonds and if:

- 36 (1) no bonds of the building corporation are outstanding; or  
37 (2) the building corporation has enough legally available funds on  
38 hand to redeem all outstanding bonds payable from the particular  
39 lease rental levy requested.

40 (f) The department of local government finance shall certify its  
41 action to:

- 42 (1) the county auditor;  
43 (2) the political subdivision if the department acts pursuant to an  
44 appeal initiated by the political subdivision;  
45 (3) the taxpayer that initiated an appeal under section 13 of this  
46 chapter, or, if the appeal was initiated by multiple taxpayers, the  
47 first ten (10) taxpayers whose names appear on the statement filed  
48 to initiate the appeal; and  
49 (4) a taxpayer that owns property that represents at least ten  
50 percent (10%) of the taxable assessed valuation in the political  
51 subdivision.

1 (g) The following may petition for judicial review of the final  
2 determination of the department of local government finance under  
3 subsection (f):

4 (1) If the department acts under an appeal initiated by a political  
5 subdivision, the political subdivision.

6 (2) If the department:

7 (A) acts under an appeal initiated by one (1) or more taxpayers  
8 under section 13 of this chapter; or

9 (B) fails to act on the appeal before the department certifies its  
10 action under subsection (f);

11 a taxpayer who signed the statement filed to initiate the appeal.

12 (3) If the department acts under an appeal initiated by the county  
13 auditor under section 14 of this chapter, the county auditor.

14 (4) A taxpayer that owns property that represents at least ten  
15 percent (10%) of the taxable assessed valuation in the political  
16 subdivision.

17 The petition must be filed in the tax court not more than forty-five (45)  
18 days after the department certifies its action under subsection (f).

19 (h) The department of local government finance is expressly  
20 directed to complete the duties assigned to it under this section not later  
21 than February 15th of each year for taxes to be collected during that  
22 year.

23 (i) Subject to the provisions of all applicable statutes, the  
24 department of local government finance may increase a political  
25 subdivision's tax levy to an amount that exceeds the amount originally  
26 fixed by the political subdivision if the increase is:

27 (1) requested in writing by the officers of the political  
28 subdivision;

29 (2) either:

30 (A) based on information first obtained by the political  
31 subdivision after the public hearing under section 3 of this  
32 chapter; or

33 (B) results from an inadvertent mathematical error made in  
34 determining the levy; and

35 (3) published by the political subdivision according to a notice  
36 provided by the department.

37 (j) The department of local government finance shall annually  
38 review the budget by fund of each school corporation not later than  
39 April 1. The department of local government finance shall give the  
40 school corporation written notification specifying any revision,  
41 reduction, or increase the department proposes in the school  
42 corporation's budget by fund. A public hearing is not required in  
43 connection with this review of the budget.

44 (k) The department of local government finance may hold a hearing  
45 under subsection (c) only if the notice required in section 12 of this  
46 chapter is published at least ten (10) days before the date of the  
47 hearing.

48 SECTION 161. IC 6-1.1-17-17, AS AMENDED BY P.L.2-2006,  
49 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
50 JANUARY 1, 2009]: Sec. 17. Subject to the limitations contained in  
51 ~~IC 6-1.1-19; IC 6-1.1-18.5 IC 20-45;~~ and IC 20-46, the department of



1 local government finance may at any time increase the tax rate and tax  
2 levy of a political subdivision for the following reasons:

- 3 (1) To pay the principal or interest upon a funding, refunding, or  
4 judgment funding obligation of a political subdivision.
- 5 (2) To pay the interest or principal upon an outstanding obligation  
6 of the political subdivision.
- 7 (3) To pay a judgment rendered against the political subdivision.
- 8 (4) To pay lease rentals that have become an obligation of the  
9 political subdivision under IC 20-47-2 or IC 20-47-3.

10 SECTION 162. IC 6-1.1-17-19, AS AMENDED BY P.L.2-2006,  
11 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JANUARY 1, 2009]: Sec. 19. If there is a conflict between the  
13 provisions of this chapter and the provisions of ~~IC 6-1.1-19;~~  
14 IC 6-1.1-18.5 ~~IC 20-45;~~ or IC 20-46, the provisions of ~~IC 6-1.1-19;~~  
15 IC 6-1.1-18.5 ~~IC 20-45;~~ and IC 20-46 control with respect to the  
16 adoption of, review of, and limitations on budgets, tax rates, and tax  
17 levies.

18 SECTION 163. IC 6-1.1-17-20, AS AMENDED BY P.L.1-2006,  
19 SECTION 136, IS AMENDED TO READ AS FOLLOWS  
20 [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) This section applies:

- 21 (1) to each governing body of a taxing unit that is not comprised  
22 of a majority of officials who are elected to serve on the  
23 governing body; and
- 24 (2) if the **percentage increase in the proposed property tax levy:**  
25 ~~(A) budget for the taxing unit (other than a public library) for~~  
26 ~~the ensuing calendar year is more than five percent (5%)~~  
27 ~~greater than the property tax levy for the taxing unit for the~~  
28 ~~current the result of:~~  
29 ~~(A) the assessed value growth quotient determined under~~  
30 ~~IC 6-1.1-18.5-2 for the ensuing calendar year; or minus~~  
31 ~~(B) for the operating budget of a public library for the ensuing~~  
32 ~~calendar year is more than five percent (5%) greater than the~~  
33 ~~property tax levy for the operating budget of the public library~~  
34 ~~for the current calendar year.~~  
35 **(B) one (1).**

36 (b) As used in this section, "taxing unit" has the meaning set forth  
37 in IC 6-1.1-1-21, except that the term does not include:

- 38 (1) a school corporation; or
  - 39 (2) an entity whose tax levies are subject to review and  
40 modification by a city-county legislative body under IC 36-3-6-9.
- 41 (c) This subsection does not apply to a public library. If:
- 42 (1) the assessed valuation of a taxing unit is entirely contained  
43 within a city or town; or
  - 44 (2) the assessed valuation of a taxing unit is not entirely contained  
45 within a city or town but the taxing unit was originally established  
46 by the city or town;

47 The governing body shall submit its proposed budget and property tax  
48 levy to the city or town fiscal body. The proposed budget and levy shall  
49 be submitted at least fourteen (14) days before the city or town fiscal  
50 body is required to hold budget approval hearings under this chapter.

- 51 (d) ~~This subsection does not apply to a public library:~~ If subsection

1 (c) does not apply, the governing body of the taxing unit shall submit  
 2 its proposed budget and property tax levy to the county fiscal body in  
 3 the county where the taxing unit has the most assessed valuation. The  
 4 proposed budget and levy shall be submitted at least fourteen (14) days  
 5 before the county fiscal body is required to hold budget approval  
 6 hearings under this chapter.

7 ~~(e) This subsection applies to a public library. The library board of~~  
 8 ~~a public library subject to this section shall submit its proposed budget~~  
 9 ~~and property tax levy to the fiscal body designated under IC 36-12-14.~~

10 (f) ~~Subject to subsection (g);~~ (e) The fiscal body of the city, town,  
 11 or county (whichever applies) ~~or the fiscal body designated under~~  
 12 ~~IC 36-12-14 (in the case of a public library)~~ shall review each budget  
 13 and proposed tax levy and adopt a final budget and tax levy for the  
 14 taxing unit. The fiscal body may reduce or modify but not increase the  
 15 proposed budget or tax levy.

16 (g) ~~A fiscal body's review under subsection (f) is limited to the~~  
 17 ~~proposed operating budget of the public library and the proposed~~  
 18 ~~property tax levy for the library's operating budget.~~

19 SECTION 164. IC 6-1.1-17-20.5 IS ADDED TO THE INDIANA  
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 21 [EFFECTIVE JULY 1, 2008]: **Sec. 20.5. (a) This section applies to**  
 22 **the governing body of a taxing unit unless a majority of the**  
 23 **governing body is comprised of officials who are elected to serve on**  
 24 **the governing body.**

25 (b) As used in this section, "taxing unit" has the meaning set  
 26 forth in IC 6-1.1-1-21, except that the term does not include an  
 27 entity whose tax levies are subject to review and modification by a  
 28 city-county legislative body under IC 36-3-6-9.

29 (c) If:

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

32 (2) the assessed valuation of a taxing unit is not entirely  
 33 contained within a city or town but the taxing unit was  
 34 originally established by the city or town;

35 the governing body of the taxing unit may not issue bonds or enter  
 36 into a lease payable in whole or in part from property taxes unless  
 37 it obtains the approval of the city or town fiscal body.

38 (d) This subsection applies to a taxing unit not described in  
 39 subsection (c). The governing body of the taxing unit may not issue  
 40 bonds or enter into a lease payable in whole or in part from  
 41 property taxes unless it obtains the approval of the county fiscal  
 42 body in the county where the taxing unit has the most net assessed  
 43 valuation.

44 SECTION 165. IC 6-1.1-18-2, AS AMENDED BY P.L.224-2007,  
 45 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 46 JULY 1, 2008]: Sec. 2. (a) **Before January 1, 2009**, the state may not  
 47 impose a **combined ad valorem property** tax rate on tangible property  
 48 in excess of thirty-three hundredths of one cent (~~\$0.0033~~) on each one  
 49 hundred dollars (~~\$100~~) of assessed valuation: **that exceeds the sum of**  
 50 **the ad valorem property tax rates permitted under IC 4-9.1-1-8,**  
 51 **IC 14-23-3-3, and IC 15-1.5-7-3 (before July 1, 2008) and**

1 **IC 15-13-8-3 (after June 30, 2008, and before January 1, 2009).** The  
 2 state tax rate is not subject to review by county boards of tax  
 3 adjustment (~~before January 1, 2009~~); county boards of tax and capital  
 4 projects review (~~after December 31, 2008~~); or county auditors.

5 **(b) Except as permitted under IC 4-9.1-1-8 to repay notes issued**  
 6 **to meet casual deficits in state revenue, the state may not impose an**  
 7 **ad valorem property tax rate on tangible property after December**  
 8 **31, 2008.**

9 (c) This section does not apply to political subdivisions of the state.

10 SECTION 166. IC 6-1.1-18-3, AS AMENDED BY P.L.224-2007,  
 11 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b),  
 13 the sum of all tax rates for all political subdivisions imposed on  
 14 tangible property within a political subdivision may not exceed:

- 15 (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each  
 16 one hundred dollars (\$100) of assessed valuation in territory  
 17 outside the corporate limits of a city or town; or  
 18 (2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each  
 19 one hundred dollars (\$100) of assessed valuation in territory  
 20 inside the corporate limits of a city or town.

21 (b) The proper officers of a political subdivision shall fix tax rates  
 22 which are sufficient to provide funds for the purposes itemized in this  
 23 subsection. The portion of a tax rate fixed by a political subdivision  
 24 shall not be considered in computing the tax rate limits prescribed in  
 25 subsection (a) if that portion is to be used for one (1) of the following  
 26 purposes:

- 27 (1) To pay the principal or interest on a funding, refunding, or  
 28 judgment funding obligation of the political subdivision.  
 29 (2) To pay the principal or interest on an outstanding obligation  
 30 issued by the political subdivision if notice of the sale of the  
 31 obligation was published before March 9, 1937.  
 32 (3) To pay the principal or interest upon:  
 33 (A) an obligation issued by the political subdivision to meet an  
 34 emergency which results from a flood, fire, pestilence, war, or  
 35 any other major disaster; or  
 36 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,  
 37 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county  
 38 to acquire necessary equipment or facilities for municipal or  
 39 county government.  
 40 (4) To pay the principal or interest upon an obligation issued in  
 41 the manner provided in:  
 42 (A) IC 6-1.1-20-3 (before its repeal); ~~or~~  
 43 (B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2; ~~or~~  
 44 (C) **IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6.**  
 45 (5) To pay a judgment rendered against the political subdivision.  
 46 (6) **This subdivision expires January 1, 2009.** To meet the  
 47 requirements of the family and children's fund for child services  
 48 (as defined in IC 12-19-7-1, **before its repeal**).  
 49 (7) **This subdivision expires January 1, 2009.** To meet the  
 50 requirements of the county hospital care for the indigent fund.  
 51 (8) **This subdivision expires January 1, 2009.** To meet the

1 requirements of the children's psychiatric residential treatment  
 2 services fund for children's psychiatric residential treatment  
 3 services (as defined in IC 12-19-7.5-1, **before its repeal**).

4 (c) Except as otherwise provided in IC 6-1.1-19 (**before January**  
 5 **1, 2009**), IC 6-1.1-18.5, IC 20-45 (**before January 1, 2009**), or  
 6 IC 20-46, a county board of tax adjustment, (~~before January 1, 2009~~),  
 7 a county board of tax and capital projects review (after December 31,  
 8 2008), a county auditor, or the department of local government finance  
 9 may review the portion of a tax rate described in subsection (b) only to  
 10 determine if it exceeds the portion actually needed to provide for one  
 11 (1) of the purposes itemized in that subsection.

12 SECTION 167. IC 6-1.1-18-11, AS AMENDED BY P.L.2-2006,  
 13 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JANUARY 1, 2009]: Sec. 11. If there is a conflict between the  
 15 provisions of this chapter and the provisions of ~~IC 6-1.1-19~~,  
 16 IC 6-1.1-18.5 ~~IC 20-45~~, or IC 20-46, the provisions of ~~IC 6-1.1-19~~,  
 17 IC 6-1.1-18.5 ~~IC 20-45~~, and IC 20-46 control with respect to the  
 18 adoption of, review of, and limitations on budgets, tax rates, and tax  
 19 levies.

20 SECTION 168. IC 6-1.1-18-12, AS AMENDED BY SEA 190-2008,  
 21 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2008]: Sec. 12. (a) For purposes of this section, "maximum  
 23 rate" refers to the maximum:

- 24 (1) property tax rate or rates; or
- 25 (2) special benefits tax rate or rates;

26 referred to in the statutes listed in subsection (d).

27 (b) The maximum rate for taxes first due and payable after 2003 is  
 28 the maximum rate that would have been determined under subsection  
 29 (e) for taxes first due and payable in 2003 if subsection (e) had applied  
 30 for taxes first due and payable in 2003.

31 (c) The maximum rate must be adjusted each year to account for the  
 32 change in assessed value of real property that results from:

- 33 (1) an annual adjustment of the assessed value of real property  
 34 under IC 6-1.1-4-4.5; or
- 35 (2) a general reassessment of real property under IC 6-1.1-4-4.

36 (d) The statutes to which subsection (a) refers are:

- 37 (1) IC 8-10-5-17;
- 38 (2) IC 8-22-3-11;
- 39 (3) IC 8-22-3-25;
- 40 (4) IC 12-29-1-1;
- 41 (5) IC 12-29-1-2;
- 42 (6) IC 12-29-1-3;
- 43 (7) IC 12-29-3-6;
- 44 (8) IC 13-21-3-12;
- 45 (9) IC 13-21-3-15;
- 46 (10) IC 14-27-6-30;
- 47 (11) IC 14-33-7-3;
- 48 (12) IC 14-33-21-5;
- 49 (13) IC 15-14-7-4;
- 50 (14) IC 15-14-9-1;
- 51 (15) IC 15-14-9-2;

- 1 (16) IC 16-20-2-18;  
 2 (17) IC 16-20-4-27;  
 3 (18) IC 16-20-7-2;  
 4 (19) IC 16-22-14;  
 5 (20) IC 16-23-1-29;  
 6 (21) IC 16-23-3-6;  
 7 (22) IC 16-23-4-2;  
 8 (23) IC 16-23-5-6;  
 9 (24) IC 16-23-7-2;  
 10 (25) IC 16-23-8-2;  
 11 (26) IC 16-23-9-2;  
 12 (27) IC 16-41-15-5;  
 13 (28) IC 16-41-33-4;  
 14 (29) IC 20-46-2-3 **(before its repeal on January 1, 2009)**;  
 15 (30) IC 20-46-6-5;  
 16 (31) IC 20-49-2-10;  
 17 (32) IC 36-1-19-1;  
 18 (33) IC 23-14-66-2;  
 19 (34) IC 23-14-67-3;  
 20 (35) IC 36-7-13-4;  
 21 (36) IC 36-7-14-28;  
 22 (37) IC 36-7-15.1-16;  
 23 (38) IC 36-8-19-8.5;  
 24 (39) IC 36-9-6.1-2;  
 25 (40) IC 36-9-17.5-4;  
 26 (41) IC 36-9-27-73;  
 27 (42) IC 36-9-29-31;  
 28 (43) IC 36-9-29.1-15;  
 29 (44) IC 36-10-6-2;  
 30 (45) IC 36-10-7-7;  
 31 (46) IC 36-10-7-8;  
 32 (47) IC 36-10-7.5-19;  
 33 (48) IC 36-10-13-5;  
 34 (49) IC 36-10-13-7;  
 35 (50) IC 36-10-14-4;  
 36 (51) IC 36-12-7-7;  
 37 (52) IC 36-12-7-8;  
 38 (53) IC 36-12-12-10; and  
 39 (54) any statute enacted after December 31, 2003, that:  
 40 (A) establishes a maximum rate for any part of the:  
 41 (i) property taxes; or  
 42 (ii) special benefits taxes;  
 43 imposed by a political subdivision; and  
 44 (B) does not exempt the maximum rate from the adjustment  
 45 under this section.  
 46 (e) The new maximum rate under a statute listed in subsection (d)  
 47 is the tax rate determined under STEP SEVEN of the following STEPS:  
 48 STEP ONE: Determine the maximum rate for the political  
 49 subdivision levying a property tax or special benefits tax under  
 50 the statute for the year preceding the year in which the annual  
 51 adjustment or general reassessment takes effect.

1 STEP TWO: Determine the actual percentage increase (rounded  
2 to the nearest one-hundredth percent (0.01%)) in the assessed  
3 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the  
4 taxable property from the year preceding the year the annual  
5 adjustment or general reassessment takes effect to the year that  
6 the annual adjustment or general reassessment takes effect.  
7 STEP THREE: Determine the three (3) calendar years that  
8 immediately precede the ensuing calendar year and in which a  
9 statewide general reassessment of real property does not first take  
10 effect.  
11 STEP FOUR: Compute separately, for each of the calendar years  
12 determined in STEP THREE, the actual percentage increase  
13 (rounded to the nearest one-hundredth percent (0.01%)) in the  
14 assessed value (before the adjustment, if any, under  
15 IC 6-1.1-4-4.5) of the taxable property from the preceding year.  
16 STEP FIVE: Divide the sum of the three (3) quotients computed  
17 in STEP FOUR by three (3).  
18 STEP SIX: Determine the greater of the following:  
19 (A) Zero (0).  
20 (B) The result of the STEP TWO percentage minus the STEP  
21 FIVE percentage.  
22 STEP SEVEN: Determine the quotient of the STEP ONE tax rate  
23 divided by the sum of one (1) plus the STEP SIX percentage  
24 increase.  
25 (f) The department of local government finance shall compute the  
26 maximum rate allowed under subsection (e) and provide the rate to  
27 each political subdivision with authority to levy a tax under a statute  
28 listed in subsection (d).  
29 SECTION 169. IC 6-1.1-18.5-3, AS AMENDED BY P.L.224-2007,  
30 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
31 JANUARY 1, 2009]: Sec. 3. (a) ~~Except as otherwise provided in this~~  
32 ~~chapter and IC 6-3.5-8-12;~~ A civil taxing unit that is treated as not  
33 being located in an adopting county under section 4 of this chapter may  
34 not impose an ad valorem property tax levy for an ensuing calendar  
35 year that exceeds the amount determined in the last STEP of the  
36 following STEPS:  
37 STEP ONE: Add the civil taxing unit's maximum permissible ad  
38 valorem property tax levy for the preceding calendar year to the  
39 part of the civil taxing unit's certified share, if any, that was used  
40 to reduce the civil taxing unit's ad valorem property tax levy under  
41 STEP EIGHT of subsection (b) for that preceding calendar year.  
42 STEP TWO: Multiply the amount determined in STEP ONE by  
43 the amount determined in the last STEP of section 2(b) of this  
44 chapter.  
45 STEP THREE: Determine the lesser of one and fifteen hundredths  
46 (1.15) or the quotient (rounded to the nearest ten-thousandth  
47 (0.0001)), of the assessed value of all taxable property subject to  
48 the civil taxing unit's ad valorem property tax levy for the ensuing  
49 calendar year, divided by the assessed value of all taxable  
50 property that is subject to the civil taxing unit's ad valorem  
51 property tax levy for the ensuing calendar year and that is

- 1 contained within the geographic area that was subject to the civil  
 2 taxing unit's ad valorem property tax levy in the preceding  
 3 calendar year.
- 4 STEP FOUR: Determine the greater of the amount determined in  
 5 STEP THREE or one (1).
- 6 STEP FIVE: Multiply the amount determined in STEP TWO by  
 7 the amount determined in STEP FOUR.
- 8 STEP SIX: Add the amount determined under STEP TWO to the  
 9 amount determined under subsection (c).
- 10 STEP SEVEN: Determine the greater of the amount determined  
 11 under STEP FIVE or the amount determined under STEP SIX.
- 12 (b) Except as otherwise provided in this chapter, ~~and IC 6-3.5-8-12,~~  
 13 a civil taxing unit that is treated as being located in an adopting county  
 14 under section 4 of this chapter may not impose an ad valorem property  
 15 tax levy for an ensuing calendar year that exceeds the amount  
 16 determined in the last STEP of the following STEPS:
- 17 STEP ONE: Add the civil taxing unit's maximum permissible ad  
 18 valorem property tax levy for the preceding calendar year to the  
 19 part of the civil taxing unit's certified share, if any, used to reduce  
 20 the civil taxing unit's ad valorem property tax levy under STEP  
 21 EIGHT of this subsection for that preceding calendar year.
- 22 STEP TWO: Multiply the amount determined in STEP ONE by  
 23 the amount determined in the last STEP of section 2(b) of this  
 24 chapter.
- 25 STEP THREE: Determine the lesser of one and fifteen hundredths  
 26 (1.15) or the quotient of the assessed value of all taxable property  
 27 subject to the civil taxing unit's ad valorem property tax levy for  
 28 the ensuing calendar year divided by the assessed value of all  
 29 taxable property that is subject to the civil taxing unit's ad  
 30 valorem property tax levy for the ensuing calendar year and that  
 31 is contained within the geographic area that was subject to the  
 32 civil taxing unit's ad valorem property tax levy in the preceding  
 33 calendar year.
- 34 STEP FOUR: Determine the greater of the amount determined in  
 35 STEP THREE or one (1).
- 36 STEP FIVE: Multiply the amount determined in STEP TWO by  
 37 the amount determined in STEP FOUR.
- 38 STEP SIX: Add the amount determined under STEP TWO to the  
 39 amount determined under subsection (c).
- 40 STEP SEVEN: Determine the greater of the amount determined  
 41 under STEP FIVE or the amount determined under STEP SIX.
- 42 STEP EIGHT: Subtract the amount determined under STEP FIVE  
 43 of subsection (e) from the amount determined under STEP  
 44 SEVEN of this subsection.
- 45 **(c) The amount to be entered under STEP SIX of subsection (a)**  
 46 **or STEP SIX of subsection (b), as applicable, equals the sum of the**  
 47 **following:**
- 48 (1) If a civil taxing unit in the immediately preceding calendar  
 49 year provided an area outside its boundaries with services on a  
 50 contractual basis and in the ensuing calendar year that area has  
 51 been annexed by the civil taxing unit, ~~the amount to be entered~~

1 under STEP SIX of subsection (a) or STEP SIX of subsection (b),  
 2 as the case may be, equals the amount paid by the annexed area  
 3 during the immediately preceding calendar year for services that  
 4 the civil taxing unit must provide to that area during the ensuing  
 5 calendar year as a result of the annexation.

6 **(2) If the civil taxing unit has had an excessive levy appeal**  
 7 **approved under section 13(a)(1) of this chapter for the**  
 8 **ensuing calendar year, an amount determined by the civil**  
 9 **taxing unit for the ensuing calendar year that does not exceed**  
 10 **the amount of that excessive levy.**

11 In all other cases, the amount to be entered under STEP SIX of  
 12 subsection (a) or STEP SIX of subsection (b), as the case may be,  
 13 equals zero (0).

14 (d) This subsection applies only to civil taxing units located in a  
 15 county having a county adjusted gross income tax rate for resident  
 16 county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as  
 17 of January 1 of the ensuing calendar year. For each civil taxing unit, the  
 18 amount to be added to the amount determined in subsection (e), STEP  
 19 FOUR, is determined using the following formula:

20 STEP ONE: Multiply the civil taxing unit's maximum permissible  
 21 ad valorem property tax levy for the preceding calendar year by  
 22 two percent (2%).

23 STEP TWO: For the determination year, the amount to be used as  
 24 the STEP TWO amount is the amount determined in subsection  
 25 (f) for the civil taxing unit. For each year following the  
 26 determination year the STEP TWO amount is the lesser of:

27 (A) the amount determined in STEP ONE; or

28 (B) the amount determined in subsection (f) for the civil taxing  
 29 unit.

30 STEP THREE: Determine the greater of:

31 (A) zero (0); or

32 (B) the civil taxing unit's certified share for the ensuing  
 33 calendar year minus the greater of:

34 (i) the civil taxing unit's certified share for the calendar year  
 35 that immediately precedes the ensuing calendar year; or

36 (ii) the civil taxing unit's base year certified share.

37 STEP FOUR: Determine the greater of:

38 (A) zero (0); or

39 (B) the amount determined in STEP TWO minus the amount  
 40 determined in STEP THREE.

41 Add the amount determined in STEP FOUR to the amount determined  
 42 in subsection (e), STEP THREE, as provided in subsection (e), STEP  
 43 FOUR.

44 (e) For each civil taxing unit, the amount to be subtracted under  
 45 subsection (b), STEP EIGHT, is determined using the following  
 46 formula:

47 STEP ONE: Determine the lesser of the civil taxing unit's base  
 48 year certified share for the ensuing calendar year, as determined  
 49 under section 5 of this chapter, or the civil taxing unit's certified  
 50 share for the ensuing calendar year.

51 STEP TWO: Determine the greater of:



- 1 (A) zero (0); or
- 2 (B) the remainder of:
  - 3 (i) the amount of federal revenue sharing money that was
  - 4 received by the civil taxing unit in 1985; minus
  - 5 (ii) the amount of federal revenue sharing money that will be
  - 6 received by the civil taxing unit in the year preceding the
  - 7 ensuing calendar year.
- 8 STEP THREE: Determine the lesser of:
  - 9 (A) the amount determined in STEP TWO; or
  - 10 (B) the amount determined in subsection (f) for the civil taxing
  - 11 unit.
- 12 STEP FOUR: Add the amount determined in subsection (d),
- 13 STEP FOUR, to the amount determined in STEP THREE.
- 14 STEP FIVE: Subtract the amount determined in STEP FOUR
- 15 from the amount determined in STEP ONE.

- 16 (f) As used in this section, a taxing unit's "determination year"
- 17 means the latest of:
  - 18 (1) calendar year 1987, if the taxing unit is treated as being
  - 19 located in an adopting county for calendar year 1987 under
  - 20 section 4 of this chapter;
  - 21 (2) the taxing unit's base year, as defined in section 5 of this
  - 22 chapter, if the taxing unit is treated as not being located in an
  - 23 adopting county for calendar year 1987 under section 4 of this
  - 24 chapter; or
  - 25 (3) the ensuing calendar year following the first year that the
  - 26 taxing unit is located in a county that has a county adjusted gross
  - 27 income tax rate of more than one-half percent (0.5%) on July 1 of
  - 28 that year.

29 The amount to be used in subsections (d) and (e) for a taxing unit  
 30 depends upon the taxing unit's certified share for the ensuing calendar  
 31 year, the taxing unit's determination year, and the county adjusted gross  
 32 income tax rate for resident county taxpayers (as defined in  
 33 IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of  
 34 the year preceding the ensuing calendar year. For the determination  
 35 year and the ensuing calendar years following the taxing unit's  
 36 determination year, the amount is the taxing unit's certified share for  
 37 the ensuing calendar year multiplied by the appropriate factor  
 38 prescribed in the following table:

39	COUNTIES WITH A TAX RATE OF 1/2%		
40		Subsection (e)	
41	Year	Factor	
42	For the determination year and each ensuing		
43	calendar year following the determination year . . . . . 0		
44	COUNTIES WITH A TAX RATE OF 3/4%		
45		Subsection (e)	
46	Year	Factor	
47	For the determination year and each ensuing		
48	calendar year following the determination year . . . . . 1/2		
49	COUNTIES WITH A TAX RATE OF 1.0%		
50		Subsection (d)	Subsection (e)
51	Year	Factor	Factor

- 1 For the determination year . . . . . 1/6 . . . . . 1/3
- 2 For the ensuing calendar year
- 3 following the determination year . . . . 1/4 . . . . . 1/3
- 4 For the ensuing calendar year
- 5 following the determination year
- 6 by two (2) years . . . . . 1/3 . . . . . 1/3

7 (g) This subsection applies only to property taxes first due and  
 8 payable after December 31, 2007. This subsection applies only to a  
 9 civil taxing unit that is located in a county for which a county adjusted  
 10 gross income tax rate is first imposed or is increased in a particular  
 11 year under IC 6-3.5-1.1-24 or a county option income tax rate is first  
 12 imposed or is increased in a particular year under IC 6-3.5-6-30.  
 13 Notwithstanding any provision in this section or any other section of  
 14 this chapter and except as provided in subsection (h), the maximum  
 15 permissible ad valorem property tax levy calculated under this section  
 16 for the ensuing calendar year for a civil taxing unit subject to this  
 17 section is equal to the civil taxing unit's maximum permissible ad  
 18 valorem property tax levy for the current calendar year.

19 (h) This subsection applies only to property taxes first due and  
 20 payable after December 31, 2007. In the case of a civil taxing unit that:

- 21 (1) is partially located in a county for which a county adjusted  
 22 gross income tax rate is first imposed or is increased in a  
 23 particular year under IC 6-3.5-1.1-24 or a county option income  
 24 tax rate is first imposed or is increased in a particular year under  
 25 IC 6-3.5-6-30; and
- 26 (2) is partially located in a county that is not described in  
 27 subdivision (1);

28 the department of local government finance shall, notwithstanding  
 29 subsection (g), adjust the portion of the civil taxing unit's maximum  
 30 permissible ad valorem property tax levy that is attributable (as  
 31 determined by the department of local government finance) to the  
 32 county or counties described in subdivision (2). The department of  
 33 local government finance shall adjust this portion of the civil taxing  
 34 unit's maximum permissible ad valorem property tax levy so that,  
 35 notwithstanding subsection (g), this portion is allowed to increase as  
 36 otherwise provided in this section. If the department of local  
 37 government finance increases the civil taxing unit's maximum  
 38 permissible ad valorem property tax levy under this subsection, any  
 39 additional property taxes imposed by the civil taxing unit under the  
 40 adjustment shall be paid only by the taxpayers in the county or counties  
 41 described in subdivision (2).

42 SECTION 170. IC 6-1.1-18.5-7, AS AMENDED BY P.L.224-2007,  
 43 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 44 UPON PASSAGE]: Sec. 7. (a) A civil taxing unit is not subject to the  
 45 levy limits imposed by section 3 of this chapter for an ensuing calendar  
 46 year if the civil taxing unit did not adopt an ad valorem property tax  
 47 levy for the immediately preceding calendar year.

48 (b) If under subsection (a) a civil taxing unit is not subject to the  
 49 levy limits imposed under section 3 of this chapter for a calendar year,  
 50 the civil taxing unit shall refer its proposed budget, ad valorem  
 51 property tax levy, and property tax rate for that calendar year to the

1 local government tax control board established by section 11 of this  
 2 chapter (~~before January 1, 2009~~) or the county board of tax and capital  
 3 projects review (~~after December 31, 2008~~) before the tax levy is  
 4 advertised. The local government tax control board (~~before January 1,  
 5 2009~~) or the county board of tax and capital projects review (~~after  
 6 December 31, 2008~~) shall then review and make a recommendation to  
 7 the department of local government finance on the civil taxing unit's  
 8 budget, ad valorem property tax levy, and property tax rate for that  
 9 calendar year. The department of local government finance shall make  
 10 a final determination of the civil taxing unit's budget, ad valorem  
 11 property tax levy, and property tax rate for that calendar year. However,  
 12 a civil taxing unit may not impose a property tax levy for a year if the  
 13 unit did not exist as of March 1 of the preceding year.

14 SECTION 171. IC 6-1.1-18.5-8, AS AMENDED BY P.L.224-2007,  
 15 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 UPON PASSAGE]: Sec. 8. (a) The ad valorem property tax levy limits  
 17 imposed by section 3 of this chapter do not apply to ad valorem  
 18 property taxes imposed by a civil taxing unit if the civil taxing unit is  
 19 committed to levy the taxes to pay or fund either:

- 20 (1) bonded indebtedness; or
- 21 (2) lease rentals under a lease with an original term of at least five  
 22 (5) years.

23 (b) ~~This subsection does not apply to bonded indebtedness incurred  
 24 or leases executed for a capital project approved by a county board of  
 25 tax and capital projects review under IC 6-1.1-29.5 after December 31,  
 26 2008. Except as provided by subsections (g) and (h), a civil taxing  
 27 unit must file a petition requesting approval from the department of  
 28 local government finance to incur bonded indebtedness or execute a  
 29 lease with an original term of at least five (5) years not later than  
 30 twenty-four (24) months after the first date of publication of notice of  
 31 a preliminary determination under IC 6-1.1-20-3.1(2) (as in effect  
 32 before July 1, 2008), unless the civil taxing unit demonstrates that a  
 33 longer period is reasonable in light of the civil taxing unit's facts and  
 34 circumstances. A civil taxing unit must obtain approval from the  
 35 department of local government finance before the civil taxing unit  
 36 may:~~

- 37 (1) incur the bonded indebtedness; or
- 38 (2) enter into the lease.

39 ~~Before January 1, 2009,~~ The department of local government finance  
 40 may seek recommendations from the local government tax control  
 41 board established by section 11 of this chapter when determining  
 42 whether to authorize incurring the bonded indebtedness or the  
 43 execution of the lease.

44 (c) The department of local government finance shall render a  
 45 decision within three (3) months after the date it receives a request for  
 46 approval under subsection (b). However, the department of local  
 47 government finance may extend this three (3) month period by an  
 48 additional three (3) months if, at least ten (10) days before the end of  
 49 the original three (3) month period, the department sends notice of the  
 50 extension to the executive officer of the civil taxing unit. A civil taxing  
 51 unit may petition for judicial review of the final determination of the

1 department of local government finance under this section. The petition  
2 must be filed in the tax court not more than forty-five (45) days after  
3 the department enters its order under this section.

4 (d) A civil taxing unit does not need approval under subsection (b)  
5 to obtain temporary loans made in anticipation of and to be paid from  
6 current revenues of the civil taxing unit actually levied and in the  
7 course of collection for the fiscal year in which the loans are made.

8 (e) For purposes of computing the ad valorem property tax levy  
9 limits imposed on a civil taxing unit by section 3 of this chapter, the  
10 civil taxing unit's ad valorem property tax levy for a calendar year does  
11 not include that part of its levy that is committed to fund or pay bond  
12 indebtedness or lease rentals with an original term of five (5) years in  
13 subsection (a).

14 (f) A taxpayer may petition for judicial review of the final  
15 determination of the department of local government finance under this  
16 section. The petition must be filed in the tax court not more than thirty  
17 (30) days after the department enters its order under this section.

18 **(g) This subsection applies only to bonds, leases, and other  
19 obligations for which a civil taxing unit:**

20 **(1) after June 30, 2008, makes a preliminary determination as**  
21 **described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as**  
22 **described in IC 6-1.1-20-5; or**

23 **(2) in the case of bonds, leases, or other obligations payable**  
24 **from ad valorem property taxes but not described in**  
25 **subdivision (1), adopts a resolution or ordinance authorizing**  
26 **the bonds, lease rental agreement, or other obligations after**  
27 **June 30, 2008.**

28 **Notwithstanding any other provision, review by the department of**  
29 **local government finance and approval by the department of local**  
30 **government finance is not required before a civil taxing unit may**  
31 **issue or enter into bonds, a lease, or any other obligation.**

32 **(h) This subsection applies after June 30, 2008. Notwithstanding**  
33 **any other provision, review by the department of local government**  
34 **finance and approval by the department of local government**  
35 **finance is not required before a civil taxing unit may construct,**  
36 **alter, or repair a capital project.**

37 SECTION 172. IC 6-1.1-18.5-9.7 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9.7. (a) The ad  
39 valorem property tax levy limits imposed by section 3 of this chapter  
40 do not apply to ad valorem property taxes imposed under ~~any of the~~  
41 ~~following:~~

42 ~~(1) IC 12-16, except IC 12-16-1;~~

43 ~~(2) IC 12-19-5;~~

44 ~~(3) IC 12-19-7;~~

45 ~~(4) IC 12-19-7.5;~~

46 ~~(5) IC 12-20-24.~~

47 (b) For purposes of computing the ad valorem property tax levy  
48 limits imposed under section 3 of this chapter, a county's or township's  
49 ad valorem property tax levy for a particular calendar year does not  
50 include that part of the levy imposed under the citations listed in  
51 subsection (a).

1           (c) Section 8(b) of this chapter does not apply to bonded  
2 indebtedness that will be repaid through property taxes imposed under  
3 ~~IC 12-19~~.

4           (c) **Notwithstanding subsections (a) and (b), the ad valorem**  
5 **property tax levy limits imposed by section 3 of this chapter apply**  
6 **to property taxes imposed under IC 12-20-24 after December 31,**  
7 **2008, to pay principal and interest on any short term loans**  
8 **obtained under IC 12-20 after December 31, 2008.**

9           SECTION 173. IC 6-1.1-18.5-9.9, AS AMENDED BY P.L.2-2006,  
10 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
11 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 9.9. (a) The department  
12 of local government finance shall adjust the maximum property tax rate  
13 levied under the statutes listed in section 9.8(a) of this chapter,  
14 IC 20-46-3-6, or IC 20-46-6-5 in each county for property taxes first  
15 due and payable in:

16           (1) 2004;

17           (2) the year the county first applies the deduction under  
18 IC 6-1.1-12-41, if the county first applies that deduction for  
19 property taxes first due and payable in 2005 or 2006; and

20           (3) 2007, if the county does not apply the deduction under  
21 IC 6-1.1-12-41 for any year.

22           (b) If the county does not apply the deduction under IC 6-1.1-12-41  
23 for property taxes first due and payable in 2004, the department shall  
24 compute the adjustment under subsection (a)(1) to allow a levy for the  
25 fund for which the property tax rate is levied that equals the levy that  
26 would have applied for the fund if exemptions under  
27 IC 6-1.1-10-29(b)(2) (**repealed**) did not apply for the 2003 assessment  
28 date.

29           (c) If the county applies the deduction under IC 6-1.1-12-41 for  
30 property taxes first due and payable in 2004, the department shall  
31 compute the adjustment under subsection (a)(1) to allow a levy for the  
32 fund for which the property tax rate is levied that equals the levy that  
33 would have applied for the fund if:

34           (1) exemptions under IC 6-1.1-10-29(b)(2) (**repealed**); and

35           (2) deductions under IC 6-1.1-12-41;

36 did not apply for the 2003 assessment date.

37           (d) The department shall compute the adjustment under subsection  
38 (a)(2) to allow a levy for the fund for which the property tax rate is  
39 levied that equals the levy that would have applied for the fund if  
40 deductions under IC 6-1.1-12-41 did not apply for the assessment date  
41 of the year that immediately precedes the year for which the adjustment  
42 is made.

43           (e) The department shall compute the adjustment under subsection  
44 (a)(3) to allow a levy for the fund for which the property tax rate is  
45 levied that equals the levy that would have applied for the fund if  
46 deductions under IC 6-1.1-12-42 did not apply for the 2006 assessment  
47 date.

48           SECTION 174. IC 6-1.1-18.5-10 IS AMENDED TO READ AS  
49 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. (a) **Subject**  
50 **to subsection (d)**, the ad valorem property tax levy limits imposed by  
51 section 3 of this chapter do not apply to ad valorem property taxes

1 imposed by a civil taxing unit to be used to fund:

2 (1) community mental health centers under:

3 (A) IC 12-29-2-1.2, for only those civil taxing units that  
4 authorized financial assistance under IC 12-29-1 before 2002  
5 for a community mental health center as long as the tax levy  
6 under this section does not exceed the levy authorized in 2002;

7 (B) IC 12-29-2-2 through IC 12-29-2-5; and

8 (C) IC 12-29-2-13; or

9 (2) community mental retardation and other developmental  
10 disabilities centers under IC 12-29-1-1;

11 to the extent that those property taxes are attributable to any increase  
12 in the assessed value of the civil taxing unit's taxable property caused  
13 by a general reassessment of real property that took effect after  
14 February 28, 1979.

15 (b) **Subject to subsection (d)**, for purposes of computing the ad  
16 valorem property tax levy limits imposed on a civil taxing unit by  
17 section 3 of this chapter, the civil taxing unit's ad valorem property tax  
18 levy for a particular calendar year does not include that part of the levy  
19 described in subsection (a).

20 (c) **This subsection applies to property taxes first due and**  
21 **payable after December 31, 2008. Notwithstanding subsections (a)**  
22 **and (b) or any other law, any property taxes imposed by a civil**  
23 **taxing unit that are exempted by this section from the ad valorem**  
24 **property tax levy limits imposed by section 3 of this chapter may**  
25 **not increase annually by a percentage greater than the result of:**

26 (1) the assessed value growth quotient determined under  
27 section 2 of this chapter; minus

28 (2) one (1).

29 (d) **The exemptions under subsections (a) and (b) from the ad**  
30 **valorem property tax levy limits do not apply to a civil taxing unit**  
31 **that did not fund a community mental health center or community**  
32 **mental retardation and other developmental disabilities center in**  
33 **2008.**

34 SECTION 175. IC 6-1.1-18.5-10.1 IS AMENDED TO READ AS  
35 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10.1. (a) The ad  
36 valorem property tax levy limits imposed by section 3 of this chapter  
37 do not apply to ad valorem property taxes imposed by a county, city, or  
38 town to supplemental juror fees adopted under IC 33-37-10-1, to the  
39 extent provided in ~~subsection~~ **subsections (b) and (c).**

40 (b) **Subject to subsection (c)**, for purposes of determining the  
41 property tax levy limit imposed on a county, city, or town under section  
42 3 of this chapter, the county, city, or town's ad valorem property tax  
43 levy for a calendar year does not include an amount equal to:

44 (1) the average annual expenditures for nonsupplemental juror  
45 fees under IC 33-37-10-1, using the five (5) most recent years for  
46 which expenditure amounts are available; multiplied by

47 (2) the percentage increase in juror fees that is attributable to  
48 supplemental juror fees under the most recent ordinance adopted  
49 under IC 33-37-10-1.

50 (c) **For property taxes first due and payable after December 31,**  
51 **2008, property taxes may be excluded under subsection (b) from**

1 **the ad valorem property tax levy limits imposed by section 3 of this**  
 2 **chapter only to the extent that:**

3 (1) **the county fiscal body adopts a resolution approving some**  
 4 **or all of the property taxes that may be excluded by a city or**  
 5 **town under subsection (b), in the case of property taxes**  
 6 **imposed by a city or town; or**

7 (2) **the county fiscal body adopts a resolution:**

8 (A) **that approves some or all of the property taxes that**  
 9 **may be excluded by the county under subsection (b); and**

10 (B) **that explains why the exclusion under subsection (b) is**  
 11 **necessary and in the best interest of taxpayers;**

12 **in the case of property taxes imposed by the county.**

13 **In the case of a city or town located in more than one (1) county,**  
 14 **the exclusion under subsection (b) must be approved by the fiscal**  
 15 **body of the county in which the greatest part of the city's or town's**  
 16 **net assessed valuation is located.**

17 SECTION 176. IC 6-1.1-18.5-10.3, AS AMENDED BY  
 18 P.L.231-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS  
 19 [EFFECTIVE JANUARY 1, 2009]: Sec. 10.3. (a) **This subsection**  
 20 **does not apply to property taxes first due and payable after**  
 21 **December 31, 2008.** The ad valorem property tax levy limits imposed  
 22 by section 3 of this chapter do not apply to ad valorem property taxes  
 23 imposed by a library board for a capital projects fund under  
 24 IC 36-12-12. However, the maximum amount that is exempt from the  
 25 levy limits under this section may not exceed the property taxes that  
 26 would be raised in the ensuing calendar year with a property tax rate of  
 27 one and thirty-three hundredths cents (\$0.0133) per one hundred  
 28 dollars (\$100) of assessed valuation.

29 (b) **This subsection does not apply to property taxes first due**  
 30 **and payable after December 31, 2008.** For purposes of computing the  
 31 ad valorem property tax levy limit imposed on a library board under  
 32 section 3 of this chapter, the library board's ad valorem property tax  
 33 levy for a particular calendar year does not include that part of the levy  
 34 imposed under IC 36-12-12 that is exempt from the ad valorem  
 35 property tax levy limits under subsection (a).

36 SECTION 177. IC 6-1.1-18.5-10.5 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10.5. (a) The ad  
 38 valorem property tax levy limits imposed by section 3 of this chapter  
 39 do not apply to ad valorem property taxes imposed by a civil taxing  
 40 unit for fire protection services within a fire protection territory under  
 41 IC 36-8-19, if the civil taxing unit is a participating unit in a fire  
 42 protection territory established before August 1, 2001. For purposes of  
 43 computing the ad valorem property tax levy limits imposed on a civil  
 44 taxing unit by section 3 of this chapter on a civil taxing unit that is a  
 45 participating unit in a fire protection territory established before August  
 46 1, 2001, the civil taxing unit's ad valorem property tax levy for a  
 47 particular calendar year does not include that part of the levy imposed  
 48 under IC 36-8-19.

49 (b) This subsection applies to a participating unit in a fire protection  
 50 territory established under IC 36-8-19 after July 31, 2001. The ad  
 51 valorem property tax levy limits imposed by section 3 of this chapter

1 do not apply to ad valorem property taxes imposed by a civil taxing  
 2 unit for fire protection services within a fire protection territory under  
 3 IC 36-8-19 for the three (3) calendar years in which the participating  
 4 unit levies a tax to support the territory. For purposes of computing the  
 5 ad valorem property tax levy limits imposed on a civil taxing unit by  
 6 section 3 of this chapter for the three (3) calendar years for which the  
 7 participating unit levies a tax to support the territory, the civil taxing  
 8 unit's ad valorem property tax levy for a particular calendar year does  
 9 not include that part of the levy imposed under IC 36-8-19.

10 **(c) This subsection applies to property taxes first due and**  
 11 **payable after December 31, 2008. Notwithstanding subsections (a)**  
 12 **and (b) or any other law, any property taxes imposed by a civil**  
 13 **taxing unit that are exempted by this section from the ad valorem**  
 14 **property tax levy limits imposed by section 3 of this chapter may**  
 15 **not increase annually by a percentage greater than the result of:**

16 (1) the assessed value growth quotient determined under  
 17 section 2 of this chapter; minus

18 (2) one (1).

19 SECTION 178. IC 6-1.1-18.5-11, AS AMENDED BY  
 20 P.L.224-2007, SECTION 23, IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) A local  
 22 government tax control board is established. The board consists of nine  
 23 (9) members, seven (7) of whom are voting members and two (2) of  
 24 whom are nonvoting members.

25 (b) The seven (7) voting members shall be appointed as follows:

26 (1) One (1) member appointed by the state board of accounts.

27 (2) One (1) member appointed by the department of local  
 28 government finance.

29 (3) Five (5) members appointed by the governor. Three (3) of the  
 30 members appointed by the governor must be citizens of Indiana  
 31 who do not hold a political or elective office in state or local  
 32 government. The governor may seek the recommendation of  
 33 representatives of the cities, towns, and counties before  
 34 appointing the other two (2) members to the board.

35 (c) The two (2) nonvoting members of the board shall be appointed  
 36 as follows:

37 (1) One (1) member of the house of representatives, appointed by  
 38 the speaker of the house.

39 (2) One (1) member of the senate, appointed by the president pro  
 40 tempore of the senate.

41 (d) All members of the local government tax control board shall  
 42 serve at the will of the board or person that appointed them.

43 (e) The local government tax control board shall annually hold an  
 44 organizational meeting. At this organizational meeting the board shall  
 45 elect a chairman and a secretary from its membership. The board shall  
 46 meet after each organizational meeting as often as its business requires.

47 (f) The department of local government finance shall provide the  
 48 local government tax control board with rooms, staff, and secretarial  
 49 assistance for its meetings.

50 (g) Members of the local government tax control board shall serve  
 51 without compensation, except as provided in subsections (h) and (i).



1 (h) Each member of the local government tax control board who is  
2 not a state employee is entitled to receive both of the following:

3 (1) The minimum salary per diem provided by IC 4-10-11-2.1(b).

4 (2) Reimbursement for travel expenses and other expenses  
5 actually incurred in connection with the member's duties, as  
6 provided in the state travel policies and procedures established by  
7 the Indiana department of administration and approved by the  
8 budget agency.

9 (i) Each member of the local government tax control board who is  
10 a state employee is entitled to reimbursement for travel expenses and  
11 other expenses actually incurred in connection with the member's  
12 duties, as provided in the state travel policies and procedures  
13 established by the Indiana department of administration and approved  
14 by the budget agency.

15 ~~(j) The local government tax control board is abolished December~~  
16 ~~31, 2008.~~

17 SECTION 179. IC 6-1.1-18.5-12, AS AMENDED BY HEA  
18 1137-2008, SECTION 45, IS AMENDED TO READ AS FOLLOWS  
19 [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) Any civil taxing unit  
20 that determines that it cannot carry out its governmental functions for  
21 an ensuing calendar year under the levy limitations imposed by section  
22 3 of this chapter may:

23 (1) before September 20 of the calendar year immediately  
24 preceding the ensuing calendar year; or

25 (2) in the case of a request described in section 16 of this chapter,  
26 before December 31 of the calendar year immediately preceding  
27 the ensuing calendar year;

28 appeal to the department of local government finance for relief from  
29 those levy limitations. In the appeal the civil taxing unit must state that  
30 it will be unable to carry out the governmental functions committed to  
31 it by law unless it is given the authority that it is petitioning for. The  
32 civil taxing unit must support these allegations by reasonably detailed  
33 statements of fact.

34 (b) The department of local government finance shall promptly  
35 deliver to the local government tax control board ~~(before January 1,~~  
36 ~~2009)~~ or the county board of tax and capital projects review ~~(after~~  
37 ~~December 31, 2008)~~ every appeal petition it receives under subsection  
38 (a) and any materials it receives relevant to those appeals. Upon receipt  
39 of an appeal petition, the local government tax control board ~~or the~~  
40 ~~county board of tax and capital projects review~~ shall immediately  
41 proceed to the examination and consideration of the merits of the civil  
42 taxing unit's appeal.

43 (c) In considering an appeal, the local government tax control board  
44 ~~or the county board of tax and capital projects review~~ has the power to  
45 conduct hearings, require any officer or member of the appealing civil  
46 taxing unit to appear before it, or require any officer or member of the  
47 appealing civil taxing unit to provide the board with any relevant  
48 records or books.

49 (d) If an officer or member:

50 (1) fails to appear at a hearing of the local government tax control  
51 board ~~or the county board of tax and capital projects review~~ after

1 having been given written notice from the local government tax  
 2 control board ~~or the county board of tax and capital projects~~  
 3 ~~review~~ requiring that person's attendance; or

4 (2) fails to produce for the local government tax control board's  
 5 ~~or the county board of tax and capital projects review's~~ use the  
 6 books and records that the local government tax control board ~~or~~  
 7 ~~the county board of tax and capital projects review~~ by written  
 8 notice required the officer or member to produce;

9 then the local government tax control board ~~or the county board of tax~~  
 10 ~~and capital projects review~~ may file an affidavit in the circuit court in  
 11 the jurisdiction in which the officer or member may be found setting  
 12 forth the facts of the failure.

13 (e) Upon the filing of an affidavit under subsection (d), the circuit  
 14 court shall promptly issue a summons, and the sheriff of the county  
 15 within which the circuit court is sitting shall serve the summons. The  
 16 summons must command the officer or member to appear before the  
 17 local government tax control board ~~or the county board of tax and~~  
 18 ~~capital projects review~~; to provide information to the local government  
 19 tax control board ~~or the county board of tax and capital projects review~~;  
 20 or to produce books and records for the local government tax control  
 21 board's ~~or the county board of tax and capital projects review's~~ use, as  
 22 the case may be. Disobedience of the summons constitutes, and is  
 23 punishable as, a contempt of the circuit court that issued the summons.

24 (f) All expenses incident to the filing of an affidavit under  
 25 subsection (d) and the issuance and service of a summons shall be  
 26 charged to the officer or member against whom the summons is issued,  
 27 unless the circuit court finds that the officer or member was acting in  
 28 good faith and with reasonable cause. If the circuit court finds that the  
 29 officer or member was acting in good faith and with reasonable cause  
 30 or if an affidavit is filed and no summons is issued, the expenses shall  
 31 be charged against the county in which the affidavit was filed and shall  
 32 be allowed by the proper fiscal officers of that county.

33 (g) The fiscal officer of a civil taxing unit that appeals under section  
 34 16 of this chapter for relief from levy limitations shall immediately file  
 35 a copy of the appeal petition with the county auditor and the county  
 36 treasurer of the county in which the unit is located.

37 SECTION 180. IC 6-1.1-18.5-13, AS AMENDED BY HEA  
 38 1137-2008, SECTION 46, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE UPON PASSAGE]: Sec. 13. With respect to an appeal  
 40 filed under section 12 of this chapter, the local government tax control  
 41 board ~~(before January 1, 2009)~~ ~~or the county board of tax and capital~~  
 42 ~~projects review~~ ~~(after December 31, 2008)~~ may recommend that a civil  
 43 taxing unit receive any one (1) or more of the following types of relief:

44 (1) ~~A levy increase may not be granted under this subdivision for~~  
 45 ~~property taxes first due and payable after December 31, 2009.~~  
 46 Permission to the civil taxing unit to increase its levy in excess of  
 47 the limitations established under section 3 of this chapter, if in the  
 48 judgment of the local government tax control board the increase  
 49 is reasonably necessary due to increased costs of the civil taxing  
 50 unit resulting from annexation, consolidation, or other extensions  
 51 of governmental services by the civil taxing unit to additional

1 geographic areas or persons. **With respect to annexation,**  
 2 **consolidation, or other extensions of governmental services in**  
 3 **a calendar year, if those increased costs are incurred by the**  
 4 **civil taxing unit in that calendar year and more than one (1)**  
 5 **immediately succeeding calendar year, the unit may appeal**  
 6 **under section 12 of this chapter for permission to increase its**  
 7 **levy under this subdivision based on those increased costs in**  
 8 **any of the following:**

9 **(A) The first calendar year in which those costs are**  
 10 **incurred.**

11 **(B) One (1) or more of the immediately succeeding four (4)**  
 12 **calendar years.**

13 (2) A levy increase may not be granted under this subdivision for  
 14 property taxes first due and payable after December 31, ~~2009~~  
 15 **2008**. Permission to the civil taxing unit to increase its levy in  
 16 excess of the limitations established under section 3 of this  
 17 chapter, if the local government tax control board finds that the  
 18 civil taxing unit needs the increase to meet the civil taxing unit's  
 19 share of the costs of operating a court established by statute  
 20 enacted after December 31, 1973. Before recommending such an  
 21 increase, the local government tax control board shall consider all  
 22 other revenues available to the civil taxing unit that could be  
 23 applied for that purpose. The maximum aggregate levy increases  
 24 that the local government tax control board may recommend for  
 25 a particular court equals the civil taxing unit's estimate of the  
 26 unit's share of the costs of operating a court for the first full  
 27 calendar year in which it is in existence. For purposes of this  
 28 subdivision, costs of operating a court include:

29 (A) the cost of personal services (including fringe benefits);

30 (B) the cost of supplies; and

31 (C) any other cost directly related to the operation of the court.

32 (3) Permission to the civil taxing unit to increase its levy in excess  
 33 of the limitations established under section 3 of this chapter, if the  
 34 local government tax control board finds that the quotient  
 35 determined under STEP SIX of the following formula is equal to  
 36 or greater than one and two-hundredths (1.02):

37 STEP ONE: Determine the three (3) calendar years that most  
 38 immediately precede the ensuing calendar year and in which  
 39 a statewide general reassessment of real property or the initial  
 40 annual adjustment of the assessed value of real property under  
 41 IC 6-1.1-4-4.5 does not first become effective.

42 STEP TWO: Compute separately, for each of the calendar  
 43 years determined in STEP ONE, the quotient (rounded to the  
 44 nearest ten-thousandth (0.0001)) of the sum of the civil taxing  
 45 unit's total assessed value of all taxable property and:

46 **(i) for a particular calendar year before 2007, the total**  
 47 **assessed value of property tax deductions in the unit under**  
 48 **IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar**  
 49 **year; or**

50 **(ii) for a particular calendar year after 2006, the total**  
 51 **assessed value of property tax deductions that applied in**

1                   **the unit under IC 6-1.1-12-42 in 2006;**  
2                   divided by the sum of the civil taxing unit's total assessed  
3                   value of all taxable property and the total assessed value of  
4                   property tax deductions in the unit under ~~IC 6-1.1-12-41~~ or  
5                   ~~IC 6-1.1-12-42~~ in **determined under this STEP** for the  
6                   calendar year immediately preceding the particular calendar  
7                   year.  
8                   STEP THREE: Divide the sum of the three (3) quotients  
9                   computed in STEP TWO by three (3).  
10                  STEP FOUR: Compute separately, for each of the calendar  
11                  years determined in STEP ONE, the quotient (rounded to the  
12                  nearest ten-thousandth (0.0001)) of the sum of the total  
13                  assessed value of all taxable property in all counties and:  
14                  **(i) for a particular calendar year before 2007, the total**  
15                  assessed value of property tax deductions in all counties  
16                  under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular  
17                  calendar year; or  
18                  **(ii) for a particular calendar year after 2006, the total**  
19                  **assessed value of property tax deductions that applied in**  
20                  **all counties under IC 6-1.1-12-42 in 2006;**  
21                  divided by the sum of the total assessed value of all taxable  
22                  property in all counties and the total assessed value of property  
23                  tax deductions in all counties under ~~IC 6-1.1-12-41~~ or  
24                  ~~IC 6-1.1-12-42~~ in **determined under this STEP** for the  
25                  calendar year immediately preceding the particular calendar  
26                  year.  
27                  STEP FIVE: Divide the sum of the three (3) quotients  
28                  computed in STEP FOUR by three (3).  
29                  STEP SIX: Divide the STEP THREE amount by the STEP  
30                  FIVE amount.  
31                  The civil taxing unit may increase its levy by a percentage not  
32                  greater than the percentage by which the STEP THREE amount  
33                  exceeds the percentage by which the civil taxing unit may  
34                  increase its levy under section 3 of this chapter based on the  
35                  assessed value growth quotient determined under section 2 of this  
36                  chapter.  
37                  (4) A levy increase may not be granted under this subdivision for  
38                  property taxes first due and payable after December 31, ~~2009~~  
39                  **2008**. Permission to the civil taxing unit to increase its levy in  
40                  excess of the limitations established under section 3 of this  
41                  chapter, if the local government tax control board finds that the  
42                  civil taxing unit needs the increase to pay the costs of furnishing  
43                  fire protection for the civil taxing unit through a volunteer fire  
44                  department. For purposes of determining a township's need for an  
45                  increased levy, the local government tax control board shall not  
46                  consider the amount of money borrowed under IC 36-6-6-14  
47                  during the immediately preceding calendar year. However, any  
48                  increase in the amount of the civil taxing unit's levy recommended  
49                  by the local government tax control board under this subdivision  
50                  for the ensuing calendar year may not exceed the lesser of:  
51                  (A) ten thousand dollars (\$10,000); or

- 1 (B) twenty percent (20%) of:  
 2 (i) the amount authorized for operating expenses of a  
 3 volunteer fire department in the budget of the civil taxing  
 4 unit for the immediately preceding calendar year; plus  
 5 (ii) the amount of any additional appropriations authorized  
 6 during that calendar year for the civil taxing unit's use in  
 7 paying operating expenses of a volunteer fire department  
 8 under this chapter; minus  
 9 (iii) the amount of money borrowed under IC 36-6-6-14  
 10 during that calendar year for the civil taxing unit's use in  
 11 paying operating expenses of a volunteer fire department.
- 12 (5) A levy increase may not be granted under this subdivision for  
 13 property taxes first due and payable after December 31, ~~2009~~:  
 14 **2008**. Permission to a civil taxing unit to increase its levy in  
 15 excess of the limitations established under section 3 of this  
 16 chapter in order to raise revenues for pension payments and  
 17 contributions the civil taxing unit is required to make under  
 18 IC 36-8. The maximum increase in a civil taxing unit's levy that  
 19 may be recommended under this subdivision for an ensuing  
 20 calendar year equals the amount, if any, by which the pension  
 21 payments and contributions the civil taxing unit is required to  
 22 make under IC 36-8 during the ensuing calendar year exceeds the  
 23 product of one and one-tenth (1.1) multiplied by the pension  
 24 payments and contributions made by the civil taxing unit under  
 25 IC 36-8 during the calendar year that immediately precedes the  
 26 ensuing calendar year. For purposes of this subdivision, "pension  
 27 payments and contributions made by a civil taxing unit" does not  
 28 include that part of the payments or contributions that are funded  
 29 by distributions made to a civil taxing unit by the state.
- 30 (6) A levy increase may not be granted under this subdivision for  
 31 property taxes first due and payable after December 31, ~~2009~~:  
 32 **2008**. Permission to increase its levy in excess of the limitations  
 33 established under section 3 of this chapter if the local government  
 34 tax control board finds that:  
 35 (A) the township's township assistance ad valorem property  
 36 tax rate is less than one and sixty-seven hundredths cents  
 37 (\$0.0167) per one hundred dollars (\$100) of assessed  
 38 valuation; and  
 39 (B) the township needs the increase to meet the costs of  
 40 providing township assistance under IC 12-20 and IC 12-30-4.  
 41 The maximum increase that the board may recommend for a  
 42 township is the levy that would result from an increase in the  
 43 township's township assistance ad valorem property tax rate of  
 44 one and sixty-seven hundredths cents (\$0.0167) per one hundred  
 45 dollars (\$100) of assessed valuation minus the township's ad  
 46 valorem property tax rate per one hundred dollars (\$100) of  
 47 assessed valuation before the increase.
- 48 (7) A levy increase may not be granted under this subdivision for  
 49 property taxes first due and payable after December 31, ~~2009~~:  
 50 **2008**. Permission to a civil taxing unit to increase its levy in  
 51 excess of the limitations established under section 3 of this

1 chapter if:

2 (A) the increase has been approved by the legislative body of

3 the municipality with the largest population where the civil

4 taxing unit provides public transportation services; and

5 (B) the local government tax control board finds that the civil

6 taxing unit needs the increase to provide adequate public

7 transportation services.

8 The local government tax control board shall consider tax rates

9 and levies in civil taxing units of comparable population, and the

10 effect (if any) of a loss of federal or other funds to the civil taxing

11 unit that might have been used for public transportation purposes.

12 However, the increase that the board may recommend under this

13 subdivision for a civil taxing unit may not exceed the revenue that

14 would be raised by the civil taxing unit based on a property tax

15 rate of one cent (\$.01) per one hundred dollars (\$100) of

16 assessed valuation.

17 (8) A levy increase may not be granted under this subdivision for

18 property taxes first due and payable after December 31, ~~2009~~:

19 **2008**. Permission to a civil taxing unit to increase the unit's levy

20 in excess of the limitations established under section 3 of this

21 chapter if the local government tax control board finds that:

22 (A) the civil taxing unit is:

23 (i) a county having a population of more than one hundred

24 forty-eight thousand (148,000) but less than one hundred

25 seventy thousand (170,000);

26 (ii) a city having a population of more than fifty-five

27 thousand (55,000) but less than fifty-nine thousand (59,000);

28 (iii) a city having a population of more than twenty-eight

29 thousand seven hundred (28,700) but less than twenty-nine

30 thousand (29,000);

31 (iv) a city having a population of more than fifteen thousand

32 four hundred (15,400) but less than sixteen thousand six

33 hundred (16,600); or

34 (v) a city having a population of more than seven thousand

35 (7,000) but less than seven thousand three hundred (7,300);

36 and

37 (B) the increase is necessary to provide funding to undertake

38 removal (as defined in IC 13-11-2-187) and remedial action

39 (as defined in IC 13-11-2-185) relating to hazardous

40 substances (as defined in IC 13-11-2-98) in solid waste

41 disposal facilities or industrial sites in the civil taxing unit that

42 have become a menace to the public health and welfare.

43 The maximum increase that the local government tax control

44 board may recommend for such a civil taxing unit is the levy that

45 would result from a property tax rate of six and sixty-seven

46 hundredths cents (\$.0667) for each one hundred dollars (\$100)

47 of assessed valuation. For purposes of computing the ad valorem

48 property tax levy limit imposed on a civil taxing unit under

49 section 3 of this chapter, the civil taxing unit's ad valorem

50 property tax levy for a particular year does not include that part of

51 the levy imposed under this subdivision. In addition, a property

1 tax increase permitted under this subdivision may be imposed for  
2 only two (2) calendar years.

3 (9) A levy increase may not be granted under this subdivision for  
4 property taxes first due and payable after December 31, ~~2009~~:  
5 **2008**. Permission for a county:

6 (A) having a population of more than eighty thousand (80,000)  
7 but less than ninety thousand (90,000) to increase the county's  
8 levy in excess of the limitations established under section 3 of  
9 this chapter, if the local government tax control board finds  
10 that the county needs the increase to meet the county's share of  
11 the costs of operating a jail or juvenile detention center,  
12 including expansion of the facility, if the jail or juvenile  
13 detention center is opened after December 31, 1991;

14 (B) that operates a county jail or juvenile detention center that  
15 is subject to an order that:

16 (i) was issued by a federal district court; and

17 (ii) has not been terminated;

18 (C) that operates a county jail that fails to meet:

19 (i) American Correctional Association Jail Construction  
20 Standards; and

21 (ii) Indiana jail operation standards adopted by the  
22 department of correction; or

23 (D) that operates a juvenile detention center that fails to meet  
24 standards equivalent to the standards described in clause (C)  
25 for the operation of juvenile detention centers.

26 Before recommending an increase, the local government tax  
27 control board shall consider all other revenues available to the  
28 county that could be applied for that purpose. An appeal for  
29 operating funds for a jail or a juvenile detention center shall be  
30 considered individually, if a jail and juvenile detention center are  
31 both opened in one (1) county. The maximum aggregate levy  
32 increases that the local government tax control board may  
33 recommend for a county equals the county's share of the costs of  
34 operating the jail or a juvenile detention center for the first full  
35 calendar year in which the jail or juvenile detention center is in  
36 operation.

37 (10) A levy increase may not be granted under this subdivision for  
38 property taxes first due and payable after December 31, ~~2009~~:  
39 **2008**. Permission for a township to increase its levy in excess of  
40 the limitations established under section 3 of this chapter, if the  
41 local government tax control board finds that the township needs  
42 the increase so that the property tax rate to pay the costs of  
43 furnishing fire protection for a township, or a portion of a  
44 township, enables the township to pay a fair and reasonable  
45 amount under a contract with the municipality that is furnishing  
46 the fire protection. However, for the first time an appeal is granted  
47 the resulting rate increase may not exceed fifty percent (50%) of  
48 the difference between the rate imposed for fire protection within  
49 the municipality that is providing the fire protection to the  
50 township and the township's rate. A township is required to appeal  
51 a second time for an increase under this subdivision if the

1 township wants to further increase its rate. However, a township's  
 2 rate may be increased to equal but may not exceed the rate that is  
 3 used by the municipality. More than one (1) township served by  
 4 the same municipality may use this appeal.

5 (11) A levy increase may not be granted under this subdivision for  
 6 property taxes first due and payable after December 31, ~~2009~~  
 7 **2008**. Permission for a township to increase its levy in excess of  
 8 the limitations established under section 3 of this chapter, if the  
 9 local government tax control board finds that the township has  
 10 been required, for the three (3) consecutive years preceding the  
 11 year for which the appeal under this subdivision is to become  
 12 effective, to borrow funds under IC 36-6-6-14 to furnish fire  
 13 protection for the township or a part of the township. However,  
 14 the maximum increase in a township's levy that may be allowed  
 15 under this subdivision is the least of the amounts borrowed under  
 16 IC 36-6-6-14 during the preceding three (3) calendar years. A  
 17 township may elect to phase in an approved increase in its levy  
 18 under this subdivision over a period not to exceed three (3) years.  
 19 A particular township may appeal to increase its levy under this  
 20 section not more frequently than every fourth calendar year.

21 (12) ~~A levy increase may not be granted under this subdivision for~~  
 22 ~~property taxes first due and payable after December 31, 2009.~~  
 23 Permission to a city having a population of more than twenty-nine  
 24 thousand (29,000) but less than thirty-one thousand (31,000) to  
 25 increase its levy in excess of the limitations established under  
 26 section 3 of this chapter if:

27 (A) an appeal was granted to the city under this section to  
 28 reallocate property tax replacement credits under IC 6-3.5-1.1  
 29 in 1998, 1999, and 2000; and

30 (B) the increase has been approved by the legislative body of  
 31 the city, and the legislative body of the city has by resolution  
 32 determined that the increase is necessary to pay normal  
 33 operating expenses.

34 The maximum amount of the increase is equal to the amount of  
 35 property tax replacement credits under IC 6-3.5-1.1 that the city  
 36 petitioned under this section to have reallocated in 2001 for a  
 37 purpose other than property tax relief.

38 (13) A levy increase may be granted under this subdivision only  
 39 for property taxes first due and payable after December 31, ~~2009~~  
 40 **2008**. Permission to a civil taxing unit to increase its levy in  
 41 excess of the limitations established under section 3 of this  
 42 chapter if the civil taxing unit cannot carry out its governmental  
 43 functions for an ensuing calendar year under the levy limitations  
 44 imposed by section 3 of this chapter **due to a natural disaster,**  
 45 **an accident, or another unanticipated emergency.**

46 SECTION 181. IC 6-1.1-18.5-13.6, AS AMENDED BY  
 47 P.L.224-2007, SECTION 27, IS AMENDED TO READ AS  
 48 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13.6. A levy increase  
 49 may not be granted under this section for property taxes first due and  
 50 payable after December 31, ~~2009~~ **2008**. For an appeal filed under  
 51 section 12 of this chapter, the local government tax control board may



1 recommend that the department of local government finance give  
 2 permission to a county to increase its levy in excess of the limitations  
 3 established under section 3 of this chapter if the local government tax  
 4 control board finds that the county needs the increase to pay for:

5 (1) a new voting system; or

6 (2) the expansion or upgrade of an existing voting system;

7 under IC 3-11-6.

8 SECTION 182. IC 6-1.1-18.5-14, AS AMENDED BY  
 9 P.L.224-2007, SECTION 28, IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The local  
 11 government tax control board (~~before January 1, 2009~~) or the county  
 12 board of tax and capital projects review (~~after December 31, 2008~~) may  
 13 recommend to the department of local government finance a correction  
 14 of any advertising error, mathematical error, or error in data made at  
 15 the local level for any calendar year that affects the determination of  
 16 the limitations established by section 3 of this chapter or the tax rate or  
 17 levy of a civil taxing unit. The department of local government finance  
 18 may on its own initiative correct such an advertising error,  
 19 mathematical error, or error in data for any civil taxing unit.

20 (b) A correction made under subsection (a) for a prior calendar year  
 21 shall be applied to the civil taxing unit's levy limitations, rate, and levy  
 22 for the ensuing calendar year to offset any cumulative effect that the  
 23 error caused in the determination of the civil taxing unit's levy  
 24 limitations, rate, or levy for the ensuing calendar year.

25 SECTION 183. IC 6-1.1-18.5-15, AS AMENDED BY  
 26 P.L.224-2007, SECTION 29, IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) The  
 28 department of local government finance, upon receiving a  
 29 recommendation made under section 13 or 14 of this chapter, shall  
 30 enter an order adopting, rejecting, or adopting in part and rejecting in  
 31 part the recommendation of the local government tax control board.  
 32 (~~before January 1, 2009~~) or the county board of tax and capital projects  
 33 review (~~after December 31, 2008~~).

34 (b) A civil taxing unit may petition for judicial review of the final  
 35 determination ~~of made by~~ the department of local government finance  
 36 under subsection (a) The action must be taken to the tax court under  
 37 IC 6-1.1-15 in the same manner that an action is taken to appeal a final  
 38 determination of the Indiana board. The petition must be filed in the tax  
 39 court not more than forty-five (45) days after the department enters its  
 40 order under subsection (a).

41 SECTION 184. IC 6-1.1-18.5-16, AS AMENDED BY  
 42 P.L.224-2007, SECTION 30, IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) A civil  
 44 taxing unit may request permission from the local government tax  
 45 control board (~~before January 1, 2009~~) or the county board of tax and  
 46 capital projects review (~~after December 31, 2008~~) to impose an ad  
 47 valorem property tax levy that exceeds the limits imposed by section 3  
 48 of this chapter if:

49 (1) the civil taxing unit experienced a property tax revenue  
 50 shortfall that resulted from erroneous assessed valuation figures  
 51 being provided to the civil taxing unit;

1 (2) the erroneous assessed valuation figures were used by the civil  
 2 taxing unit in determining its total property tax rate; and  
 3 (3) the error in the assessed valuation figures was found after the  
 4 civil taxing unit's property tax levy resulting from that total rate  
 5 was finally approved by the department of local government  
 6 finance.

7 (b) A civil taxing unit may request permission from the local  
 8 government tax control board (~~before January 1, 2009~~) or the county  
 9 board of tax and capital projects review (~~after December 31, 2008~~) to  
 10 impose an ad valorem property tax levy that exceeds the limits imposed  
 11 by section 3 of this chapter if the civil taxing unit experienced a  
 12 property tax revenue shortfall because of the payment of refunds that  
 13 resulted from appeals under this article and IC 6-1.5.

14 (c) If the local government tax control board (~~before January 1,  
 15 2009~~) or the county board of tax and capital projects review (~~after  
 16 December 31, 2008~~) determines that a shortfall described in subsection  
 17 (a) or (b) has occurred, it shall recommend to the department of local  
 18 government finance that the civil taxing unit be allowed to impose a  
 19 property tax levy exceeding the limit imposed by section 3 of this  
 20 chapter, and the department may adopt such recommendation.  
 21 However, the maximum amount by which the civil taxing unit's levy  
 22 may be increased over the limits imposed by section 3 of this chapter  
 23 equals the remainder of the civil taxing unit's property tax levy for the  
 24 particular calendar year as finally approved by the department of local  
 25 government finance minus the actual property tax levy collected by the  
 26 civil taxing unit for that particular calendar year.

27 (d) Any property taxes collected by a civil taxing unit over the limits  
 28 imposed by section 3 of this chapter under the authority of this section  
 29 may not be treated as a part of the civil taxing unit's maximum  
 30 permissible ad valorem property tax levy for purposes of determining  
 31 its maximum permissible ad valorem property tax levy for future years.

32 (e) If the department of local government finance authorizes an  
 33 excess tax levy under this section, it shall take appropriate steps to  
 34 insure that the proceeds are first used to repay any loan made to the  
 35 civil taxing unit for the purpose of meeting its current expenses.

36 SECTION 185. IC 6-1.1-19-1, AS AMENDED BY P.L.2-2006,  
 37 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JANUARY 1, 2009]: Sec. 1. The following definitions apply  
 39 throughout this chapter:

40 (1) "Appeal" refers to an appeal taken to the department of local  
 41 government finance by or in respect of a school corporation under  
 42 any of the following:

43 (A) IC 6-1.1-17.

44 ~~(B) This chapter.~~

45 ~~(C) IC 20-45.~~

46 ~~(D) IC 20-46.~~

47 **(B) IC 20-43.**

48 (2) "Tax control board" means the school property tax control  
 49 board established by section 4.1 of this chapter.

50 SECTION 186. IC 6-1.1-19-3, AS AMENDED BY P.L.2-2006,  
 51 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JANUARY 1, 2009]: Sec. 3. (a) When an appeal is taken to the  
 2 department of local government finance, the department may exercise  
 3 the powers described in IC 6-1.1-17 to revise, change, or increase the  
 4 budget, tax levy, or tax rate of the appellant school corporation. ~~subject~~  
 5 ~~to this chapter, IC 20-45, and IC 20-46.~~

6 (b) The department of local government finance may not exercise  
 7 any of the powers described in subsection (a) until it receives,  
 8 regarding the appellant school corporation's budget, tax levy, or tax  
 9 rate, the recommendation of the tax control board.

10 SECTION 187. IC 6-1.1-20-1 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. For purposes of this  
 12 chapter, the term "bonds" means any bonds or other evidences of  
 13 indebtedness payable from property taxes, ~~for a controlled project~~, but  
 14 does not include:

- 15 (1) notes representing loans under IC 36-2-6-18, IC 36-3-4-22,  
 16 IC 36-4-6-20, or IC 36-5-2-11 which are payable within five (5)  
 17 years after issuance;
- 18 (2) warrants representing temporary loans which are payable out  
 19 of taxes levied and in the course of collection;
- 20 (3) a lease;
- 21 (4) obligations; or
- 22 (5) funding, refunding, or judgment funding bonds of political  
 23 subdivisions.

24 SECTION 188. IC 6-1.1-20-1.1, AS AMENDED BY P.L.2-2006,  
 25 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2008]: Sec. 1.1. As used in this chapter, "controlled project"  
 27 means any project financed by bonds or a lease, except for the  
 28 following:

- 29 (1) A project for which the political subdivision reasonably  
 30 expects to pay:
  - 31 (A) debt service; or
  - 32 (B) lease rentals;
 33 from funds other than property taxes that are exempt from the  
 34 levy limitations of IC 6-1.1-18.5 or **(before January 1, 2009)**  
 35 IC 20-45-3. A project is not a controlled project even though the  
 36 political subdivision has pledged to levy property taxes to pay the  
 37 debt service or lease rentals if those other funds are insufficient.
- 38 (2) A project that will not cost the political subdivision more than  
 39 **the lesser of the following:**
  - 40 (A) Two million dollars (\$2,000,000).
  - 41 (B) **An amount equal to one percent (1%) of the total gross**  
 42 **assessed value of property within the political subdivision**  
 43 **on the last assessment date, if that amount is at least one**  
 44 **million dollars (\$1,000,000).**
- 45 (3) A project that is being refinanced for the purpose of providing  
 46 gross or net present value savings to taxpayers.
- 47 (4) A project for which bonds were issued or leases were entered  
 48 into before January 1, 1996, or where the state board of tax  
 49 commissioners has approved the issuance of bonds or the  
 50 execution of leases before January 1, 1996.
- 51 (5) A project that is required by a court order holding that a

1 federal law mandates the project.

2 **(6) A project that:**

3 **(A) is in response to:**

4 **(i) a natural disaster;**

5 **(ii) an accident; or**

6 **(iii) an emergency;**

7 **in the political subdivision that makes a building or facility**  
 8 **unavailable for its intended use; and**

9 **(B) is approved by the county council of each county in**  
 10 **which the political subdivision is located.**

11 **(7) A project that was not a controlled project under this**  
 12 **section as in effect on June 30, 2008, and for which:**

13 **(A) the bonds or lease for the project were issued or**  
 14 **entered into before July 1, 2008; or**

15 **(B) the issuance of the bonds or the execution of the lease**  
 16 **for the project was approved by the department of local**  
 17 **government finance before July 1, 2008.**

18 SECTION 189. IC 6-1.1-20-1.3, AS AMENDED BY P.L.2-2006,  
 19 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20 JULY 1, 2008]: Sec. 1.3. As used in this chapter, "lease" means a lease  
 21 by a political subdivision of any ~~controlled~~ project with lease rentals  
 22 payable from property taxes that are exempt from the levy limitations  
 23 of IC 6-1.1-18.5 or **(before January 1, 2009) IC 20-45-3.**

24 SECTION 190. IC 6-1.1-20-1.9, AS ADDED BY P.L.219-2007,  
 25 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2008]: Sec. 1.9. As used in this chapter, "registered voter"  
 27 means the following:

28 (1) In the case of a petition under section 3.1 of this chapter to  
 29 initiate a petition and remonstrance process, an individual who is  
 30 registered to vote in the political subdivision on the date the  
 31 proper officers of the political subdivision publish notice under  
 32 section ~~3.1(2)~~ **3.1(b)(2)** of this chapter of a preliminary  
 33 determination by the political subdivision to issue bonds or enter  
 34 into a lease.

35 (2) In the case of:

36 (A) a petition under section 3.2 of this chapter in favor of the  
 37 proposed debt service or lease payments; or

38 (B) a remonstrance under section 3.2 of this chapter against  
 39 the proposed debt service or lease payments;

40 an individual who is registered to vote in the political subdivision  
 41 on the date that is thirty (30) days after the notice of the  
 42 applicability of the petition and remonstrance process is published  
 43 under section ~~3.2(1)~~ **3.2(b)(1)** of this chapter.

44 **(3) In the case of a public question held under section 3.6 of**  
 45 **this chapter, an individual who is registered to vote in the**  
 46 **political subdivision on the date that is thirty (30) days before**  
 47 **the date of the election in which the public question will be**  
 48 **held.**

49 SECTION 191. IC 6-1.1-20-3.1, AS AMENDED BY P.L.219-2007,  
 50 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 51 JULY 1, 2008]: Sec. 3.1. **(a) This section applies only to the**

1 following:

2 (1) A controlled project (as defined in section 1.1 of this  
3 chapter as in effect June 30, 2008) for which the proper  
4 officers of a political subdivision make a preliminary  
5 determination in the manner described in subsection (b)  
6 before July 1, 2008.

7 (2) An elementary school building, middle school building, or  
8 other school building for academic instruction that:

9 (A) is a controlled project;

10 (B) will be used for any combination of kindergarten  
11 through grade 8;

12 (C) will not be used for any combination of grade 9  
13 through grade 12; and

14 (D) will not cost more than ten million dollars  
15 (\$10,000,000).

16 (3) A high school building or other school building for  
17 academic instruction that:

18 (A) is a controlled project;

19 (B) will be used for any combination of grade 9 through  
20 grade 12;

21 (C) will not be used for any combination of kindergarten  
22 through grade 8; and

23 (D) will not cost more than twenty million dollars  
24 (\$20,000,000).

25 (4) Any other controlled project that:

26 (A) is not a controlled project described in subdivision (1),  
27 (2), or (3); and

28 (B) will not cost the political subdivision more than the  
29 lesser of the following:

30 (i) Twelve million dollars (\$12,000,000).

31 (ii) An amount equal to one percent (1%) of the total  
32 gross assessed value of property within the political  
33 subdivision on the last assessment date, if that amount is  
34 at least one million dollars (\$1,000,000).

35 (b) A political subdivision may not impose property taxes to pay  
36 debt service **on bonds** or lease rentals **on a lease for a controlled**  
37 **project** without completing the following procedures:

38 (1) The proper officers of a political subdivision shall:

39 (A) publish notice in accordance with IC 5-3-1; and

40 (B) send notice by first class mail to any organization that  
41 delivers to the officers, before January 1 of that year, an annual  
42 written request for such notices;

43 of any meeting to consider adoption of a resolution or an  
44 ordinance making a preliminary determination to issue bonds or  
45 enter into a lease and shall conduct a public hearing on a  
46 preliminary determination before adoption of the resolution or  
47 ordinance.

48 (2) When the proper officers of a political subdivision make a  
49 preliminary determination to issue bonds or enter into a lease **for**  
50 **a controlled project**, the officers shall give notice of the  
51 preliminary determination by:

- 1 (A) publication in accordance with IC 5-3-1; and  
 2 (B) first class mail to the organizations described in  
 3 subdivision (1)(B).  
 4 (3) A notice under subdivision (2) of the preliminary  
 5 determination of the political subdivision to issue bonds or enter  
 6 into a lease **for a controlled project** must include the following  
 7 information:  
 8 (A) The maximum term of the bonds or lease.  
 9 (B) The maximum principal amount of the bonds or the  
 10 maximum lease rental for the lease.  
 11 (C) The estimated interest rates that will be paid and the total  
 12 interest costs associated with the bonds or lease.  
 13 (D) The purpose of the bonds or lease.  
 14 (E) A statement that any owners of real property within the  
 15 political subdivision or registered voters residing within the  
 16 political subdivision who want to initiate a petition and  
 17 remonstrance process against the proposed debt service or  
 18 lease payments must file a petition that complies with  
 19 subdivisions (4) and (5) not later than thirty (30) days after  
 20 publication in accordance with IC 5-3-1.  
 21 (F) With respect to bonds issued or a lease entered into to  
 22 open:  
 23 (i) a new school facility; or  
 24 (ii) an existing facility that has not been used for at least  
 25 three (3) years and that is being reopened to provide  
 26 additional classroom space;  
 27 the estimated costs the school corporation expects to incur  
 28 annually to operate the facility.  
 29 (G) A statement of whether the school corporation expects to  
 30 appeal for a new facility adjustment (as defined in  
 31 IC 20-45-1-16 **before January 1, 2009**) for an increased  
 32 maximum permissible tuition support levy to pay the estimated  
 33 costs described in clause (F).  
 34 **(H) The political subdivision's current debt service levy**  
 35 **and rate and the estimated increase to the political**  
 36 **subdivision's debt service levy and rate that will result if**  
 37 **the political subdivision issues the bonds or enters into the**  
 38 **lease.**  
 39 (4) After notice is given, a petition requesting the application of  
 40 a petition and remonstrance process may be filed by the lesser of:  
 41 (A) one hundred (100) persons who are either owners of real  
 42 property within the political subdivision or registered voters  
 43 residing within the political subdivision; or  
 44 (B) five percent (5%) of the registered voters residing within  
 45 the political subdivision.  
 46 (5) The state board of accounts shall design and, upon request by  
 47 the county voter registration office, deliver to the county voter  
 48 registration office or the county voter registration office's  
 49 designated printer the petition forms to be used solely in the  
 50 petition process described in this section. The county voter  
 51 registration office shall issue to an owner or owners of real

1 property within the political subdivision or a registered voter  
 2 residing within the political subdivision the number of petition  
 3 forms requested by the owner or owners or the registered voter.  
 4 Each form must be accompanied by instructions detailing the  
 5 requirements that:

6 (A) the carrier and signers must be owners of real property or  
 7 registered voters;

8 (B) the carrier must be a signatory on at least one (1) petition;

9 (C) after the signatures have been collected, the carrier must  
 10 swear or affirm before a notary public that the carrier  
 11 witnessed each signature; and

12 (D) govern the closing date for the petition period.

13 Persons requesting forms may be required to identify themselves  
 14 as owners of real property or registered voters and may be  
 15 allowed to pick up additional copies to distribute to other property  
 16 owners or registered voters. Each person signing a petition must  
 17 indicate whether the person is signing the petition as a registered  
 18 voter within the political subdivision or is signing the petition as  
 19 the owner of real property within the political subdivision. A  
 20 person who signs a petition as a registered voter must indicate the  
 21 address at which the person is registered to vote. A person who  
 22 signs a petition as a real property owner must indicate the address  
 23 of the real property owned by the person in the political  
 24 subdivision.

25 (6) Each petition must be verified under oath by at least one (1)  
 26 qualified petitioner in a manner prescribed by the state board of  
 27 accounts before the petition is filed with the county voter  
 28 registration office under subdivision (7).

29 (7) Each petition must be filed with the county voter registration  
 30 office not more than thirty (30) days after publication under  
 31 subdivision (2) of the notice of the preliminary determination.

32 (8) The county voter registration office shall determine whether  
 33 each person who signed the petition is a registered voter. The  
 34 county voter registration office shall not more than fifteen (15)  
 35 business days after receiving a petition forward a copy of the  
 36 petition to the county auditor. Not more than ten (10) business  
 37 days after receiving the copy of the petition, the county auditor  
 38 shall provide to the county voter registration office a statement  
 39 verifying:

40 (A) whether a person who signed the petition as a registered  
 41 voter but is not a registered voter, as determined by the county  
 42 voter registration office, is the owner of real property in the  
 43 political subdivision; and

44 (B) whether a person who signed the petition as an owner of  
 45 real property within the political subdivision does in fact own  
 46 real property within the political subdivision.

47 (9) The county voter registration office shall not more than ten  
 48 (10) business days after receiving the statement from the county  
 49 auditor under subdivision (8) make the final determination of the  
 50 number of petitioners that are registered voters in the political  
 51 subdivision and, based on the statement provided by the county

1 auditor, the number of petitioners that own real property within  
 2 the political subdivision. Whenever the name of an individual  
 3 who signs a petition form as a registered voter contains a minor  
 4 variation from the name of the registered voter as set forth in the  
 5 records of the county voter registration office, the signature is  
 6 presumed to be valid, and there is a presumption that the  
 7 individual is entitled to sign the petition under this section. Except  
 8 as otherwise provided in this chapter, in determining whether an  
 9 individual is a registered voter, the county voter registration office  
 10 shall apply the requirements and procedures used under IC 3 to  
 11 determine whether a person is a registered voter for purposes of  
 12 voting in an election governed by IC 3. However, an individual is  
 13 not required to comply with the provisions concerning providing  
 14 proof of identification to be considered a registered voter for  
 15 purposes of this chapter. A person is entitled to sign a petition  
 16 only one (1) time in a particular petition and remonstrance  
 17 process under this chapter, regardless of whether the person owns  
 18 more than one (1) parcel of real property within the subdivision  
 19 and regardless of whether the person is both a registered voter in  
 20 the political subdivision and the owner of real property within the  
 21 political subdivision. Notwithstanding any other provision of this  
 22 section, if a petition is presented to the county voter registration  
 23 office within thirty-five (35) days before an election, the county  
 24 voter registration office may defer acting on the petition, and the  
 25 time requirements under this section for action by the county  
 26 voter registration office do not begin to run until five (5) days  
 27 after the date of the election.

28 (10) The county voter registration office must file a certificate and  
 29 each petition with:

30 (A) the township trustee, if the political subdivision is a  
 31 township, who shall present the petition or petitions to the  
 32 township board; or

33 (B) the body that has the authority to authorize the issuance of  
 34 the bonds or the execution of a lease, if the political  
 35 subdivision is not a township;

36 within thirty-five (35) business days of the filing of the petition  
 37 requesting a petition and remonstrance process. The certificate  
 38 must state the number of petitioners that are owners of real  
 39 property within the political subdivision and the number of  
 40 petitioners who are registered voters residing within the political  
 41 subdivision.

42 If a sufficient petition requesting a petition and remonstrance process  
 43 is not filed by owners of real property or registered voters as set forth  
 44 in this section, the political subdivision may issue bonds or enter into  
 45 a lease by following the provisions of law relating to the bonds to be  
 46 issued or lease to be entered into.

47 SECTION 192. IC 6-1.1-20-3.2, AS AMENDED HEA 1137-2008,  
 48 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 49 JULY 1, 2008]: Sec. 3.2. (a) **This section applies only to controlled  
 50 projects described in section 3.1(a) of this chapter.**

51 (b) If a sufficient petition requesting the application of a petition



1 and remonstrance process has been filed as set forth in section 3.1 of  
 2 this chapter, a political subdivision may not impose property taxes to  
 3 pay debt service **on bonds** or lease rentals **on a lease for a controlled**  
 4 **project** without completing the following procedures:

5 (1) The proper officers of the political subdivision shall give  
 6 notice of the applicability of the petition and remonstrance  
 7 process by:

8 (A) publication in accordance with IC 5-3-1; and

9 (B) first class mail to the organizations described in section  
 10 ~~3.1(1)(B)~~ **3.1(b)(1)(B)** of this chapter.

11 A notice under this subdivision must include a statement that any  
 12 owners of real property within the political subdivision or  
 13 registered voters residing within the political subdivision who  
 14 want to petition in favor of or remonstrate against the proposed  
 15 debt service or lease payments must file petitions and  
 16 remonstrances in compliance with subdivisions (2) through (4)  
 17 not earlier than thirty (30) days or later than sixty (60) days after  
 18 publication in accordance with IC 5-3-1.

19 (2) Not earlier than thirty (30) days or later than sixty (60) days  
 20 after the notice under subdivision (1) is given:

21 (A) petitions (described in subdivision (3)) in favor of the  
 22 bonds or lease; and

23 (B) remonstrances (described in subdivision (3)) against the  
 24 bonds or lease;

25 may be filed by an owner or owners of real property within the  
 26 political subdivision or a registered voter residing within the  
 27 political subdivision. Each signature on a petition must be dated,  
 28 and the date of signature may not be before the date on which the  
 29 petition and remonstrance forms may be issued under subdivision  
 30 (3). A petition described in clause (A) or a remonstrance  
 31 described in clause (B) must be verified in compliance with  
 32 subdivision (4) before the petition or remonstrance is filed with  
 33 the county voter registration office under subdivision (4).

34 (3) The state board of accounts shall design and, upon request by  
 35 the county voter registration office, deliver to the county voter  
 36 registration office or the county voter registration office's  
 37 designated printer the petition and remonstrance forms to be used  
 38 solely in the petition and remonstrance process described in this  
 39 section. The county voter registration office shall issue to an  
 40 owner or owners of real property within the political subdivision  
 41 or a registered voter residing within the political subdivision the  
 42 number of petition or remonstrance forms requested by the owner  
 43 or owners or the registered voter. Each form must be  
 44 accompanied by instructions detailing the requirements that:

45 (A) the carrier and signers must be owners of real property or  
 46 registered voters;

47 (B) the carrier must be a signatory on at least one (1) petition;

48 (C) after the signatures have been collected, the carrier must  
 49 swear or affirm before a notary public that the carrier  
 50 witnessed each signature;

51 (D) govern the closing date for the petition and remonstrance

1 period; and  
2 (E) apply to the carrier under section 10 of this chapter.  
3 Persons requesting forms may be required to identify themselves  
4 as owners of real property or registered voters and may be  
5 allowed to pick up additional copies to distribute to other property  
6 owners or registered voters. Each person signing a petition or  
7 remonstrance must indicate whether the person is signing the  
8 petition or remonstrance as a registered voter within the political  
9 subdivision or is signing the petition or remonstrance as the  
10 owner of real property within the political subdivision. A person  
11 who signs a petition or remonstrance as a registered voter must  
12 indicate the address at which the person is registered to vote. A  
13 person who signs a petition or remonstrance as a real property  
14 owner must indicate the address of the real property owned by the  
15 person in the political subdivision. The county voter registration  
16 office may not issue a petition or remonstrance form earlier than  
17 twenty-nine (29) days after the notice is given under subdivision  
18 (1). The county voter registration office shall certify the date of  
19 issuance on each petition or remonstrance form that is distributed  
20 under this subdivision.  
21 (4) The petitions and remonstrances must be verified in the  
22 manner prescribed by the state board of accounts and filed with  
23 the county voter registration office within the sixty (60) day  
24 period described in subdivision (2) in the manner set forth in  
25 section 3.1 of this chapter relating to requests for a petition and  
26 remonstrance process.  
27 (5) The county voter registration office shall determine whether  
28 each person who signed the petition or remonstrance is a  
29 registered voter. The county voter registration office shall not  
30 more than fifteen (15) business days after receiving a petition or  
31 remonstrance forward a copy of the petition or remonstrance to  
32 the county auditor. Not more than ten (10) business days after  
33 receiving the copy of the petition or remonstrance, the county  
34 auditor shall provide to the county voter registration office a  
35 statement verifying:  
36 (A) whether a person who signed the petition or remonstrance  
37 as a registered voter but is not a registered voter, as  
38 determined by the county voter registration office, is the owner  
39 of real property in the political subdivision; and  
40 (B) whether a person who signed the petition or remonstrance  
41 as an owner of real property within the political subdivision  
42 does in fact own real property within the political subdivision.  
43 (6) The county voter registration office shall not more than ten  
44 (10) business days after receiving the statement from the county  
45 auditor under subdivision (5) make the final determination of:  
46 (A) the number of registered voters in the political subdivision  
47 that signed a petition and, based on the statement provided by  
48 the county auditor, the number of owners of real property  
49 within the political subdivision that signed a petition; and  
50 (B) the number of registered voters in the political subdivision  
51 that signed a remonstrance and, based on the statement

1 provided by the county auditor, the number of owners of real  
2 property within the political subdivision that signed a  
3 remonstrance.

4 Whenever the name of an individual who signs a petition or  
5 remonstrance as a registered voter contains a minor variation from  
6 the name of the registered voter as set forth in the records of the  
7 county voter registration office, the signature is presumed to be  
8 valid, and there is a presumption that the individual is entitled to  
9 sign the petition or remonstrance under this section. Except as  
10 otherwise provided in this chapter, in determining whether an  
11 individual is a registered voter, the county voter registration office  
12 shall apply the requirements and procedures used under IC 3 to  
13 determine whether a person is a registered voter for purposes of  
14 voting in an election governed by IC 3. However, an individual is  
15 not required to comply with the provisions concerning providing  
16 proof of identification to be considered a registered voter for  
17 purposes of this chapter. A person is entitled to sign a petition or  
18 remonstrance only one (1) time in a particular petition and  
19 remonstrance process under this chapter, regardless of whether  
20 the person owns more than one (1) parcel of real property within  
21 the subdivision and regardless of whether the person is both a  
22 registered voter in the political subdivision and the owner of real  
23 property within the political subdivision. Notwithstanding any  
24 other provision of this section, if a petition or remonstrance is  
25 presented to the county voter registration office within thirty-five  
26 (35) days before an election, the county voter registration office  
27 may defer acting on the petition or remonstrance, and the time  
28 requirements under this section for action by the county voter  
29 registration office do not begin to run until five (5) days after the  
30 date of the election.

31 (7) The county voter registration office must file a certificate and  
32 the petition or remonstrance with the body of the political  
33 subdivision charged with issuing bonds or entering into leases  
34 within thirty-five (35) business days of the filing of a petition or  
35 remonstrance under subdivision (4), whichever applies,  
36 containing ten thousand (10,000) signatures or less. The county  
37 voter registration office may take an additional five (5) days to  
38 review and certify the petition or remonstrance for each additional  
39 five thousand (5,000) signatures up to a maximum of sixty (60)  
40 days. The certificate must state the number of petitioners and  
41 remonstrators that are owners of real property within the political  
42 subdivision and the number of petitioners who are registered  
43 voters residing within the political subdivision.

44 (8) If a greater number of persons who are either owners of real  
45 property within the political subdivision or registered voters  
46 residing within the political subdivision sign a remonstrance than  
47 the number that signed a petition, the bonds petitioned for may  
48 not be issued or the lease petitioned for may not be entered into.  
49 The proper officers of the political subdivision may not make a  
50 preliminary determination to issue bonds or enter into a lease for  
51 the controlled project defeated by the petition and remonstrance

1 process under this section or any other controlled project that is  
 2 not substantially different within one (1) year after the date of the  
 3 county voter registration office's certificate under subdivision (7).  
 4 Withdrawal of a petition carries the same consequences as a  
 5 defeat of the petition.

6 (9) After a political subdivision has gone through the petition and  
 7 remonstrance process set forth in this section, the political  
 8 subdivision is not required to follow any other remonstrance or  
 9 objection procedures under any other law (including section 5 of  
 10 this chapter) relating to bonds or leases designed to protect  
 11 owners of real property within the political subdivision from the  
 12 imposition of property taxes to pay debt service or lease rentals.  
 13 However, the political subdivision must still receive the approval  
 14 of the department of local government finance if required by:

15 (A) IC 6-1.1-18.5-8; or

16 (B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.

17 SECTION 193. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA  
 18 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 19 [EFFECTIVE JULY 1, 2008]: **Sec. 3.5. (a) This section applies only**  
 20 **to a controlled project that meets the following conditions:**

21 (1) **The controlled project is described in one (1) of the**  
 22 **following categories:**

23 (A) **An elementary school building, middle school building,**  
 24 **or other school building for academic instruction that:**

25 (i) **will be used for any combination of kindergarten**  
 26 **through grade 8;**

27 (ii) **will not be used for any combination of grade 9**  
 28 **through grade 12; and**

29 (iii) **will cost more than ten million dollars (\$10,000,000).**

30 (B) **A high school building or other school building for**  
 31 **academic instruction that:**

32 (i) **will be used for any combination of grade 9 through**  
 33 **grade 12;**

34 (ii) **will not be used for any combination of kindergarten**  
 35 **through grade 8; and**

36 (iii) **will cost more than twenty million dollars**  
 37 **(\$20,000,000).**

38 (C) **Any other controlled project that:**

39 (i) **is not a controlled project described in clause (A) or**  
 40 **(B); and**

41 (ii) **will cost the political subdivision more than the lesser**  
 42 **of twelve million dollars (\$12,000,000) or an amount**  
 43 **equal to one percent (1%) of the total gross assessed**  
 44 **value of property within the political subdivision on the**  
 45 **last assessment date (if that amount is at least one million**  
 46 **dollars (\$1,000,000)).**

47 (2) **The proper officers of the political subdivision make a**  
 48 **preliminary determination after June 30, 2008, in the manner**  
 49 **described in subsection (b) to issue bonds or enter into a lease**  
 50 **for the controlled project.**

51 (b) **A political subdivision may not impose property taxes to pay**

1 **debt service on bonds or lease rentals on a lease for a controlled**  
2 **project without completing the following procedures:**

3 **(1) The proper officers of a political subdivision shall publish**  
4 **notice in accordance with IC 5-3-1 and send notice by first**  
5 **class mail to any organization that delivers to the officers,**  
6 **before January 1 of that year, an annual written request for**  
7 **notices of any meeting to consider the adoption of an**  
8 **ordinance or a resolution making a preliminary**  
9 **determination to issue bonds or enter into a lease and shall**  
10 **conduct a public hearing on the preliminary determination**  
11 **before adoption of the ordinance or resolution. The political**  
12 **subdivision must make the following information available to**  
13 **the public at the public hearing on the preliminary**  
14 **determination, in addition to any other information required**  
15 **by law:**

16 **(A) The result of the political subdivision's current and**  
17 **projected annual debt service payments divided by the net**  
18 **assessed value of taxable property within the political**  
19 **subdivision.**

20 **(B) The result of:**

21 **(i) the sum of the political subdivision's outstanding long**  
22 **term debt plus the outstanding long term debt of other**  
23 **taxing units that include any of the territory of the**  
24 **political subdivision; divided by**

25 **(ii) the net assessed value of taxable property within the**  
26 **political subdivision.**

27 **(2) If the proper officers of a political subdivision make a**  
28 **preliminary determination to issue bonds or enter into a lease,**  
29 **the officers shall give notice of the preliminary determination**  
30 **by:**

31 **(A) publication in accordance with IC 5-3-1; and**

32 **(B) first class mail to the organizations described in**  
33 **subdivision (1).**

34 **(3) A notice under subdivision (2) of the preliminary**  
35 **determination of the political subdivision to issue bonds or**  
36 **enter into a lease must include the following information:**

37 **(A) The maximum term of the bonds or lease.**

38 **(B) The maximum principal amount of the bonds or the**  
39 **maximum lease rental for the lease.**

40 **(C) The estimated interest rates that will be paid and the**  
41 **total interest costs associated with the bonds or lease.**

42 **(D) The purpose of the bonds or lease.**

43 **(E) A statement that the proposed debt service or lease**  
44 **payments must be approved in an election on a local public**  
45 **question held under section 3.6 of this chapter.**

46 **(F) With respect to bonds issued or a lease entered into to**  
47 **open:**

48 **(i) a new school facility; or**

49 **(ii) an existing facility that has not been used for at least**  
50 **three (3) years and that is being reopened to provide**  
51 **additional classroom space;**

- 1           the estimated costs the school corporation expects to  
2           annually incur to operate the facility.
- 3           (G) The political subdivision's current debt service levy  
4           and rate and the estimated increase to the political  
5           subdivision's debt service levy and rate that will result if  
6           the political subdivision issues the bonds or enters into the  
7           lease.
- 8           (4) After notice is given, a petition requesting the application  
9           of the local public question process under section 3.6 of this  
10          chapter may be filed by the lesser of:
- 11          (A) one hundred (100) persons who are either owners of  
12          real property within the political subdivision or registered  
13          voters residing within the political subdivision; or  
14          (B) five percent (5%) of the registered voters residing  
15          within the political subdivision.
- 16          (5) The state board of accounts shall design and, upon request  
17          by the county voter registration office, deliver to the county  
18          voter registration office or the county voter registration  
19          office's designated printer the petition forms to be used solely  
20          in the petition process described in this section. The county  
21          voter registration office shall issue to an owner or owners of  
22          real property within the political subdivision or a registered  
23          voter residing within the political subdivision the number of  
24          petition forms requested by the owner or owners or the  
25          registered voter. Each form must be accompanied by  
26          instructions detailing the requirements that:
- 27          (A) the carrier and signers must be owners of real  
28          property or registered voters;
- 29          (B) the carrier must be a signatory on at least one (1)  
30          petition;
- 31          (C) after the signatures have been collected, the carrier  
32          must swear or affirm before a notary public that the  
33          carrier witnessed each signature; and
- 34          (D) govern the closing date for the petition period.
- 35          Persons requesting forms may be required to identify  
36          themselves as owners of real property or registered voters and  
37          may be allowed to pick up additional copies to distribute to  
38          other property owners or registered voters. Each person  
39          signing a petition must indicate whether the person is signing  
40          the petition as a registered voter within the political  
41          subdivision or is signing the petition as the owner of real  
42          property within the political subdivision. A person who signs  
43          a petition as a registered voter must indicate the address at  
44          which the person is registered to vote. A person who signs a  
45          petition as a real property owner must indicate the address of  
46          the real property owned by the person in the political  
47          subdivision.
- 48          (6) Each petition must be verified under oath by at least one  
49          (1) qualified petitioner in a manner prescribed by the state  
50          board of accounts before the petition is filed with the county  
51          voter registration office under subdivision (7).

1 (7) Each petition must be filed with the county voter  
2 registration office not more than thirty (30) days after  
3 publication under subdivision (2) of the notice of the  
4 preliminary determination.

5 (8) The county voter registration office shall determine  
6 whether each person who signed the petition is a registered  
7 voter. However, after the county voter registration office has  
8 determined that at least one hundred twenty-five (125)  
9 persons who signed the petition are registered voters within  
10 the political subdivision, the county voter registration office  
11 is not required to verify whether the remaining persons who  
12 signed the petition are registered voters. If the county voter  
13 registration office does not determine that at least one  
14 hundred twenty-five (125) persons who signed the petition are  
15 registered voters, the county voter registration office, not  
16 more than fifteen (15) business days after receiving a petition,  
17 shall forward a copy of the petition to the county auditor. Not  
18 more than ten (10) business days after receiving the copy of  
19 the petition, the county auditor shall provide to the county  
20 voter registration office a statement verifying:

21 (A) whether a person who signed the petition as a  
22 registered voter but is not a registered voter, as  
23 determined by the county voter registration office, is the  
24 owner of real property in the political subdivision; and

25 (B) whether a person who signed the petition as an owner  
26 of real property within the political subdivision does in fact  
27 own real property within the political subdivision.

28 (9) The county voter registration office, not more than ten  
29 (10) business days after determining that at least one hundred  
30 twenty-five (125) persons who signed the petition are  
31 registered voters or after receiving the statement from the  
32 county auditor under subdivision (8) (as applicable), shall  
33 make the final determination of whether a sufficient number  
34 of persons have signed the petition. Whenever the name of an  
35 individual who signs a petition form as a registered voter  
36 contains a minor variation from the name of the registered  
37 voter as set forth in the records of the county voter  
38 registration office, the signature is presumed to be valid, and  
39 there is a presumption that the individual is entitled to sign  
40 the petition under this section. Except as otherwise provided  
41 in this chapter, in determining whether an individual is a  
42 registered voter, the county voter registration office shall  
43 apply the requirements and procedures used under IC 3 to  
44 determine whether a person is a registered voter for purposes  
45 of voting in an election governed by IC 3. However, an  
46 individual is not required to comply with the provisions  
47 concerning providing proof of identification to be considered  
48 a registered voter for purposes of this chapter. A person is  
49 entitled to sign a petition only one (1) time in a particular  
50 referendum process under this chapter, regardless of whether  
51 the person owns more than one (1) parcel of real property

1 within the political subdivision and regardless of whether the  
 2 person is both a registered voter in the political subdivision  
 3 and the owner of real property within the political  
 4 subdivision. Notwithstanding any other provision of this  
 5 section, if a petition is presented to the county voter  
 6 registration office within thirty-five (35) days before an  
 7 election, the county voter registration office may defer acting  
 8 on the petition, and the time requirements under this section  
 9 for action by the county voter registration office do not begin  
 10 to run until five (5) days after the date of the election.

11 (10) The county voter registration office must file a certificate  
 12 and each petition with:

13 (A) the township trustee, if the political subdivision is a  
 14 township, who shall present the petition or petitions to the  
 15 township board; or

16 (B) the body that has the authority to authorize the  
 17 issuance of the bonds or the execution of a lease, if the  
 18 political subdivision is not a township;

19 within thirty-five (35) business days of the filing of the petition  
 20 requesting the referendum process. The certificate must state  
 21 the number of petitioners who are owners of real property  
 22 within the political subdivision and the number of petitioners  
 23 who are registered voters residing within the political  
 24 subdivision.

25 (11) If a sufficient petition requesting the local public question  
 26 process is not filed by owners of real property or registered  
 27 voters as set forth in this section, the political subdivision may  
 28 issue bonds or enter into a lease by following the provisions of  
 29 law relating to the bonds to be issued or lease to be entered  
 30 into.

31 (c) If the proper officers of a political subdivision make a  
 32 preliminary determination to issue bonds or enter into a lease, the  
 33 officers shall provide to the county auditor:

34 (1) a copy of the notice required by subsection (b)(2); and

35 (2) any other information the county auditor requires to fulfill  
 36 the county auditor's duties under section 3.6 of this chapter.

37 SECTION 194. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA  
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 39 [EFFECTIVE JULY 1, 2008]: Sec. 3.6. (a) This section applies only  
 40 to a controlled project described in section 3.5(a) of this chapter.

41 (b) If a sufficient petition requesting the application of the local  
 42 public question process has been filed as set forth in section 3.5 of  
 43 this chapter, a political subdivision may not impose property taxes  
 44 to pay debt service on bonds or lease rentals on a lease for a  
 45 controlled project unless the political subdivision's proposed debt  
 46 service or lease rental is approved in an election on a local public  
 47 question held under this section.

48 (c) The following question shall be submitted to the voters at the  
 49 election conducted under this section:

50 "Shall \_\_\_\_\_ (insert the name of the political subdivision)  
 51 issue bonds or enter into a lease to finance \_\_\_\_\_



(insert the description of the controlled project)?".

(d) The county auditor shall certify the public question described in subsection (c) under IC 3-10-9-3 to the county election board of each county in which the political subdivision is located. After the public question is certified, 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 in the six (6) month period after the county auditor certifies the public question, the public question shall be placed on the ballot at a special election to be held:

(1) not earlier than ninety (90) days; and

(2) not later than one hundred twenty (120) days;

after the public question is certified if the fiscal body of the political subdivision that wishes to issue the bonds or enter into the lease requests the public question to be voted on in a special election. However, in a year in which a general election or municipal election is held, the public question may be placed on the ballot at a special election only if the fiscal body of the political subdivision that requests the special election agrees to pay the costs of holding the special election. In a year in which a general election is not held and a municipal election is not held, the fiscal body of the political subdivision that requests the special election is not required to 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.

(e) 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.

(f) 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 voters voting on the public question vote in favor of the public question.

(g) If a majority of the 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.

(h) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

(i) 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.

1 SECTION 195. IC 6-1.1-20-5, AS AMENDED BY P.L.224-2007,  
 2 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2008]: Sec. 5. (a) When the proper officers of a political  
 4 subdivision decide to issue bonds **or enter into leases** in a total amount  
 5 which exceeds five thousand dollars (\$5,000), they shall give notice of  
 6 the decision by:

7 (1) posting; and

8 (2) publication once each week for two (2) weeks.

9 The notice required by this section shall be posted in three (3) public  
 10 places in the political subdivision and published in accordance with  
 11 IC 5-3-1-4. The decision to issue bonds may be a preliminary decision.

12 (b) This subsection does not apply to bonds ~~issued for a controlled~~  
 13 ~~project approved after December 31, 2008, by a county board of tax~~  
 14 ~~and capital projects review under IC 6-1.1-29.5. or lease rental~~  
 15 **agreements for which a political subdivision:**

16 **(1) after June 30, 2008, makes:**

17 **(A) a preliminary determination as described in section 3.1**  
 18 **or 3.5 of this chapter; or**

19 **(B) a decision as described in subsection (a); or**

20 **(2) in the case of bonds or lease rental agreements not subject**  
 21 **to section 3.1 or 3.5 of this chapter and not subject to**  
 22 **subsection (a), adopts a resolution or ordinance authorizing**  
 23 **the bonds or lease rental agreement after June 30, 2008.**

24 Ten (10) or more taxpayers who will be affected by the proposed  
 25 issuance of the bonds and who wish to object to the issuance on the  
 26 grounds that it is unnecessary or excessive may file a petition in the  
 27 office of the auditor of the county in which the political subdivision is  
 28 located. The petition must be filed within fifteen (15) days after the  
 29 notice required by subsection (a) is given, and it must contain the  
 30 objections of the taxpayers and facts which show that the proposed  
 31 issue is unnecessary or excessive. When taxpayers file a petition in the  
 32 manner prescribed in this subsection, the county auditor shall  
 33 immediately forward a certified copy of the petition and any other  
 34 relevant information to the department of local government finance.

35 SECTION 196. IC 6-1.1-20-7, AS AMENDED BY P.L.224-2007,  
 36 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JULY 1, 2008]: Sec. 7. (a) This section does not apply to bonds, notes,  
 38 or warrants issued for a ~~controlled project approved after December 31,~~  
 39 ~~2008, by a county board of tax and capital projects review under~~  
 40 ~~IC 6-1.1-29.5. for which a political subdivision:~~

41 **(1) after June 30, 2008, makes a preliminary determination as**  
 42 **described in section 3.1 or 3.5 of this chapter or a decision as**  
 43 **described in section 5 of this chapter; or**

44 **(2) in the case of bonds, notes, or warrants not subject to**  
 45 **section 3.1, 3.5, or 5 of this chapter, adopts a resolution or**  
 46 **ordinance authorizing the bonds, notes, or warrants after**  
 47 **June 30, 2008.**

48 (b) When the proper officers of a political subdivision decide to  
 49 issue any bonds, notes, or warrants which will be payable from  
 50 property taxes and which will bear interest in excess of eight percent  
 51 (8%) per annum, the political subdivision shall submit the matter to the

1 department of local government finance for review. The department of  
 2 local government finance may either approve or disapprove the rate of  
 3 interest.

4 SECTION 197. IC 6-1.1-20-7.5 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE UPON PASSAGE]: **Sec. 7.5. This section applies only  
 7 to bonds, leases, and other debt for which a political subdivision:**

8 **(1) after June 30, 2008, makes a preliminary determination as  
 9 described in section 3.1 or 3.5 of this chapter or a decision as  
 10 described in section 5 of this chapter; or**

11 **(2) in the case of bonds, leases, or other obligations not subject  
 12 to section 3.1, 3.5, or 5 of this chapter, adopts a resolution or  
 13 ordinance authorizing the bonds, lease rental agreement, or  
 14 other obligations after June 30, 2008.**

15 **Notwithstanding any other provision, review by the department of  
 16 local government finance and approval by the department of local  
 17 government finance are not required before a political subdivision  
 18 may issue or enter into bonds, a lease, or any other obligations  
 19 payable from ad valorem property taxes.**

20 SECTION 198. IC 6-1.1-20-9, AS AMENDED BY P.L.224-2007,  
 21 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2008]: Sec. 9. (a) When the proper officers of a political  
 23 subdivision decide to issue bonds payable from property taxes to  
 24 finance a public improvement **or enter into a lease rental agreement  
 25 payable from property taxes to finance a public improvement**, they  
 26 shall adopt an ordinance or resolution which sets forth their  
 27 determination to issue the bonds **or enter into the lease rental  
 28 agreement**. Except as provided in subsection (b), the political  
 29 subdivision may not advertise for or receive bids for the construction  
 30 of the improvement until the expiration of: ~~the latter of:~~

31 (1) the time period within which taxpayers may file a petition:

32 **(A) for review of or a remonstrance against the proposed issue  
 33 or lease, in the case of a proposed issue or lease that is  
 34 subject to section 3.1 of this chapter; or**

35 **(B) to initiate the local public question process, in the case  
 36 of a proposed issue or lease that is subject to section 3.5 of  
 37 this chapter; or**

38 (2) the time period during which a petition for review of the  
 39 proposed issue **or lease** is pending before the department of local  
 40 government finance (~~before January 1, 2009~~) **or the county board  
 41 of tax and capital projects review (after December 31, 2008): (in  
 42 the case of bonds or a lease for which a petition for review  
 43 may be filed with the department of local government  
 44 finance).**

45 (b) This subsection ~~applies before January 1, 2009:~~ **does not apply  
 46 to bonds or lease rental agreements for which a political  
 47 subdivision:**

48 **(1) after June 30, 2008, makes:**

49 **(A) a preliminary determination as described in section 3.1  
 50 or 3.5 of this chapter; or**

51 **(B) a decision as described in section 5 of this chapter; or**

1           **(2) in the case of bonds or lease rental agreements not subject**  
 2           **to section 3.1 or 3.5 of this chapter and not subject to section**  
 3           **5 of this chapter, adopts a resolution or ordinance authorizing**  
 4           **the bonds or lease rental agreement after June 30, 2008.**

5           When a petition for review of a proposed issue is pending before the  
 6           department of local government finance, the department may order the  
 7           political subdivision to advertise for and receive bids for the  
 8           construction of the public improvement. When the department of local  
 9           government finance issues such an order, the political subdivision shall  
 10          file a bid report with the department within five (5) days after the bids  
 11          are received, and the department shall render a final decision on the  
 12          proposed issue within fifteen (15) days after it receives the bid report.  
 13          Notwithstanding the provisions of this subsection, a political  
 14          subdivision may not enter into a contract for the construction of a  
 15          public improvement while a petition for review of the bond issue which  
 16          is to finance the improvement is pending before the department of local  
 17          government finance.

18          (c) ~~This subsection applies after December 31, 2008. When a~~  
 19          ~~petition for review of a proposed issue is pending before the county~~  
 20          ~~board of tax and capital projects review, the board may order the~~  
 21          ~~political subdivision to advertise for and receive bids for the~~  
 22          ~~construction of the public improvement. When the county board of tax~~  
 23          ~~and capital projects review issues such an order, the political~~  
 24          ~~subdivision shall file a bid report with the board within five (5) days~~  
 25          ~~after the bids are received, and the board shall render a final decision~~  
 26          ~~on the proposed issue within fifteen (15) days after it receives the bid~~  
 27          ~~report. Notwithstanding the provisions of this subsection, a political~~  
 28          ~~subdivision may not enter into a contract for the construction of a~~  
 29          ~~public improvement while a petition for review of the bond issue that~~  
 30          ~~is to finance the improvement is pending before the county board of tax~~  
 31          ~~and capital projects review.~~

32          SECTION 199. IC 6-1.1-20-10, AS AMENDED BY P.L.162-2006,  
 33          SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34          JULY 1, 2008]: Sec. 10. (a) This section applies to a political  
 35          subdivision that adopts an ordinance or a resolution making a  
 36          preliminary determination to issue bonds or enter into a lease. During  
 37          the period commencing with the adoption of the ordinance or  
 38          resolution and, if a petition and remonstrance process is commenced  
 39          under section 3.2 of this chapter, continuing through the sixty (60) day  
 40          period commencing with the notice under section ~~3.2(1)~~ **3.2(b)(1)** of  
 41          this chapter, the political subdivision seeking to issue bonds or enter  
 42          into a lease for the proposed controlled project may not promote a  
 43          position on the petition or remonstrance by doing any of the following:

44               (1) Allowing facilities or equipment, including mail and  
 45               messaging systems, owned by the political subdivision to be used  
 46               for public relations purposes to promote a position on the petition  
 47               or remonstrance, unless equal access to the facilities or equipment  
 48               is given to persons with a position opposite to that of the political  
 49               subdivision.

50               (2) Making an expenditure of money from a fund controlled by  
 51               the political subdivision to promote a position on the petition or

1 remonstrance or to pay for the gathering of signatures on a  
 2 petition or remonstrance. This subdivision does not prohibit a  
 3 political subdivision from making an expenditure of money to an  
 4 attorney, an architect, **registered professional engineer**, a  
 5 construction manager, or a financial adviser for professional  
 6 services provided with respect to a controlled project.

7 (3) Using an employee to promote a position on the petition or  
 8 remonstrance during the employee's normal working hours or paid  
 9 overtime, or otherwise compelling an employee to promote a  
 10 position on the petition or remonstrance at any time.

11 (4) In the case of a school corporation, promoting a position on a  
 12 petition or remonstrance by:

13 (A) using students to transport written materials to their  
 14 residences or in any way directly involving students in a  
 15 school organized promotion of a position; or

16 (B) including a statement within another communication sent  
 17 to the students' residences.

18 However, this section does not prohibit an employee of the political  
 19 subdivision from carrying out duties with respect to a petition or  
 20 remonstrance that are part of the normal and regular conduct of the  
 21 employee's office or agency.

22 (b) A person may not solicit or collect signatures for a petition or  
 23 remonstrance on property owned or controlled by the political  
 24 subdivision.

25 (c) The staff and employees of a school corporation may not  
 26 personally identify a student as the child of a parent or guardian who  
 27 supports or opposes a petition or remonstrance.

28 (d) A person or an organization that has a contract or arrangement  
 29 (whether formal or informal) with a school corporation for the use of  
 30 any of the school corporation's facilities may not spend any money to  
 31 promote a position on the petition or remonstrance. A person or an  
 32 organization that violates this subsection commits a Class A infraction.

33 (e) An attorney, an architect, **registered professional engineer**, a  
 34 construction manager, or a financial adviser for professional services  
 35 provided with respect to a controlled project may not spend any money  
 36 to promote a position on the petition or remonstrance. A person who  
 37 violates this subsection:

38 (1) commits a Class A infraction; and

39 (2) is barred from performing any services with respect to the  
 40 controlled project.

41 SECTION 200. IC 6-1.1-20-10.1 IS ADDED TO THE INDIANA  
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 43 [EFFECTIVE JULY 1, 2008]: **Sec. 10.1. (a) This section applies only**  
 44 **to a political subdivision that, after June 30, 2008, adopts an**  
 45 **ordinance or a resolution making a preliminary determination to**  
 46 **issue bonds or enter into a lease subject to sections 3.5 and 3.6 of**  
 47 **this chapter.**

48 (b) **During the period beginning with the adoption of the**  
 49 **ordinance or resolution and continuing through the day on which**  
 50 **a local public question is submitted to the voters of the political**  
 51 **subdivision under section 3.6 of this chapter, the political**

1 subdivision seeking to issue bonds or enter into a lease for the  
 2 proposed controlled project may not promote a position on the  
 3 local public question by doing any of the following:

4 (1) Allowing facilities or equipment, including mail and  
 5 messaging systems, owned by the political subdivision to be  
 6 used for public relations purposes to promote a position on  
 7 the local public question, unless equal access to the facilities  
 8 or equipment is given to persons with a position opposite to  
 9 that of the political subdivision.

10 (2) Making an expenditure of money from a fund controlled  
 11 by the political subdivision to promote a position on the local  
 12 public question. This subdivision does not prohibit a political  
 13 subdivision from making an expenditure of money to an  
 14 attorney, an architect, a registered professional engineer, a  
 15 construction manager, or a financial adviser for professional  
 16 services provided with respect to a controlled project.

17 (3) Using an employee to promote a position on the local  
 18 public question during the employee's normal working hours  
 19 or paid overtime, or otherwise compelling an employee to  
 20 promote a position on the local public question at any time.

21 (4) In the case of a school corporation, promoting a position  
 22 on a local public question by:

23 (A) using students to transport written materials to their  
 24 residences or in any way directly involving students in a  
 25 school organized promotion of a position; or

26 (B) including a statement within another communication  
 27 sent to the students' residences.

28 However, this section does not prohibit an employee of the political  
 29 subdivision from carrying out duties with respect to a local public  
 30 question that are part of the normal and regular conduct of the  
 31 employee's office or agency.

32 (c) The staff and employees of a school corporation may not  
 33 personally identify a student as the child of a parent or guardian  
 34 who supports or opposes a controlled project subject to a local  
 35 public question held under section 3.6 of this chapter.

36 (d) A person or an organization that has a contract or  
 37 arrangement (whether formal or informal) with a school  
 38 corporation for the use of any of the school corporation's facilities  
 39 may not spend any money to promote a position on a local public  
 40 question. A person or an organization that violates this subsection  
 41 commits a Class A infraction.

42 (e) An attorney, an architect, a registered professional engineer,  
 43 a construction manager, or a financial adviser for professional  
 44 services provided with respect to a controlled project may not  
 45 spend any money to promote a position on a local public question.  
 46 A person who violates this subsection:

47 (1) commits a Class A infraction; and

48 (2) is barred from performing any services with respect to the  
 49 controlled project.

50 SECTION 201. IC 6-1.1-20.3-1, AS ADDED BY P.L.224-2007,  
 51 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: Sec. 1. As used in this chapter, "~~circuit breaker~~  
2 "board" refers to the ~~circuit breaker relief~~ **distressed unit** appeal board  
3 established by section 4 of this chapter.

4 SECTION 202. IC 6-1.1-20.3-2, AS ADDED BY P.L.224-2007,  
5 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 UPON PASSAGE]: Sec. 2. As used in this chapter, "distressed political  
7 subdivision" means a political subdivision that ~~will~~ **expects to** have the  
8 political subdivision's property tax collections reduced by at least ~~two~~  
9 **five percent (2%) (5%)** in a calendar year as a result of the application  
10 of the credit under IC 6-1.1-20.6 for that calendar year.

11 SECTION 203. IC 6-1.1-20.3-4, AS ADDED BY P.L.224-2007,  
12 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 UPON PASSAGE]: Sec. 4. (a) The ~~circuit breaker relief~~ **distressed**  
14 **unit** appeal board is established.

15 (b) The ~~circuit breaker relief~~ **distressed unit** appeal board consists  
16 of the following members:

17 (1) The director of the office of management and budget or the  
18 director's designee. The director or the director's designee shall  
19 serve as chairperson of the ~~circuit breaker relief~~ **distressed unit**  
20 appeal board.

21 (2) The commissioner of the department of local government  
22 finance or the commissioner's designee.

23 (3) The commissioner of the department of state revenue or the  
24 commissioner's designee.

25 (4) The state examiner of the state board of accounts or the state  
26 examiner's designee.

27 (5) The following members appointed by the governor:

28 (A) One (1) member appointed from nominees submitted by  
29 the Indiana Association of Cities and Towns.

30 (B) One (1) member appointed from nominees submitted by  
31 the Association of Indiana Counties.

32 (C) One (1) member appointed from nominees submitted by  
33 the Indiana Association of School Superintendents.

34 A member nominated and appointed under this subdivision must  
35 be an elected official of a political subdivision.

36 **(6) One (1) member appointed by the governor (in addition to**  
37 **members appointed under subdivision (5)).**

38 **(7) One (1) member appointed by the speaker of the house of**  
39 **representatives. A member appointed under this subdivision**  
40 **serves a term of four (4) years.**

41 (c) The members appointed under subsection (b)(5) **and subsection**  
42 **(b)(6)** serve at the pleasure of the governor.

43 (d) Each member of the commission is entitled to reimbursement  
44 for:

45 (1) traveling expenses as provided under IC 4-13-1-4; and

46 (2) other expenses actually incurred in connection with the  
47 member's duties as provided in the state policies and procedures  
48 established by the Indiana department of administration and  
49 approved by the budget agency.

50 SECTION 204. IC 6-1.1-20.3-5, AS ADDED BY P.L.224-2007,  
51 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: Sec. 5. (a) The department of local government  
2 finance shall provide the ~~circuit breaker~~ board with the staff and  
3 assistance that the ~~circuit breaker~~ board reasonably requires.

4 (b) The department of local government finance shall provide from  
5 the department's budget funding to support the ~~circuit breaker~~ board's  
6 duties under this chapter.

7 (c) The ~~circuit breaker~~ board may contract with accountants,  
8 financial experts, and other advisors and consultants as necessary to  
9 carry out the ~~circuit breaker~~ board's duties under this chapter.

10 SECTION 205. IC 6-1.1-20.3-6, AS ADDED BY P.L.224-2007,  
11 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 UPON PASSAGE]: Sec. 6. (a) For property taxes first due and payable  
13 in 2008 and thereafter, the fiscal body of a ~~county containing a~~  
14 ~~distressed political subdivision (or the fiscal bodies of two (2) or more~~  
15 ~~distressed political subdivisions acting jointly)~~ may petition the ~~circuit~~  
16 ~~breaker~~ board for relief as authorized under this chapter from the  
17 application of the credit under IC 6-1.1-20.6 for a calendar year.

18 (b) A petition under subsection (a) must include a proposed  
19 financial plan for **the distressed political subdivisions in the county:**  
20 **subdivision.** The proposed financial plan must include the following:

21 (1) Proposed budgets that would enable the distressed political  
22 ~~subdivisions in the county subdivision~~ to cease being a distressed  
23 political ~~subdivisions:~~ **subdivision.**

24 (2) Proposed efficiencies, consolidations, cost reductions, uses of  
25 alternative or additional revenues, or other actions that would  
26 enable the distressed political ~~subdivisions in the county~~  
27 **subdivision** to cease being a distressed political ~~subdivisions:~~  
28 **subdivision.**

29 (3) **Proposed increases, if any, in the percentage thresholds**  
30 **(specified as a percentage of gross assessed value) at which the**  
31 **credit under IC 6-1.1-20.6 will apply, including any varying**  
32 **percentages for different classes of property.**

33 (4) **Proposed reductions, if any, to the credits under**  
34 **IC 6-1.1-20.6 (by percentages), including any varying**  
35 **percentage reductions for different classes of property.**

36 (c) The ~~circuit breaker~~ board may adopt procedures governing the  
37 timing and required content of a petition under subsection (a).

38 SECTION 206. IC 6-1.1-20.3-7, AS ADDED BY P.L.224-2007,  
39 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 UPON PASSAGE]: Sec. 7. (a) If the fiscal body of a ~~county (or the~~  
41 ~~fiscal bodies of two (2) or more~~ distressed political ~~subdivisions acting~~  
42 ~~jointly)~~ **subdivision** submits a petition under section 6 of this chapter,  
43 the ~~circuit breaker~~ board shall review the petition and assist in  
44 establishing a financial plan for **the distressed political subdivisions**  
45 **in the county: subdivision.**

46 (b) In reviewing a petition submitted under section 6 of this chapter,  
47 the ~~circuit breaker~~ board:

48 (1) shall consider:

49 (A) the proposed financial plan;

50 (B) comparisons to similarly situated political subdivisions;

51 (C) the existing revenue and expenditures of political



- 1 subdivisions in the county; and  
 2 (D) any other factor considered relevant by the ~~circuit breaker~~  
 3 board; ~~and~~  
 4 (2) may establish subcommittees or temporarily appoint  
 5 nonvoting members to the ~~circuit breaker~~ board to assist in the  
 6 review.

7 SECTION 207. IC 6-1.1-20.3-8, AS ADDED BY P.L.224-2007,  
 8 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 UPON PASSAGE]: Sec. 8. (a) The ~~circuit breaker~~ board may authorize  
 10 relief as provided in subsection (b) from the application of the credit  
 11 under IC 6-1.1-20.6 for a calendar year if the governing body of each  
 12 political subdivision in the county **that is affected by the financial**  
 13 **plan** has adopted a resolution agreeing to the terms of the financial  
 14 plan.

15 (b) If the conditions of subsection (a) are satisfied, the ~~circuit~~  
 16 ~~breaker~~ board may, notwithstanding IC 6-1.1-20.6, do ~~either any~~ of the  
 17 following:

18 (1) Increase ~~uniformly in the county~~ the percentage ~~threshold~~  
 19 **thresholds** (specified as a percentage of gross assessed value) at  
 20 which the credit under IC 6-1.1-20.6 applies to a person's property  
 21 tax liability **in the political subdivision.**

22 (2) Provide for a ~~uniform~~ percentage ~~reduction~~ **reductions** to  
 23 credits otherwise provided under IC 6-1.1-20.6 in the ~~county~~  
 24 **political subdivision.**

25 (3) **Provide that some or all of the property taxes that:**  
 26 (A) **are being imposed to pay bonds, leases, or other debt**  
 27 **obligations; and**  
 28 (B) **would otherwise be included in the calculation of the**  
 29 **credit under IC 6-1.1-20.6 in the political subdivision;**  
 30 **shall not be included for purposes of calculating a person's**  
 31 **credit under IC 6-1.1-20.6.**

32 (c) If the ~~circuit breaker~~ board provides relief described in  
 33 subsection (b), ~~in a county~~, the ~~circuit breaker~~ board shall conduct  
 34 audits and reviews as necessary to determine whether the **affected**  
 35 ~~political subdivisions in the county~~ **subdivision** is abiding by the  
 36 terms of the financial plan agreed to under subsection (a).

37 SECTION 208. IC 6-1.1-20.3-9 IS ADDED TO THE INDIANA  
 38 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 39 [EFFECTIVE UPON PASSAGE]: **Sec. 9. The board shall keep a**  
 40 **record of its proceedings and its orders.**

41 SECTION 209. IC 6-1.1-20.3-10 IS ADDED TO THE INDIANA  
 42 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 43 [EFFECTIVE UPON PASSAGE]: **Sec. 10. A distressed political**  
 44 **subdivision may petition the tax court for judicial review of a final**  
 45 **determination of the board. The action must be taken to the tax**  
 46 **court under IC 6-1.1-15 in the same manner that an action is taken**  
 47 **to appeal a final determination of the Indiana board of tax review.**  
 48 **The petition must be filed in the tax court not more than forty-five**  
 49 **(45) days after the board enters its final determination.**

50 SECTION 210. IC 6-1.1-20.3-11 IS ADDED TO THE INDIANA  
 51 CODE AS A **NEW SECTION** TO READ AS FOLLOWS

1 [EFFECTIVE UPON PASSAGE]: **Sec. 11. The tax court shall adopt**  
 2 **rules and procedures under which proceedings are heard and**  
 3 **decided.**

4 SECTION 211. IC 6-1.1-20.3-12 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS: **Sec. 12. (a)**  
 6 **The burden of demonstrating the invalidity of an action taken by**  
 7 **the board is on the party to the judicial review proceeding**  
 8 **asserting the invalidity.**

9 **(b) The validity of an action taken by the distressed unit appeal**  
 10 **board shall be determined in accordance with the standards of**  
 11 **review provided in this section as applied to the agency action at**  
 12 **the time it was taken.**

13 **(c) The tax court shall make findings of fact on each material**  
 14 **issue on which the court's decision is based.**

15 **(d) The tax court shall grant relief under IC 33-26-6-7 only if the**  
 16 **tax court determines that a person seeking judicial relief has been**  
 17 **prejudiced by an action of the board that is:**

18 **(1) arbitrary, capricious, an abuse of discretion, or otherwise**  
 19 **not in accordance with law;**

20 **(2) contrary to constitutional right, power, privilege, or**  
 21 **immunity;**

22 **(3) in excess of statutory jurisdiction, authority, or limitations,**  
 23 **or short of statutory jurisdiction, authority, or limitations;**

24 **(4) without observance of procedure required by law; or**

25 **(5) unsupported by substantial or reliable evidence.**

26 SECTION 212. IC 6-1.1-20.4-4, AS ADDED BY P.L.246-2005,  
 27 SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JANUARY 1, 2009]: **Sec. 4. (a)** A political subdivision may adopt an  
 29 ordinance or resolution each year to provide for the use of revenue for  
 30 the purpose of providing a homestead credit the following year to  
 31 homesteads. An ordinance must be adopted under this section before  
 32 December 31 for credits to be provided in the following year. The  
 33 ordinance applies only to the immediately following year.

34 **(b)** A homestead credit under this chapter is to be applied to the net  
 35 property tax liability due on the homestead.

36 **(c)** A homestead credit under this chapter does not reduce the basis  
 37 for determining the state property tax replacement credit under  
 38 ~~IC 6-1.1-21~~ or the state homestead credit under ~~IC 6-1.1-20.9~~.

39 SECTION 213. IC 6-1.1-20.6-0.5 IS ADDED TO THE INDIANA  
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 41 [EFFECTIVE JANUARY 1, 2009]: **Sec. 0.5. As used in this chapter,**  
 42 **"agricultural land" refers to land assessed as agricultural land**  
 43 **under the real property assessment rules and guidelines of the**  
 44 **department of local government finance.**

45 SECTION 214. IC 6-1.1-20.6-1.6 IS ADDED TO THE INDIANA  
 46 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 47 [EFFECTIVE JANUARY 1, 2009]: **Sec. 1.6. As used in this chapter,**  
 48 **"gross assessed value" refers to the assessed value of property**  
 49 **after the application of all exemptions under IC 6-1.1-10 or any**  
 50 **other provision.**

51 SECTION 215. IC 6-1.1-20.6-2, AS ADDED BY P.L.246-2005,

1 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JANUARY 1, 2009]: Sec. 2. (a) As used in this chapter, "homestead"  
3 has the meaning set forth in ~~IC 6-1.1-20.9-1~~. **IC 6-1.1-12-37.**

4 **(b) The term includes a house or apartment that is owned or**  
5 **leased by a cooperative housing corporation (as defined in 26**  
6 **U.S.C. 216(b)).**

7 SECTION 216. IC 6-1.1-20.6-2.3 IS ADDED TO THE INDIANA  
8 CODE AS A NEW SECTION TO READ AS FOLLOWS  
9 [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.3. As used in this chapter,**  
10 **"long term care property" means property that:**

11 **(1) is used for the long term care of an impaired individual;**  
12 **and**

13 **(2) is one (1) of the following:**

14 **(A) A health facility licensed under IC 16-28.**

15 **(B) A housing with services establishment (as defined in**  
16 **IC 12-10-15-3) that is allowed to use the term "assisted**  
17 **living" to describe the housing with services**  
18 **establishment's services and operations to the public.**

19 **(C) An independent living home that, under contractual**  
20 **agreement, serves not more than eight (8) individuals who:**

21 **(i) have a mental illness or developmental disability;**

22 **(ii) require regular but limited supervision; and**

23 **(iii) reside independently of their families.**

24 SECTION 217. IC 6-1.1-20.6-2.4 IS ADDED TO THE INDIANA  
25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
26 [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.4. As used in this chapter:**

27 **(1) "manufactured home" has the meaning set forth in**  
28 **IC 22-12-1-16; and**

29 **(2) "mobile home" has the meaning set forth in IC 16-41-27-4.**

30 SECTION 218. IC 6-1.1-20.6-2.5 IS ADDED TO THE INDIANA  
31 CODE AS A NEW SECTION TO READ AS FOLLOWS  
32 [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.5. (a) As used in this**  
33 **chapter, "nonresidential real property" refers to either of the**  
34 **following:**

35 **(1) Real property that:**

36 **(A) is not:**

37 **(i) a homestead; or**

38 **(ii) residential property; and**

39 **(B) consists of:**

40 **(i) a building or other land improvement; and**

41 **(ii) the land, not exceeding the area of the building**  
42 **footprint or improvement footprint, on which the**  
43 **building or improvement is located.**

44 **(2) Undeveloped land in the amount of the remainder of:**

45 **(A) the area of a parcel; minus**

46 **(B) the area of the parcel that is part of:**

47 **(i) a homestead; or**

48 **(ii) residential property.**

49 **(b) The term does not include agricultural land.**

50 SECTION 219. IC 6-1.1-20.6-3, AS ADDED BY P.L.246-2005,  
51 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: Sec. 3. As used in this chapter, "property tax  
2 liability" means, **for purposes of:**

- 3 **(1) this chapter, other than section 8.5 of this chapter,** liability  
4 for the tax imposed on property under this article determined after  
5 application of all credits and deductions under this article **or**  
6 **IC 6-3.5,** except the credit under this chapter, but does not  
7 include any interest or penalty imposed under this article; **and**  
8 **(2) section 8.5 of this chapter, liability for the tax imposed on**  
9 **property under this article determined after application of all**  
10 **credits and deductions under this article or IC 6-3.5, including**  
11 **the credit granted by section 7 or 7.5 of this chapter, but not**  
12 **including the credit granted under section 8.5 of this chapter**  
13 **or any interest or penalty imposed under this article.**

14 SECTION 220. IC 6-1.1-20.6-3.5 IS ADDED TO THE INDIANA  
15 CODE AS A NEW SECTION TO READ AS FOLLOWS  
16 [EFFECTIVE UPON PASSAGE]: **Sec. 3.5. As used in this chapter,**  
17 **"qualified homestead property" means a homestead that satisfies**  
18 **the following requirements:**

19 **(1) The individual who:**

20 **(A) owns the homestead;**

21 **(B) is purchasing the homestead under a contract,**  
22 **recorded in the county recorder's office, that provides that**  
23 **the individual is to pay the property taxes on the residence;**  
24 **or**

25 **(C) has a beneficial interest in the owner of the homestead;**  
26 **is or will be at least sixty-five (65) years of age on or before**  
27 **December 31 of the calendar year immediately preceding the**  
28 **calendar year in which property taxes are first due and**  
29 **payable.**

30 **(2) The:**

31 **(A) adjusted gross income (as defined in Section 62 of the**  
32 **Internal Revenue Code) of the individual claiming the**  
33 **credit for a homestead; or**

34 **(B) combined adjusted gross income (as defined in Section**  
35 **62 of the Internal Revenue Code) of the individual and the**  
36 **individual's spouse;**

37 **does not exceed the amount determined under section 8.5 of**  
38 **this chapter for the calendar year preceding the calendar year**  
39 **in which property taxes are first due and payable by two (2).**  
40 **(3) The gross assessed value of the homestead on the**  
41 **assessment date for which property taxes are imposed is less**  
42 **than one hundred sixty thousand dollars (\$160,000).**

43 SECTION 221. IC 6-1.1-20.6-4, AS AMENDED BY P.L.162-2006,  
44 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
45 JANUARY 1, 2009]: Sec. 4. As used in this chapter, "~~qualified~~  
46 "~~residential property~~" refers to any of the following that a county fiscal  
47 body specifically makes eligible for a credit under this chapter in an  
48 ordinance adopted under section 6 of this chapter and to all the  
49 following for purposes of section 6.5 of this chapter:

50 ~~(1) An apartment complex.~~

51 ~~(2) A homestead.~~

- 1           (3) Residential rental property:  
 2 **real property that consists of any of the following:**  
 3           (1) **A single family dwelling that is not part of a homestead**  
 4           **and the land, not exceeding one (1) acre, on which the**  
 5           **dwelling is located.**  
 6           (2) **Real property that consists of:**  
 7                (A) **a building that includes two (2) or more dwelling units;**  
 8                (B) **any common areas shared by the dwelling units; and**  
 9                (C) **the land, not exceeding the area of the building**  
 10              **footprint, on which the building is located.**  
 11           (3) **Land rented or leased for the placement of a**  
 12              **manufactured home or mobile home.**

13           SECTION 222. IC 6-1.1-20.6-7, AS AMENDED BY P.L.224-2007,  
 14           SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15           JANUARY 1, 2008 (RETROACTIVE)]: Sec. 7. (a) **This subsection**  
 16           **expires January 1, 2009.** In the case of a credit authorized under  
 17           section 6 of this chapter or provided by section 6.5(a) or 6.5(b) of this  
 18           chapter for property taxes first due and payable in a calendar year:

19               (1) a person is entitled to a credit against the person's property tax  
 20               liability for property taxes first due and payable in that calendar  
 21               year attributable to

22                   (A) the person's qualified residential property located in the  
 23                   county, in the case of a calendar year before 2008; or

24                   (B) the person's homestead. (as defined in IC 6-1.1-20.9-1)  
 25                   property located in the county, in the case of a calendar year  
 26                   after 2007 and before ~~2010~~; **2009**; and

27               (2) the amount of the credit is the amount by which the person's  
 28               property tax liability attributable to

29                   (A) the person's qualified residential property, in the case of a  
 30                   calendar year before 2008; or

31                   (B) the person's homestead property, in the case of a calendar  
 32                   year after 2007 and before ~~2010~~; **2009**;

33           for property taxes first due and payable in that calendar year exceeds  
 34           two percent (2%) of the gross assessed value that is the basis for  
 35           determination of property taxes on the qualified residential property (in  
 36           the case of a calendar year before 2008) or the person's homestead  
 37           property (in the case of a calendar year after 2007 and before ~~2010~~)  
 38           **2009**) for property taxes first due and payable in that calendar year, as  
 39           adjusted under subsection ~~(c)~~: **(b)**.

40           **(b) In the case of a credit provided by section 6.5(c) of this chapter**  
 41           **for property taxes first due and payable in a calendar year:**

42               (1) a person is entitled to a credit against the person's property tax  
 43               liability for property taxes first due and payable in that calendar  
 44               year attributable to the person's real property and personal  
 45               property located in the county; and

46               (2) the amount of the credit is equal to the following:

47                   (A) **In the case of property tax liability attributable to the**  
 48                   **person's homestead property, the amount of the credit is the**  
 49                   **amount by which the person's property tax liability attributable**  
 50                   **to the person's homestead property for property taxes first due**  
 51                   **and payable in that calendar year exceeds two percent (2%) of**

1 the gross assessed value that is the basis for determination of  
 2 property taxes on the homestead property for property taxes  
 3 first due and payable in that calendar year; as adjusted under  
 4 subsection (c):

5 (B) In the case of property tax liability attributable to property  
 6 other than homestead property; the amount of the credit is the  
 7 amount by which the person's property tax liability attributable  
 8 to the person's real property (other than homestead property)  
 9 and personal property for property taxes first due and payable  
 10 in that calendar year exceeds three percent (3%) of the gross  
 11 assessed value that is the basis for determination of property  
 12 taxes on the real property (other than homestead property) and  
 13 personal property for property taxes first due and payable in  
 14 that calendar year; as adjusted under subsection (c):

15 ~~(c)~~ **(b) This subsection expires January 1, 2009.** This subsection  
 16 applies to property taxes first due and payable after ~~December 31,~~  
 17 ~~2007,~~ **in 2008.** The amount of a credit to which a person is entitled  
 18 under subsection (a) ~~or (b)~~ in a county shall be ~~adjusted~~ as determined  
 19 in STEP FIVE of the following STEPS:

20 STEP ONE: Determine the total amount of the person's property  
 21 tax liability described in subsection (a)(1) or (b)(1) (as applicable)  
 22 that is for tuition support levy property taxes:

23 STEP TWO: Determine the total amount of the person's property  
 24 tax liability described in subsection (a)(1) or (b)(1) (as  
 25 applicable):

26 STEP THREE: Determine the result of:

- 27 (A) the STEP TWO amount; minus
- 28 (B) the STEP ONE amount:

29 STEP FOUR: Determine the result of:

- 30 (A) the STEP THREE amount; divided by
- 31 (B) the STEP TWO amount:

32 STEP FIVE: Multiply the credit to which the person is entitled  
 33 under subsection (a) or (b) by the STEP FOUR amount: **without**  
 34 **including a taxpayer's property tax liability for tuition**  
 35 **support.**

36 Notwithstanding any other provision of this chapter, a school  
 37 corporation's tuition support property tax levy collections may not be  
 38 reduced because of a credit under this chapter.

39 **(c) This subsection applies to property taxes first due and**  
 40 **payable in 2009. A person is entitled to a credit against the person's**  
 41 **property tax liability for property taxes first due and payable in**  
 42 **2009. The amount of the credit is the amount by which the person's**  
 43 **property tax liability attributable to the person's:**

- 44 (1) homestead exceeds one and five-tenths percent (1.5%);
- 45 (2) residential property exceeds two and five-tenths percent
- 46 (2.5%);
- 47 (3) long term care property exceeds two and five-tenths
- 48 percent (2.5%);
- 49 (4) agricultural land exceeds two and five-tenths percent
- 50 (2.5%);
- 51 (5) nonresidential real property exceeds three and five-tenths

1           **percent (3.5%); or**

2           **(6) personal property exceeds three and five-tenths percent**  
 3           **(3.5%);**

4           **of the gross assessed value of the property that is the basis for**  
 5           **determination of property taxes for that calendar year.**

6           **(d) This subsection applies to property taxes first due and**  
 7           **payable in 2009. Property taxes imposed after being approved by**  
 8           **the voters in a referendum or local public question shall not be**  
 9           **considered for purposes of calculating a person's credit under this**  
 10           **section.**

11           **(e) This subsection applies to property taxes first due and**  
 12           **payable in 2009. As used in this subsection, "eligible county"**  
 13           **means only a county for which the general assembly determines in**  
 14           **2008 that limits to property tax liability under this chapter are**  
 15           **expected to reduce in 2010 the aggregate property tax revenue that**  
 16           **would otherwise be collected by all units of local government and**  
 17           **school corporations in the county by at least twenty percent (20%).**  
 18           **Property taxes imposed in an eligible county to pay debt service or**  
 19           **make lease payments for bonds or leases issued or entered into**  
 20           **before July 1, 2008, shall not be considered for purposes of**  
 21           **calculating a person's credit under this section.**

22           SECTION 223. IC 6-1.1-20.6-7.5 IS ADDED TO THE INDIANA  
 23           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 24           [EFFECTIVE JANUARY 1, 2009]: **Sec. 7.5. (a) A person is entitled**  
 25           **to a credit against the person's property tax liability for property**  
 26           **taxes first due and payable after 2009. The amount of the credit is**  
 27           **the amount by which the person's property tax liability**  
 28           **attributable to the person's:**

29           **(1) homestead exceeds one percent (1%);**

30           **(2) residential property exceeds two percent (2%);**

31           **(3) long term care property exceeds two percent (2%);**

32           **(4) agricultural land exceeds two percent (2%);**

33           **(5) nonresidential real property exceeds three percent (3%);**

34           **or**

35           **(6) personal property exceeds three percent (3%);**

36           **of the gross assessed value of the property that is the basis for**  
 37           **determination of property taxes for that calendar year.**

38           **(b) This subsection applies to property taxes first due and**  
 39           **payable after 2009. Property taxes imposed after being approved**  
 40           **by the voters in a referendum or local public question shall not be**  
 41           **considered for purposes of calculating a person's credit under this**  
 42           **section.**

43           **(c) This subsection applies to property taxes first due and**  
 44           **payable after 2009. As used in this subsection, "eligible county"**  
 45           **means only a county for which the general assembly determines in**  
 46           **2008 that limits to property tax liability under this chapter are**  
 47           **expected to reduce in 2010 the aggregate property tax revenue that**  
 48           **would otherwise be collected by all units of local government and**  
 49           **school corporations in the county by at least twenty percent (20%).**  
 50           **Property taxes imposed in an eligible county to pay debt service or**  
 51           **make lease payments for bonds or leases issued or entered into**

1 **before July 1, 2008, shall not be considered for purposes of**  
 2 **calculating a person's credit under this section.**

3 SECTION 224. IC 6-1.1-20.6-8, AS AMENDED BY P.L.162-2006,  
 4 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5 UPON PASSAGE]: Sec. 8. **Except as provided in section 8.5 of this**  
 6 **chapter**, a person is not required to file an application for the credit  
 7 under this chapter. The county auditor shall:

- 8 (1) identify the property in the county eligible for the credit under  
 9 this chapter; and  
 10 (2) apply the credit under this chapter to property tax liability on  
 11 the identified property.

12 SECTION 225. IC 6-1.1-20.6-8.5 IS ADDED TO THE INDIANA  
 13 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 14 [EFFECTIVE UPON PASSAGE]: **Sec. 8.5. (a) This section applies to**  
 15 **property taxes first due and payable for a calendar year after**  
 16 **December 31, 2008. This section applies to an individual who:**

- 17 (1) **qualified for a standard deduction granted under**  
 18 **IC 6-1.1-12-37 for the individual's homestead property in the**  
 19 **immediately preceding calendar year (or was married at the**  
 20 **time of death to a deceased spouse who qualified for a**  
 21 **standard deduction granted under IC 6-1.1-12-37 for the**  
 22 **individual's homestead property in the immediately preceding**  
 23 **calendar year); and**  
 24 (2) **qualifies for a standard deduction granted under**  
 25 **IC 6-1.1-12-37 for the same homestead property in the**  
 26 **current calendar year.**

27 (b) **An individual is entitled to an additional credit under this**  
 28 **section for property taxes first due and payable for a calendar year**  
 29 **on a homestead if the homestead qualifies as qualified homestead**  
 30 **property for the calendar year and the filing requirements under**  
 31 **subsection (e) are met.**

32 (c) **The amount of the credit is equal to the greater of zero (0) or**  
 33 **the result of:**

- 34 (1) **the property tax liability first due and payable on the**  
 35 **qualified homestead property for the calendar year; minus**  
 36 (2) **the result of:**  
 37 (A) **the property tax liability first due and payable on the**  
 38 **qualified homestead property for the immediately**  
 39 **preceding year; multiplied by**  
 40 (B) **one and two hundredths (1.02).**

41 **However, property tax liability imposed on any improvements to**  
 42 **or expansion of the homestead property after the assessment date**  
 43 **for which property tax liability described in subdivision (2) was**  
 44 **imposed shall not be considered in determining the credit granted**  
 45 **under this section in the current calendar year.**

46 (d) **The following adjusted gross income limits apply to an**  
 47 **individual who claims a credit under this section:**

- 48 (1) **In the case of an individual who files a single return, the**  
 49 **adjusted gross income (as defined in Section 62 of the Internal**  
 50 **Revenue Code) of the individual claiming the exemption may**  
 51 **not exceed thirty thousand dollars (\$30,000).**



1           (2) In the case of an individual who files a joint income tax  
2           return with the individual's spouse, the combined adjusted  
3           gross income (as defined in Section 62 of the Internal Revenue  
4           Code) of the individual and the individual's spouse may not  
5           exceed forty thousand dollars (\$40,000).

6           (e) Applications for a credit under this section shall be filed in  
7           the manner provided for an application for a deduction under  
8           IC 6-1.1-12-9. However, an individual who remains eligible for the  
9           credit in the following year is not required to file a statement to  
10          apply for the credit in the following year. An individual who  
11          receives a credit under this section in a particular year and who  
12          becomes ineligible for the credit in the following year shall notify  
13          the auditor of the county in which the homestead is located of the  
14          individual's ineligibility before June 11 of the year in which the  
15          individual becomes ineligible.

16          (f) The auditor of each county shall, in a particular year, apply  
17          a credit provided under this section to each individual who  
18          received the credit in the preceding year unless the auditor  
19          determines that the individual is no longer eligible for the credit.

20          SECTION 226. IC 6-1.1-20.6-10 IS ADDED TO THE INDIANA  
21          CODE AS A NEW SECTION TO READ AS FOLLOWS  
22          [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) As used in this section,  
23          "debt service obligations of a political subdivision" refers to:

24               (1) the principal and interest payable during a calendar year  
25               on bonds; and

26               (2) lease rental payments payable during a calendar year on  
27               leases;

28          of a political subdivision payable from ad valorem property taxes.

29          (b) Political subdivisions are required by law to fully fund the  
30          payment of their debt obligations in an amount sufficient to pay  
31          any debt service or lease rentals on outstanding obligations,  
32          regardless of any reduction in property tax collections due to the  
33          application of tax credits granted under this chapter. Any  
34          reduction in collections must be applied to the other funds of the  
35          political subdivision after debt service or lease rentals have been  
36          fully funded.

37          (c) Upon the failure of a political subdivision to pay any of the  
38          political subdivision's debt service obligations during a calendar  
39          year when due, the treasurer of state, upon being notified of the  
40          failure by a claimant, shall pay the unpaid debt service obligations  
41          that are due from money in the possession of the state that would  
42          otherwise be available for distribution to the political subdivision  
43          under any other law, deducting the payment from the amount  
44          distributed. A deduction under this subsection must be made:

45               (1) first from distributions of county adjusted gross income  
46               tax distributions under IC 6-3.5-1.1, county option income tax  
47               distributions under IC 6-3.5-6, or county economic  
48               development income tax distributions under IC 6-3.5-7 that  
49               would otherwise be distributed to the county under the  
50               schedule in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-16,  
51               IC 6-3.5-6-17.3, IC 6-3.5-7-17, and IC 6-3.5-7-17.3; and

1           **(2) second from any other undistributed funds of the political**  
 2           **subdivision in the possession of the state.**

3           **(d) This section shall be interpreted liberally so that the state**  
 4           **shall to the extent legally valid ensure that the debt service**  
 5           **obligations of each political subdivision are paid when due.**  
 6           **However, this section does not create a debt of the state.**

7           SECTION 227. IC 6-1.1-20.6-11 IS ADDED TO THE INDIANA  
 8           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 9           [EFFECTIVE JULY 1, 2008]: **Sec. 11. The county auditor of each**  
 10          **county shall certify to the department of local government finance:**

11          **(1) the total amount of credits that are allowed under this**  
 12          **chapter in the county for the calendar year; and**

13          **(2) the amount that each taxing unit's distribution of property**  
 14          **taxes will be reduced under section 9.5 of this chapter as a**  
 15          **result of the granting of the credits.**

16          **If the amount of credits granted changes after the date the**  
 17          **certification is made, the county auditor shall submit an amended**  
 18          **certification to the department of local government finance. The**  
 19          **initial certification and the amended certifications shall be**  
 20          **submitted to the department of local government finance on the**  
 21          **schedule prescribed by the department of local government**  
 22          **finance.**

23          SECTION 228. IC 6-1.1-20.6-12 IS ADDED TO THE INDIANA  
 24          CODE AS A NEW SECTION TO READ AS FOLLOWS  
 25          [EFFECTIVE JULY 1, 2008]: **Sec. 12. For purposes of computing**  
 26          **and distributing after 2008 any excise taxes or local option income**  
 27          **taxes for which the distribution is based on the amount of a taxing**  
 28          **unit's property tax levy, the computation and distribution of the**  
 29          **excise tax or local option income tax shall be based on the taxing**  
 30          **unit's property tax levy as calculated before any reduction due to**  
 31          **credits provided to taxpayers under this chapter.**

32          SECTION 229. IC 6-1.1-20.9-1 IS AMENDED TO READ AS  
 33          FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1. As used in this**  
 34          **chapter:**

35          **(1) "Dwelling" means any of the following:**

36                  **(A) Residential real property improvements which an**  
 37                  **individual uses as his residence, including a house or garage.**

38                  **(B) A mobile home that is not assessed as real property that an**  
 39                  **individual uses as the individual's residence.**

40                  **(C) A manufactured home that is not assessed as real property**  
 41                  **that an individual uses as the individual's residence.**

42          **(2) "Homestead" means an individual's principal place of**  
 43          **residence which:**

44                  **(A) is located in Indiana;**

45                  **(B) the individual: ~~either~~**

46                          **(i) owns; ~~or~~**

47                          **(ii) is buying under a contract, recorded in the county**  
 48                          **recorder's office, that provides that ~~he~~ the individual is to**  
 49                          **pay the property taxes on the residence; ~~or~~**

50                          **(iii) is entitled to occupy as a tenant-stockholder (as**  
 51                          **defined in 26 U.S.C. 216) of a cooperative housing**

1                   **corporation (as defined in 26 U.S.C. 216); and**  
 2                   (C) consists of a dwelling and the real estate, not exceeding  
 3                   one (1) acre, that immediately surrounds that dwelling.

4                   SECTION 230. IC 6-1.1-21-4, AS AMENDED BY HEA  
 5                   1137-2008, SECTION 50, IS AMENDED TO READ AS FOLLOWS  
 6                   [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) Each year the department  
 7                   shall allocate from the property tax replacement fund an amount equal  
 8                   to the sum of:

9                   (1) each county's total eligible property tax replacement amount  
 10                  for that year; plus

11                  (2) the total amount of homestead tax credits that are provided  
 12                  under IC 6-1.1-20.9 and allowed by each county for that year;  
 13                  plus

14                  (3) an amount for each county that has one (1) or more taxing  
 15                  districts that contain all or part of an economic development  
 16                  district that meets the requirements of section 5.5 of this chapter.  
 17                  This amount is the sum of the amounts determined under the  
 18                  following STEPS for all taxing districts in the county that contain  
 19                  all or part of an economic development district:

20                  STEP ONE: Determine that part of the sum of the amounts  
 21                  under section 2(g)(1)(A) and 2(g)(2) of this chapter that is  
 22                  attributable to the taxing district.

23                  STEP TWO: Divide:

24                  (A) that part of the subdivision (1) amount that is  
 25                  attributable to the taxing district; by

26                  (B) the STEP ONE sum.

27                  STEP THREE: Multiply:

28                  (A) the STEP TWO quotient; times

29                  (B) the taxes levied in the taxing district that are allocated to  
 30                  a special fund under IC 6-1.1-39-5.

31                  (b) Except as provided in subsection (e), between March 1 and  
 32                  August 31 of each year, the department shall distribute to each county  
 33                  treasurer from the property tax replacement fund one-half (1/2) of the  
 34                  estimated distribution for that year for the county. Between September  
 35                  1 and December 15 of that year, the department shall distribute to each  
 36                  county treasurer from the property tax replacement fund the remaining  
 37                  one-half (1/2) of each estimated distribution for that year. The amount  
 38                  of the distribution for each of these periods shall be according to a  
 39                  schedule determined by the property tax replacement fund board under  
 40                  section 10 of this chapter. The estimated distribution for each county  
 41                  may be adjusted from time to time by the department to reflect any  
 42                  changes in the total county tax levy upon which the estimated  
 43                  distribution is based.

44                  (c) On or before December 31 of each year or as soon thereafter as  
 45                  possible, the department shall make a final determination of the amount  
 46                  which should be distributed from the property tax replacement fund to  
 47                  each county for that calendar year. This determination shall be known  
 48                  as the final determination of distribution. The department shall  
 49                  distribute to the county treasurer or, except as provided in section 9 of  
 50                  this chapter, receive back from the county treasurer any deficit or  
 51                  excess, as the case may be, between the sum of the distributions made

1 for that calendar year based on the estimated distribution and the final  
 2 determination of distribution. The final determination of distribution  
 3 shall be based on the auditor's abstract filed with the auditor of state,  
 4 adjusted for postabstract adjustments included in the December  
 5 settlement sheet for the year, and such additional information as the  
 6 department may require.

7 (d) All distributions provided for in this section shall be made on  
 8 warrants issued by the auditor of state drawn on the treasurer of state.  
 9 If the amounts allocated by the department from the property tax  
 10 replacement fund exceed in the aggregate the balance of money in the  
 11 fund, then the amount of the deficiency shall be transferred from the  
 12 state general fund to the property tax replacement fund, and the auditor  
 13 of state shall issue a warrant to the treasurer of state ordering the  
 14 payment of that amount. However, any amount transferred under this  
 15 section from the general fund to the property tax replacement fund  
 16 shall, as soon as funds are available in the property tax replacement  
 17 fund, be retransferred from the property tax replacement fund to the  
 18 state general fund, and the auditor of state shall issue a warrant to the  
 19 treasurer of state ordering the replacement of that amount.

20 (e) Except as provided in subsection (g) and subject to subsection  
 21 (h), the department shall not distribute under subsection (b) and section  
 22 10 of this chapter a percentage, determined by the department, of the  
 23 money that would otherwise be distributed to the county under  
 24 subsection (b) and section 10 of this chapter if:

25 (1) by the date the distribution is scheduled to be made, the  
 26 county auditor has not sent a certified statement required to be  
 27 sent by that date under IC 6-1.1-17-1 to the department of local  
 28 government finance;

29 (2) by the deadline under IC 36-2-9-20, the county auditor has not  
 30 transmitted data as required under that section;

31 (3) the county assessor has not forwarded to the department of  
 32 local government finance the duplicate copies of all approved  
 33 exemption applications required to be forwarded by that date  
 34 under IC 6-1.1-11-8(a);

35 (4) the county ~~assessor~~ **auditor** has not forwarded to the  
 36 department of local government finance in a timely manner sales  
 37 disclosure form data under IC 6-1.1-5.5-3(c);

38 (5) local assessing officials have not provided information to the  
 39 department of local government finance in a timely manner under  
 40 IC 4-10-13-5(b);

41 (6) the county auditor has not paid a bill for services under  
 42 IC 6-1.1-4-31.5 to the department of local government finance in  
 43 a timely manner;

44 (7) the ~~elected~~ township assessors in the county (**if any**), the  
 45 ~~elected~~ township assessors (**if any**) and the county assessor, or the  
 46 county assessor has not transmitted to the department of local  
 47 government finance by October 1 of the year in which the  
 48 distribution is scheduled to be made the data for all townships in  
 49 the county required to be transmitted under IC 6-1.1-4-25(b);

50 (8) the county has not established a parcel index numbering  
 51 system under 50 IAC 12-15-1 in a timely manner; or

1 (9) a township or county official has not provided other  
 2 information to the department of local government finance in a  
 3 timely manner as required by the department.

4 (f) Except as provided in subsection (i), money not distributed for  
 5 the reasons stated in subsection (e) shall be distributed to the county  
 6 when the department of local government finance determines that the  
 7 failure to:

8 (1) provide information; or

9 (2) pay a bill for services;

10 has been corrected.

11 (g) The restrictions on distributions under subsection (e) do not  
 12 apply if the department of local government finance determines that the  
 13 failure to:

14 (1) provide information; or

15 (2) pay a bill for services;

16 in a timely manner is justified by unusual circumstances.

17 (h) The department shall give the county auditor at least thirty (30)  
 18 days notice in writing before withholding a distribution under  
 19 subsection (e).

20 (i) Money not distributed for the reason stated in subsection (e)(6)  
 21 may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money  
 22 deposited under this subsection is not subject to distribution under  
 23 subsection (f).

24 SECTION 231. IC 6-1.1-21.2-3 IS AMENDED TO READ AS  
 25 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. As used in this  
 26 chapter, "allocation area" refers to an area that is established under the  
 27 authority of any of the following statutes and in which tax increment  
 28 revenues are collected:

29 **(1) IC 6-1.1-39.**

30 ~~(2)~~ IC 8-22-3.5.

31 ~~(3)~~ IC 36-7-14.

32 ~~(4)~~ IC 36-7-14.5.

33 ~~(5)~~ IC 36-7-15.1.

34 ~~(6)~~ IC 36-7-30.

35 **(7) IC 36-7-30.5.**

36 SECTION 232. IC 6-1.1-21.2-4 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. As used in this  
 38 chapter, "base assessed value" means the base assessed value as that  
 39 term is defined or used in:

40 **(1) IC 6-1.1-39-5(h);**

41 ~~(2)~~ IC 8-22-3.5-9(a);

42 **(3) IC 8-22-3.5-9.5;**

43 ~~(4)~~ IC 36-7-14-39(a);

44 **(5) IC 36-7-14-39.2;**

45 ~~(6)~~ IC 36-7-14-39.3(c);

46 **(7) IC 36-7-14-48;**

47 ~~(8)~~ IC 36-7-14.5-12.5;

48 ~~(9)~~ IC 36-7-15.1-26(a);

49 ~~(10)~~ IC 36-7-15.1-26.2(c);

50 ~~(11)~~ IC 36-7-15.1-35(a);

51 **(12) IC 36-7-15.1-35.5;**

- 1           ~~(8)~~ **(13)** IC 36-7-15.1-53;  
 2           ~~(9)~~ **(14)** IC 36-7-15.1-55(c);  
 3           ~~(10)~~ **(15)** IC 36-7-30-25(a)(2); ~~or~~  
 4           ~~(11)~~ **(16)** IC 36-7-30-26(c);  
 5           **(17) IC 36-7-30.5-30; or**  
 6           **(18) IC 36-7-30.5-31.**

7           SECTION 233. IC 6-1.1-21.2-5 IS AMENDED TO READ AS  
 8           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. As used in this  
 9           chapter, "district" refers to **the following:**

- 10           **(1) An economic development district under IC 6-1.1-39.**  
 11           ~~(1)~~ **(2)** An eligible entity (as defined in IC 8-22-3.5-2.5).  
 12           ~~(2)~~ **(3)** A redevelopment district, for an allocation area established  
 13           under:  
 14                 (A) IC 36-7-14; or  
 15                 (B) IC 36-7-15.1. ~~or~~  
 16           ~~(3)~~ **(4)** A special taxing district, as described in:  
 17                 (A) IC 36-7-14.5-12.5(d); or  
 18                 (B) IC 36-7-30-3(b).

- 19           **(5) A military base development area under IC 36-7-30.5-16.**

20           SECTION 234. IC 6-1.1-21.2-6 IS AMENDED TO READ AS  
 21           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. As used in this  
 22           chapter, "governing body" means the following:

- 23           **(1) For an allocation area created under IC 6-1.1-39, the fiscal**  
 24           **body of the county (as defined in IC 36-1-2-6).**  
 25           ~~(1)~~ **(2)** For an allocation area created under IC 8-22-3.5, the  
 26           commission (as defined in IC 8-22-3.5-2).  
 27           ~~(2)~~ **(3)** For an allocation area created under IC 36-7-14, the  
 28           redevelopment commission.  
 29           ~~(3)~~ **(4)** For an allocation area created under IC 36-7-14.5, the  
 30           redevelopment authority.  
 31           ~~(4)~~ **(5)** For an allocation area created under IC 36-7-15.1, the  
 32           metropolitan development commission.  
 33           ~~(5)~~ **(6)** For an allocation area created under IC 36-7-30, the  
 34           military base reuse authority.  
 35           **(7) For an allocation area created under IC 36-7-30.5, the**  
 36           **military base development authority.**

37           SECTION 235. IC 6-1.1-21.2-6.6 IS ADDED TO THE INDIANA  
 38           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 39           [EFFECTIVE JANUARY 1, 2009]: **Sec. 6.6. As used in this chapter,**  
 40           **"obligation" means an obligation to repay:**

- 41                 **(1) the principal and interest on bonds;**  
 42                 **(2) lease rentals on leases; or**  
 43                 **(3) any other contractual obligation;**  
 44           **payable from tax increment revenues. The term includes a**  
 45           **guarantee of repayment from tax increment revenues if other**  
 46           **revenues are insufficient to make a payment.**

47           SECTION 236. IC 6-1.1-21.2-7 IS AMENDED TO READ AS  
 48           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7. As used in this  
 49           chapter, "property taxes" means:

- 50                 (1) property taxes, as defined in:  
 51                         **(A) IC 6-1.1-39-5(g);**

- 1           ~~(A)~~ **(B)** IC 36-7-14-39(a);  
 2           **(C) IC 36-7-14-39.2;**  
 3           ~~(B)~~ **(D)** IC 36-7-14-39.3(c);  
 4           **(E) IC 36-7-14.5-12.5;**  
 5           ~~(C)~~ **(F)** IC 36-7-15.1-26(a);  
 6           ~~(D)~~ **(G)** IC 36-7-15.1-26.2(c);  
 7           ~~(E)~~ **(H)** IC 36-7-15.1-53(a);  
 8           ~~(F)~~ **(I)** IC 36-7-15.1-55(c);  
 9           ~~(G)~~ **(J)** IC 36-7-30-25(a)(3); ~~or~~  
 10          ~~(H)~~ **(K)** IC 36-7-30-26(c); ~~or~~  
 11          **(L) IC 36-7-30.5-30; or**  
 12          **(M) IC 36-7-30.5-31; or**

13           (2) for allocation areas created under IC 8-22-3.5, the taxes  
 14           assessed on taxable tangible property in the allocation area.

15           SECTION 237. IC 6-1.1-21.2-8 IS AMENDED TO READ AS  
 16           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. As used in this  
 17           chapter, "special fund" means:

- 18           **(1) the special funds referred to in IC 6-1.1-39-5;**  
 19           ~~(1)~~ **(2)** the special funds referred to in IC 8-22-3.5-9(e);  
 20           ~~(2)~~ **(3)** the allocation fund referred to in IC 36-7-14-39(b)(2);  
 21           ~~(3)~~ **(4)** the allocation fund referred to in IC 36-7-14.5-12.5(d);  
 22           ~~(4)~~ **(5)** the special fund referred to in IC 36-7-15.1-26(b)(2);  
 23           ~~(5)~~ **(6)** the special fund referred to in IC 36-7-15.1-53(b)(2); ~~or~~  
 24           ~~(6)~~ **(7)** the allocation fund referred to in IC 36-7-30-25(b)(2); ~~or~~  
 25           **(8) the allocation fund referred to in IC 36-7-30.5-30(b)(2).**

26           SECTION 238. IC 6-1.1-21.2-11 IS AMENDED TO READ AS  
 27           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 11. (a) ~~Not later~~  
 28           ~~than September 1~~ of a year in which a general reassessment does not  
 29           become effective; The governing body shall estimate the tax increment  
 30           replacement amount for each allocation area under the jurisdiction of  
 31           the governing body for the next calendar year ~~in a year in which a~~  
 32           general reassessment becomes effective; the department of local  
 33           government finance may extend the deadline under this subsection by  
 34           giving written notice to the governing body before the deadline: **on the**  
 35           **schedule prescribed by the department of local government**  
 36           **finance.**

37           (b) The tax increment replacement amount is the **greater of zero (0)**  
 38           **or the net** amount determined in ~~STEP THREE~~ of the following  
 39           formula:

40           ~~STEP ONE:~~ The governing body shall estimate the amount of tax  
 41           increment revenues it would receive in the next calendar year if  
 42           the property tax replacement credits payable with respect to the  
 43           general fund levies imposed by all school corporations with  
 44           jurisdiction in the allocation area were determined under  
 45           ~~IC 6-1.1-21~~ as in effect on January 1, 2001.

46           ~~STEP TWO:~~ The governing body shall estimate the amount of tax  
 47           increment revenues it will receive in the next calendar year after  
 48           implementation of the increase in the property tax credits payable  
 49           under ~~IC 6-1.1-21~~, as amended by the general assembly in 2002;  
 50           with respect to general fund levies imposed by all school  
 51           corporations with jurisdiction in the allocation area.

1           STEP THREE: Subtract the STEP TWO amount from the STEP  
2           ONE amount by which:

- 3           (1) laws enacted by the general assembly; and  
4           (2) actions taken by the department of local government  
5           finance;

6           after the establishment of the allocation area have decreased the  
7           tax increment revenues of the allocation area for the next calendar  
8           year (after adjusting for any increases resulting from laws or  
9           actions of the department of local government finance) below the  
10          sum of the amount needed to make all payments that are due in the  
11          next calendar year on obligations payable from tax increment  
12          revenues and to maintain any tax increment revenue to obligation  
13          payment ratio required by an agreement on which any of the  
14          obligations are based.

15          SECTION 239. IC 6-1.1-21.2-12 IS AMENDED TO READ AS  
16          FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) A tax is  
17          imposed each year on all taxable property in the district in which the  
18          governing body exercises jurisdiction. This section applies if the tax  
19          increment replacement amount for an allocation area in a district  
20          is greater than zero (0).

21          (b) Except as provided in subsections (c) and (d), the tax imposed  
22          under this section shall be automatically imposed at a rate sufficient to  
23          generate the tax increment replacement amount determined under  
24          section 11(b) of this chapter for that year.

25          (b) A governing body may, after a public hearing, do the  
26          following:

- 27               (1) Impose a special assessment on the owners of property  
28               that is located in an allocation area to raise an amount not to  
29               exceed the tax increment replacement amount.  
30               (2) Impose a tax on all taxable property in the district in  
31               which the governing body exercises jurisdiction to raise an  
32               amount not to exceed the tax increment replacement amount.  
33               (3) Reduce the base assessed value of property in the  
34               allocation area to an amount that is sufficient to increase the  
35               tax increment revenues in the allocation area by an amount  
36               that does not exceed the tax increment replacement amount.

37          (c) The governing body shall submit a proposed special  
38          assessment or tax levy under this section to the legislative body of  
39          the unit that established the district. The legislative body may:

- 40               (1) reduce the amount of the special assessment or tax to be  
41               levied under this section; or  
42               (2) determine that no special assessment or property tax should  
43               be levied under this section; or  
44               (3) increase the special assessment or tax to the amount  
45               necessary to fully fund the tax increment replacement  
46               amount.

47          (d) This subsection applies to a district in which the total assessed  
48          value of all allocation areas in the district is greater than ten percent  
49          (10%) of the total assessed value of the district. Except as provided in  
50          section 14(d) of this chapter, a tax levy imposed under this section may  
51          not exceed the lesser of:



- 1 (1) the tax increment replacement amount; or  
2 (2) the amount that will result from the imposition of a rate for the  
3 tax levy that the department of local government finance  
4 estimates will cause the total tax rate in the district to be one  
5 hundred ten percent (110%) of the rate that would apply if the tax  
6 levy authorized by this chapter were not imposed for the year.

7 (d) Before a public hearing under subsection (b) may be held,  
8 the governing body must publish notice of the hearing under  
9 IC 5-3-1. The notice must also be sent to the fiscal officer of each  
10 political subdivision that is located in any part of the district. The  
11 notice must state that the governing body will meet to consider  
12 whether a special assessment or tax should be imposed under this  
13 chapter and whether the special assessment or tax will help the  
14 governing body realize the redevelopment or economic  
15 development objectives for the allocation area or honor its  
16 obligations related to the allocation area. The notice must also  
17 specify a date when the governing body will receive and hear  
18 remonstrances and objections from persons affected by the special  
19 assessment. All persons affected by the hearing, including all  
20 taxpayers within the allocation area, shall be considered notified of  
21 the pendency of the hearing and of subsequent acts, hearings, and  
22 orders of the governing body by the notice. At the hearing, which  
23 may be adjourned from time to time, the governing body shall hear  
24 all persons affected by the proceedings and shall consider all  
25 written remonstrances and objections that have been filed. The  
26 only grounds for remonstrance or objection are that the special  
27 assessment or tax will not help the governing body realize the  
28 redevelopment or economic development objectives for the  
29 allocation area or honor its obligations related to the allocation  
30 area. After considering the evidence presented, the governing body  
31 shall take final action concerning the proposed special assessment  
32 or tax. The final action taken by the governing body shall be  
33 recorded and is final and conclusive, except that an appeal may be  
34 taken in the manner prescribed by subsection (e).

35 (e) A person who filed a written remonstrance with a governing  
36 body under subsection (d) and is aggrieved by the final action  
37 taken may, within ten (10) days after that final action, file in the  
38 office of the clerk of the circuit or superior court a copy of the  
39 order of the governing body and the person's remonstrance or  
40 objection against that final action, together with a bond  
41 conditioned to pay the costs of appeal if the appeal is determined  
42 against the person. The only ground of remonstrance or objection  
43 that the court may hear is whether the proposed special assessment  
44 or tax will help achieve the redevelopment or economic  
45 development objectives for the allocation area or honor its  
46 obligations related to the allocation area. An appeal under this  
47 subsection shall be promptly heard by the court without a jury. All  
48 remonstrances or objections upon which an appeal has been taken  
49 must be consolidated, heard, and determined within thirty (30)  
50 days after the time of the filing of the appeal. The court shall hear  
51 evidence on the remonstrances or objections and may confirm the

1 **final action of the governing body or sustain the remonstrances or**  
 2 **objections. The judgment of the court is final and conclusive, unless**  
 3 **an appeal is taken as in other civil actions.**

4 SECTION 240. IC 6-1.1-21.2-15, AS AMENDED BY  
 5 P.L.224-2007, SECTION 40, IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. (a) A tax  
 7 levied under this chapter shall be certified by the department of local  
 8 government finance to the auditor of the county in which the district is  
 9 located and shall be:

10 (1) estimated and entered upon the tax duplicates by the county  
 11 auditor; and

12 (2) collected and enforced by the county treasurer;  
 13 in the same manner as state and county taxes are estimated; entered;  
 14 collected; and enforced:

15 (b) (a) As the **special assessment or tax imposed under this**  
 16 **chapter** is collected by the county treasurer, it shall be transferred to  
 17 the governing body and accumulated and kept in the special fund for  
 18 the allocation area.

19 (c) (b) A **special assessment or** tax levied under this chapter

20 (1) is exempt from the levy limitations imposed under  
 21 IC 6-1.1-18.5; and

22 (2) is not subject to IC 6-1.1-20.

23 (d) Notwithstanding any other provision of this chapter or  
 24 IC 6-1.1-20.6, a governing body may file with the county auditor a  
 25 certified statement providing that for purposes of computing and  
 26 applying a credit under IC 6-1.1-20.6 for a particular calendar year, a  
 27 taxpayer's property tax liability does not include the liability for a tax  
 28 levied under this chapter. The department of local government finance  
 29 shall adopt the form of the certified statement that a governing body  
 30 may file under this subsection. The department of local government  
 31 finance shall establish procedures governing the filing of a certified  
 32 statement under this subsection. If a governing body files a certified  
 33 statement under this subsection, then for purposes of computing and  
 34 applying a credit under IC 6-1.1-20.6 for the specified calendar year,  
 35 a taxpayer's property tax liability does not include the liability for a tax  
 36 levied under this chapter.

37 (e) (c) A **special assessment or** tax levied under this chapter and  
 38 the use of revenues from a **special assessment or** tax levied under this  
 39 chapter by a governing body do not create a constitutional or statutory  
 40 debt, pledge, or obligation of the governing body, the district, or any  
 41 **unit: county, city, town, or township.**

42 SECTION 241. IC 6-1.1-21.2-16 IS ADDED TO THE INDIANA  
 43 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 44 [EFFECTIVE JANUARY 1, 2009]: **Sec. 16. (a) This section applies**  
 45 **if the tax increment replacement amount for an allocation area in**  
 46 **a district is less than zero (0).**

47 (b) **The governing body of a district shall increase the base**  
 48 **assessed value of property in the allocation area to an amount**  
 49 **sufficient so that the tax increment replacement amount is equal to**  
 50 **zero (0).**

51 SECTION 242. IC 6-1.1-21.5-5, AS AMENDED BY P.L.2-2006,

1 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JANUARY 1, 2009]: Sec. 5. (a) The board shall determine the terms  
3 of a loan made under this chapter. However, interest may not be  
4 charged on the loan, and the loan must be repaid not later than ten (10)  
5 years after the date on which the loan was made.

6 (b) The loan shall be repaid only from property tax revenues of the  
7 qualified taxing unit that are subject to the levy limitations imposed by  
8 IC 6-1.1-18.5. ~~or IC 20-45-3~~. The payment of any installment of  
9 principal constitutes a first charge against such property tax revenues  
10 as collected by the qualified taxing unit during the calendar year the  
11 installment is due and payable.

12 (c) The obligation to repay the loan is not a basis for the qualified  
13 taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5. ~~or~~  
14 ~~IC 20-45-6~~.

15 (d) Whenever the board receives a payment on a loan made under  
16 this chapter, the board shall deposit the amount paid in the  
17 counter-cyclical revenue and economic stabilization fund.

18 (e) This section may not be construed to prevent the qualified taxing  
19 unit from repaying a loan made under this chapter before the date  
20 specified in subsection (a) if a taxpayer described in section 3 of this  
21 chapter resumes paying property taxes to the qualified taxing unit.

22 SECTION 243. IC 6-1.1-21.5-6, AS AMENDED BY P.L.2-2006,  
23 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 JANUARY 1, 2009]: Sec. 6. (a) The receipt by the qualified taxing unit  
25 of the loan proceeds is not considered to be part of the ad valorem  
26 property tax levy actually collected by the qualified taxing unit for  
27 taxes first due and payable during a particular calendar year for the  
28 purpose of calculating the levy excess under IC 6-1.1-18.5-17 and  
29 IC 20-44-3. The receipt by the qualified taxing unit of any payment of  
30 delinquent tax owed by a taxpayer in bankruptcy is considered to be  
31 part of the ad valorem property tax levy actually collected by the  
32 qualified taxing unit for taxes first due and payable during a particular  
33 calendar year for the purpose of calculating the levy excess under  
34 IC 6-1.1-18.5-17 and IC 20-44-3.

35 (b) The loan proceeds and any payment of delinquent tax may be  
36 expended by the qualified taxing unit only to pay debts of the qualified  
37 taxing unit that have been incurred pursuant to duly adopted  
38 appropriations approved by the department of local government finance  
39 for operating expenses.

40 (c) In the event the sum of the receipts of the qualified taxing unit  
41 that are attributable to:

42 (1) the loan proceeds; and

43 (2) the payment of property taxes owed by a taxpayer in a  
44 bankruptcy proceeding initially filed in 2000 and payable in 2001;  
45 exceeds sixteen million dollars (\$16,000,000), the excess as received  
46 during any calendar year or years shall be set aside and treated for the  
47 calendar year when received as a levy excess subject to  
48 IC 6-1.1-18.5-17 or IC 20-44-3. In calculating the payment of property  
49 taxes as provided in subdivision (2), the amount of property tax credit  
50 finally allowed under IC 6-1.1-21-5 (**before its repeal**) in respect to  
51 such taxes is considered a payment of such property taxes.

1 (d) As used in this section, "delinquent tax" means any tax owed by  
 2 a taxpayer in a bankruptcy proceeding initially filed in 2000 and that  
 3 is not paid during the calendar year for which it was first due and  
 4 payable.

5 SECTION 244. IC 6-1.1-21.8-4, AS AMENDED BY P.L.2-2006,  
 6 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JANUARY 1, 2009]: Sec. 4. (a) The board shall determine the terms  
 8 of a loan made under this chapter. However, the interest charged on the  
 9 loan may not exceed the percent of increase in the United States  
 10 Department of Labor Consumer Price Index for Urban Wage Earners  
 11 and Clerical Workers during the most recent twelve (12) month period  
 12 for which data is available as of the date that the unit applies for a loan  
 13 under this chapter. In the case of a qualified taxing unit that is not a  
 14 school corporation or a public library (as defined in IC 36-12-1-5), a  
 15 loan must be repaid not later than ten (10) years after the date on which  
 16 the loan was made. In the case of a qualified taxing unit that is a school  
 17 corporation or a public library (as defined in IC 36-12-1-5), a loan must  
 18 be repaid not later than eleven (11) years after the date on which the  
 19 loan was made. A school corporation or a public library (as defined in  
 20 IC 36-12-1-5) is not required to begin making payments to repay a loan  
 21 until after June 30, 2004. The total amount of all the loans made under  
 22 this chapter may not exceed twenty-eight million dollars (\$28,000,000).  
 23 The board may disburse the proceeds of a loan in installments.  
 24 However, not more than one-third (1/3) of the total amount to be  
 25 loaned under this chapter may be disbursed at any particular time  
 26 without the review of the budget committee and the approval of the  
 27 budget agency.

28 (b) A loan made under this chapter shall be repaid only from:

- 29 (1) property tax revenues of the qualified taxing unit that are  
 30 subject to the levy limitations imposed by IC 6-1.1-18.5; ~~or~~  
 31 ~~IC 20-45-3;~~
- 32 (2) in the case of a school corporation, the school corporation's  
 33 debt service fund; or
- 34 (3) any other source of revenues (other than property taxes) that  
 35 is legally available to the qualified taxing unit.

36 The payment of any installment of principal constitutes a first charge  
 37 against the property tax revenues described in subdivision (1) that are  
 38 collected by the qualified taxing unit during the calendar year the  
 39 installment is due and payable.

40 (c) The obligation to repay a loan made under this chapter is not a  
 41 basis for the qualified taxing unit to obtain an excessive tax levy under  
 42 IC 6-1.1-18.5. ~~or IC 20-45-6.~~

43 (d) Whenever the board receives a payment on a loan made under  
 44 this chapter, the board shall deposit the amount paid in the  
 45 counter-cyclical revenue and economic stabilization fund.

46 (e) This section does not prohibit a qualified taxing unit from  
 47 repaying a loan made under this chapter before the date specified in  
 48 subsection (a) if a taxpayer described in section 3 of this chapter  
 49 resumes paying property taxes to the qualified taxing unit.

50 (f) Interest accrues on a loan made under this chapter until the date  
 51 the board receives notice from the county auditor that the county has

1 adopted at least one (1) of the following:

- 2 (1) The county adjusted gross income tax under IC 6-3.5-1.1.  
 3 (2) The county option income tax under IC 6-3.5-6.  
 4 (3) The county economic development income tax under  
 5 IC 6-3.5-7.

6 Notwithstanding subsection (a), interest may not be charged on a loan  
 7 made under this chapter if a tax described in this subsection is adopted  
 8 before a qualified taxing unit applies for the loan.

9 SECTION 245. IC 6-1.1-21.8-5, AS AMENDED BY P.L.2-2006,  
 10 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JANUARY 1, 2009]: Sec. 5. The maximum amount that the board may  
 12 loan to a qualified taxing unit is determined under STEP FOUR of the  
 13 following formula:

14 STEP ONE: Determine the amount of the taxpayer's property  
 15 taxes due and payable in November 2001 that are attributable to  
 16 the qualified taxing unit as determined by the department of local  
 17 government finance.

18 STEP TWO: Multiply the STEP ONE amount by one and  
 19 thirty-one thousandths (1.031).

20 STEP THREE: Multiply the STEP TWO product by two (2).

21 STEP FOUR: Add the STEP ONE amount to the STEP THREE  
 22 product.

23 However, in the case of a qualified taxing unit that is a school  
 24 corporation, the amount determined under STEP FOUR shall be  
 25 reduced by the board to the extent that the school corporation receives  
 26 relief in the form of adjustments to the school corporation's assessed  
 27 valuation under ~~IC 20-45-4-7~~ or IC 6-1.1-17-0.5 or **IC 6-1.1-19-5.3**.

28 SECTION 246. IC 6-1.1-21.8-6, AS AMENDED BY P.L.2-2006,  
 29 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JANUARY 1, 2009]: Sec. 6. (a) As used in this section, "delinquent  
 31 tax" means any tax:

- 32 (1) owed by a taxpayer in a bankruptcy proceeding initially filed  
 33 in 2001; and  
 34 (2) not paid during the calendar year in which it was first due and  
 35 payable.

36 (b) Except as provided in subsection (d), the proceeds of a loan  
 37 received by the qualified taxing unit under this chapter are not  
 38 considered to be part of the ad valorem property tax levy actually  
 39 collected by the qualified taxing unit for taxes first due and payable  
 40 during a particular calendar year for the purpose of calculating the levy  
 41 excess under IC 6-1.1-18.5-17 and IC 20-44-3. The receipt by a  
 42 qualified taxing unit of any payment of delinquent tax owed by a  
 43 taxpayer in bankruptcy is considered to be part of the ad valorem  
 44 property tax levy actually collected by the qualified taxing unit for  
 45 taxes first due and payable during a particular calendar year for the  
 46 purpose of calculating the levy excess under IC 6-1.1-18.5-17 and  
 47 IC 20-44-3.

48 (c) The proceeds of a loan made under this chapter must first be  
 49 used to retire any outstanding loans made by the department of  
 50 commerce (including any loans made by the department of commerce  
 51 that are transferred to the Indiana economic development corporation)

1 to cover a qualified taxing unit's revenue shortfall resulting from the  
 2 taxpayer's default on property tax payments. Any remaining proceeds  
 3 of a loan made under this chapter and any payment of delinquent taxes  
 4 by the taxpayer may be expended by the qualified taxing unit only to  
 5 pay obligations of the qualified taxing unit that have been incurred  
 6 under appropriations for operating expenses made by the qualified  
 7 taxing unit and approved by the department of local government  
 8 finance.

9 (d) If the sum of the receipts of a qualified taxing unit that are  
 10 attributable to:

11 (1) the loan proceeds; and

12 (2) the payment of property taxes owed by a taxpayer in a  
 13 bankruptcy proceeding and payable in November 2001, May  
 14 2002, or November 2002;

15 exceeds the sum of the taxpayer's property tax liability attributable to  
 16 the qualified taxing unit for property taxes payable in November 2001,  
 17 May 2002, and November 2002, the excess as received during any  
 18 calendar year or years shall be set aside and treated for the calendar  
 19 year when received as a levy excess subject to IC 6-1.1-18.5-17 or  
 20 IC 20-44-3. In calculating the payment of property taxes as referred to  
 21 in subdivision (2), the amount of property tax credit finally allowed  
 22 under IC 6-1.1-21-5 (**before its repeal**) in respect to those taxes is  
 23 considered to be a payment of those property taxes.

24 SECTION 247. IC 6-1.1-21.9-3, AS ADDED BY P.L.114-2006,  
 25 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 UPON PASSAGE]: Sec. 3. (a) The board, not later than December 31,  
 27 ~~2007~~, **2009**, and after review by the budget committee, shall determine  
 28 the terms of a loan made under this chapter, subject to the following:

29 (1) The board may not charge interest on the loan.

30 (2) The loan must be repaid not later than ten (10) years after the  
 31 date on which the loan was made.

32 (3) The terms of the loan must allow for prepayment of the loan  
 33 without penalty.

34 (4) The maximum amount of the loan that a qualifying taxing unit  
 35 may receive with respect to a default described in section 1(c)(3)  
 36 of this chapter on one (1) or more payments of property taxes first  
 37 due and payable in a calendar year is the amount, as determined  
 38 by the board, of revenue shortfall for the qualifying taxing unit  
 39 that results from the default for that calendar year.

40 (5) The total amount of all loans under this chapter for all  
 41 calendar years may not exceed thirteen million dollars  
 42 (\$13,000,000).

43 (b) The board may disburse in installments the proceeds of a loan  
 44 made under this chapter.

45 (c) A qualified taxing unit may repay a loan made under this chapter  
 46 from any of the following:

47 (1) Property tax revenues of the qualified taxing unit that are  
 48 subject to the levy limitations imposed by IC 6-1.1-18.5 or  
 49 (**before January 1, 2009**) IC 6-1.1-19.

50 (2) Property tax revenues of the qualified taxing unit that are not  
 51 subject to levy limitations as provided in IC 6-1.1-18.5-21 or

1           **(before January 1, 2009)** IC 6-1.1-19-13.

2           (3) The qualified taxing unit's debt service fund.

3           (4) Any other source of revenues (other than property taxes) that  
4           is legally available to the qualified taxing unit.

5           The payment of any installment on a loan made under this chapter  
6           constitutes a first charge against the property tax revenues described in  
7           subdivision (1) or (2) that are collected by the qualified taxing unit  
8           during the calendar year the installment is due and payable.

9           (d) The obligation to repay a loan made under this chapter is not a  
10          basis for the qualified taxing unit to obtain an excessive tax levy under  
11          IC 6-1.1-18.5 or **(before January 1, 2009)** IC 6-1.1-19.

12          (e) Whenever the board receives a payment on a loan made under  
13          this chapter, the board shall deposit the amount paid in the  
14          counter-cyclical revenue and economic stabilization fund.

15          SECTION 248. IC 6-1.1-21.9-4, AS ADDED BY P.L.114-2006,  
16          SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17          JANUARY 1, 2009]: Sec. 4. (a) As used in this section, "delinquent  
18          tax" means any tax not paid during the calendar year in which the tax  
19          was first due and payable.

20          (b) Except as provided in subsection (c), the following are not  
21          considered to be part of the ad valorem property tax levy actually  
22          collected by the qualified taxing unit for taxes first due and payable  
23          during a particular calendar year for the purpose of calculating the levy  
24          excess under IC 6-1.1-18.5-17 and ~~IC 6-1.1-19-1.7~~ **IC 20-44-2**.

25                 (1) The proceeds of a loan received by the qualified taxing unit  
26                 under this chapter.

27                 (2) The receipt by a qualified taxing unit of any payment of  
28                 delinquent tax owed by a qualified taxpayer.

29          (c) Delinquent tax owed by a qualified taxpayer received by a  
30          qualified taxing unit:

31                 (1) must first be used toward the retirement of an outstanding loan  
32                 made under this chapter; and

33                 (2) is considered, only to the extent that the amount received  
34                 exceeds the amount of the outstanding loan, to be part of the ad  
35                 valorem property tax levy actually collected by the qualified  
36                 taxing unit for taxes first due and payable during a particular  
37                 calendar year for the purpose of calculating the levy excess under  
38                 IC 6-1.1-18.5-17 and ~~IC 6-1.1-19-1.7~~ **IC 20-44-2**.

39          (d) If a qualified taxpayer pays delinquent tax during the term of  
40          repayment of an outstanding loan made under this chapter, the  
41          remaining loan balance is repayable in equal installments over the  
42          remainder of the original term of repayment.

43          (e) Proceeds of a loan made under this chapter may be expended by  
44          a qualified taxing unit only to pay obligations of the qualified taxing  
45          unit that have been incurred under appropriations for operating  
46          expenses made by the qualified taxing unit and approved by the  
47          department of local government finance.

48          SECTION 249. IC 6-1.1-22-3, AS AMENDED BY P.L.67-2006,  
49          SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
50          JANUARY 1, 2009]: Sec. 3. (a) Except as provided in subsection (b),  
51          the auditor of each county shall, before March 15 of each year, prepare

1 a roll of property taxes payable in that year for the county. This roll  
2 shall be known as the "tax duplicate" and shall show:

- 3 (1) the value of all the assessed property of the county;
- 4 (2) the person liable for the taxes on the assessed property; and
- 5 (3) any other information that the state board of accounts, with the  
6 advice and approval of the department of local government  
7 finance, may prescribe.

8 (b) If the county auditor receives a copy of an appeal petition under  
9 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** before the  
10 county auditor completes preparation of the tax duplicate under  
11 subsection (a), the county auditor shall complete preparation of the tax  
12 duplicate when the appeal is resolved by the department of local  
13 government finance.

14 (c) If the county auditor receives a copy of an appeal petition under  
15 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** after the  
16 county auditor completes preparation of the tax duplicate under  
17 subsection (a), the county auditor shall prepare a revised tax duplicate  
18 when the appeal is resolved by the department of local government  
19 finance that reflects the action of the department.

20 (d) The county auditor shall comply with the instructions issued by  
21 the state board of accounts for the preparation, preservation, alteration,  
22 and maintenance of the tax duplicate. The county auditor shall deliver  
23 a copy of the tax duplicate prepared under subsection (a) to the county  
24 treasurer when preparation of the tax duplicate is completed.

25 SECTION 250. IC 6-1.1-22-5, AS AMENDED BY P.L.67-2006,  
26 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JANUARY 1, 2009]: Sec. 5. (a) Except as provided in subsections (b)  
28 and (c), on or before March 15 of each year, the county auditor shall  
29 prepare and deliver to the auditor of state and the county treasurer a  
30 certified copy of an abstract of the property, assessments, taxes,  
31 deductions, and exemptions for taxes payable in that year in each  
32 taxing district of the county. The county auditor shall prepare the  
33 abstract in such a manner that the information concerning property tax  
34 deductions reflects the total amount of each type of deduction. The  
35 abstract shall also contain a statement of the taxes and penalties unpaid  
36 in each taxing unit at the time of the last settlement between the county  
37 auditor and county treasurer and the status of these delinquencies. The  
38 county auditor shall prepare the abstract on the form prescribed by the  
39 state board of accounts. The auditor of state, county auditor, and county  
40 treasurer shall each keep a copy of the abstract as a public record.

41 (b) If the county auditor receives a copy of an appeal petition under  
42 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** before the  
43 county auditor prepares and delivers the certified copy of the abstract  
44 under subsection (a), the county auditor shall prepare and deliver the  
45 certified copy of the abstract when the appeal is resolved by the  
46 department of local government finance.

47 (c) If the county auditor receives a copy of an appeal petition under  
48 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** after the  
49 county auditor prepares and delivers the certified copy of the abstract  
50 under subsection (a), the county auditor shall prepare and deliver a  
51 certified copy of a revised abstract when the appeal is resolved by the



1 department of local government finance that reflects the action of the  
2 department.

3 SECTION 251. IC 6-1.1-22-8.1, AS ADDED BY P.L.162-2006,  
4 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 UPON PASSAGE]: Sec. 8.1. (a) This section applies only to property  
6 taxes and special assessments first due and payable after December 31,  
7 2007.

8 (b) The county treasurer shall:

9 (1) mail to the last known address of each person liable for any  
10 property taxes or special assessment, as shown on the tax  
11 duplicate or special assessment records, or to the last known  
12 address of the most recent owner shown in the transfer book; and

13 (2) transmit by written, electronic, or other means to a mortgagee  
14 maintaining an escrow account for a person who is liable for any  
15 property taxes or special assessments, as shown on the tax  
16 duplicate or special assessment records;

17 a statement in the form required under subsection (c). **However, for**  
18 **property taxes first due and payable in 2008, the county treasurer**  
19 **may choose to use a tax statement that is different from the tax**  
20 **statement prescribed by the department under subsection (c). If a**  
21 **county chooses to use a different tax statement, the county must**  
22 **still transmit (with the tax bill) the statement in either color type or**  
23 **black-and-white type.**

24 (c) The department of local government finance shall prescribe a  
25 form, subject to the approval of the state board of accounts, for the  
26 statement under subsection (b) that includes at least the following:

27 (1) A statement of the taxpayer's current and delinquent taxes and  
28 special assessments.

29 (2) A breakdown showing the total property tax and special  
30 assessment liability and the amount of the taxpayer's liability that  
31 will be distributed to each taxing unit in the county.

32 (3) An itemized listing for each property tax levy, including:

33 (A) the amount of the tax rate;

34 (B) the entity levying the tax owed; and

35 (C) the dollar amount of the tax owed.

36 (4) Information designed to show the manner in which the taxes  
37 and special assessments billed in the tax statement are to be used.

38 (5) A comparison showing any change in the assessed valuation  
39 for the property as compared to the previous year.

40 (6) A comparison showing any change in the property tax and  
41 special assessment liability for the property as compared to the  
42 previous year. The information required under this subdivision  
43 must identify:

44 (A) the amount of the taxpayer's liability distributable to each  
45 taxing unit in which the property is located in the current year  
46 and in the previous year; and

47 (B) the percentage change, if any, in the amount of the  
48 taxpayer's liability distributable to each taxing unit in which  
49 the property is located from the previous year to the current  
50 year.

51 (7) An explanation of the following:

- 1 (A) The homestead credit and all property tax deductions.  
 2 (B) The procedure and deadline for filing for the homestead  
 3 credit and each deduction.  
 4 (C) The procedure that a taxpayer must follow to:  
 5 (i) appeal a current assessment; or  
 6 (ii) petition for the correction of an error related to the  
 7 taxpayer's property tax and special assessment liability.  
 8 (D) The forms that must be filed for an appeal or a petition  
 9 described in clause (C).
- 10 The department of local government finance shall provide the  
 11 explanation required by this subdivision to each county treasurer.  
 12 (8) A checklist that shows:  
 13 (A) the homestead credit and all property tax deductions; and  
 14 (B) whether the homestead credit and each property tax  
 15 deduction applies in the current statement for the property  
 16 transmitted under subsection (b).
- 17 (d) The county treasurer may mail or transmit the statement one (1)  
 18 time each year at least fifteen (15) days before the date on which the  
 19 first or only installment is due. Whenever a person's tax liability for a  
 20 year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this  
 21 chapter, a statement that is mailed must include the date on which the  
 22 installment is due and denote the amount of money to be paid for the  
 23 installment. Whenever a person's tax liability is due in two (2)  
 24 installments, a statement that is mailed must contain the dates on which  
 25 the first and second installments are due and denote the amount of  
 26 money to be paid for each installment.
- 27 (e) All payments of property taxes and special assessments shall be  
 28 made to the county treasurer. The county treasurer, when authorized by  
 29 the board of county commissioners, may open temporary offices for the  
 30 collection of taxes in cities and towns in the county other than the  
 31 county seat.
- 32 (f) The county treasurer, county auditor, and county assessor shall  
 33 cooperate to generate the information to be included in the statement  
 34 under subsection (c).
- 35 (g) The information to be included in the statement under subsection  
 36 (c) must be simply and clearly presented and understandable to the  
 37 average individual.
- 38 (h) After December 31, 2007, a reference in a law or rule to  
 39 IC 6-1.1-22-8 shall be treated as a reference to this section.
- 40 SECTION 252. IC 6-1.1-22-9, AS AMENDED BY HEA 1137-2008,  
 41 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2008]: Sec. 9. (a) Except as provided in subsections (b) and  
 43 (c) the property taxes assessed for a year under this article are due in  
 44 two (2) equal installments on May 10 and November 10 of the  
 45 following year.
- 46 (b) Subsection (a) does not apply if any of the following apply to the  
 47 property taxes assessed for the year under this article:  
 48 (1) Subsection (c).  
 49 (2) Subsection (d).  
 50 (3) Subsection (h).  
 51 (4) Subsection (i).

1 (5) IC 6-1.1-7-7.

2 (6) Section 9.5 of this chapter.

3 (c) A county council may adopt an ordinance to require a person to  
4 pay the person's property tax liability in one (1) installment, if the tax  
5 liability for a particular year is less than twenty-five dollars (\$25). If the  
6 county council has adopted such an ordinance, then whenever a tax  
7 statement mailed under section 8.1 of this chapter shows that the  
8 person's property tax liability for a year is less than twenty-five dollars  
9 (\$25) for the property covered by that statement, the tax liability for  
10 that year is due in one (1) installment on May 10 of that year.

11 (d) If the county treasurer receives a copy of an appeal petition  
12 under ~~IC 6-1.1-18.5-12(g)~~ **IC 6-1.1-18.5-12(d)** before the county  
13 treasurer mails or transmits statements under section 8.1(b) of this  
14 chapter, the county treasurer may:

15 (1) mail or transmit the statements without regard to the pendency  
16 of the appeal and, if the resolution of the appeal by the department  
17 of local government finance results in changes in levies, mail or  
18 transmit reconciling statements under subsection (e); or

19 (2) delay the mailing or transmission of statements under section  
20 8.1(b) of this chapter so that:

21 (A) the due date of the first installment that would otherwise  
22 be due under subsection (a) is delayed by not more than sixty  
23 (60) days; and

24 (B) all statements reflect any changes in levies that result from  
25 the resolution of the appeal by the department of local  
26 government finance.

27 (e) A reconciling statement under subsection (d)(1) must indicate:  
28 (1) the total amount due for the year;

29 (2) the total amount of the installments paid that did not reflect  
30 the resolution of the appeal under ~~IC 6-1.1-18.5-12(g)~~  
31 **IC 6-1.1-18.5-12(d)** by the department of local government  
32 finance;

33 (3) if the amount under subdivision (1) exceeds the amount under  
34 subdivision (2), the adjusted amount that is payable by the  
35 taxpayer:

36 (A) as a final reconciliation of all amounts due for the year;  
37 and

38 (B) not later than:

39 (i) November 10; or

40 (ii) the date or dates established under section 9.5 of this  
41 chapter; and

42 (4) if the amount under subdivision (2) exceeds the amount under  
43 subdivision (1), that the taxpayer may claim a refund of the excess  
44 under IC 6-1.1-26.

45 (f) If property taxes are not paid on or before the due date, the  
46 penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent  
47 taxes.

48 (g) Notwithstanding any other law, a property tax liability of less  
49 than five dollars (\$5) is increased to five dollars (\$5). The difference  
50 between the actual liability and the five dollar (\$5) amount that appears  
51 on the statement is a statement processing charge. The statement

1 processing charge is considered a part of the tax liability.

2 (h) If in a county the notices of general reassessment under  
3 ~~IC 6-1.1-4-4~~ or notices of assessment under ~~IC 6-1.1-4-4.5~~ for an  
4 assessment date in a calendar year are given to the taxpayers in the  
5 county after March 26 of the immediately succeeding calendar year; the  
6 property taxes that would otherwise be due under subsection (a) on  
7 May 10 of the immediately succeeding calendar year are due on the  
8 later of:

9 (1) May 10 of the immediately succeeding calendar year; or

10 (2) forty-five (45) days after the notices are given to taxpayers in  
11 the county.

12 (i) If subsection (h) applies, the property taxes that would otherwise  
13 be due under subsection (a) on November 10 of the immediately  
14 succeeding calendar year referred to in subsection (h) are due on the  
15 later of:

16 (1) November 10 of the immediately succeeding calendar year; or

17 (2) a date determined by the county treasurer that is not later than  
18 December 31 of the immediately succeeding calendar year.

19 SECTION 253. IC 6-1.1-22-9.5, AS AMENDED BY  
20 HEA1137-2008, SECTION 57, IS AMENDED TO READ AS  
21 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9.5. (a) This  
22 section applies only to property taxes first due and payable in a year  
23 that begins after December 31, 2003:

24 (1) with respect to a homestead (as defined in ~~IC 6-1.1-20-9-1~~;  
25 **IC 6-1.1-12-37**); and

26 (2) that are not payable in one (1) installment under section 9(c)  
27 of this chapter.

28 (b) At any time before the mailing or transmission of tax statements  
29 for a year under section 8.1 of this chapter, a county may petition the  
30 department of local government finance to establish a schedule of  
31 installments for the payment of property taxes with respect to:

32 (1) real property that are based on the assessment of the property  
33 in the immediately preceding year; or

34 (2) a mobile home or manufactured home that is not assessed as  
35 real property that are based on the assessment of the property in  
36 the current year.

37 The county fiscal body (as defined in IC 36-1-2-6) must approve a  
38 petition under this subsection.

39 (c) The department of local government finance:

40 (1) may not establish a date for:

41 (A) an installment payment that is earlier than May 10 of the  
42 year in which the tax statement is mailed or transmitted;

43 (B) the first installment payment that is later than November  
44 10 of the year in which the tax statement is mailed or  
45 transmitted; or

46 (C) the last installment payment that is later than May 10 of  
47 the year immediately following the year in which the tax  
48 statement is mailed or transmitted; and

49 (2) shall:

50 (A) prescribe the form of the petition under subsection (b);

51 (B) determine the information required on the form; and

1 (C) notify the county fiscal body, the county auditor, and the  
 2 county treasurer of the department's determination on the  
 3 petition not later than twenty (20) days after receiving the  
 4 petition.

5 (d) Revenue from property taxes paid under this section in the year  
 6 immediately following the year in which the tax statement is mailed or  
 7 transmitted under section 8.1 of this chapter:

8 (1) is not considered in the determination of a levy excess under  
 9 IC 6-1.1-18.5-17 or IC 20-44-3 for the year in which the property  
 10 taxes are paid; and

11 (2) may be:

12 (A) used to repay temporary loans entered into by a political  
 13 subdivision for; and

14 (B) expended for any other reason by a political subdivision in  
 15 the year the revenue is received under an appropriation from;  
 16 the year in which the tax statement is mailed or transmitted under  
 17 section 8.1 of this chapter.

18 SECTION 254. IC 6-1.1-22.5-12, AS AMENDED BY  
 19 P.L.219-2007, SECTION 67, IS AMENDED TO READ AS  
 20 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as  
 21 provided by subsection (c), each reconciling statement must indicate:

22 (1) the actual property tax liability under this article on the  
 23 assessment determined for the assessment date for the property  
 24 for which the reconciling statement is issued;

25 (2) the total amount paid under the provisional statement for the  
 26 property for which the reconciling statement is issued;

27 (3) if the amount under subdivision (1) exceeds the amount under  
 28 subdivision (2), that the excess is payable by the taxpayer:

29 (A) as a final reconciliation of the tax liability; and

30 (B) not later than:

31 (i) thirty (30) days after the date of the reconciling  
 32 statement; ~~or~~

33 (ii) if the county treasurer requests in writing that the  
 34 commissioner designate a later date, the date designated by  
 35 the commissioner; ~~or~~

36 **(iii) the date specified in an ordinance adopted under**  
 37 **section 18.5 of this chapter; and**

38 (4) if the amount under subdivision (2) exceeds the amount under  
 39 subdivision (1), that the taxpayer may claim a refund of the excess  
 40 under IC 6-1.1-26.

41 (b) If, upon receipt of the abstract referred to in section 6 of this  
 42 chapter, the county treasurer determines that it is possible to complete  
 43 the:

44 (1) preparation; and

45 (2) mailing or transmittal;

46 of the reconciling statement at least thirty (30) days before the due date  
 47 of the second installment specified in the provisional statement, the  
 48 county treasurer may request in writing that the department of local  
 49 government finance permit the county treasurer to issue a reconciling  
 50 statement that adjusts the amount of the second installment that was  
 51 specified in the provisional statement. If the department approves the

1 county treasurer's request, the county treasurer shall prepare and mail  
2 or transmit the reconciling statement at least thirty (30) days before the  
3 due date of the second installment specified in the provisional  
4 statement.

5 (c) A reconciling statement prepared under subsection (b) must  
6 indicate:

7 (1) the actual property tax liability under this article on the  
8 assessment determined for the assessment date for the property  
9 for which the reconciling statement is issued;

10 (2) the total amount of the first installment paid under the  
11 provisional statement for the property for which the reconciling  
12 statement is issued;

13 (3) if the amount under subdivision (1) exceeds the amount under  
14 subdivision (2), the adjusted amount of the second installment  
15 that is payable by the taxpayer:

16 (A) as a final reconciliation of the tax liability; and

17 (B) not later than:

18 (i) November 10; or

19 (ii) if the county treasurer requests in writing that the  
20 commissioner designate a later date, the date designated by  
21 the commissioner; and

22 (4) if the amount under subdivision (2) exceeds the amount under  
23 subdivision (1), that the taxpayer may claim a refund of the excess  
24 under IC 6-1.1-26.

25 SECTION 255. IC 6-1.1-22.5-18, AS AMENDED BY  
26 P.L.219-2007, SECTION 68, IS AMENDED TO READ AS  
27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. For purposes  
28 of IC 6-1.1-24-1(a)(1):

29 (1) the first installment on a provisional statement is considered  
30 to be the taxpayer's spring installment of property taxes;

31 (2) except as provided in subdivision (3) **or section 18.5 of this**  
32 **chapter**, payment on a reconciling statement is considered to be  
33 due before the due date of the first installment of property taxes  
34 payable in the following year; and

35 (3) payment on a reconciling statement described in section 12(b)  
36 of this chapter is considered to be the taxpayer's fall installment  
37 of property taxes.

38 SECTION 256. IC 6-1.1-22.5-18.5 IS ADDED TO THE INDIANA  
39 CODE AS A NEW SECTION TO READ AS FOLLOWS  
40 [EFFECTIVE UPON PASSAGE]: **Sec. 18.5. (a) A county council**  
41 **may adopt an ordinance to allow a taxpayer to make installment**  
42 **payments under this section of a tax payment due under a**  
43 **reconciling statement issued under this chapter or any other**  
44 **provision.**

45 **(b) An ordinance adopted under this section must specify:**

46 **(1) the reconciling statement to which the ordinance applies;**  
47 **and**

48 **(2) the installment due dates for taxpayers that choose to**  
49 **make installment payments.**

50 **(c) An ordinance adopted under this section must give taxpayers**  
51 **in the county the option of:**

1           **(1) making a single payment of the tax payment due under the**  
 2           **reconciling statement on the date specified in the reconciling**  
 3           **statement; or**

4           **(2) paying installments of the tax payment due under the**  
 5           **reconciling statement over the installment period specified in**  
 6           **the ordinance.**

7           **(d) If the total amount due on an installment date under this**  
 8           **section is not completely paid on or before that installment date,**  
 9           **the amount unpaid is considered delinquent and a penalty is added**  
 10           **to the unpaid amount. The penalty is equal to an amount**  
 11           **determined as follows:**

12           **(1) If:**

13           **(A) the delinquent amount of real property taxes is**  
 14           **completely paid on or before the date thirty (30) days after**  
 15           **the installment date; and**

16           **(B) the taxpayer is not liable for delinquent property taxes**  
 17           **first due and payable in a previous year for the same**  
 18           **parcel;**

19           **the amount of the penalty is equal to five percent (5%) of the**  
 20           **delinquent amount.**

21           **(2) If:**

22           **(A) the delinquent amount of personal property taxes is**  
 23           **completely paid on or before the date thirty (30) days after**  
 24           **the installment date; and**

25           **(B) the taxpayer is not liable for delinquent property taxes**  
 26           **first due and payable in a previous year for a personal**  
 27           **property tax return for property in the same taxing**  
 28           **district;**

29           **the amount of the penalty is equal to five percent (5%) of the**  
 30           **delinquent amount.**

31           **(3) If neither subdivision (1) nor (2) applies, the amount of the**  
 32           **penalty is equal to ten percent (10%) of the delinquent**  
 33           **amount.**

34           **(e) An additional penalty equal to ten percent (10%) of any**  
 35           **taxes due on an installment date that remain unpaid shall be added**  
 36           **on the day immediately following the date of the final installment**  
 37           **payment.**

38           **(f) The penalties under this section are imposed on only the**  
 39           **principal amount of the delinquent taxes.**

40           **(g) Notwithstanding any other provision, an ordinance adopted**  
 41           **under this section may apply to the payment of amounts due under**  
 42           **any reconciling statements issued by a county.**

43           **(h) Approval by the department of local government finance is**  
 44           **not required for the adoption of an ordinance under this section.**

45           SECTION 257. IC 6-1.1-23-1, AS AMENDED BY P.L.214-2005,  
 46           SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 47           JULY 1, 2008]: Sec. 1. (a) Annually, after November 10th but before  
 48           August 1st of the succeeding year, each county treasurer shall serve a  
 49           written demand upon each county resident who is delinquent in the  
 50           payment of personal property taxes. Annually, after May 10 but before  
 51           October 31 of the same year, each county treasurer may serve a written

1 demand upon a county resident who is delinquent in the payment of  
 2 personal property taxes. The written demand may be served upon the  
 3 taxpayer:

- 4 (1) by registered or certified mail;
- 5 (2) in person by the county treasurer or the county treasurer's  
 6 agent; or
- 7 (3) by proof of certificate of mailing.

8 (b) The written demand required by this section shall contain:

- 9 (1) a statement that the taxpayer is delinquent in the payment of  
 10 personal property taxes;
- 11 (2) the amount of the delinquent taxes;
- 12 (3) the penalties due on the delinquent taxes;
- 13 (4) the collection expenses which the taxpayer owes; and
- 14 (5) a statement that if the sum of the delinquent taxes, penalties,  
 15 and collection expenses are not paid within thirty (30) days from  
 16 the date the demand is made then:

17 (A) sufficient personal property of the taxpayer shall be sold  
 18 to satisfy the total amount due plus the additional collection  
 19 expenses incurred; or

20 (B) a judgment may be entered against the taxpayer in the  
 21 circuit court of the county.

22 (c) Subsections (d) through (g) apply only to personal property that:

- 23 (1) is subject to a lien of a creditor imposed under an agreement  
 24 entered into between the debtor and the creditor after June 30,  
 25 2005;
- 26 (2) comes into the possession of the creditor or the creditor's agent  
 27 after May 10, 2006, to satisfy all or part of the debt arising from  
 28 the agreement described in subdivision (1); and
- 29 (3) has an assessed value of at least three thousand two hundred  
 30 dollars (\$3,200).

31 (d) For the purpose of satisfying a creditor's lien on personal  
 32 property, the creditor of a taxpayer that comes into possession of  
 33 personal property on which the taxpayer is adjudicated delinquent in  
 34 the payment of personal property taxes must pay in full to the county  
 35 treasurer the amount of the delinquent personal property taxes  
 36 determined under STEP SEVEN of the following formula from the  
 37 proceeds of any transfer of the personal property made by the creditor  
 38 or the creditor's agent before applying the proceeds to the creditor's lien  
 39 on the personal property:

40 STEP ONE: Determine the amount realized from any transfer of  
 41 the personal property made by the creditor or the creditor's agent  
 42 after the payment of the direct costs of the transfer.

43 STEP TWO: Determine the amount of the delinquent taxes,  
 44 including penalties and interest accrued on the delinquent taxes  
 45 as identified on the form described in subsection (f) by the county  
 46 treasurer.

47 STEP THREE: Determine the amount of the total of the unpaid  
 48 debt that is a lien on the transferred property that was perfected  
 49 before the assessment date on which the delinquent taxes became  
 50 a lien on the transferred property.

51 STEP FOUR: Determine the sum of the STEP TWO amount and



- 1 the STEP THREE amount.
- 2 STEP FIVE: Determine the result of dividing the STEP TWO
- 3 amount by the STEP FOUR amount.
- 4 STEP SIX: Multiply the STEP ONE amount by the STEP FIVE
- 5 amount.
- 6 STEP SEVEN: Determine the lesser of the following:
- 7 (A) The STEP TWO amount.
- 8 (B) The STEP SIX amount.
- 9 (e) This subsection applies to transfers made by a creditor after May
- 10 10, 2006. As soon as practicable after a creditor comes into possession
- 11 of the personal property described in subsection (c), the creditor shall
- 12 request the form described in subsection (f) from the county treasurer.
- 13 Before a creditor transfers personal property described in subsection
- 14 (d) on which delinquent personal property taxes are owed, the creditor
- 15 must obtain from the county treasurer a delinquent personal property
- 16 tax form and file the delinquent personal property tax form with the
- 17 county treasurer. The creditor shall provide the county treasurer with:
- 18 (1) the name and address of the debtor; and
- 19 (2) a specific description of the personal property described in
- 20 subsection (d);
- 21 when requesting a delinquent personal property tax form.
- 22 (f) The delinquent personal property tax form must be in a form
- 23 prescribed by the state board of accounts under IC 5-11 and must
- 24 require the following information:
- 25 (1) The name and address of the debtor as identified by the
- 26 creditor.
- 27 (2) A description of the personal property identified by the
- 28 creditor and now in the creditor's possession.
- 29 (3) The assessed value of the personal property identified by the
- 30 creditor and now in the creditor's possession, as determined under
- 31 subsection (g).
- 32 (4) The amount of delinquent personal property taxes owed on the
- 33 personal property identified by the creditor and now in the
- 34 creditor's possession, as determined under subsection (g).
- 35 (5) A statement notifying the creditor that ~~IC 6-1.1-23-1~~ **this**
- 36 **section** requires that a creditor, upon the liquidation of personal
- 37 property for the satisfaction of the creditor's lien, must pay in full
- 38 the amount of delinquent personal property taxes owed as
- 39 determined under subsection (d) on the personal property in the
- 40 amount identified on this form from the proceeds of the
- 41 liquidation before the proceeds of the liquidation may be applied
- 42 to the creditor's lien on the personal property.
- 43 (g) The county treasurer shall provide the delinquent personal
- 44 property tax form described in subsection (f) to the creditor not later
- 45 than fourteen (14) days after the date the creditor requests the
- 46 delinquent personal property tax form. The county **assessor** and **the**
- 47 township assessors (**if any**) shall assist the county treasurer in
- 48 determining the appropriate assessed value of the personal property and
- 49 the amount of delinquent personal property taxes owed on the personal
- 50 property. Assistance provided by the county **assessor** and **the** township
- 51 assessors (**if any**) must include providing the county treasurer with

1 relevant personal property forms filed with the **assessor or** assessors  
 2 and providing the county treasurer with any other assistance necessary  
 3 to accomplish the purposes of this section.

4 SECTION 258. IC 6-1.1-24-2, AS AMENDED BY P.L.89-2007,  
 5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2008]: Sec. 2. (a) In addition to the delinquency list required  
 7 under section 1 of this chapter, each county auditor shall prepare a  
 8 notice. The notice shall contain the following:

9 (1) A list of tracts or real property eligible for sale under this  
 10 chapter.

11 (2) A statement that the tracts or real property included in the list  
 12 will be sold at public auction to the highest bidder, subject to the  
 13 right of redemption.

14 (3) A statement that the tracts or real property will not be sold for  
 15 an amount which is less than the sum of:

16 (A) the delinquent taxes and special assessments on each tract  
 17 or item of real property;

18 (B) the taxes and special assessments on each tract or item of  
 19 real property that are due and payable in the year of the sale,  
 20 whether or not they are delinquent;

21 (C) all penalties due on the delinquencies;

22 (D) an amount prescribed by the county auditor that equals the  
 23 sum of:

24 (i) the greater of twenty-five dollars (\$25) or postage and  
 25 publication costs; and

26 (ii) any other actual costs incurred by the county that are  
 27 directly attributable to the tax sale; and

28 (E) any unpaid costs due under subsection (b) from a prior tax  
 29 sale.

30 (4) A statement that a person redeeming each tract or item of real  
 31 property after the sale must pay:

32 (A) one hundred ten percent (110%) of the amount of the  
 33 minimum bid for which the tract or item of real property was  
 34 offered at the time of sale if the tract or item of real property  
 35 is redeemed not more than six (6) months after the date of  
 36 sale;

37 (B) one hundred fifteen percent (115%) of the amount of the  
 38 minimum bid for which the tract or item of real property was  
 39 offered at the time of sale if the tract or item of real property  
 40 is redeemed more than six (6) months after the date of sale;

41 (C) the amount by which the purchase price exceeds the  
 42 minimum bid on the tract or item of real property plus ten  
 43 percent (10%) per annum on the amount by which the  
 44 purchase price exceeds the minimum bid; and

45 (D) all taxes and special assessments on the tract or item of  
 46 real property paid by the purchaser after the tax sale plus  
 47 interest at the rate of ten percent (10%) per annum on the  
 48 amount of taxes and special assessments paid by the purchaser  
 49 on the redeemed property.

50 (5) A statement for informational purposes only, of the location  
 51 of each tract or item of real property by key number, if any, and

1 street address, if any, or a common description of the property  
2 other than a legal description. The township assessor, **or the**  
3 **county assessor if there is no township assessor for the**  
4 **township**, upon written request from the county auditor, shall  
5 provide the information to be in the notice required by this  
6 subsection. A misstatement in the key number or street address  
7 does not invalidate an otherwise valid sale.

8 (6) A statement that the county does not warrant the accuracy of  
9 the street address or common description of the property.

10 (7) A statement indicating:

11 (A) the name of the owner of each tract or item of real  
12 property with a single owner; or

13 (B) the name of at least one (1) of the owners of each tract or  
14 item of real property with multiple owners.

15 (8) A statement of the procedure to be followed for obtaining or  
16 objecting to a judgment and order of sale, that must include the  
17 following:

18 (A) A statement:

19 (i) that the county auditor and county treasurer will apply on  
20 or after a date designated in the notice for a court judgment  
21 against the tracts or real property for an amount that is not  
22 less than the amount set under subdivision (3), and for an  
23 order to sell the tracts or real property at public auction to  
24 the highest bidder, subject to the right of redemption; and  
25 (ii) indicating the date when the period of redemption  
26 specified in IC 6-1.1-25-4 will expire.

27 (B) A statement that any defense to the application for  
28 judgment must be:

29 (i) filed with the court; and

30 (ii) served on the county auditor and the county treasurer;  
31 before the date designated as the earliest date on which the  
32 application for judgment may be filed.

33 (C) A statement that the county auditor and the county  
34 treasurer are entitled to receive all pleadings, motions,  
35 petitions, and other filings related to the defense to the  
36 application for judgment.

37 (D) A statement that the court will set a date for a hearing at  
38 least seven (7) days before the advertised date and that the  
39 court will determine any defenses to the application for  
40 judgment at the hearing.

41 (9) A statement that the sale will be conducted at a place  
42 designated in the notice and that the sale will continue until all  
43 tracts and real property have been offered for sale.

44 (10) A statement that the sale will take place at the times and  
45 dates designated in the notice. Whenever the public auction is to  
46 be conducted as an electronic sale, the notice must include a  
47 statement indicating that the public auction will be conducted as  
48 an electronic sale and a description of the procedures that must be  
49 followed to participate in the electronic sale.

50 (11) A statement that a person redeeming each tract or item after  
51 the sale must pay the costs described in IC 6-1.1-25-2(e).

1 (12) If a county auditor and county treasurer have entered into an  
 2 agreement under IC 6-1.1-25-4.7, a statement that the county  
 3 auditor will perform the duties of the notification and title search  
 4 under IC 6-1.1-25-4.5 and the notification and petition to the  
 5 court for the tax deed under IC 6-1.1-25-4.6.

6 (13) A statement that, if the tract or item of real property is sold  
 7 for an amount more than the minimum bid and the property is not  
 8 redeemed, the owner of record of the tract or item of real property  
 9 who is divested of ownership at the time the tax deed is issued  
 10 may have a right to the tax sale surplus.

11 (14) If a determination has been made under subsection (d), a  
 12 statement that tracts or items will be sold together.

13 (b) If within sixty (60) days before the date of the tax sale the county  
 14 incurs costs set under subsection (a)(3)(D) and those costs are not paid,  
 15 the county auditor shall enter the amount of costs that remain unpaid  
 16 upon the tax duplicate of the property for which the costs were set. The  
 17 county treasurer shall mail notice of unpaid costs entered upon a tax  
 18 duplicate under this subsection to the owner of the property identified  
 19 in the tax duplicate.

20 (c) The amount of unpaid costs entered upon a tax duplicate under  
 21 subsection (b) must be paid no later than the date upon which the next  
 22 installment of real estate taxes for the property is due. Unpaid costs  
 23 entered upon a tax duplicate under subsection (b) are a lien against the  
 24 property described in the tax duplicate, and amounts remaining unpaid  
 25 on the date the next installment of real estate taxes is due may be  
 26 collected in the same manner that delinquent property taxes are  
 27 collected.

28 (d) The county auditor and county treasurer may establish the  
 29 condition that a tract or item will be sold and may be redeemed under  
 30 this chapter only if the tract or item is sold or redeemed together with  
 31 one (1) or more other tracts or items. Property may be sold together  
 32 only if the tract or item is owned by the same person.

33 SECTION 259. IC 6-1.1-25-4.1 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4.1. (a) If, as provided  
 35 in ~~section 4(f)~~ **section 4(h)** of this chapter, the county auditor does not  
 36 issue a deed to the county for property for which a certificate of sale  
 37 has been issued to the county under IC 6-1.1-24-9 because the county  
 38 executive determines that the property contains hazardous waste or  
 39 another environmental hazard for which the cost of abatement or  
 40 alleviation will exceed the fair market value of the property, the  
 41 property may be transferred consistent with ~~the provisions of~~ this  
 42 section.

43 (b) A person who desires to obtain title to and eliminate the  
 44 hazardous conditions of property containing hazardous waste or  
 45 another environmental hazard for which a county holds a certificate of  
 46 sale but to which a deed may not be issued to the county under ~~section~~  
 47 ~~4(f)~~ **section 4(h)** of this chapter may file a petition with the county  
 48 auditor seeking a waiver of the delinquent taxes, special assessments,  
 49 interest, penalties, and costs assessed against the property and transfer  
 50 of the title to the property to the petitioner. The petition must:

51 (1) be on a form prescribed by the state board of accounts and

1 approved by the department of local government finance;  
 2 (2) state the amount of taxes, special assessments, penalties, and  
 3 costs assessed against the property for which a waiver is sought;  
 4 (3) describe the conditions existing on the property that have  
 5 prevented the sale or the transfer of title to the county;  
 6 (4) describe the plan of the petitioner for elimination of the  
 7 hazardous condition on the property under IC 13-25-5 and the  
 8 intended use of the property; and  
 9 (5) be accompanied by a fee established by the county auditor for  
 10 completion of a title search and processing.

11 (c) Upon receipt of a petition described in subsection (b), the county  
 12 auditor shall review the petition to determine whether the petition is  
 13 complete. If the petition is not complete, the county auditor shall return  
 14 the petition to the petitioner and describe the defects in the petition.  
 15 The petitioner may correct the defects and file the completed petition  
 16 with the county auditor. Upon receipt of a completed petition, the  
 17 county auditor shall forward a copy of the petition to:

- 18 (1) the assessor of the township in which the property is located,  
 19 **or the county assessor if there is no township assessor for the**  
 20 **township;**
- 21 (2) the owner;
- 22 (3) all persons who have, as of the date of the filing of the  
 23 petition, a substantial interest of public record in the property;
- 24 (4) the county property tax assessment board of appeals; and
- 25 (5) the department of local government finance.

26 (d) Upon receipt of a petition described in subsection (b), the county  
 27 property tax assessment board of appeals shall, at the county property  
 28 tax assessment board of appeals' earliest opportunity, conduct a public  
 29 hearing on the petition. The county property tax assessment board of  
 30 appeals shall, by mail, give notice of the date, time, and place fixed for  
 31 the hearing to:

- 32 (1) the petitioner;
- 33 (2) the owner;
- 34 (3) all persons who have, as of the date the petition was filed, a  
 35 substantial interest of public record in the property; and
- 36 (4) the assessor of the township in which the property is located,  
 37 **or the county assessor if there is no township assessor for the**  
 38 **township.**

39 In addition, notice of the public hearing on the petition shall be  
 40 published one (1) time at least ten (10) days before the hearing in a  
 41 newspaper of countywide circulation and posted at the principal office  
 42 of the county property tax assessment board of appeals, or at the  
 43 building where the meeting is to be held.

44 (e) After the hearing and completion of any additional investigation  
 45 of the property or of the petitioner that is considered necessary by the  
 46 county property tax assessment board of appeals, the county board shall  
 47 give notice, by mail, to the parties listed in subsection (d) of the county  
 48 property tax assessment board of appeals' recommendation as to  
 49 whether the petition should be granted. The county property tax  
 50 assessment board of appeals shall forward to the department of local  
 51 government finance a copy of the county property tax assessment board

1 of appeals' recommendation and a copy of the documents submitted to  
2 or collected by the county property tax assessment board of appeals at  
3 the public hearing or during the course of the county board of appeals'  
4 investigation of the petition.

5 (f) Upon receipt by the department of local government finance of  
6 a recommendation by the county property tax assessment board of  
7 appeals, the department of local government finance shall review the  
8 petition and all other materials submitted by the county property tax  
9 assessment board of appeals and determine whether to grant the  
10 petition. Notice of the determination by the department of local  
11 government finance and the right to seek an appeal of the  
12 determination shall be given by mail to:

13 (1) the petitioner;

14 (2) the owner;

15 (3) all persons who have, as of the date the petition was filed, a  
16 substantial interest of public record in the property;

17 (4) the assessor of the township in which the property is located,  
18 **or the county assessor if there is no township assessor for the**  
19 **township;** and

20 (5) the county property tax assessment board of appeals.

21 (g) Any person aggrieved by a determination of the department of  
22 local government finance under subsection (f) may file an appeal  
23 seeking additional review by the department of local government  
24 finance and a public hearing. In order to obtain a review under this  
25 subsection, the aggrieved person must file a petition for appeal with the  
26 county auditor in the county where the tract or item of real property is  
27 located not more than thirty (30) days after issuance of notice of the  
28 determination of the department of local government finance. The  
29 county auditor shall transmit the petition for appeal to the department  
30 of local government finance not more than ten (10) days after the  
31 petition is filed.

32 (h) Upon receipt by the department of local government finance of  
33 an appeal, the department of local government finance shall set a date,  
34 time, and place for a hearing. The department of local government  
35 finance shall give notice, by mail, of the date, time, and place fixed for  
36 the hearing to:

37 (1) the person filing the appeal;

38 (2) the petitioner;

39 (3) the owner;

40 (4) all persons who have, as of the date the petition was filed, a  
41 substantial interest of public record in the property;

42 (5) the assessor of the township in which the property is located,  
43 **or the county assessor if there is no township assessor for the**  
44 **township;** and

45 (6) the county property tax assessment board of appeals.

46 The department of local government finance shall give the notices at  
47 least ten (10) days before the day fixed for the hearing.

48 (i) After the hearing, the department of local government finance  
49 shall give the parties listed in subsection (h) notice by mail of the final  
50 determination of the department of local government finance.

51 (j) If the department of local government finance decides to:

1 (1) grant the petition submitted under subsection (b) after initial  
 2 review of the petition under subsection (f) or after an appeal  
 3 under subsection (h); and

4 (2) waive the taxes, special assessments, interest, penalties, and  
 5 costs assessed against the property;

6 the department of local government finance shall issue to the county  
 7 auditor an order directing the removal from the tax duplicate of the  
 8 taxes, special assessments, interest, penalties, and costs for which the  
 9 waiver is granted.

10 (k) After:

11 (1) at least thirty (30) days have passed since the issuance of a  
 12 notice by the department of local government finance to the  
 13 county property tax assessment board of appeals granting a  
 14 petition filed under subsection (b), if no appeal has been filed; or  
 15 (2) not more than thirty (30) days after receipt by the county  
 16 property tax assessment board of appeals of a notice of a final  
 17 determination of the department of local government finance  
 18 granting a petition filed under subsection (b) after an appeal has  
 19 been filed and heard under subsection (h);

20 the county auditor shall file a verified petition and an application for an  
 21 order on the petition in the court in which the judgment of sale was  
 22 entered asking the court to direct the county auditor to issue a tax deed  
 23 to the real property. The petition shall contain the certificate of sale  
 24 issued to the county, a copy of the petition filed under subsection (b),  
 25 and a copy of the notice of the final determination of the department of  
 26 local government finance directing the county auditor to remove the  
 27 taxes, interest, penalties, and costs from the tax duplicate. Notice of the  
 28 filing of the petition and application for an order on the petition shall  
 29 be given, by mail, to the owner and any person with a substantial  
 30 interest of public record in the property. A person owning or having an  
 31 interest in the property may appear to object to the petition.

32 (l) The court shall enter an order directing the county auditor to  
 33 issue a tax deed to the petitioner under subsection (b) if the court finds  
 34 that the following conditions exist:

35 (1) The time for redemption has expired.

36 (2) The property has not been redeemed before the expiration of  
 37 the period of redemption specified in section 4 of this chapter.

38 (3) All taxes, special assessments, interest, penalties, and costs  
 39 have been waived by the department of local government finance  
 40 or, to the extent not waived, paid by the petitioner under  
 41 subsection (b).

42 (4) All notices required by this section and sections 4.5 and 4.6 of  
 43 this chapter have been given.

44 (5) The petitioner under subsection (b) has complied with all the  
 45 provisions of law entitling the petitioner to a tax deed.

46 (m) A tax deed issued under this section is uncontestable except by  
 47 appeal from the order of the court directing the county auditor to issue  
 48 the tax deed. The appeal must be filed not later than sixty (60) days  
 49 after the date of the court's order.

50 SECTION 260. IC 6-1.1-29-2, AS AMENDED BY P.L.224-2007,  
 51 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: Sec. 2. (a) The seven (7) members of the county  
 2 board of tax adjustment shall be appointed before April 15th of each  
 3 year, and their appointments shall continue in effect until April 15th of  
 4 the following year. The four (4) freehold members of the county board  
 5 of tax adjustment may not be, or have been during the year preceding  
 6 their appointment, an official or employee of a political subdivision.  
 7 The four (4) freehold members shall be appointed in such a manner  
 8 that no more than four (4) of the board members are members of the  
 9 same political party. This subsection expires December 31, 2008:

10 (b) The following apply, notwithstanding any other provision:

11 (1) A member may not be appointed to a county board of tax  
 12 adjustment after December 31, 2008:

13 (2) The term of a member of a county board of tax adjustment  
 14 serving on December 31, 2008; expires on December 31, 2008:

15 (3) Each county board of tax adjustment is abolished on  
 16 December 31, 2008:

17 (c) On or before December 31 of 2008 and each even-numbered  
 18 year thereafter, each person or entity required to make an appointment  
 19 to a county board of tax and capital projects review under section 1.5  
 20 of this chapter shall make the required appointment or appointments of  
 21 members who will represent the person or entity on the county board  
 22 of tax and capital projects review. The appointments take effect  
 23 January 1 of the following odd-numbered year and continue in effect  
 24 until December 31 of the following even-numbered year. If a member  
 25 is to be appointed by one (1) entity, the appointment must be made by  
 26 a majority vote of the fiscal body in official session. If a member is to  
 27 be appointed by more than one (1) entity, the appointment must be  
 28 made by a majority vote of the total members of the entities taken in  
 29 joint session. If:

30 (1) a person or entity fails; or

31 (2) the entities, in the case of a joint appointment, fail;

32 to make a required appointment of a member by December 31 of an  
 33 even-numbered year, the county fiscal body shall make the  
 34 appointment:

35 (d) This subsection does not apply to a county containing a  
 36 consolidated city. At the general election in 2008 and every four (4)  
 37 years thereafter, the voters of each county shall under IC 3-11-2-12.8  
 38 elect two (2) individuals who are residents of the county as members  
 39 of the county board of tax and capital projects review. The term of  
 40 office of a member elected under this subsection begins January 1 of  
 41 the year following the member's election and ends December 31 of the  
 42 fourth year following the member's election. The two (2) members who  
 43 are elected for a position on the county board of tax and capital projects  
 44 review are determined as follows:

45 (1) The members shall be elected on a nonpartisan basis:

46 (2) Each prospective candidate must file a nomination petition  
 47 with the county election board not earlier than one hundred four  
 48 (104) days and not later than noon seventy-four (74) days before  
 49 the election at which the members are to be elected. The  
 50 nomination petition must include the following information:

51 (A) The name of the prospective candidate:



1           (B) The signatures of at least one hundred (100) registered  
2 voters residing in the county.

3           (C) A certification that the prospective candidate meets the  
4 qualifications for candidacy imposed by this chapter.

5           (3) Only eligible voters residing in the county may vote for a  
6 candidate.

7           (4) The two (2) candidates within the county who receive the  
8 greatest number of votes in the county are elected.

9           (e) A member elected under this section may not be, or have been  
10 during the year preceding the member's appointment or election, an  
11 officer or employee of a political subdivision.

12           SECTION 261. IC 6-1.1-29-3, AS AMENDED BY P.L.224-2007,  
13 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
14 UPON PASSAGE]: Sec. 3. ~~(a)~~ If a vacancy occurs in the membership  
15 of the county board of tax adjustment ~~(before January 1, 2009)~~ or the  
16 county board of tax and capital projects review ~~(after December 31,~~  
17 ~~2008)~~ with respect to an appointment made by a fiscal body, the  
18 vacancy shall be filled in the same manner provided for the original  
19 appointment.

20           ~~(b) If a vacancy occurs after December 31, 2008, in the membership~~  
21 ~~of the county board of tax and capital projects review with respect to~~  
22 ~~a member elected under section 2(d) of this chapter, the county fiscal~~  
23 ~~body shall appoint an individual to fill the vacancy for the remainder~~  
24 ~~of the term.~~

25           SECTION 262. IC 6-1.1-29-4, AS AMENDED BY P.L.224-2007,  
26 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 UPON PASSAGE]: Sec. 4. ~~(a)~~ Except as provided in subsection ~~(b)~~;  
28 Each county board of tax adjustment, ~~(before January 1, 2009)~~ or  
29 county board of tax and capital projects review ~~(after December 31,~~  
30 ~~2008)~~; except the board for a consolidated city and county and for a  
31 county containing a second class city, shall hold its first meeting of  
32 each year for the purpose of reviewing budgets, tax rates, and levies on  
33 September 22 or on the first business day after September 22, if  
34 September 22 is not a business day. The board for a consolidated city  
35 and county and for a county containing a second class city shall hold  
36 its first meeting of each year for the purpose of reviewing budgets, tax  
37 rates, and levies on the first Wednesday following the adoption of city  
38 and county budget, tax rate, and tax levy ordinances. The board shall  
39 hold the meeting at the office of the county auditor. At the first meeting  
40 of each year, the board shall elect a chairman and a vice-chairman.  
41 After this meeting, the board shall continue to meet from day to day at  
42 any convenient place until its business is completed. However, the  
43 board must ~~except as provided in subsection (b)~~; complete its duties on  
44 or before the date prescribed in IC 6-1.1-17-9(a).

45           ~~(b) This section does not limit the ability of the county board of tax~~  
46 ~~and capital projects review to meet after December 31, 2008, at any~~  
47 ~~time during a year to carry out its duties under IC 6-1.1-29.5.~~

48           SECTION 263. IC 6-1.1-29-5, AS AMENDED BY P.L.224-2007,  
49 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
50 UPON PASSAGE]: Sec. 5. The county auditor shall serve as clerk of  
51 the county board of tax adjustment. The clerk shall keep a complete

1 record of all the board's proceedings. The clerk may not vote on matters  
2 before the board. ~~This section expires December 31, 2008.~~

3 SECTION 264. IC 6-1.1-29-6, AS AMENDED BY P.L.224-2007,  
4 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 UPON PASSAGE]: Sec. 6. ~~(a)~~ The four (4) freehold members of the  
6 county board of tax adjustment shall receive compensation on a per  
7 diem basis for each day of actual service. The rate of this compensation  
8 is the same as the rate that the freehold members of the county property  
9 tax assessment board of appeals of that county receive. The county  
10 auditor shall keep an attendance record of each meeting of the county  
11 board of tax adjustment. At the close of each annual session, the county  
12 auditor shall certify to the county board of commissioners the number  
13 of days actually served by each freehold member. The county board of  
14 commissioners may not allow claims for service on the county board  
15 of tax adjustment for more days than the number of days certified by  
16 the county auditor. ~~This subsection expires December 31, 2008.~~

17 ~~(b) A member of the county board of tax and capital projects review  
18 who is elected under section 1-5 of this chapter shall receive  
19 compensation from the county on a per diem basis for each day of  
20 actual service on the board. The rate of the compensation is equal to the  
21 rate that members of the county property tax assessment board of  
22 appeals in the county receive under IC 6-1.1-28-3. The county auditor  
23 shall keep an attendance record of each meeting of the county board of  
24 tax and capital projects review. The county auditor shall certify to the  
25 county executive the number of days actually served by each elected  
26 member. The county executive may not allow claims for service on the  
27 county board of tax and capital projects review for more days than the  
28 number of days certified by the county auditor. Appointed members of  
29 the county board of tax and capital projects review are not entitled to  
30 per diem compensation.~~

31 SECTION 265. IC 6-1.1-29-7, AS AMENDED BY P.L.224-2007,  
32 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 UPON PASSAGE]: Sec. 7. A county board of tax adjustment ~~(before  
34 January 1, 2009) or the county board of tax and capital projects review  
35 (after December 31, 2008)~~ may require an official of a political  
36 subdivision of the county to appear before the board. In addition, the  
37 board may require such an official to provide the board with  
38 information which is related to the budget, tax rate, or tax levy of the  
39 political subdivision.

40 SECTION 266. IC 6-1.1-29-8, AS AMENDED BY P.L.224-2007,  
41 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
42 UPON PASSAGE]: Sec. 8. A county board of tax adjustment ~~(before  
43 January 1, 2009) or the county board of tax and capital projects review  
44 (after December 31, 2008)~~ may employ an examiner of the state board  
45 of accounts to assist the county board with its duties. If the board  
46 desires to employ an examiner, it shall adopt a resolution which states  
47 the number of days that the examiner is to serve. When the county  
48 board files a copy of the resolution with the chief examiner of the state  
49 board of accounts, the state board of accounts shall assign an examiner  
50 to the county board of tax adjustment ~~(before January 1, 2009) or the  
51 county board of tax and capital projects review (after December 31,~~

2008) 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 (before January 1, 2009) or a county board of tax and capital projects review (after December 31, 2008) 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.

SECTION 267. IC 6-1.1-29-9, AS AMENDED BY P.L.224-2007, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) ~~This subsection expires December 31, 2008:~~ 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) ~~This subsection applies after December 31, 2008:~~ Subject to subsection (e), a county board of tax and capital projects review may not review or modify tax rates, tax levies, and budgets if the county council:

(1) adopts an ordinance to abolish the county board of tax adjustment before January 1, 2009; or

(2) adopts an ordinance before July 2 of any year to prohibit the county board of tax and capital projects review from carrying out such reviews.

An ordinance described in this subsection may not be rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 8-18-21-13, IC 12-19-7, IC 12-19-7.5, IC 14-30-2-19, IC 14-30-4-16, IC 14-33-9-1, IC 20-45, IC 20-46, IC 36-7-15.1-26.9, 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 and has not been rescinded, this section governs the treatment of tax rates, tax levies, and budgets that would otherwise be reviewed by a county board of tax and capital projects review. If an ordinance described in subdivision (1) or (2) has been adopted in a county and has not been rescinded, the county board of tax and capital projects review may not review tax rates, tax levies, and budgets (other than for capital projects) under IC 6-1.1-17-3, IC 6-1.1-17-5, IC 6-1.1-17-5.6, IC 6-1.1-17-6, IC 6-1.1-17-7, IC 6-1.1-17-9, IC 6-1.1-17-10, IC 6-1.1-17-11, IC 6-1.1-17-12, IC 6-1.1-17-14, IC 6-1.1-17-15, IC 6-1.1-29-4(a), IC 8-18-21-13, IC 12-19-7, IC 12-19-7.5, IC 14-30-2-19, IC 14-30-4-16, IC 14-33-9-1, IC 20-45, IC 20-46, IC 36-7-15.1-26.9, 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, or IC 36-9-13.

(c) (b) The time requirements set forth in IC 6-1.1-17 govern all filings and notices.

(d) (c) If an ordinance described in subsection (a) or (b) is adopted and has not been rescinded, a tax rate, tax levy, or budget that

1 otherwise would be reviewed by the county board of tax adjustment  
 2 (before January 1, 2009) or the county board of tax and capital projects  
 3 review (after December 31, 2008) is considered and must be treated for  
 4 all purposes as if the county board of tax adjustment approved the tax  
 5 rate, tax levy, or budget. This includes the notice of tax rates that is  
 6 required under IC 6-1.1-17-12.

7 (e) This section does not prohibit a county board of tax and capital  
 8 projects review from reviewing tax rates, tax levies, and budgets for  
 9 informational purposes as necessary to carry out its duties under  
 10 IC 6-1.1-29-5.

11 SECTION 268. IC 6-1.1-30-17 IS ADDED TO THE INDIANA  
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 13 [EFFECTIVE JANUARY 1, 2009]: **Sec. 17. (a) Except as provided**  
 14 **in subsection (c) and subject to subsection (d), the department of**  
 15 **state revenue and the auditor of state shall, when requested by the**  
 16 **department of local government finance, withhold a percentage of**  
 17 **the distributions of county adjusted gross income tax distributions**  
 18 **under IC 6-3.5-1.1, county option income tax distributions under**  
 19 **IC 6-3.5-6, or county economic development income tax**  
 20 **distributions under IC 6-3.5-7 that would otherwise be distributed**  
 21 **to the county under the schedules in IC 6-3.5-1.1-10,**  
 22 **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**  
 23 **IC 6-3.5-7-17.3, if:**

24 (1) local assessing officials have not provided information to  
 25 the department of local government finance in a timely  
 26 manner under IC 4-10-13-5(b);

27 (2) the county assessor has not transmitted to the department  
 28 of local government finance by October 1 of the year in which  
 29 the distribution is scheduled to be made the data for all  
 30 townships in the county required to be transmitted under  
 31 IC 6-1.1-4-25;

32 (3) the county auditor has not paid a bill for services under  
 33 IC 6-1.1-4-31.5 to the department of local government finance  
 34 in a timely manner;

35 (4) the county assessor has not forwarded to the department  
 36 of local government finance in a timely manner sales  
 37 disclosure form data under IC 6-1.1-5.5-3;

38 (5) the county auditor has not forwarded to the department of  
 39 local government finance the duplicate copies of all approved  
 40 exemption applications required to be forwarded by that date  
 41 under IC 6-1.1-11-8(a);

42 (6) by the date the distribution is scheduled to be made, the  
 43 county auditor has not sent a certified statement required to  
 44 be sent by that date under IC 6-1.1-17-1 to the department of  
 45 local government finance;

46 (7) the county does not maintain a certified computer system  
 47 that meets the requirements of IC 6-1.1-31.5-3.5;

48 (8) the county auditor has not transmitted the data described  
 49 in IC 36-2-9-20 to the department of local government finance  
 50 in the form and on the schedule specified by IC 36-2-9-20;

51 (9) the county has not established a parcel index numbering

1 system under 50 IAC 23-8-1 in a timely manner; or  
 2 (10) a county official has not provided other information to  
 3 the department of local government finance in a timely  
 4 manner as required by the department of local government  
 5 finance.

6 The percentage to be withheld is the percentage determined by the  
 7 department of local government finance.

8 (b) Except as provided in subsection (e), money not distributed  
 9 for the reasons stated in subsection (a) shall be distributed to the  
 10 county when the department of local government finance  
 11 determines that the failure to:

- 12 (1) provide information; or
- 13 (2) pay a bill for services;

14 has been corrected.

15 (c) The restrictions on distributions under subsection (a) do not  
 16 apply if the department of local government finance determines  
 17 that the failure to:

- 18 (1) provide information; or
- 19 (2) pay a bill for services;

20 in a timely manner is justified by unusual circumstances.

21 (d) The department of local government finance shall give the  
 22 county auditor at least thirty (30) days notice in writing before the  
 23 department of state revenue or the auditor of state withholds a  
 24 distribution under subsection (a).

25 (e) Money not distributed for the reason stated in subsection  
 26 (a)(3) may be deposited in the fund established by  
 27 IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not  
 28 subject to distribution under subsection (b).

29 (f) This subsection applies to a county that will not receive a  
 30 distribution under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7. At the  
 31 request of the department of local government finance, an amount  
 32 permitted to be withheld under subsection (a) may be withheld  
 33 from any state revenues that would otherwise be distributed to the  
 34 county or one (1) or more taxing units in the county.

35 SECTION 269. IC 6-1.1-31-1 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The  
 37 department of local government finance shall do the following:

- 38 (1) Prescribe the property tax forms and returns which taxpayers  
 39 are to complete and on which the taxpayers' assessments will be  
 40 based.
- 41 (2) Prescribe the forms to be used to give taxpayers notice of  
 42 assessment actions.
- 43 (3) Adopt rules concerning the assessment of tangible property.
- 44 (4) Develop specifications that prescribe state requirements for  
 45 computer software and hardware to be used by counties for  
 46 assessment purposes. The specifications developed under this  
 47 subdivision apply only to computer software and hardware  
 48 systems purchased for assessment purposes after July 1, 1993.

49 **The specifications, including specifications in a rule or other  
 50 standard adopted under IC 6-1.1-31.5, must provide for:**

- 51 (A) maintenance of data in a form that formats the

1 information in the file with the standard data, field, and  
 2 record coding jointly required and approved by the  
 3 department of local government finance and the legislative  
 4 services agency;

5 (B) data export and transmission that is compatible with  
 6 the data export and transmission requirements in a  
 7 standard format prescribed by the office of technology  
 8 established by IC 4-13.1-2-1 and jointly approved by the  
 9 department of local government finance and legislative  
 10 services agency; and

11 (C) maintenance of data in a manner that ensures prompt  
 12 and accurate transfer of data to the department of local  
 13 government finance and the legislative services agency, as  
 14 jointly approved by the department of local government  
 15 and legislative services agency.

16 (5) Adopt rules establishing criteria for the revocation of a  
 17 certification under IC 6-1.1-35.5-6.

18 (b) The department of local government finance may adopt rules  
 19 that are related to property taxation or the duties or the procedures of  
 20 the department.

21 (c) Rules of the state board of tax commissioners are for all  
 22 purposes rules of the department of local government finance and the  
 23 Indiana board until the department and the Indiana board adopt rules  
 24 to repeal or supersede the rules of the state board of tax commissioners.

25 SECTION 270. IC 6-1.1-31-4 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. When the  
 27 department of local government finance prescribes or promulgates a  
 28 rule, regulation, property tax form, property tax return, notice form,  
 29 **bulletin, directive**, or any other paper, the department shall:

30 (1) send copies of it to the local taxing officials;

31 (2) **send a copy of it to the executive director of the legislative**  
 32 **services agency in an electronic format under IC 5-14-6, if it**  
 33 **is not published in the Indiana Register under IC 4-22; and**

34 ~~(3)~~ (3) maintain copies of it for general distribution.

35 SECTION 271. IC 6-1.1-31-5 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) Subject to this  
 37 article, the rules adopted by the department of local government  
 38 finance are the basis for determining the true tax value of tangible  
 39 property.

40 (b) ~~Local~~ Assessing officials ~~members of the county property tax~~  
 41 ~~assessment board of appeals; and county assessors~~ shall:

42 (1) comply with the rules, appraisal manuals, bulletins, and  
 43 directives adopted by the department of local government finance;

44 (2) use the property tax forms, property tax returns, and notice  
 45 forms prescribed by the department; and

46 (3) collect and record the data required by the department.

47 (c) In assessing tangible property, the ~~township assessors; members~~  
 48 ~~of the county property tax assessment board of appeals; and county~~  
 49 ~~assessors~~ **assessing officials** may consider factors in addition to those  
 50 prescribed by the department of local government finance if the use of  
 51 the additional factors is first approved by the department. Each

1 township assessor, of the county property tax assessment board of  
 2 appeals, and the county assessor assessing official shall indicate on his  
 3 the official's records for each individual assessment whether:

- 4 (1) only the factors contained in the department's rules, forms, and  
 5 returns have been considered; or
- 6 (2) factors in addition to those contained in the department's rules,  
 7 forms, and returns have been considered.

8 SECTION 272. IC 6-1.1-31.5-2, AS AMENDED BY P.L.228-2005,  
 9 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10 JULY 1, 2008]: Sec. 2. (a) Subject to section ~~3.5(e)~~ **3.5** of this chapter,  
 11 the department shall adopt rules under IC 4-22-2 to prescribe computer  
 12 specification standards and for the certification of:

- 13 (1) computer software;
- 14 (2) software providers;
- 15 (3) computer service providers; and
- 16 (4) computer equipment providers.

17 (b) The rules of the department shall provide for:

- 18 (1) the effective and efficient administration of assessment laws;
- 19 (2) the prompt updating of assessment data;
- 20 (3) the administration of information contained in the sales  
 21 disclosure form, as required under IC 6-1.1-5.5; and
- 22 (4) other information necessary to carry out the administration of  
 23 the property tax assessment laws.

24 (c) After ~~December 31, 1998~~, **June 30, 2008**, subject to section  
 25 ~~3.5(e)~~ **3.5** of this chapter a county:

26 (1) may contract only for computer software and with software  
 27 providers, computer service providers, and equipment providers  
 28 that are certified by the department under the rules described in  
 29 subsection (a); **and**

30 (2) **may enter into a contract referred to in subdivision (1)**  
 31 **only if the department is a party to the contract.**

32 ~~(d) The initial rules under this section must be adopted under~~  
 33 ~~IC 4-22-2 before January 1, 1998.~~

34 SECTION 273. IC 6-1.1-31.5-3.5, AS AMENDED BY  
 35 P.L.228-2005, SECTION 26, IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3.5. (a) Until the  
 37 system described in subsection (e) is implemented, each county shall  
 38 maintain a state certified computer system that has the capacity to:

- 39 (1) process and maintain assessment records;
- 40 (2) process and maintain standardized property tax forms;
- 41 (3) process and maintain standardized property assessment  
 42 notices;
- 43 (4) maintain complete and accurate assessment records for the  
 44 county; and
- 45 (5) process and compute complete and accurate assessments in  
 46 accordance with Indiana law.

47 The county assessor ~~with the recommendation of the township~~  
 48 ~~assessors shall select the computer system. used by township assessors~~  
 49 ~~and the county assessor in the county except in a county with an elected~~  
 50 ~~township assessor in every township. In a county with an elected~~  
 51 ~~township assessor in every township, the elected township assessors~~

1 shall select a computer system based on a majority vote of the township  
2 assessors in the county.

3 (b) All information on a computer system referred to in subsection  
4 (a) shall be readily accessible to:

5 ~~(1) township assessors;~~

6 ~~(2) the county assessor;~~

7 ~~(3) (1) the department of local government finance; and~~

8 ~~(4) members of the county property tax assessment board of~~  
9 ~~appeals.~~

10 **(2) assessing officials.**

11 (c) The certified system referred to in subsection (a) used by the  
12 counties must be:

13 (1) compatible with the data export and transmission  
14 requirements in a standard format prescribed by the office of  
15 technology established by IC 4-13.1-2-1 and approved by the  
16 legislative services agency; and

17 (2) maintained in a manner that ensures prompt and accurate  
18 transfer of data to the department of local government finance and  
19 the legislative services agency.

20 (d) All standardized property forms and notices on the certified  
21 computer system referred to in subsection (a) shall be maintained by  
22 the ~~township assessor and the~~ county assessor in an accessible location  
23 and in a format that is easily understandable for use by persons of the  
24 county.

25 (e) The department shall adopt rules before July 1, 2006, for the  
26 establishment of:

27 (1) a uniform and common property tax management system  
28 ~~among for~~ all counties that:

29 (A) includes a combined mass appraisal and county auditor  
30 system integrated with a county treasurer system; and

31 (B) replaces the computer system referred to in subsection (a);  
32 and

33 (2) a schedule for implementation of the system referred to in  
34 subdivision (1) structured to result in the implementation of the  
35 system in all counties with respect to an assessment date:

36 (A) determined by the department; and

37 (B) specified in the rule.

38 (f) The department shall appoint an advisory committee to assist the  
39 department in the formulation of the rules referred to in subsection (e).  
40 The department shall determine the number of members of the  
41 committee. The committee:

42 (1) must include at least:

43 (A) one (1) township assessor;

44 (B) one (1) county assessor;

45 (C) one (1) county auditor; and

46 (D) one (1) county treasurer; and

47 (2) shall meet at times and locations determined by the  
48 department.

49 (g) Each member of the committee appointed under subsection (f)  
50 who is not a state employee is not entitled to the minimum salary per  
51 diem provided by IC 4-10-11-2.1(b). The member is entitled to



1 reimbursement for traveling expenses as provided under IC 4-13-1-4  
 2 and other expenses actually incurred in connection with the member's  
 3 duties as provided in the state policies and procedures established by  
 4 the Indiana department of administration and approved by the budget  
 5 agency.

6 (h) Each member of the committee appointed under subsection (f)  
 7 who is a state employee is entitled to reimbursement for traveling  
 8 expenses as provided under IC 4-13-1-4 and other expenses actually  
 9 incurred in connection with the member's duties as provided in the state  
 10 policies and procedures established by the Indiana department of  
 11 administration and approved by the budget agency.

12 (i) The department shall report to the budget committee in writing  
 13 the department's estimate of the cost of implementation of the system  
 14 referred to in subsection (e).

15 SECTION 274. IC 6-1.1-31.7-1 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. As used in this  
 17 chapter, "appraiser" refers to a professional appraiser or a professional  
 18 appraisal firm that contracts with a ~~township~~ or county under  
 19 IC 6-1.1-4.

20 SECTION 275. IC 6-1.1-31.7-3 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The department  
 22 shall adopt rules under IC 4-22-2 for the certification and regulation of  
 23 appraisers.

24 (b) **Subject to subsection (d)**, the rules of the department shall  
 25 provide for the following:

- 26 (1) Minimum appraiser qualifications.
- 27 (2) Minimum appraiser certification, training, and recertification  
 28 requirements.
- 29 (3) Sanctions for noncompliance with assessing laws and the rules  
 30 of the department, including laws and rules that set time  
 31 requirements for the completion of assessments.
- 32 (4) Appraiser contract requirements.
- 33 (5) Other provisions necessary to carry out the administration of  
 34 the property tax assessment laws.

35 (c) After December 31, 1998, a county or township may contract  
 36 only with appraisers that are certified by the department under the rules  
 37 described in subsection (a).

38 (d) **The rules referred to in subsection (b) that apply to**  
 39 **contracts with appraisers entered into after December 31, 2008,**  
 40 **must include level two assessor-appraiser certification under**  
 41 **IC 6-1.1-35.5 as part of the minimum appraiser qualifications for**  
 42 **each appraiser that performs assessments on behalf of the**  
 43 **contractor.**

44 SECTION 276. IC 6-1.1-33.5-8 IS ADDED TO THE INDIANA  
 45 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 46 [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) This section applies to**  
 47 **a system designed to permit the department of local government**  
 48 **finance or a provider in a partnership or another arrangement**  
 49 **with the department of local government finance to do any of the**  
 50 **following:**

- 51 (1) **Receive data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or**

- 1           **IC 36-2-9-20 in a uniform format through a secure connection**  
 2           **over the Internet.**
- 3           **(2) Maintain data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or**  
 4           **IC 36-2-9-20 in an electronic data base.**
- 5           **(3) Provide public access to data subject to IC 6-1.1-4-25,**  
 6           **IC 6-1.1-5.5-3, or IC 36-2-9-20.**
- 7           **(b) A system described in subsection (a) must do the following:**
- 8           **(1) Maintain the confidentiality of data that is declared to be**  
 9           **confidential by IC 6-1.1-5.5-3, IC 6-1.1-5.5-5, IC 6-1.1-35-9, or**  
 10           **other provisions of law.**
- 11           **(2) Provide prompt notice to the department of local**  
 12           **government finance and legislative services agency of the**  
 13           **receipt of data from counties and townships and other critical**  
 14           **events, as jointly determined by the department of local**  
 15           **government finance and the legislative services agency.**
- 16           **(3) Maintain data in a form that formats the information in**  
 17           **the file with the standard data, field, and record coding jointly**  
 18           **required and approved by the department of local**  
 19           **government finance and the legislative services agency.**
- 20           **(4) Provide data export and transmission capabilities that are**  
 21           **compatible with the data export and transmission**  
 22           **requirements prescribed by the office of technology**  
 23           **established by IC 4-13.1-2-1 and jointly approved by the**  
 24           **department of local government finance and the legislative**  
 25           **services agency.**
- 26           **(5) Provide to the legislative services agency and the**  
 27           **department of local government finance unrestricted on line**  
 28           **access and access through data export and transmission**  
 29           **protocols to:**
- 30           **(A) the data transmitted to the system; and**
- 31           **(B) hardware, software, and other work product associated**  
 32           **with the system;**
- 33           **including access to conduct the tests and inspections of the**  
 34           **system and data determined necessary by the legislative**  
 35           **services agency and access to data received from counties and**  
 36           **townships in the form submitted by the counties and**  
 37           **townships.**
- 38           **(6) Maintain data in a manner that provides for prompt and**  
 39           **accurate transfer of data to the department of local**  
 40           **government finance and the legislative services agency, as**  
 41           **jointly approved by the department of local government**  
 42           **finance and the legislative services agency.**
- 43           **(c) The department of local government finance and any third**  
 44           **party system provider shall provide for regular consultation with**  
 45           **the legislative services agency concerning the development and**  
 46           **operation of the system and shall provide the legislative services**  
 47           **agency with copies of system documentation of the procedures,**  
 48           **standards, and internal controls and any written agreements**  
 49           **related to the receipt of data and the management, operation, and**  
 50           **use of the system.**
- 51           **SECTION 277. IC 6-1.1-33.5-9 IS ADDED TO THE INDIANA**

1 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 2 [EFFECTIVE UPON PASSAGE]: **Sec. 9. The department of local**  
 3 **government finance shall report before July 1 of each year to the**  
 4 **legislative council concerning compliance with section 8 of this**  
 5 **chapter.**

6 SECTION 278. IC 6-1.1-35-1 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. The department of  
 8 local government finance shall:

- 9 (1) interpret the property tax laws of this state;  
 10 (2) instruct property tax officials about their taxation and  
 11 assessment duties; ~~and ensure that the county assessors, township~~  
 12 ~~assessors, and assessing officials are in compliance with section~~  
 13 ~~1.1 of this chapter;~~  
 14 (3) see that all property assessments are made in the manner  
 15 provided by law;  
 16 **(4) conduct operational audits of the offices of assessing**  
 17 **officials to determine if statutory and regulatory assignments**  
 18 **are being completed in an effective, efficient, and productive**  
 19 **manner; and**  
 20 ~~(4)~~ **(5) develop and maintain a manual for all assessing officials**  
 21 **and county assessors concerning:**  
 22 (A) assessment duties and responsibilities of the various state  
 23 and local officials;  
 24 (B) assessment procedures and time limits for the completion  
 25 of assessment duties;  
 26 (C) changes in state assessment laws; and  
 27 (D) other matters relevant to the assessment duties of  
 28 assessing officials, county assessors, and other county  
 29 officials.

30 SECTION 279. IC 6-1.1-35-9 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. (a) All information  
 32 that is related to earnings, income, profits, losses, or expenditures and  
 33 that is:

- 34 (1) given by a person to:  
 35 (A) an assessing official;  
 36 ~~(B) a member of a county property tax assessment board of~~  
 37 ~~appeals;~~  
 38 ~~(C) a county assessor;~~  
 39 ~~(D)~~ **(B) an employee of a person referred to in clauses (A)**  
 40 **through (C); an assessing official; or**  
 41 ~~(E)~~ **(C) an officer or employee of an entity that contracts with**  
 42 **a board of county commissioners or a county assessor or an**  
 43 **elected township assessor under IC 6-1.1-36-12; or**  
 44 (2) acquired by:  
 45 (A) an assessing official;  
 46 ~~(B) a member of a county property tax assessment board of~~  
 47 ~~appeals;~~  
 48 ~~(C) a county assessor;~~  
 49 ~~(D)~~ **(B) an employee of a person referred to in clauses (A)**  
 50 **through (C); an assessing official; or**  
 51 ~~(E)~~ **(C) an officer or employee of an entity that contracts with**

- 1 a board of county commissioners ~~or~~ a county assessor ~~or an~~  
 2 ~~elected township assessor~~ under IC 6-1.1-36-12;  
 3 in the performance of the person's duties;  
 4 is confidential. The assessed valuation of tangible property is a matter  
 5 of public record and is thus not confidential. Confidential information  
 6 may be disclosed only in a manner that is authorized under subsection  
 7 (b), (c), or (d).
- 8 (b) Confidential information may be disclosed to:  
 9 (1) an official or employee of:  
 10 (A) this state or another state;  
 11 (B) the United States; or  
 12 (C) an agency or subdivision of this state, another state, or the  
 13 United States;  
 14 if the information is required in the performance of the official  
 15 duties of the official or employee; or  
 16 (2) an officer or employee of an entity that contracts with a board  
 17 of county commissioners ~~or~~ a county assessor ~~or an elected~~  
 18 ~~township assessor~~ under IC 6-1.1-36-12 if the information is  
 19 required in the performance of the official duties of the officer or  
 20 employee.
- 21 (c) The following state agencies, or their authorized representatives,  
 22 shall have access to the confidential farm property records and  
 23 schedules that are on file in the office of a county ~~or township~~ assessor:  
 24 (1) The Indiana state board of animal health, in order to perform  
 25 its duties concerning the discovery and eradication of farm animal  
 26 diseases.  
 27 (2) The department of agricultural statistics of Purdue University,  
 28 in order to perform its duties concerning the compilation and  
 29 dissemination of agricultural statistics. ~~and~~  
 30 (3) Any other state agency that needs the information in order to  
 31 perform its duties.
- 32 (d) Confidential information may be disclosed during the course of  
 33 a judicial proceeding in which the regularity of an assessment is  
 34 questioned.
- 35 (e) Confidential information that is disclosed to a person under  
 36 subsection (b) or (c) retains its confidential status. Thus, that person  
 37 may disclose the information only in a manner that is authorized under  
 38 subsection (b), (c), or (d).
- 39 (f) Notwithstanding any other provision of law:  
 40 (1) a person who:  
 41 (A) is an officer or employee of an entity that contracts with a  
 42 board of county commissioners ~~or~~ a county assessor ~~or an~~  
 43 ~~elected township assessor~~ under IC 6-1.1-36-12; and  
 44 (B) obtains confidential information under this section;  
 45 may not disclose that confidential information to any other  
 46 person; and  
 47 (2) a person referred to in subdivision (1) must return all  
 48 confidential information to the taxpayer not later than fourteen  
 49 (14) days after the earlier of:  
 50 (A) the completion of the examination of the taxpayer's  
 51 personal property return under IC 6-1.1-36-12; or

(B) the termination of the contract.

SECTION 280. IC 6-1.1-35-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) An assessing official ~~member of a county property tax assessment board of appeals; a state board member;~~ or an employee of ~~any~~ **an** assessing official ~~county assessor; or board~~ 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 or an elected township 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 or an elected township 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.

SECTION 281. IC 6-1.1-35.2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In any year in which an assessing official ~~or a county assessor~~ 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 ~~these the~~ new assessing officials. ~~and county assessors.~~ ~~These~~ **The** sessions must be held at the locations described in subsection (b).

(b) To ensure that all newly elected or appointed assessing officials ~~and assessors~~ 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 ~~or county assessor~~ who attends:

1 (1) a required session during the official's ~~or assessor's~~ term of  
2 office; or

3 (2) training between the date the person is elected to office and  
4 January 1 of the year the person takes office for the first time;  
5 is entitled to receive the per diem per session set by the department of  
6 local government finance by rule adopted under IC 4-22-2 and a  
7 mileage allowance from the county in which the official resides.

8 (d) A person is entitled to a mileage allowance under this section  
9 only for travel between the person's place of work and the training  
10 session nearest to the person's place of work.

11 SECTION 282. IC 6-1.1-35.2-3 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Each year the  
13 department of local government finance shall conduct the continuing  
14 education sessions required in the rules adopted by the department for  
15 all assessing officials ~~county assessors~~; and all ~~members of~~; and  
16 hearing officers for the county property tax assessment board of  
17 appeals. These sessions must be conducted at the locations described  
18 in subsection (b).

19 (b) To ensure that all assessing officials ~~assessors, and members of~~  
20 ~~county property tax assessment boards of appeals and hearing officers~~  
21 have an opportunity to attend the continuing education sessions  
22 required by this section, the department of local government finance  
23 shall conduct the continuing education sessions at a minimum of four  
24 (4) separate regional locations. The department shall determine the  
25 locations of the continuing education sessions, but:

26 (1) at least one (1) continuing education session must be held in  
27 the northeastern part of Indiana;

28 (2) at least one (1) continuing education session must be held in  
29 the northwestern part of Indiana;

30 (3) at least one (1) continuing education session must be held in  
31 the southeastern part of Indiana; and

32 (4) at least one (1) continuing education session must be held in  
33 the southwestern part of Indiana.

34 The four (4) regional continuing education sessions may not be held in  
35 Indianapolis. However, the department of local government finance  
36 may, after the conclusion of the four (4) continuing education sessions,  
37 provide additional continuing education sessions at locations  
38 determined by the department.

39 (c) Any assessing official ~~county assessor~~; or ~~member of~~; and  
40 hearing ~~officers~~ **officer** for the county property tax assessment board  
41 of appeals who attends required sessions is entitled to receive a mileage  
42 allowance and the per diem per session set by the department of local  
43 government finance by rule adopted under IC 4-22-2 from the county  
44 in which the official resides. A person is entitled to a mileage  
45 allowance under this section only for travel between the person's place  
46 of work and the training session nearest to the person's place of work.

47 SECTION 283. IC 6-1.1-35.2-5 IS AMENDED TO READ AS  
48 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. A county that is  
49 required to make a payment to an assessing official ~~a county assessor~~;  
50 or ~~member of~~; and ~~a hearing officers~~ **officer** for the county property tax  
51 assessment board of appeals under this chapter must make the payment

1 regardless of an appropriation. The payment may be made from the  
2 county's ~~cumulative~~ reassessment fund.

3 SECTION 284. IC 6-1.1-35.5-7, AS AMENDED BY P.L.219-2007,  
4 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2008]: Sec. 7. (a) With respect to level one and level two  
6 certifications, the department of local government finance shall  
7 establish a fair and reasonable fee for examination and certification  
8 under this chapter. However, the fee does not apply to an ~~elected~~  
9 assessing official, a ~~county assessor, a member of, and hearing officers~~  
10 **officer** for a county property tax assessment board of appeals, or an  
11 employee of an ~~elected~~ assessing official ~~county assessor,~~ or county  
12 property tax assessment board of appeals who is taking the level one  
13 examination or the level two examination for the first time.

14 (b) The assessing official training account is established as an  
15 account within the state general fund. All fees collected by the  
16 department of local government finance shall be deposited in the  
17 account. The account shall be administered by the department of local  
18 government finance and does not revert to the state general fund at the  
19 end of a fiscal year. The department of local government finance may  
20 use money in the account for:

- 21 (1) testing and training of assessing officials, county assessors,  
22 members of a county property tax assessment board of appeals,  
23 and employees of assessing officials, county assessors, or the  
24 county property tax assessment board of appeals; and
- 25 (2) administration of the level three certification program under  
26 section 4.5 of this chapter.

27 SECTION 285. IC 6-1.1-36-3 IS AMENDED TO READ AS  
28 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) A township  
29 assessor's assessment or a county assessor's assessment of property is  
30 valid even if:

- 31 (1) ~~he the assessor~~ does not complete, or notify the county  
32 auditor of, the assessment by the time prescribed under IC 6-1.1-3  
33 or IC 6-1.1-4;
- 34 (2) there is an irregularity or informality in the manner in which  
35 ~~he the assessor~~ makes the assessment; or
- 36 (3) there is an irregularity or informality in the tax list.

37 An irregularity or informality in the assessment or the tax list may be  
38 corrected at any time.

39 (b) This section does not release a township assessor or county  
40 assessor from any duty to give notice or from any penalty imposed on  
41 ~~him the assessor~~ by law for ~~his the assessor's~~ failure to make ~~his the~~  
42 **assessor's** return within the time ~~period~~ prescribed in IC 6-1.1-3 or  
43 IC 6-1.1-4.

44 SECTION 286. IC 6-1.1-36-4 IS AMENDED TO READ AS  
45 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) An assessing  
46 official ~~a county assessor, a member of a county property tax~~  
47 ~~assessment board of appeals,~~ or a representative of the department of  
48 local government finance may file an affidavit with a circuit court of  
49 this state if:

- 50 (1) the official ~~or board member~~ or a representative ~~of the official~~  
51 ~~or board~~ has requested that a person give information or produce

1 books or records; and  
 2 (2) the person has not complied with the request.  
 3 The affidavit must state that the person has not complied with the  
 4 request.

5 (b) When an affidavit is filed under subsection (a), the circuit court  
 6 shall issue a writ which directs the person to appear at the office of the  
 7 official or ~~board member~~ **representative** and to give the requested  
 8 information or produce the requested books or records. The appropriate  
 9 county sheriff shall serve the writ. A person who disobeys the writ is  
 10 guilty of contempt of court.

11 (c) If a writ is issued under this section, the cost incurred in filing  
 12 the affidavit, in the issuance of the writ, and in the service of the writ  
 13 shall be charged to the person against whom the writ is issued. If a writ  
 14 is not issued, all costs shall be charged to the county in which the  
 15 circuit court proceedings are held, and the board of commissioners of  
 16 that county shall allow a claim for the costs.

17 SECTION 287. IC 6-1.1-36-5 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. In order to discharge  
 19 their official duties, the following officials may administer oaths and  
 20 affirmations:

- 21 ~~(1) Assessing officials.~~  
 22 ~~(2) (1) County assessors.~~  
 23 **(2) Township assessors.**  
 24 (3) County auditors.  
 25 (4) Members of a county property tax assessment board of  
 26 appeals.  
 27 (5) Members of the Indiana board.

28 SECTION 288. IC 6-1.1-36-7 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The department  
 30 of local government finance may cancel any property taxes assessed  
 31 against real property owned by a county, township, city, or town if a  
 32 petition requesting that the department cancel the taxes is submitted by  
 33 the auditor, assessor, and treasurer of the county in which the real  
 34 property is located.

35 (b) The department of local government finance may cancel any  
 36 property taxes assessed against real property owned by this state if a  
 37 petition requesting that the department cancel the taxes is submitted by:

- 38 (1) the governor; or  
 39 (2) the chief administrative officer of the state agency which  
 40 supervises the real property.

41 However, if the petition is submitted by the chief administrative officer  
 42 of a state agency, the governor must approve the petition.

43 (c) The department of local government finance may compromise  
 44 the amount of property taxes, together with any interest or penalties on  
 45 those taxes, assessed against the fixed or distributable property owned  
 46 by a bankrupt railroad, which is under the jurisdiction of:

- 47 (1) a federal court under 11 U.S.C. 1163;  
 48 (2) Chapter X of the Acts of Congress Relating to Bankruptcy (11  
 49 U.S.C. 701-799); or  
 50 (3) a comparable bankruptcy law.

51 (d) After making a compromise under subsection (c) and after



1 receiving payment of the compromised amount, the department of local  
2 government finance shall distribute to each county treasurer an amount  
3 equal to the product of:

- 4 (1) the compromised amount; multiplied by
- 5 (2) a fraction, the numerator of which is the total of the particular  
6 county's property tax levies against the railroad for the  
7 compromised years, and the denominator of which is the total of  
8 all property tax levies against the railroad for the compromised  
9 years.

10 (e) After making the distribution under subsection (d), the  
11 department of local government finance shall direct the auditors of  
12 each county to remove from the tax rolls the amount of all property  
13 taxes assessed against the bankrupt railroad for the compromised years.

14 (f) The county auditor of each county receiving money under  
15 subsection (d) shall allocate that money among the county's taxing  
16 districts. The auditor shall allocate to each taxing district an amount  
17 equal to the product of:

- 18 (1) the amount of money received by the county under subsection  
19 (d); multiplied by
- 20 (2) a fraction, the numerator of which is the total of the taxing  
21 district's property tax levies against the railroad for the  
22 compromised years, and the denominator of which is the total of  
23 all property tax levies against the railroad in that county for the  
24 compromised years.

25 (g) The money allocated to each taxing district shall be apportioned  
26 and distributed among the taxing units of that taxing district in the  
27 same manner and at the same time that property taxes are apportioned  
28 and distributed.

29 (h) The department of local government finance may, with the  
30 approval of the attorney general, compromise the amount of property  
31 taxes, together with any interest or penalties on those taxes, assessed  
32 against property owned by a person that has a case pending under state  
33 or federal bankruptcy law. Property taxes that are compromised under  
34 this section shall be distributed and allocated at the same time and in  
35 the same manner as regularly collected property taxes. The department  
36 of local government finance may compromise property taxes under this  
37 subsection only if:

- 38 (1) a petition is filed with the department of local government  
39 finance that requests the compromise and ~~that~~ is signed and  
40 approved by the assessor, auditor, and treasurer of each county  
41 and the assessor of each township **(if any)** that is entitled to  
42 receive any part of the compromised taxes;
- 43 (2) the compromise significantly advances the time of payment of  
44 the taxes; and
- 45 (3) the compromise is in the best interest of the state and the  
46 taxing units that are entitled to receive any part of the  
47 compromised taxes.

48 (i) A taxing unit that receives funds under this section is not  
49 required to include the funds in its budget estimate for any budget year  
50 which begins after the budget year in which it receives the funds.

51 (j) A county treasurer, with the consent of the county auditor and the

1 county assessor, may compromise the amount of property taxes,  
 2 interest, or penalties owed in a county by an entity that has a case  
 3 pending under Title 11 of the United States Code (Bankruptcy Code)  
 4 by accepting a single payment that must be at least seventy-five percent  
 5 (75%) of the total amount owed in the county.

6 SECTION 289. IC 6-1.1-36-12, AS AMENDED BY P.L.154-2006,  
 7 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2008]: Sec. 12. (a) A board of county commissioners, a county  
 9 assessor, or ~~an elected~~ a township assessor (**if any**) may enter into a  
 10 contract for the discovery of property that has been undervalued or  
 11 omitted from assessment. The contract must prohibit payment to the  
 12 contractor for discovery of undervaluation or omission with respect to  
 13 a parcel or personal property return before all appeals of the assessment  
 14 of the parcel or the assessment under the return have been finalized.  
 15 The contract may require the contractor to:

- 16 (1) examine and verify the accuracy of personal property returns  
 17 filed by taxpayers with **the county assessor or** a township  
 18 assessor of a township in the county; and  
 19 (2) compare a return with the books of the taxpayer and with  
 20 personal property owned, held, possessed, controlled, or occupied  
 21 by the taxpayer.

22 (b) This subsection applies if funds are not appropriated for  
 23 payment of services performed under a contract described in subsection  
 24 (a). The county auditor may create a special nonreverting fund in which  
 25 the county treasurer shall deposit the amount of taxes, including  
 26 penalties and interest, that result from additional assessments on  
 27 undervalued or omitted property collected from all taxing jurisdictions  
 28 in the county after deducting the amount of any property tax credits that  
 29 reduce the owner's property tax liability for the undervalued or omitted  
 30 property. The fund remains in existence during the term of the contract.  
 31 Distributions shall be made from the fund without appropriation only  
 32 for the following purposes:

- 33 (1) All contract fees and other costs related to the contract.  
 34 (2) After the payments required by subdivision (1) have been  
 35 made and the contract has expired, the county auditor shall  
 36 distribute all money remaining in the fund to the appropriate  
 37 taxing units in the county using the property tax rates of each  
 38 taxing unit in effect at the time of the distribution.

39 (c) A board of county commissioners, a county assessor, or ~~an~~  
 40 ~~elected~~ a township assessor may not contract for services under  
 41 subsection (a) on a percentage basis.

42 SECTION 290. IC 6-1.1-36-13 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. When a political  
 44 subdivision is formed, the auditor of the county in which the political  
 45 subdivision is situated shall, at the written request of the legislative  
 46 body of the political subdivision, prepare a list of all the lands and lots  
 47 within the limits of the political subdivision, and the county auditor  
 48 shall deliver the list to the appropriate township assessor, **or the**  
 49 **county assessor if there is no township assessor for the township,**  
 50 on or before the assessment date which immediately follows the date  
 51 of incorporation. The county auditor shall use the records in the

1 auditor's office in order to compile the list.

2 SECTION 291. IC 6-1.1-37-2 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. ~~A county or~~  
4 ~~township An assessing official member of a county or state board; or~~  
5 ~~employee or a representative of such an official or board the~~  
6 **department of local government finance** who:

7 (1) knowingly assesses any property at more or less than what ~~he~~  
8 **the official or representative** believes is the proper assessed  
9 value of the property;

10 (2) knowingly fails to perform any of the duties imposed on ~~him~~  
11 **the official or representative** under the general assessment  
12 provisions of this article; or

13 (3) recklessly violates any of the other general assessment  
14 provisions of this article;

15 commits a Class A misdemeanor.

16 SECTION 292. IC 6-1.1-37-7 IS AMENDED TO READ AS  
17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) If a person fails  
18 to file a required personal property return on or before the due date, the  
19 county auditor shall add a penalty of twenty-five dollars (\$25) to the  
20 person's next property tax installment. The county auditor shall also  
21 add an additional penalty to the taxes payable by the person if ~~he~~ **the**  
22 **person** fails to file the personal property return within thirty (30) days  
23 after the due date. The amount of the additional penalty is twenty  
24 percent (20%) of the taxes finally determined to be due with respect to  
25 the personal property which should have been reported on the return.

26 (b) For purposes of this section, a personal property return is not due  
27 until the expiration of any extension period granted by the township **or**  
28 **county** assessor under IC 6-1.1-3-7(b).

29 (c) The penalties prescribed under this section do not apply to an  
30 individual or ~~his~~ **the individual's** dependents if ~~he~~ **the individual**:

31 (1) is in the military or naval forces of the United States on the  
32 assessment date; and

33 (2) is covered by the federal Soldiers' and Sailors' Civil Relief  
34 Act.

35 (d) If a person subject to IC 6-1.1-3-7(d) fails to include on a  
36 personal property return the information, if any, that the department of  
37 local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13,  
38 the county auditor shall add a penalty to the property tax installment  
39 next due for the return. The amount of the penalty is twenty-five dollars  
40 (\$25).

41 (e) If the total assessed value that a person reports on a personal  
42 property return is less than the total assessed value that the person is  
43 required by law to report and if the amount of the undervaluation  
44 exceeds five percent (5%) of the value that should have been reported  
45 on the return, then the county auditor shall add a penalty of twenty  
46 percent (20%) of the additional taxes finally determined to be due as  
47 a result of the undervaluation. The penalty shall be added to the  
48 property tax installment next due for the return on which the property  
49 was undervalued. If a person has complied with all of the requirements  
50 for claiming a deduction, an exemption, or an adjustment for abnormal

1       obsolescence, then the increase in assessed value that results from a  
2       denial of the deduction, exemption, or adjustment for abnormal  
3       obsolescence is not considered to result from an undervaluation for  
4       purposes of this subsection.

5       (f) A penalty is due with an installment under subsection (a), (d), or  
6       (e) whether or not an appeal is filed under IC 6-1.1-15-5 with respect  
7       to the tax due on that installment.

8       SECTION 293. IC 6-1.1-37-7.5 IS AMENDED TO READ AS  
9       FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7.5. A person who fails to  
10      provide, within forty-five (45) days after the filing deadline,  
11      evidence of the filing of a personal property return to the **township**  
12      assessor ~~of the township in which the owner resides, or the county~~  
13      **assessor**, as required under IC 6-1.1-3-1(d), shall pay to the **township**  
14      ~~in which the owner resides, county~~ a penalty equal to ten percent  
15      (10%) of the tax liability.

16      SECTION 294. IC 6-1.1-37-8 IS AMENDED TO READ AS  
17      FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. A township assessor,  
18      **or the county assessor if there is no township assessor for the**  
19      **township**, shall inform the county auditor of any vending machine  
20      which does not, as required under ~~IC 1971, IC~~ 6-1.1-3-8, have an  
21      identification device on its face. The county auditor shall then add a  
22      one dollar ~~(\$1.00)~~ **(\$1)** penalty to the next property tax installment of  
23      the person on whose premises the machine is located.

24      SECTION 295. IC 6-1.1-37-10.7, AS ADDED BY P.L.67-2006,  
25      SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26      JULY 1, 2008]: Sec. 10.7. (a) For purposes of this section, "immediate  
27      family member of the taxpayer" means an individual who:

- 28           (1) is the spouse, child, stepchild, parent, or stepparent of the  
29           taxpayer, including adoptive relationships; and
- 30           (2) resides in the taxpayer's home.

31      (b) The county treasurer shall do the following:

- 32           (1) Waive the penalty imposed under section 10(a) of this chapter  
33           if the taxpayer or the taxpayer's representative:
  - 34               (A) petitions the county treasurer to waive the penalty not later  
35               than thirty (30) days after the due date of the installment  
36               subject to the penalty; and
  - 37               (B) files with the petition written proof that during the seven  
38               (7) day period ending on the installment due date the taxpayer  
39               or an immediate family member of the taxpayer died.
- 40           (2) Give written notice to the taxpayer or the taxpayer's  
41           representative by mail of the treasurer's determination on the  
42           petition not later than thirty (30) days after the petition is filed  
43           with the treasurer.

44      (c) The department of local government finance shall prescribe:

- 45           (1) the form of the petition; and
- 46           (2) the type of written proof;

47      required under subsection (b).

48      (d) A taxpayer or a taxpayer's representative may appeal a  
49      determination of the county treasurer under subsection (b) to deny a  
50      penalty waiver by **requesting filing a notice** in writing a **preliminary**  
51      ~~conference~~ with the treasurer not more than forty-five (45) days after

1 the treasurer gives the taxpayer or the taxpayer's representative notice  
2 of the determination. An appeal initiated under this subsection is  
3 processed and determined in the same manner that an appeal is  
4 processed and determined under IC 6-1.1-15.

5 SECTION 296. IC 6-1.1-39-5, AS AMENDED BY P.L.154-2006,  
6 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 JANUARY 1, 2009]: Sec. 5. (a) A declaratory ordinance adopted under  
8 section 2 of this chapter and confirmed under section 3 of this chapter  
9 must include a provision with respect to the allocation and distribution  
10 of property taxes for the purposes and in the manner provided in this  
11 section. The allocation provision must apply to the entire economic  
12 development district. The allocation provisions must require that any  
13 property taxes subsequently levied by or for the benefit of any public  
14 body entitled to a distribution of property taxes on taxable property in  
15 the economic development district be allocated and distributed as  
16 follows:

17 (1) Except as otherwise provided in this section, the proceeds of  
18 the taxes attributable to the lesser of:

19 (A) the assessed value of the property for the assessment date  
20 with respect to which the allocation and distribution is made;  
21 or

22 (B) the base assessed value;

23 shall be allocated to and, when collected, paid into the funds of  
24 the respective taxing units. However, if the effective date of the  
25 allocation provision of a declaratory ordinance is after March 1,  
26 1985, and before January 1, 1986, and if an improvement to  
27 property was partially completed on March 1, 1985, the unit may  
28 provide in the declaratory ordinance that the taxes attributable to  
29 the assessed value of the property as finally determined for March  
30 1, 1984, shall be allocated to and, when collected, paid into the  
31 funds of the respective taxing units.

32 (2) Except as otherwise provided in this section, part or all of the  
33 property tax proceeds in excess of those described in subdivision  
34 (1), as specified in the declaratory ordinance, shall be allocated to  
35 the unit for the economic development district and, when  
36 collected, paid into a special fund established by the unit for that  
37 economic development district that may be used only to pay the  
38 principal of and interest on obligations owed by the unit under  
39 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of  
40 industrial development programs in, or serving, that economic  
41 development district. The amount not paid into the special fund  
42 shall be paid to the respective units in the manner prescribed by  
43 subdivision (1).

44 (3) When the money in the fund is sufficient to pay all  
45 outstanding principal of and interest (to the earliest date on which  
46 the obligations can be redeemed) on obligations owed by the unit  
47 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing  
48 of industrial development programs in, or serving, that economic  
49 development district, money in the special fund in excess of that  
50 amount shall be paid to the respective taxing units in the manner  
51 prescribed by subdivision (1).

1 (b) Property tax proceeds allocable to the economic development  
 2 district under subsection (a)(2) must, subject to subsection (a)(3), be  
 3 irrevocably pledged by the unit for payment as set forth in subsection  
 4 (a)(2).

5 (c) For the purpose of allocating taxes levied by or for any taxing  
 6 unit or units, the assessed value of taxable property in a territory in the  
 7 economic development district that is annexed by any taxing unit after  
 8 the effective date of the allocation provision of the declaratory  
 9 ordinance is the lesser of:

- 10 (1) the assessed value of the property for the assessment date with  
 11 respect to which the allocation and distribution is made; or  
 12 (2) the base assessed value.

13 (d) Notwithstanding any other law, each assessor shall, upon  
 14 petition of the fiscal body, reassess the taxable property situated upon  
 15 or in, or added to, the economic development district effective on the  
 16 next assessment date after the petition.

17 (e) Notwithstanding any other law, the assessed value of all taxable  
 18 property in the economic development district, for purposes of tax  
 19 limitation, property tax replacement, ~~(except as provided in~~  
 20 ~~IC 6-1.1-21-3(c); IC 6-1.1-21-4(a)(3); and IC 6-1.1-21-5(c));~~ and  
 21 formulation of the budget, tax rate, and tax levy for each political  
 22 subdivision in which the property is located, is the lesser of:

- 23 (1) the assessed value of the property as valued without regard to  
 24 this section; or  
 25 (2) the base assessed value.

26 (f) The state board of accounts and department of local government  
 27 finance shall make the rules and prescribe the forms and procedures  
 28 that they consider expedient for the implementation of this chapter.  
 29 After each general reassessment under IC 6-1.1-4, the department of  
 30 local government finance shall adjust the base assessed value one (1)  
 31 time to neutralize any effect of the general reassessment on the  
 32 property tax proceeds allocated to the district under this section. After  
 33 each annual adjustment under IC 6-1.1-4-4.5, the department of local  
 34 government finance shall adjust the base assessed value to neutralize  
 35 any effect of the annual adjustment on the property tax proceeds  
 36 allocated to the district under this section. However, the adjustments  
 37 under this subsection may not include the effect of property tax  
 38 abatements under IC 6-1.1-12.1.

39 (g) As used in this section, "property taxes" means:

- 40 (1) taxes imposed under this article on real property; and  
 41 (2) any part of the taxes imposed under this article on depreciable  
 42 personal property that the unit has by ordinance allocated to the  
 43 economic development district. However, the ordinance may not  
 44 limit the allocation to taxes on depreciable personal property with  
 45 any particular useful life or lives.

46 If a unit had, by ordinance adopted before May 8, 1987, allocated to an  
 47 economic development district property taxes imposed under IC 6-1.1  
 48 on depreciable personal property that has a useful life in excess of eight  
 49 (8) years, the ordinance continues in effect until an ordinance is  
 50 adopted by the unit under subdivision (2).

51 (h) As used in this section, "base assessed value" means:

1 (1) the net assessed value of all the property as finally determined  
 2 for the assessment date immediately preceding the effective date  
 3 of the allocation provision of the declaratory resolution, as  
 4 adjusted under subsection (f); plus

5 (2) to the extent that it is not included in subdivision (1), the net  
 6 assessed value of property that is assessed as residential property  
 7 under the rules of the department of local government finance, as  
 8 finally determined for any assessment date after the effective date  
 9 of the allocation provision.

10 Subdivision (2) applies only to economic development districts  
 11 established after June 30, 1997, and to additional areas established  
 12 after June 30, 1997.

13 SECTION 297. IC 6-1.1-39-6, AS AMENDED BY P.L.219-2007,  
 14 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 JANUARY 1, 2009]: Sec. 6. (a) An economic development district  
 16 may be enlarged by the fiscal body by following the same procedure for  
 17 the creation of an economic development district specified in this  
 18 chapter. Property taxes that are attributable to the additional area and  
 19 allocable to the economic development district are not eligible for the  
 20 property tax replacement credit provided by IC 6-1.1-21-5. However,  
 21 subject to subsection (c) and except as provided in subsection (f); each  
 22 taxpayer in an additional area is entitled to an additional credit for  
 23 taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and  
 24 payable in that year. Except as provided in subsection (f), one-half  
 25 (1/2) of the credit shall be applied to each installment of taxes (as  
 26 defined in IC 6-1.1-21-2). This credit equals the amount determined  
 27 under the following STEPS for each taxpayer in a taxing district in a  
 28 county that contains all or part of the additional area:

29 STEP ONE: Determine that part of the sum of the amounts under  
 30 IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) that is attributable  
 31 to the taxing district.

32 STEP TWO: Divide:

33 (A) that part of the county's eligible property tax replacement  
 34 amount (as defined in IC 6-1.1-21-2) for that year as  
 35 determined under IC 6-1.1-21-4 that is attributable to the  
 36 taxing district; by

37 (B) the STEP ONE sum.

38 STEP THREE: Multiply:

39 (A) the STEP TWO quotient; times

40 (B) the total amount of the taxpayer's taxes (as defined in  
 41 IC 6-1.1-21-2) levied in the taxing district that would have  
 42 been allocated to a special fund under section 5 of this chapter  
 43 had the additional credit described in this section not been  
 44 given.

45 The additional credit reduces the amount of proceeds allocated to the  
 46 economic development district and paid into a special fund under  
 47 section 5(a) of this chapter.

48 (b) If the additional credit under subsection (a) is not reduced under  
 49 subsection (c) or (d), the credit for property tax replacement under  
 50 IC 6-1.1-21-5 and the additional credit under subsection (a) shall be  
 51 computed on an aggregate basis for all taxpayers in a taxing district

1 that contains all or part of an additional area. The credit for property  
 2 tax replacement under IC 6-1.1-21-5 and the additional credit under  
 3 subsection (a) shall be combined on the tax statements sent to each  
 4 taxpayer.

5 (c) The county fiscal body may, by ordinance, provide that the  
 6 additional credit described in subsection (a):

7 (1) does not apply in a specified additional area; or

8 (2) is to be reduced by a uniform percentage for all taxpayers in  
 9 a specified additional area.

10 (d) Whenever the county fiscal body determines that granting the  
 11 full additional credit under subsection (a) would adversely affect the  
 12 interests of the holders of bonds or other contractual obligations that  
 13 are payable from allocated tax proceeds in that economic development  
 14 district in a way that would create a reasonable expectation that those  
 15 bonds or other contractual obligations would not be paid when due; the  
 16 county fiscal body must adopt an ordinance under subsection (c) to  
 17 deny the additional credit or reduce the additional credit to a level that  
 18 creates a reasonable expectation that the bonds or other obligations will  
 19 be paid when due. An ordinance adopted under subsection (c) denies  
 20 or reduces the additional credit for taxes (as defined in IC 6-1.1-21-2)  
 21 first due and payable in any year following the year in which the  
 22 ordinance is adopted.

23 (e) An ordinance adopted under subsection (c) remains in effect  
 24 until the ordinance is rescinded by the body that originally adopted the  
 25 ordinance. However, an ordinance may not be rescinded if the  
 26 rescission would adversely affect the interests of the holders of bonds  
 27 or other obligations that are payable from allocated tax proceeds in that  
 28 economic development district in a way that would create a reasonable  
 29 expectation that the principal of or interest on the bonds or other  
 30 obligations would not be paid when due. If an ordinance is rescinded  
 31 and no other ordinance is adopted, the additional credit described in  
 32 subsection (a) applies to taxes (as defined in IC 6-1.1-21-2) first due  
 33 and payable in each year following the year in which the resolution is  
 34 rescinded.

35 (f) This subsection applies to an additional area only to the extent  
 36 that the net assessed value of property that is assessed as residential  
 37 property under the rules of the department of local government finance  
 38 is not included in the base assessed value. If property tax installments  
 39 with respect to a homestead (as defined in IC 6-1.1-20-9-1) are due in  
 40 installments established by the department of local government finance  
 41 under IC 6-1.1-22-9.5; each taxpayer subject to those installments in an  
 42 additional area is entitled to an additional credit under subsection (a)  
 43 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The  
 44 credit shall be applied in the same proportion to each installment of  
 45 taxes (as defined in IC 6-1.1-21-2).

46 SECTION 298. IC 6-1.1-39-9, AS AMENDED BY P.L.4-2005,  
 47 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 48 JULY 1, 2008]: Sec. 9. (a) The fiscal body of a unit may by ordinance  
 49 authorize the issuance of obligations to the department of commerce  
 50 under IC 4-4-8 (before its repeal) or to the Indiana economic  
 51 development corporation under IC 5-28-9 payable solely from taxes



1 allocated under section 5 of this chapter. Any obligations issued and  
 2 payable from taxes allocated under section 5 of this chapter are not  
 3 general obligations of the unit that established the economic  
 4 development district under this chapter.

5 (b) The economic development district created by a unit under this  
 6 chapter is a special taxing district authorized by the general assembly  
 7 to enable the unit to provide special benefits to taxpayers in the  
 8 economic development district by providing local public improvements  
 9 that are of public use and benefit.

10 (c) The ordinance of a unit authorizing the issuance of obligations  
 11 must contain a finding of the fiscal body that the proposed industrial  
 12 development program:

- 13 (1) constitutes a local public improvement;
- 14 (2) provides special benefits to property owners in the district;
- 15 and
- 16 (3) will be of public use and benefit.

17 (d) Proceeds of obligations issued under this section, IC 4-4-8  
 18 (before its repeal), and IC 5-28-9 may be used to pay for the following:

- 19 (1) The cost of local public improvements.
- 20 (2) Interest on the obligations for the period of construction of the  
 21 local public improvements plus one (1) year after completion of  
 22 construction.
- 23 (3) Reasonable debt service reserves.
- 24 (4) Costs of issuance of the obligations.
- 25 (5) Any other reasonable and necessary expenses related to  
 26 issuance of the obligations.

27 ~~(e) Notwithstanding any other law, IC 6-1.1-20 does not apply to~~  
 28 ~~obligations payable solely from tax proceeds allocated under section 5~~  
 29 ~~of this chapter.~~

30 SECTION 299. IC 6-1.1-40-9 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:  
 32 Sec. 9. (a) Before a person acquires new manufacturing equipment for  
 33 which the person wishes to claim a deduction under this chapter, the  
 34 person must submit to the commission a statement of benefits, in a  
 35 form prescribed by the department of local government finance. The  
 36 statement of benefits must include the following information:

- 37 (1) A description of the new manufacturing equipment ~~and~~  
 38 ~~inventory~~ that the person proposes to acquire.
- 39 (2) An estimate of the number of individuals ~~that who~~ will be  
 40 employed or whose employment will be retained by the person as  
 41 a result of the installation of the new manufacturing equipment  
 42 ~~and acquisition of inventory~~ and an estimate of the annual salaries  
 43 of these individuals.
- 44 (3) An estimate of the cost of the new manufacturing equipment.  
 45 ~~and inventory.~~

46 (b) The statement of benefits may contain any other information  
 47 required by the commission. If the person is requesting or will be  
 48 requesting the designation of a district, the statement of benefits must  
 49 be submitted at the same time as the request for designation is  
 50 submitted.

51 (c) The commission shall review the statement of benefits if

1 required under subsection (b). The commission shall make findings  
2 determining whether the estimate of:

- 3 (1) the number of individuals ~~that~~ **who** will be employed or whose  
4 employment will be retained;  
5 (2) the annual salaries of those individuals;  
6 (3) the value of the new manufacturing equipment; ~~and inventory;~~  
7 and  
8 (4) any other benefits about which the commission requires  
9 information;

10 are benefits that can be reasonably expected to result from the  
11 installation of the new manufacturing equipment. ~~and acquisition of~~  
12 ~~inventory.~~

13 SECTION 300. IC 6-1.1-40-10, AS AMENDED BY P.L.219-2007,  
14 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 10. (a) Subject to  
16 subsection ~~(e)~~; **(d)**, an owner of new manufacturing equipment ~~or~~  
17 ~~inventory~~; ~~or both~~; whose statement of benefits is approved is entitled  
18 to a deduction from the assessed value of that equipment ~~and inventory~~  
19 for a period of ten (10) years. Except as provided in subsections **(b)**  
20 ~~and~~ (c), ~~and (d)~~; and subject to subsection ~~(e)~~ **(d)** and section 14 of this  
21 chapter, for the first five (5) years, the amount of the deduction for new  
22 manufacturing equipment that an owner is entitled to for a particular  
23 year equals the assessed value of the new manufacturing equipment.  
24 Subject to subsection ~~(e)~~ **(d)** and section 14 of this chapter, for the sixth  
25 through the tenth year, the amount of the deduction equals the product  
26 of:

- 27 (1) the assessed value of the new manufacturing equipment;  
28 multiplied by  
29 (2) the percentage prescribed in the following table:

30 YEAR OF DEDUCTION	PERCENTAGE
31 6th	100%
32 7th	95%
33 8th	80%
34 9th	65%
35 10th	50%
36 11th and thereafter	0%

37 ~~(b) Subject to section 14 of this chapter, for the first year the amount~~  
38 ~~of the deduction for inventory equals the assessed value of the~~  
39 ~~inventory. Subject to section 14 of this chapter, for the next nine (9)~~  
40 ~~years, the amount of the deduction equals:~~

- 41 ~~(1) the assessed value of the inventory for that year; multiplied by~~  
42 ~~(2) the owner's export sales ratio for the previous year, as certified~~  
43 ~~by the department of state revenue under IC 6-3-2-13.~~

44 ~~(c)~~ **(b)** A deduction under this section is not allowed in the first year  
45 the deduction is claimed for new manufacturing equipment to the  
46 extent that it would cause the assessed value of all of the personal  
47 property of the owner in the taxing district in which the equipment is  
48 located to be less than the assessed value of all of the personal property  
49 of the owner in that taxing district in the immediately preceding year.

50 ~~(d)~~ **(c)** If a deduction is not fully allowed under subsection ~~(e)~~ **(b)** in  
51 the first year the deduction is claimed, then the percentages specified

1 in subsection (a) apply in the subsequent years to the amount of  
2 deduction that was allowed in the first year.

3 ~~(e)~~ (d) For purposes of subsection (a), the assessed value of new  
4 manufacturing equipment that is part of an owner's assessable  
5 depreciable personal property in a single taxing district subject to the  
6 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product  
7 of:

8 (1) the assessed value of the equipment determined without  
9 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50  
10 IAC 5.1-6-9; multiplied by

11 (2) the quotient of:

12 (A) the amount of the valuation limitation determined under  
13 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's  
14 depreciable personal property in the taxing district; divided by  
15 (B) the total true tax value of all of the owner's depreciable  
16 personal property in the taxing district that is subject to the  
17 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9  
18 determined:

19 (i) under the depreciation schedules in the rules of the  
20 department of local government finance before any  
21 adjustment for abnormal obsolescence; and

22 (ii) without regard to the valuation limitation in 50  
23 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

24 SECTION 301. IC 6-1.1-40-11 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

26 Sec. 11. (a) A person that desires to obtain the deduction provided by  
27 section 10 of this chapter must file a certified deduction application, on  
28 forms prescribed by the department of local government finance, with:

29 (1) the auditor of the county in which the new manufacturing  
30 equipment ~~and inventory~~ is located; and

31 (2) the department of local government finance.

32 A person that timely files a personal property return under  
33 IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment  
34 is installed ~~or the inventory is subject to assessment~~ must file the  
35 application between March 1 and May 15 of that year.

36 (b) The application required by this section must contain the  
37 following information:

38 (1) The name of the owner of the new manufacturing equipment.  
39 ~~and inventory.~~

40 (2) A description of the new manufacturing equipment. ~~and~~  
41 ~~inventory.~~

42 (3) Proof of the date the new manufacturing equipment was  
43 installed.

44 (4) The amount of the deduction claimed for the first year of the  
45 deduction.

46 (c) A deduction application must be filed under this section in the  
47 year in which the new manufacturing equipment is installed ~~or the~~  
48 ~~inventory is subject to assessment~~ and in each of the immediately  
49 succeeding nine (9) years.

50 (d) The department of local government finance shall review and  
51 verify the correctness of each application and shall notify the county

1 auditor of the county in which the property is located that the  
 2 application is approved or denied or that the amount of the deduction  
 3 is altered. Upon notification of approval of the application or of  
 4 alteration of the amount of the deduction, the county auditor shall make  
 5 the deduction.

6 (e) If the ownership of new manufacturing equipment changes, the  
 7 deduction provided under section 10 of this chapter continues to apply  
 8 to that equipment if the new owner:

- 9 (1) continues to use the equipment in compliance with any  
 10 standards established under section 7(c) of this chapter; and
- 11 (2) files the applications required by this section.

12 (f) The amount of the deduction is:

- 13 (1) the percentage under section 10 of this chapter that would  
 14 have applied if the ownership of the property had not changed;  
 15 multiplied by
- 16 (2) the assessed value of the equipment for the year the deduction  
 17 is claimed by the new owner.

18 SECTION 302. IC 6-1.1-42-17 IS AMENDED TO READ AS  
 19 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:  
 20 Sec. 17. (a) A person may apply for an assessed valuation deduction  
 21 for:

- 22 (1) real property; and
- 23 (2) personal property; ~~other than inventory; (as defined in~~  
 24 ~~IC 6-1.1-3-11);~~

25 located in an area designated as a brownfield revitalization zone.

26 (b) An application for a deduction for an improvement to a  
 27 brownfield revitalization zone or personal property located in a  
 28 brownfield revitalization area must:

- 29 (1) be submitted to the designating body before the date that the  
 30 improvement is initiated or, if the deduction is for personal  
 31 property, the property is brought into the area;
- 32 (2) contain sufficient information for the designating body to  
 33 approve the deduction; and
- 34 (3) be submitted in the form prescribed by the department of local  
 35 government finance.

36 SECTION 303. IC 6-1.1-42-27 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 27. (a) A property  
 38 owner who desires to obtain the deduction provided by section 24 of  
 39 this chapter must file a certified deduction application, on forms  
 40 prescribed by the department of local government finance, with the  
 41 auditor of the county in which the property is located. Except as  
 42 otherwise provided in subsection (b) or (e), the deduction application  
 43 must be filed before May 10 of the year in which the addition to  
 44 assessed valuation is made.

45 (b) If notice of the addition to assessed valuation or new assessment  
 46 for any year is not given to the property owner before April 10 of that  
 47 year, the deduction application required by this section may be filed not  
 48 later than thirty (30) days after the date such a notice is mailed to the  
 49 property owner at the address shown on the records of the township **or**  
 50 **county** assessor.

51 (c) The certified deduction application required by this section must

- 1 contain the following information:
- 2 (1) The name of each owner of the property.
- 3 (2) A certificate of completion of a voluntary remediation under  
4 IC 13-25-5-16.
- 5 (3) Proof that each owner who is applying for the deduction:
- 6 (A) has never had an ownership interest in an entity that  
7 contributed; and
- 8 (B) has not contributed;  
9 a contaminant (as defined in IC 13-11-2-42) that is the subject of  
10 the voluntary remediation, as determined under the written  
11 standards adopted by the department of environmental  
12 management.
- 13 (4) Proof that the deduction was approved by the appropriate  
14 designating body.
- 15 (5) A description of the property for which a deduction is claimed  
16 in sufficient detail to afford identification.
- 17 (6) The assessed value of the improvements before remediation  
18 and redevelopment.
- 19 (7) The increase in the assessed value of improvements resulting  
20 from remediation and redevelopment.
- 21 (8) The amount of the deduction claimed for the first year of the  
22 deduction.
- 23 (d) A certified deduction application filed under subsection (a) or  
24 (b) is applicable for the year in which the addition to assessed value or  
25 assessment of property is made and each subsequent year to which the  
26 deduction applies under the resolution adopted under section 24 of this  
27 chapter.
- 28 (e) A property owner who desires to obtain the deduction provided  
29 by section 24 of this chapter but who has failed to file a deduction  
30 application within the dates prescribed in subsection (a) or (b) may file  
31 a deduction application between March 1 and May 10 of a subsequent  
32 year which is applicable for the year filed and the subsequent years  
33 without any additional certified deduction application being filed for  
34 the amounts of the deduction which would be applicable to such years  
35 under this chapter if such a deduction application had been filed in  
36 accordance with subsection (a) or (b).
- 37 (f) On verification of the correctness of a certified deduction  
38 application by the assessor of the township in which the property is  
39 located, **or the county assessor if there is no township assessor for**  
40 **the township**, the county auditor shall, if the property is covered by a  
41 resolution adopted under section 24 of this chapter, make the  
42 appropriate deduction.
- 43 (g) The amount and period of the deduction provided for property  
44 by section 24 of this chapter are not affected by a change in the  
45 ownership of the property if the new owner of the property:
- 46 (1) is a person that:
- 47 (A) has never had an ownership interest in an entity that  
48 contributed; and
- 49 (B) has not contributed;  
50 a contaminant (as defined in IC 13-11-2-42) that is the subject of  
51 the voluntary remediation, as determined under the written

1 standards adopted by the department of environmental  
2 management;

3 (2) continues to use the property in compliance with any  
4 standards established under sections 7 and 23 of this chapter; and

5 (3) files an application in the manner provided by subsection (e).

6 (h) The township assessor, **or the county assessor if there is no**  
7 **township assessor for the township**, shall include a notice of the  
8 deadlines for filing a deduction application under subsections (a) and  
9 (b) with each notice to a property owner of an addition to assessed  
10 value or of a new assessment.

11 SECTION 304. IC 6-1.1-45-9, AS AMENDED BY P.L.211-2007,  
12 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2008]: Sec. 9. (a) Subject to subsection (c), a taxpayer that  
14 makes a qualified investment is entitled to a deduction from the  
15 assessed value of the taxpayer's enterprise zone property located at the  
16 enterprise zone location for which the taxpayer made the qualified  
17 investment. The amount of the deduction is equal to the remainder of:

18 (1) the total amount of the assessed value of the taxpayer's  
19 enterprise zone property assessed at the enterprise zone location  
20 on a particular assessment date; minus

21 (2) the total amount of the base year assessed value for the  
22 enterprise zone location.

23 (b) To receive the deduction allowed under subsection (a) for a  
24 particular year, a taxpayer must comply with the conditions set forth in  
25 this chapter.

26 (c) A taxpayer that makes a qualified investment in an enterprise  
27 zone established under IC 5-28-15-11 that is under the jurisdiction of  
28 a military base reuse authority board created under IC 36-7-14.5 or  
29 IC 36-7-30-3 is entitled to a deduction under this section only if the  
30 deduction is approved by the **legislative body of the unit that**  
31 **established the** military base reuse authority board.

32 (d) Except as provided in subsection (c), a taxpayer that makes a  
33 qualified investment at an enterprise zone location that is located  
34 within an allocation area, as defined by ~~IC 12-19-1.5-1,~~  
35 **IC 6-1.1-21.2-3**, is entitled to a deduction under this section only if the  
36 deduction is approved by the: ~~governing body of the allocation area.~~

37 (1) **fiscal body of the unit, in the case of an allocation area**  
38 **established under IC 6-1.1-39;**

39 (2) **legislative body of the unit described in IC 8-22-3.5-1, in**  
40 **the case of an allocation area located in an airport**  
41 **development zone;**

42 (3) **legislative body of the unit that established the department**  
43 **of redevelopment, in the case of an allocation area established**  
44 **under IC 36-7-14;**

45 (4) **legislative body of the unit that established the**  
46 **redevelopment authority, in the case of an allocation area**  
47 **established under IC 36-7-14.5;**

48 (5) **legislative body of the consolidated city or excluded city**  
49 **that approved the establishment of the allocation area, in the**  
50 **case of an allocation area established under IC 36-7-15.1; or**

51 (6) **legislative body of the unit that established the reuse**

1           **authority, in the case of an allocation area established under**  
 2           **IC 36-7-30.**

3           SECTION 305. IC 6-1.1-45.5-3, AS ADDED BY P.L.208-2005,  
 4           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5           JULY 1, 2008]: Sec. 3. On receipt of a petition under section 2 of this  
 6           chapter, the county auditor shall determine whether the petition is  
 7           complete. If the petition is not complete, the county auditor shall return  
 8           the petition to the petitioner and describe the defects in the petition.  
 9           The petitioner may correct the defects and file the completed petition  
 10          with the county auditor. On receipt of a complete petition, the county  
 11          auditor shall forward a copy of the complete petition to:

- 12           (1) the assessor of the township in which the brownfield is
- 13           located, **or the county assessor if there is no township assessor**
- 14           **for the township;**
- 15           (2) the owner, if different from the petitioner;
- 16           (3) all persons that have, as of the date of the filing of the petition,
- 17           a substantial property interest of public record in the brownfield;
- 18           (4) the board;
- 19           (5) the fiscal body;
- 20           (6) the department of environmental management; and
- 21           (7) the department.

22          SECTION 306. IC 6-1.1-45.5-4, AS ADDED BY P.L.208-2005,  
 23          SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24          JULY 1, 2008]: Sec. 4. On receipt of a complete petition as provided  
 25          under sections 2 and 3 of this chapter, the board shall at its earliest  
 26          opportunity conduct a public hearing on the petition. The board shall  
 27          give notice of the date, time, and place fixed for the hearing:

- 28           (1) by mail to:
  - 29           (A) the petitioner;
  - 30           (B) the owner, if different from the petitioner;
  - 31           (C) all persons that have, as of the date the petition was filed,
  - 32           a substantial interest of public record in the brownfield; and
  - 33           (D) the assessor of the township in which the brownfield is
  - 34           located, **or the county assessor if there is no township**
  - 35           **assessor for the township;** and
- 36           (2) under IC 5-3-1.

37          SECTION 307. IC 6-1.1-45.5-8, AS ADDED BY P.L.208-2005,  
 38          SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39          JULY 1, 2008]: Sec. 8. (a) The department shall give notice of its  
 40          determination under section 7 of this chapter and the right to seek an  
 41          appeal of the determination by mail to:

- 42           (1) the petitioner;
- 43           (2) the owner, if different from the petitioner;
- 44           (3) all persons that have, as of the date the petition was filed
- 45           under section 2 of this chapter, a substantial property interest of
- 46           public record in the brownfield;
- 47           (4) the assessor of the township in which the brownfield is
- 48           located, **or the county assessor if there is no township assessor**
- 49           **for the township;**
- 50           (5) the board;
- 51           (6) the fiscal body; and

1 (7) the county auditor.

2 (b) A person aggrieved by a determination of the department under  
3 section 7 of this chapter may obtain an additional review by the  
4 department and a public hearing by filing a petition for review with the  
5 county auditor of the county in which the brownfield is located not  
6 more than thirty (30) days after the department gives notice of the  
7 determination under subsection (a). The county auditor shall transmit  
8 the petition to the department not more than ten (10) days after the  
9 petition is filed.

10 (c) On receipt by the department of a petition for review, the  
11 department shall set a date, time, and place for a hearing. At least ten  
12 (10) days before the date fixed for the hearing, the department shall  
13 give notice by mail of the date, time, and place fixed for the hearing to:

- 14 (1) the person that filed the appeal;  
15 (2) the petitioner;  
16 (3) the owner, if different from the petitioner;  
17 (4) all persons that have, as of the date the petition is filed, a  
18 substantial interest of public record in the brownfield;  
19 (5) the assessor of the township in which the brownfield is  
20 located, **or the county assessor if there is no township assessor**  
21 **for the township;**  
22 (6) the board;  
23 (7) the fiscal body; and  
24 (8) the county auditor.

25 (d) After the hearing, the department shall give the parties listed in  
26 subsection (c) notice by mail of the final determination of the  
27 department. The department's final determination under this subsection  
28 is subject to the limitations in subsections (f)(2) and (g).

29 (e) The petitioner under section 2 of this chapter shall provide to the  
30 county auditor reasonable proof of ownership of the brownfield:

- 31 (1) if a petition is not filed under subsection (b), at least thirty  
32 (30) days but not more than one hundred twenty (120) days after  
33 notice is given under subsection (a); or  
34 (2) after notice is given under subsection (d) but not more than  
35 ninety (90) days after notice is given under subsection (d).

36 (f) The county auditor:

- 37 (1) shall, subject to subsection (g), reduce or remove the  
38 delinquent tax liability on the tax duplicate in the amount stated  
39 in:

40 (A) if a petition is not filed under subsection (b), the  
41 determination of the department under section 7 of this  
42 chapter; or

43 (B) the final determination of the department under this  
44 section;

45 not more than thirty (30) days after receipt of the proof of  
46 ownership required in subsection (e); and

- 47 (2) may not reduce or remove any delinquent tax liability on the  
48 tax duplicate if the petitioner under section 2 of this chapter fails  
49 to provide proof of ownership as required in subsection (e).

50 (g) A reduction or removal of delinquent tax liability under  
51 subsection (f) applies until the county auditor makes a determination



1 under this subsection. After the date referred to in section 2(6) of this  
 2 chapter, the county auditor shall determine if the petitioner successfully  
 3 completed the plan described in section 2(5) of this chapter by that  
 4 date. If the county auditor determines that the petitioner completed the  
 5 plan by that date, the reduction or removal of delinquent tax liability  
 6 under subsection (f) becomes permanent. If the county auditor  
 7 determines that the petitioner did not complete the plan by that date,  
 8 the county auditor shall restore to the tax duplicate the delinquent taxes  
 9 reduced or removed under subsection (f), along with interest in the  
 10 amount that would have applied if the delinquent taxes had not been  
 11 reduced or removed.

12 SECTION 308. IC 6-1.5-5-2, AS AMENDED BY P.L.219-2007,  
 13 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2008]: Sec. 2. (a) After receiving a petition for review that is  
 15 filed under a statute listed in section 1(a) of this chapter, the Indiana  
 16 board shall, at its earliest opportunity:

- 17 (1) conduct a hearing; or
- 18 (2) cause a hearing to be conducted by an administrative law  
 19 judge.

20 The Indiana board may determine to conduct the hearing under  
 21 subdivision (1) on its own motion or on request of a party to the appeal.

22 (b) In its resolution of a petition, the Indiana board may correct any  
 23 errors that may have been made and adjust the assessment in  
 24 accordance with the correction.

25 (c) The Indiana board shall give notice of the date fixed for the  
 26 hearing by mail to:

- 27 (1) the taxpayer;
- 28 (2) the department of local government finance; and
- 29 (3) the appropriate:
  - 30 (A) township assessor (**if any**);
  - 31 (B) county assessor; and
  - 32 (C) county auditor.

33 (d) With respect to an appeal of the assessment of real property or  
 34 personal property filed after June 30, 2005, the notices required under  
 35 subsection (c) must include the following:

- 36 (1) The action of the department of local government finance with  
 37 respect to the appealed items.
- 38 (2) A statement that a taxing unit receiving the notice from the  
 39 county auditor under subsection (e) may:
  - 40 (A) attend the hearing;
  - 41 (B) offer testimony; and
  - 42 (C) file an amicus curiae brief in the proceeding.

43 (e) If, after receiving notice of a hearing under subsection (c), the  
 44 county auditor determines that the assessed value of the appealed items  
 45 constitutes at least one percent (1%) of the total gross certified assessed  
 46 value of a particular taxing unit for the assessment date immediately  
 47 preceding the assessment date for which the appeal was filed, the  
 48 county auditor shall send a copy of the notice to the affected taxing  
 49 unit. A taxing unit that receives a notice from the county auditor under  
 50 this subsection is not a party to the appeal. Failure of the county auditor  
 51 to send a copy of the notice to the affected taxing unit does not affect

1 the validity of the appeal or delay the appeal.

2 (f) The Indiana board shall give the notices required under  
 3 subsection (c) at least thirty (30) days before the day fixed for the  
 4 hearing.

5 SECTION 309. IC 6-1.5-5-5, AS AMENDED BY P.L.154-2006,  
 6 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2008]: Sec. 5. After the hearing, the Indiana board shall give  
 8 the petitioner, the township assessor (**if any**), the county assessor, the  
 9 county auditor, and the department of local government finance:

10 (1) notice, by mail, of its final determination, findings of fact, and  
 11 conclusions of law; and

12 (2) notice of the procedures the petitioner or the department of  
 13 local government finance must follow in order to obtain court  
 14 review of the final determination of the Indiana board.

15 The county auditor shall provide copies of the documents described in  
 16 subdivisions (1) and (2) to the taxing units entitled to notice under  
 17 section 2(e) of this chapter.

18 SECTION 310. IC 6-2.5-2-2 IS AMENDED TO READ AS  
 19 FOLLOWS [EFFECTIVE APRIL 1, 2008]: Sec. 2. (a) The state gross  
 20 retail tax is measured by the gross retail income received by a retail  
 21 merchant in a retail unitary transaction and is imposed at the following  
 22 rates:

23 STATE	GROSS RETAIL INCOME		
24 GROSS	FROM THE		
25 RETAIL	RETAIL UNITARY		
26 TAX	TRANSACTION		
27 \$ 0		less than	\$0.09
28 <del>\$ 0.01</del>	at least \$ 0.09	but less than	\$0.25
29 <del>\$ 0.02</del>	at least \$ 0.25	but less than	\$0.42
30 <del>\$ 0.03</del>	at least \$ 0.42	but less than	\$0.59
31 <del>\$ 0.04</del>	at least \$ 0.59	but less than	\$0.75
32 <del>\$ 0.05</del>	at least \$ 0.75	but less than	\$0.92
33 <del>\$ 0.06</del>	at least \$ 0.92	but less than	\$1.09
34 <b>\$ 0</b>		<b>less than</b>	<b>\$0.08</b>
35 <b>\$ 0.01</b>	<b>at least \$ 0.08</b>	<b>but less than</b>	<b>\$0.21</b>
36 <b>\$ 0.02</b>	<b>at least \$ 0.21</b>	<b>but less than</b>	<b>\$0.36</b>
37 <b>\$ 0.03</b>	<b>at least \$ 0.36</b>	<b>but less than</b>	<b>\$0.51</b>
38 <b>\$ 0.04</b>	<b>at least \$ 0.51</b>	<b>but less than</b>	<b>\$0.64</b>
39 <b>\$ 0.05</b>	<b>at least \$ 0.64</b>	<b>but less than</b>	<b>\$0.79</b>
40 <b>\$ 0.06</b>	<b>at least \$ 0.79</b>	<b>but less than</b>	<b>\$0.93</b>
41 <b>\$ 0.07</b>	<b>at least \$ 0.93</b>	<b>but less than</b>	<b>\$1.07</b>

42 On a retail unitary transaction in which the gross retail income received  
 43 by the retail merchant is one dollar and ~~nine seven~~ cents (~~\$1.09~~)  
 44 (**\$1.07**) or more, the state gross retail tax is ~~six seven~~ percent (~~6%~~)  
 45 (**7%**) of that gross retail income.

46 (b) If the tax computed under subsection (a) results in a fraction of  
 47 one-half cent (\$0.005) or more, the amount of the tax shall be rounded  
 48 to the next additional cent.

49 SECTION 311. IC 6-2.5-6-7 IS AMENDED TO READ AS  
 50 FOLLOWS [EFFECTIVE APRIL 1, 2008]: Sec. 7. Except as otherwise  
 51 provided in IC 6-2.5-7 or in this chapter, a retail merchant shall pay to

1 the department, for a particular reporting period, an amount equal to  
2 the product of:

- 3 (1) ~~six seven~~ percent (~~6%~~); (**7%**); multiplied by
- 4 (2) the retail merchant's total gross retail income from taxable  
5 transactions made during the reporting period.

6 The amount determined under this section is the retail merchant's state  
7 gross retail and use tax liability regardless of the amount of tax ~~he~~ **the**  
8 **retail merchant** actually collects.

9 SECTION 312. IC 6-2.5-6-8 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE APRIL 1, 2008]: Sec. 8. (a) For purposes of  
11 determining the amount of state gross retail and use taxes which ~~he~~ **a**  
12 **retail merchant** must remit under section 7 of this chapter, ~~a~~ **the** retail  
13 merchant may exclude from ~~his~~ **the retail merchant's** gross retail  
14 income from retail transactions made during a particular reporting  
15 period, an amount equal to the product of:

- 16 (1) the amount of that gross retail income; multiplied by
- 17 (2) the retail merchant's "income exclusion ratio" for the tax year  
18 which contains the reporting period.

19 (b) A retail merchant's "income exclusion ratio" for a particular tax  
20 year equals a fraction, the numerator of which is the retail merchant's  
21 estimated total gross retail income for the tax year from unitary retail  
22 transactions which produce gross retail income of less than ~~nine eight~~  
23 cents (~~\$0.09~~) (**\$0.08**) each, and the denominator of which is the retail  
24 merchant's estimated total gross retail income for the tax year from all  
25 retail transactions.

26 (c) In order to minimize a retail merchant's recordkeeping  
27 requirements, the department shall prescribe a procedure for  
28 determining the retail merchant's income exclusion ratio for a tax year,  
29 based on a period of time, not to exceed fifteen (15) consecutive days,  
30 during the first quarter of the retail merchant's tax year. However, the  
31 period of time may be changed if the change is requested by the retail  
32 merchant because of ~~his~~ **the retail merchant's** peculiar accounting  
33 procedures or marketing factors. In addition, if a retail merchant has  
34 multiple sales locations or diverse types of sales, the department shall  
35 permit the retail merchant to determine the ratio on the basis of a  
36 representative sampling of the locations and types of sales.

37 SECTION 313. IC 6-2.5-6-10, AS AMENDED BY P.L.211-2007,  
38 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 APRIL 1, 2008]: Sec. 10. (a) In order to compensate retail merchants  
40 for collecting and timely remitting the state gross retail tax and the state  
41 use tax, every retail merchant, except a retail merchant referred to in  
42 subsection (c), is entitled to deduct and retain from the amount of those  
43 taxes otherwise required to be remitted under IC 6-2.5-7-5 or under this  
44 chapter, if timely remitted, a retail merchant's collection allowance.

45 (b) The allowance equals a percentage of the retail merchant's state  
46 gross retail and use tax liability accrued during a calendar year,  
47 specified as follows:

- 48 (1) ~~Eighty-three~~ **Seventy-three** hundredths percent (~~0.83%~~);  
49 (**0.73%**), if the retail merchant's state gross retail and use tax  
50 liability accrued during the state fiscal year ending on June 30 of

1 the immediately preceding calendar year did not exceed sixty  
2 thousand dollars (\$60,000).

3 (2) ~~Six-tenths~~ **Fifty-three hundredths** percent (~~0.6%~~); **(0.53%)**,  
4 if the retail merchant's state gross retail and use tax liability  
5 accrued during the state fiscal year ending on June 30 of the  
6 immediately preceding calendar year:

7 (A) was greater than sixty thousand dollars (\$60,000); and

8 (B) did not exceed six hundred thousand dollars (\$600,000).

9 (3) ~~Three-tenths~~ **Twenty-six hundredths** percent (~~0.3%~~);  
10 **(0.26%)**, if the retail merchant's state gross retail and use tax  
11 liability accrued during the state fiscal year ending on June 30 of  
12 the immediately preceding calendar year was greater than six  
13 hundred thousand dollars (\$600,000).

14 (c) A retail merchant described in IC 6-2.5-4-5 or IC 6-2.5-4-6 is not  
15 entitled to the allowance provided by this section.

16 SECTION 314. IC 6-2.5-7-3 IS AMENDED TO READ AS  
17 FOLLOWS [EFFECTIVE APRIL 1, 2008]: Sec. 3. (a) With respect to  
18 the sale of gasoline which is dispensed from a metered pump, a retail  
19 merchant shall collect, for each unit of gasoline sold, state gross retail  
20 tax in an amount equal to the product, rounded to the nearest one-tenth  
21 of one cent (\$0.001), of:

22 (1) the price per unit before the addition of state and federal taxes;  
23 multiplied by

24 (2) ~~six seven~~ percent (~~6%~~); **(7%)**.

25 The retail merchant shall collect the state gross retail tax prescribed in  
26 this section even if the transaction is exempt from taxation under  
27 IC 6-2.5-5.

28 (b) With respect to the sale of special fuel or kerosene which is  
29 dispensed from a metered pump, unless the purchaser provides an  
30 exemption certificate in accordance with IC 6-2.5-8-8, a retail merchant  
31 shall collect, for each unit of special fuel or kerosene sold, state gross  
32 retail tax in an amount equal to the product, rounded to the nearest  
33 one-tenth of one cent (\$0.001), of:

34 (1) the price per unit before the addition of state and federal taxes;  
35 multiplied by

36 (2) ~~six seven~~ percent (~~6%~~); **(7%)**.

37 Unless the exemption certificate is provided, the retail merchant shall  
38 collect the state gross retail tax prescribed in this section even if the  
39 transaction is exempt from taxation under IC 6-2.5-5.

40 SECTION 315. IC 6-2.5-7-5, AS AMENDED BY P.L.182-2007,  
41 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
42 APRIL 1, 2008]: Sec. 5. (a) Each retail merchant who dispenses  
43 gasoline or special fuel from a metered pump shall, in the manner  
44 prescribed in IC 6-2.5-6, report to the department the following  
45 information:

46 (1) The total number of gallons of gasoline sold from a metered  
47 pump during the period covered by the report.

48 (2) The total amount of money received from the sale of gasoline  
49 described in subdivision (1) during the period covered by the  
50 report.

51 (3) That portion of the amount described in subdivision (2) which

- 1 represents state and federal taxes imposed under this article,  
 2 IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.
- 3 (4) The total number of gallons of special fuel sold from a  
 4 metered pump during the period covered by the report.
- 5 (5) The total amount of money received from the sale of special  
 6 fuel during the period covered by the report.
- 7 (6) That portion of the amount described in subdivision (5) that  
 8 represents state and federal taxes imposed under this article,  
 9 IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.
- 10 (7) The total number of gallons of E85 sold from a metered pump  
 11 during the period covered by the report.
- 12 (b) Concurrently with filing the report, the retail merchant shall  
 13 remit the state gross retail tax in an amount which equals ~~five six~~ and  
 14 ~~sixty-six~~ **fifty-four** hundredths percent (~~5.66%~~) (**6.54%**) of the gross  
 15 receipts, including state gross retail taxes but excluding Indiana and  
 16 federal gasoline and special fuel taxes, received by the retail merchant  
 17 from the sale of the gasoline and special fuel that is covered by the  
 18 report and on which the retail merchant was required to collect state  
 19 gross retail tax. The retail merchant shall remit that amount regardless  
 20 of the amount of state gross retail tax which ~~he~~ **the merchant** has  
 21 actually collected under this chapter. However, the retail merchant is  
 22 entitled to deduct and retain the amounts prescribed in subsection (c),  
 23 IC 6-2.5-6-10, and IC 6-2.5-6-11.
- 24 (c) A retail merchant is entitled to deduct from the amount of state  
 25 gross retail tax required to be remitted under subsection (b) the amount  
 26 determined under STEP THREE of the following formula:  
 27 STEP ONE: Determine:  
 28 (A) the sum of the prepayment amounts made during the  
 29 period covered by the retail merchant's report; minus  
 30 (B) the sum of prepayment amounts collected by the retail  
 31 merchant, in the merchant's capacity as a qualified distributor,  
 32 during the period covered by the retail merchant's report.
- 33 STEP TWO: Subject to subsection (d), for reporting periods  
 34 ending before July 1, 2020, determine the product of:  
 35 (A) eighteen cents (\$0.18); multiplied by  
 36 (B) the number of gallons of E85 sold at retail by the retail  
 37 merchant during the period covered by the retail merchant's  
 38 report.
- 39 STEP THREE: Add the amounts determined under STEPS ONE  
 40 and TWO.
- 41 For purposes of this section, a prepayment of the gross retail tax is  
 42 presumed to occur on the date on which it is invoiced.
- 43 (d) The total amount of deductions allowed under subsection (c)  
 44 STEP TWO may not exceed one million dollars (\$1,000,000) for all  
 45 retail merchants in all reporting periods. A retail merchant is not  
 46 required to apply for an allocation of deductions under subsection (c)  
 47 STEP TWO. If the department determines that the sum of:  
 48 (1) the deductions that would otherwise be reported under  
 49 subsection (c) STEP TWO for a reporting period; plus  
 50 (2) the total amount of deductions granted under subsection (c)  
 51 STEP TWO in all preceding reporting periods;

1 will exceed one million dollars (\$1,000,000), the department shall  
2 publish in the Indiana Register a notice that the deduction program  
3 under subsection (c) STEP TWO is terminated after the date specified  
4 in the notice and that no additional deductions will be granted for retail  
5 transactions occurring after the date specified in the notice.

6 SECTION 316. IC 6-2.5-8-1, AS AMENDED BY P.L.219-2007,  
7 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2008]: Sec. 1. (a) A retail merchant may not make a retail  
9 transaction in Indiana, unless the retail merchant has applied for a  
10 registered retail merchant's certificate.

11 (b) A retail merchant may obtain a registered retail merchant's  
12 certificate by filing an application with the department and paying a  
13 registration fee of twenty-five dollars (\$25) for each place of business  
14 listed on the application. The retail merchant shall also provide such  
15 security for payment of the tax as the department may require under  
16 IC 6-2.5-6-12.

17 (c) The retail merchant shall list on the application the location  
18 (including the township) of each place of business where the retail  
19 merchant makes retail transactions. However, if the retail merchant  
20 does not have a fixed place of business, the retail merchant shall list the  
21 retail merchant's residence as the retail merchant's place of business. In  
22 addition, a public utility may list only its principal Indiana office as its  
23 place of business for sales of public utility commodities or service, but  
24 the utility must also list on the application the places of business where  
25 it makes retail transactions other than sales of public utility  
26 commodities or service.

27 (d) Upon receiving a proper application, the correct fee, and the  
28 security for payment, if required, the department shall issue to the retail  
29 merchant a separate registered retail merchant's certificate for each  
30 place of business listed on the application. Each certificate shall bear  
31 a serial number and the location of the place of business for which it is  
32 issued.

33 (e) If a retail merchant intends to make retail transactions during a  
34 calendar year at a new Indiana place of business, the retail merchant  
35 must file a supplemental application and pay the fee for that place of  
36 business.

37 (f) A registered retail merchant's certificate is valid for two (2) years  
38 after the date the registered retail merchant's certificate is originally  
39 issued or renewed. If the retail merchant has filed all returns and  
40 remitted all taxes the retail merchant is currently obligated to file or  
41 remit, the department shall renew the registered retail merchant's  
42 certificate within thirty (30) days after the expiration date, at no cost to  
43 the retail merchant.

44 (g) The department may not renew a registered retail merchant  
45 certificate of a retail merchant who is delinquent in remitting sales or  
46 use tax. The department, at least sixty (60) days before the date on  
47 which a retail merchant's registered retail merchant's certificate expires,  
48 shall notify a retail merchant who is delinquent in remitting sales or use  
49 tax that the department will not renew the retail merchant's registered  
50 retail merchant's certificate.

51 (h) A retail merchant engaged in business in Indiana as defined in

1 IC 6-2.5-3-1(c) who makes retail transactions that are only subject to  
 2 the use tax must obtain a registered retail merchant's certificate before  
 3 making those transactions. The retail merchant may obtain the  
 4 certificate by following the same procedure as a retail merchant under  
 5 subsections (b) and (c), except that the retail merchant must also  
 6 include on the application:

- 7 (1) the names and addresses of the retail merchant's principal
- 8 employees, agents, or representatives who engage in Indiana in
- 9 the solicitation or negotiation of the retail transactions;
- 10 (2) the location of all of the retail merchant's places of business in
- 11 Indiana, including offices and distribution houses; and
- 12 (3) any other information that the department requests.

13 (i) The department may permit an out-of-state retail merchant to  
 14 collect the use tax. However, before the out-of-state retail merchant  
 15 may collect the tax, the out-of-state retail merchant must obtain a  
 16 registered retail merchant's certificate in the manner provided by this  
 17 section. Upon receiving the certificate, the out-of-state retail merchant  
 18 becomes subject to the same conditions and duties as an Indiana retail  
 19 merchant and must then collect the use tax due on all sales of tangible  
 20 personal property that the out-of-state retail merchant knows is  
 21 intended for use in Indiana.

22 (j) Except as provided in subsection (k), the department shall submit  
 23 to the township assessor, **or the county assessor if there is no**  
 24 **township assessor for the township**, before July 15 of each year:

- 25 (1) the name of each retail merchant that has newly obtained a
- 26 registered retail merchant's certificate between March 2 of the
- 27 preceding year and March 1 of the current year for a place of
- 28 business located in the township **or county**; and
- 29 (2) the address of each place of business of the taxpayer in the
- 30 township **or county**.

31 (k) If the duties of the township assessor have been transferred to  
 32 the county assessor as described in IC 6-1.1-1-24, the department shall  
 33 submit the information listed in subsection (j) to the county assessor.

34 SECTION 317. IC 6-2.5-10-1, AS AMENDED BY P.L.234-2007,  
 35 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 MAY 1, 2008]: Sec. 1. (a) The department shall account for all state  
 37 gross retail and use taxes that it collects.

38 (b) The department shall deposit those collections in the following  
 39 manner:

- 40 ~~(1) Fifty percent (50%) of the collections shall be paid into the~~
- 41 ~~property tax replacement fund established under IC 6-1.1-21.~~
- 42 ~~(2) (1) Forty-nine~~ **Ninety-nine** ~~and sixty-seven~~ **one hundred**
- 43 **seventy-eight** thousandths percent ~~(49.067%)~~ **(99.178%)** of the
- 44 collections shall be paid into the state general fund.
- 45 ~~(3) (2) Seventy-six~~ **Sixty-seven** hundredths of one percent
- 46 ~~(0.76%)~~ **(0.67%)** of the collections shall be paid into the public
- 47 mass transportation fund established by IC 8-23-3-8.
- 48 ~~(4) (3) Thirty-three~~ **Twenty-nine** thousandths of one percent
- 49 ~~(0.033%)~~ **(0.029%)** of the collections shall be deposited into the
- 50 industrial rail service fund established under IC 8-3-1.7-2.

1           ~~(5)~~ **(4)** ~~Fourteen-hundredths~~ **One hundred twenty-three**  
 2           **thousandths** of one percent ~~(0.14%)~~ **(0.123%)** of the collections  
 3           shall be deposited into the commuter rail service fund established  
 4           under IC 8-3-1.5-20.5.

5           SECTION 318. IC 6-3-2-6 IS AMENDED TO READ AS  
 6           FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:  
 7           Sec. 6. (a) Each taxable year, an individual who rents a dwelling for use  
 8           as the individual's principal place of residence may deduct from the  
 9           individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)), the  
 10          lesser of:

11           (1) the amount of rent paid by the individual with respect to the  
 12           dwelling during the taxable year; or

13           (2) ~~two three thousand five hundred~~ dollars ~~(\$2,500)~~: **(\$3,000)**.

14           (b) Notwithstanding subsection (a), a husband and wife filing a joint  
 15           adjusted gross income tax return for a particular taxable year may not  
 16           claim a deduction under this section of more than ~~two three thousand~~  
 17           ~~five hundred~~ dollars ~~(\$2,500)~~: **(\$3,000)**.

18           (c) The deduction provided by this section does not apply to an  
 19           individual who rents a dwelling that is exempt from Indiana property  
 20           tax.

21           (d) For purposes of this section, a "dwelling" includes a single  
 22           family dwelling and unit of a multi-family dwelling.

23           SECTION 319. IC 6-3-4-4.1, AS AMENDED BY P.L.211-2007,  
 24           SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25           JANUARY 1, 2009]: Sec. 4.1. (a) Any individual required by the  
 26           Internal Revenue Code to file estimated tax returns and to make  
 27           payments on account of such estimated tax shall file estimated tax  
 28           returns and make payments of the tax imposed by this article to the  
 29           department at the time or times and in the installments as provided by  
 30           Section 6654 of the Internal Revenue Code. However, in applying  
 31           Section 6654 of the Internal Revenue Code for the purposes of this  
 32           article, "estimated tax" means the amount which the individual  
 33           estimates as the amount of the adjusted gross income tax imposed by  
 34           this article for the taxable year, minus the amount which the individual  
 35           estimates as the sum of any credits against the tax provided by  
 36           IC 6-3-3.

37           (b) Every individual who has adjusted gross income subject to the  
 38           tax imposed by this article and from which tax is not withheld under  
 39           the requirements of section 8 of this chapter shall make a declaration  
 40           of estimated tax for the taxable year. However, no such declaration  
 41           shall be required if the estimated tax can reasonably be expected to be  
 42           less than one thousand dollars (\$1,000). In the case of an underpayment  
 43           of the estimated tax as provided in Section 6654 of the Internal  
 44           Revenue Code, there shall be added to the tax a penalty in an amount  
 45           prescribed by IC 6-8.1-10-2.1(b).

46           (c) Every corporation subject to the adjusted gross income tax  
 47           liability imposed by this article shall be required to report and pay an  
 48           estimated tax equal to the lesser of:

49           (1) twenty-five percent (25%) of such corporation's estimated  
 50           adjusted gross income tax liability for the taxable year; or

51           (2) the annualized income installment calculated in the manner



1 provided by Section 6655(e) of the Internal Revenue Code as  
 2 applied to the corporation's liability for adjusted gross income tax.  
 3 A taxpayer who uses a taxable year that ends on December 31 shall file  
 4 the taxpayer's estimated adjusted gross income tax returns and pay the  
 5 tax to the department on or before April 20, June 20, September 20,  
 6 and December 20 of the taxable year. If a taxpayer uses a taxable year  
 7 that does not end on December 31, the due dates for filing estimated  
 8 adjusted gross income tax returns and paying the tax are on or before  
 9 the twentieth day of the fourth, sixth, ninth, and twelfth months of the  
 10 taxpayer's taxable year. The department shall prescribe the manner and  
 11 forms for such reporting and payment.

12 (d) The penalty prescribed by IC 6-8.1-10-2.1(b) shall be assessed  
 13 by the department on corporations failing to make payments as required  
 14 in subsection (c) or (f). However, no penalty shall be assessed as to any  
 15 estimated payments of adjusted gross income tax which equal or  
 16 exceed:

- 17 (1) the annualized income installment calculated under subsection
- 18 (c); or
- 19 (2) twenty-five percent (25%) of the final tax liability for the
- 20 taxpayer's previous taxable year.

21 In addition, the penalty as to any underpayment of tax on an estimated  
 22 return shall only be assessed on the difference between the actual  
 23 amount paid by the corporation on such estimated return and  
 24 twenty-five percent (25%) of the corporation's final adjusted gross  
 25 income tax liability for such taxable year.

26 (e) The provisions of subsection (c) requiring the reporting and  
 27 estimated payment of adjusted gross income tax shall be applicable  
 28 only to corporations having an adjusted gross income tax liability  
 29 which, after application of the credit allowed by IC 6-3-3-2 (repealed),  
 30 shall exceed two thousand five hundred dollars (\$2,500) for its taxable  
 31 year.

32 (f) If the department determines that a corporation's:

- 33 (1) estimated quarterly adjusted gross income tax liability for the
- 34 current year; or
- 35 (2) average estimated quarterly adjusted gross income tax liability
- 36 for the preceding year;

37 exceeds five thousand dollars (\$5,000), after the credit allowed by  
 38 IC 6-3-3-2 (repealed), the corporation shall pay the estimated adjusted  
 39 gross income taxes due by electronic funds transfer (as defined in  
 40 IC 4-8.1-2-7) or by delivering in person or overnight by courier a  
 41 payment by cashier's check, certified check, or money order to the  
 42 department. The transfer or payment shall be made on or before the  
 43 date the tax is due.

44 (g) If a corporation's adjusted gross income tax payment is made by  
 45 electronic funds transfer, the corporation is not required to file an  
 46 estimated adjusted gross income tax return.

47 **(h) An individual filing an estimated tax return and making an**  
 48 **estimated tax payment under this section must designate:**

- 49 **(1) the portion of the estimated tax payment that represents**
- 50 **estimated state adjusted gross income tax liability; and**
- 51 **(2) the portion of the estimated tax payment that represents**

1 **estimated local income tax liability under IC 6-3.5.**

2 **The department shall adopt guidelines and issue instructions as**  
 3 **necessary to assist individuals in making the designations required**  
 4 **by this subsection.**

5 SECTION 320. IC 6-3-4-15.7 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15.7. (a) The  
 7 payor of a periodic or nonperiodic distribution under an annuity, a  
 8 pension, a retirement, or other deferred compensation plan, as  
 9 described in Section 3405 of the Internal Revenue Code, that is paid to  
 10 a resident of this state shall, upon receipt from the payee of a written  
 11 request for state income tax withholding, withhold the requested  
 12 amount from each payment. The request must:

- 13 (1) be dated and signed by the payee; ~~and~~  
 14 (2) specify the flat whole dollar amount to be withheld from each  
 15 payment; ~~The request must also~~  
 16 (3) **designate the portion of the withheld amount that**  
 17 **represents estimated state adjusted gross income tax liability**  
 18 **and the portion of the withheld amount that represents**  
 19 **estimated local income tax liability under IC 6-3.5; and**  
 20 (4) specify the payee's name, current address, taxpayer  
 21 identification number, and the contract, policy, or account number  
 22 to which the request applies.

23 The request shall remain in effect until the payor receives in writing  
 24 from the payee a change in or revocation of the request. **The**  
 25 **department shall adopt guidelines and issue instructions as**  
 26 **necessary to assist individuals in making the designations required**  
 27 **by subdivision (3).**

28 (b) The payor is not required to withhold state income tax from a  
 29 payment if the amount to be withheld is less than ten dollars (\$10) or  
 30 if the amount to be withheld would reduce the affected payment to less  
 31 than ten dollars (\$10).

32 (c) The payor is responsible for custody of withheld funds, for  
 33 reporting withheld funds to the state and to the payee, and for remitting  
 34 withheld funds to the state in the same manner as is done for wage  
 35 withholding, including utilization of federal forms and participation by  
 36 Indiana in the combined Federal/State Filing Program on magnetic  
 37 media.

38 SECTION 321. IC 6-3-4-16 IS ADDED TO THE INDIANA CODE  
 39 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 40 1, 2008]: **Sec. 16. For individual income tax returns filed after**  
 41 **December 31, 2010, the department shall develop procedures to**  
 42 **implement a system of crosschecks between:**

- 43 (1) **employer WH-3 forms (annual withholding tax reports)**  
 44 **with accompanying W-2 forms; and**  
 45 (2) **individual taxpayer W-2 forms.**

46 SECTION 322. IC 6-3-4-17 IS ADDED TO THE INDIANA CODE  
 47 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 48 1, 2008]: **Sec. 17. Beginning after December 31, 2010, the**  
 49 **department and the office of management and budget shall:**

- 50 (1) **develop a quarterly report that summarizes the amount**  
 51 **reported to and processed by the department under section**

1           **4.1(h) of this chapter, section 15.7(a)(3) of this chapter,**  
 2           **IC 6-3.5-1.1-18(c), IC 6-3.5-6-22(c), IC 6-3.5-7-18(c), and**  
 3           **IC 6-3.5-8-22(c) for each county; and**

4           **(2) make the quarterly report available to county auditors**  
 5           **within forty-five (45) days after the end of the calendar**  
 6           **quarter.**

7           SECTION 323. IC 6-3-7-3 IS AMENDED TO READ AS  
 8           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) All  
 9           revenues derived from collection of the adjusted gross income tax  
 10          imposed on corporations shall be deposited in the state general fund.

11          (b) All revenues derived from collection of the adjusted gross  
 12          income tax imposed on persons shall be deposited ~~as follows:~~

13               ~~(1) Eighty-six percent (86%) in the state general fund.~~

14               ~~(2) Fourteen percent (14%) in the property tax replacement fund.~~

15          SECTION 324. IC 6-3.1-11-19 IS AMENDED TO READ AS  
 16          FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:  
 17          Sec. 19. The board shall consider the following factors in evaluating  
 18          applications filed under this chapter:

19               (1) The level of distress in the surrounding community caused by  
 20               the loss of jobs at the vacant industrial facility.

21               (2) The desirability of the intended use of the vacant industrial  
 22               facility under the plan proposed by the municipality or county and  
 23               the likelihood that the implementation of the plan will improve  
 24               the economic and employment conditions in the surrounding  
 25               community.

26               (3) Evidence of support for the designation by residents,  
 27               businesses, and private organizations in the surrounding  
 28               community.

29               (4) Evidence of a commitment by private or governmental entities  
 30               to provide financial assistance in implementing the plan proposed  
 31               by the municipality or county, including the application of  
 32               IC 36-7-12, IC 36-7-13, IC 36-7-14, or IC 36-7-15.1 to assist in  
 33               the financing of improvements or redevelopment activities  
 34               benefiting the vacant industrial facility.

35               (5) Evidence of efforts by the municipality or county to  
 36               implement the proposed plan without additional financial  
 37               assistance from the state.

38               (6) Whether the industrial recovery site is within an economic  
 39               revitalization area designated under IC 6-1.1-12.1.

40               ~~(7) Whether action has been taken by the metropolitan~~  
 41               ~~development commission or the legislative body of the~~  
 42               ~~municipality or county having jurisdiction over the proposed~~  
 43               ~~industrial recovery site to make the property tax credit under~~  
 44               ~~IC 6-1.1-20.7 available to persons owning inventory located~~  
 45               ~~within the industrial recovery site and meeting the other~~  
 46               ~~conditions established by IC 6-1.1-20.7.~~

47          SECTION 325. IC 6-3.1-21-6 IS AMENDED TO READ AS  
 48          FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) An  
 49          individual who is eligible for an earned income tax credit under Section  
 50          32 of the Internal Revenue Code is eligible for a credit under this  
 51          chapter equal to ~~six percent (6%)~~ **nine percent (9%)** of the amount of

1 the federal earned income tax credit that the individual:

2 (1) is eligible to receive in the taxable year; and

3 (2) claimed for the taxable year;

4 under Section 32 of the Internal Revenue Code.

5 (b) If the credit amount exceeds the taxpayer's adjusted gross  
6 income tax liability for the taxable year, the excess, less any advance  
7 payments of the credit made by the taxpayer's employer under  
8 IC 6-3-4-8 that reduce the excess, shall be refunded to the taxpayer.

9 SECTION 326. IC 6-3.5-1.1-1 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. As used in this  
11 chapter:

12 "Adjusted gross income" has the same definition that the term is  
13 given in IC 6-3-1-3.5(a), except that in the case of a county taxpayer  
14 who is not a resident of a county that has imposed the county adjusted  
15 gross income tax, the term includes only adjusted gross income derived  
16 from ~~his~~ **the taxpayer's** principal place of business or employment.

17 **"Apartment complex" means real property consisting of at least**  
18 **five (5) units that are regularly used to rent or otherwise furnish**  
19 **residential accommodations for periods of at least thirty (30) days.**

20 "Civil taxing unit" means any entity having the power to impose ad  
21 valorem property taxes except a school corporation. The term does not  
22 include a solid waste management district that is not entitled to a  
23 distribution under section 1.3 of this chapter. However, in the case of  
24 a consolidated city, the term "civil taxing unit" includes the  
25 consolidated city and all special taxing districts, all special service  
26 districts, and all entities whose budgets and property tax levies are  
27 subject to review under IC 36-3-6-9.

28 "County council" includes the city-county council of a consolidated  
29 city.

30 "County taxpayer" as it relates to a county for a year means any  
31 individual:

32 (1) who resides in that county on the date specified in section 16  
33 of this chapter; or

34 (2) who maintains ~~his~~ **the taxpayer's** principal place of business  
35 or employment in that county on the date specified in section 16  
36 of this chapter and who does not on that same date reside in  
37 another county in which the county adjusted gross income tax, the  
38 county option income tax, or the county economic development  
39 income tax is in effect.

40 "Department" refers to the Indiana department of state revenue.

41 **"Homestead" has the meaning set forth in IC 6-1.1-12-37.**

42 "Nonresident county taxpayer" as it relates to a county for a year  
43 means any county taxpayer for that county for that year who is not a  
44 resident county taxpayer of that county for that year.

45 **"Qualified residential property" refers to any of the following:**

46 (1) **An apartment complex.**

47 (2) **A homestead.**

48 (3) **Residential rental property.**

49 "Resident county taxpayer" as it relates to a county for a year means  
50 any county taxpayer who resides in that county on the date specified in  
51 section 16 of this chapter.

1       **"Residential rental property" means real property consisting of**  
 2       **not more than four (4) units that are regularly used to rent or**  
 3       **otherwise furnish residential accommodations for periods of at**  
 4       **least thirty (30) days.**

5       "School corporation" means any public school corporation  
 6       established under Indiana law.

7       SECTION 327. IC 6-3.5-1.1-9, AS AMENDED BY P.L.224-2007,  
 8       SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9       JULY 1, 2008]: Sec. 9. (a) Revenue derived from the imposition of the  
 10      county adjusted gross income tax shall, in the manner prescribed by  
 11      this section, be distributed to the county that imposed it. The amount  
 12      to be distributed to a county during an ensuing calendar year equals the  
 13      amount of county adjusted gross income tax revenue that the  
 14      department, after reviewing the recommendation of the budget agency,  
 15      determines has been:

16           (1) received from that county for a taxable year ending before the  
 17           calendar year in which the determination is made; and

18           (2) reported on an annual return or amended return processed by  
 19           the department in the state fiscal year ending before July 1 of the  
 20           calendar year in which the determination is made;

21      as adjusted (as determined after review of the recommendation of the  
 22      budget agency) for refunds of county adjusted gross income tax made  
 23      in the state fiscal year.

24           (b) Before August 2 of each calendar year, the department, after  
 25           reviewing the recommendation of the budget agency, shall certify to the  
 26           county auditor of each adopting county the amount determined under  
 27           subsection (a) plus the amount of interest in the county's account that  
 28           has accrued and has not been included in a certification made in a  
 29           preceding year. The amount certified is the county's "certified  
 30           distribution" for the immediately succeeding calendar year. The amount  
 31           certified shall be adjusted under subsections (c), (d), (e), (f), (g), and  
 32           (h). The ~~department budget agency~~ shall provide **the county council**  
 33           with ~~the certification~~ an informative summary of the calculations used  
 34           to determine the certified distribution. **The summary of calculations**  
 35           **must include:**

36           **(1) the amount reported on individual income tax returns**  
 37           **processed by the department during the previous fiscal year;**

38           **(2) adjustments for over distributions in prior years;**

39           **(3) adjustments for clerical or mathematical errors in prior**  
 40           **years;**

41           **(4) adjustments for tax rate changes; and**

42           **(5) the amount of excess account balances to be distributed**  
 43           **under IC 6-3.5-1.1-21.1.**

44      The department shall also certify information concerning the part of the  
 45      certified distribution that is attributable to a tax rate under section 24,  
 46      25, or 26 of this chapter. This information must be certified to the  
 47      county auditor and to the department of local government finance not  
 48      later than September 1 of each calendar year. The part of the certified  
 49      distribution that is attributable to a tax rate under section 24, 25, or 26  
 50      of this chapter may be used only as specified in those provisions.

51           (c) The department shall certify an amount less than the amount

1 determined under subsection (b) if the department, after reviewing the  
2 recommendation of the budget agency, determines that the reduced  
3 distribution is necessary to offset overpayments made in a calendar  
4 year before the calendar year of the distribution. The department, after  
5 reviewing the recommendation of the budget agency, may reduce the  
6 amount of the certified distribution over several calendar years so that  
7 any overpayments are offset over several years rather than in one (1)  
8 lump sum.

9 (d) The department, after reviewing the recommendation of the  
10 budget agency, shall adjust the certified distribution of a county to  
11 correct for any clerical or mathematical errors made in any previous  
12 certification under this section. The department, after reviewing the  
13 recommendation of the budget agency, may reduce the amount of the  
14 certified distribution over several calendar years so that any adjustment  
15 under this subsection is offset over several years rather than in one (1)  
16 lump sum.

17 (e) The department, after reviewing the recommendation of the  
18 budget agency, shall adjust the certified distribution of a county to  
19 provide the county with the distribution required under section 10(b)  
20 of this chapter.

21 (f) This subsection applies to a county that:

- 22 (1) initially imposes the county adjusted gross income tax; or
- 23 (2) increases the county adjusted income tax rate;

24 under this chapter in the same calendar year in which the department  
25 makes a certification under this section. The department, after  
26 reviewing the recommendation of the budget agency, shall adjust the  
27 certified distribution of a county to provide for a distribution in the  
28 immediately following calendar year and in each calendar year  
29 thereafter. The department shall provide for a full transition to  
30 certification of distributions as provided in subsection (a)(1) through  
31 (a)(2) in the manner provided in subsection (c).

32 (g) The department, after reviewing the recommendation of the  
33 budget agency, shall adjust the certified distribution of a county to  
34 provide the county with the distribution required under section 3.3 of  
35 this chapter beginning not later than the tenth month after the month in  
36 which additional revenue from the tax authorized under section 3.3 of  
37 this chapter is initially collected.

38 (h) This subsection applies in the year in which a county initially  
39 imposes a tax rate under section 24 of this chapter. Notwithstanding  
40 any other provision, the department shall adjust the part of the county's  
41 certified distribution that is attributable to the tax rate under section 24  
42 of this chapter to provide for a distribution in the immediately  
43 following calendar year equal to the result of:

- 44 (1) the sum of the amounts determined under STEP ONE through  
45 STEP FOUR of IC 6-3.5-1.5-1(a) in the year in which the county  
46 initially imposes a tax rate under section 24 of this chapter;  
47 multiplied by
- 48 (2) two (2).

49 SECTION 328. IC 6-3.5-1.1-14, AS AMENDED BY P.L.2-2006,  
50 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
51 JANUARY 1, 2009]: Sec. 14. (a) In determining the amount of

1 property tax replacement credits civil taxing units and school  
 2 corporations of a county are entitled to receive during a calendar year,  
 3 the department of local government finance shall consider only  
 4 property taxes imposed on tangible property that was assessed in that  
 5 county.

6 (b) If a civil taxing unit or a school corporation is located in more  
 7 than one (1) county and receives property tax replacement credits from  
 8 one (1) or more of the counties, then the property tax replacement  
 9 credits received from each county shall be used only to reduce the  
 10 property tax rates that are imposed within the county that distributed  
 11 the property tax replacement credits.

12 (c) A civil taxing unit shall treat any property tax replacement  
 13 credits that it receives or is to receive during a particular calendar year  
 14 as a part of its property tax levy for that same calendar year for  
 15 purposes of fixing its budget and for purposes of the property tax levy  
 16 limits imposed by IC 6-1.1-18.5.

17 (d) Subject to subsection (e), if a civil taxing unit or school  
 18 corporation of an adopting county does not impose a property tax levy  
 19 that is first due and payable in a calendar year in which property tax  
 20 replacement credits are being distributed, the civil taxing unit or school  
 21 corporation is entitled to use the property tax replacement credits  
 22 distributed to the civil taxing unit or school corporation for any purpose  
 23 for which a property tax levy could be used.

24 (e) A school corporation shall treat any property tax replacement  
 25 credits that the school corporation receives or is to receive during a  
 26 particular calendar year as a part of its property tax levy for its ~~general~~  
 27 ~~fund~~; debt service fund, capital projects fund, transportation fund,  
 28 school bus replacement fund, and special education preschool fund in  
 29 proportion to the levy for each of these funds for that same calendar  
 30 year for purposes of fixing its budget. ~~and for purposes of the~~  
 31 ~~maximum permissible tuition support levy limits imposed by~~  
 32 ~~IC 20-45-3~~. A school corporation shall allocate the property tax  
 33 replacement credits described in this subsection to all ~~six (6)~~ **five (5)**  
 34 funds in proportion to the levy for each fund.

35 SECTION 329. IC 6-3.5-1.1-15, AS AMENDED BY P.L.224-2007,  
 36 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JANUARY 1, 2009]: Sec. 15. (a) As used in this section, "attributed  
 38 allocation amount" of a civil taxing unit for a calendar year means the  
 39 sum of:

40 (1) the allocation amount of the civil taxing unit for that calendar  
 41 year; plus

42 (2) the current ad valorem property tax levy of any special taxing  
 43 district, authority, board, or other entity formed to discharge  
 44 governmental services or functions on behalf of or ordinarily  
 45 attributable to the civil taxing unit; plus

46 (3) in the case of a county, an amount equal to the ~~property taxes~~  
 47 ~~imposed by the county in 1999 for the county's welfare fund and~~  
 48 ~~welfare administration fund~~ **welfare allocation amount.**

49 **The welfare allocation amount is an amount equal to the sum of the**  
 50 **property taxes imposed by the county in 1999 for the county's**  
 51 **welfare fund and welfare administration fund and, if the county**

1 **received a certified distribution under this chapter or IC 6-3.5-6 in**  
 2 **2008, the property taxes imposed by the county in 2008 for the**  
 3 **county's county medical assistance to wards fund, family and**  
 4 **children's fund, children's psychiatric residential treatment**  
 5 **services fund, county hospital care for the indigent fund and**  
 6 **children with special health care needs county fund.**

7 (b) The part of a county's certified distribution that is to be used as  
 8 certified shares shall be allocated only among the county's civil taxing  
 9 units. Each civil taxing unit of a county is entitled to receive a certified  
 10 share during a calendar year in an amount determined in STEP TWO  
 11 of the following formula:

12 STEP ONE: Divide:

13 (A) the attributed allocation amount of the civil taxing unit  
 14 during that calendar year; by

15 (B) the sum of the attributed allocation amounts of all the civil  
 16 taxing units of the county during that calendar year.

17 STEP TWO: Multiply the part of the county's certified  
 18 distribution that is to be used as certified shares by the STEP  
 19 ONE amount.

20 (c) The local government tax control board established by  
 21 IC 6-1.1-18.5-11 (~~before January 1, 2009~~) or the county board of tax  
 22 and capital projects review (~~after December 31, 2008~~) shall determine  
 23 the attributed levies of civil taxing units that are entitled to receive  
 24 certified shares during a calendar year. If the ad valorem property tax  
 25 levy of any special taxing district, authority, board, or other entity is  
 26 attributed to another civil taxing unit under subsection (a)(2), then the  
 27 special taxing district, authority, board, or other entity shall not be  
 28 treated as having an attributed allocation amount of its own. The local  
 29 government tax control board (~~before January 1, 2009~~) or the county  
 30 board of tax and capital projects review (~~after December 31, 2008~~)  
 31 shall certify the attributed allocation amounts to the appropriate county  
 32 auditor. The county auditor shall then allocate the certified shares  
 33 among the civil taxing units of the auditor's county.

34 (d) Certified shares received by a civil taxing unit shall be treated  
 35 as additional revenue for the purpose of fixing its budget for the  
 36 calendar year during which the certified shares will be received. The  
 37 certified shares may be allocated to or appropriated for any purpose,  
 38 including property tax relief or a transfer of funds to another civil  
 39 taxing unit whose levy was attributed to the civil taxing unit in the  
 40 determination of its attributed allocation amount.

41 SECTION 330. IC 6-3.5-1.1-18 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 18. (a) Except as  
 43 otherwise provided in this chapter, all provisions of the adjusted gross  
 44 income tax law (IC 6-3) concerning:

- 45 (1) definitions;
- 46 (2) declarations of estimated tax;
- 47 (3) filing of returns;
- 48 (4) remittances;
- 49 (5) incorporation of the provisions of the Internal Revenue Code;
- 50 (6) penalties and interest;
- 51 (7) exclusion of military pay credits for withholding; and



1 (8) exemptions and deductions;  
 2 apply to the imposition, collection, and administration of the tax  
 3 imposed by this chapter.

4 (b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5, and  
 5 IC 6-3-5-1 do not apply to the tax imposed by this chapter.

6 (c) Notwithstanding subsections (a) and (b), each employer shall  
 7 report to the department the amount of withholdings attributable to  
 8 each county. This report shall be submitted **to the department:**

9 (1) **each time the employer remits to the department the tax**  
 10 **that is withheld; and**

11 (2) annually along with the employer's annual withholding report.

12 SECTION 331. IC 6-3.5-1.1-24, AS ADDED BY P.L.224-2007,  
 13 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 UPON PASSAGE]: Sec. 24. (a) In a county in which the county  
 15 adjusted gross income tax is in effect, the county council may, before  
 16 August 1 of a year, adopt an ordinance to impose or increase (as  
 17 applicable) a tax rate under this section.

18 (b) In a county in which neither the county adjusted gross income  
 19 tax nor the county option income tax is in effect, the county council  
 20 may, before August 1 of a year, adopt an ordinance to impose a tax rate  
 21 under this section.

22 (c) An ordinance adopted under this section takes effect October 1  
 23 of the year in which the ordinance is adopted. If a county council  
 24 adopts an ordinance to impose or increase a tax rate under this section,  
 25 the county auditor shall send a certified copy of the ordinance to the  
 26 department and the department of local government finance by  
 27 certified mail.

28 (d) A tax rate under this section is in addition to any other tax rates  
 29 imposed under this chapter and does not affect the purposes for which  
 30 other tax revenue under this chapter may be used.

31 (e) The following apply only in the year in which a county council  
 32 first imposes a tax rate under this section.

33 (1) The county council shall, in the ordinance imposing the tax  
 34 rate, specify the tax rate for each of the following two (2) years.

35 (2) The tax rate that must be imposed in the county from October  
 36 1 of the year in which the tax rate is imposed through September  
 37 30 of the following year is equal to the result of:

38 (A) the tax rate determined for the county under  
 39 IC 6-3.5-1.5-1(a) in the year in which the tax rate is increased;  
 40 multiplied by

41 (B) two (2).

42 (3) The tax rate that must be imposed in the county from October  
 43 1 of the following year through September 30 of the year after the  
 44 following year is the tax rate determined for the county under  
 45 IC 6-3.5-1.5-1(b). The tax rate under this subdivision continues  
 46 in effect in later years unless the tax rate is increased under this  
 47 section.

48 (4) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),  
 49 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**  
 50 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and  
 51 payable in the ensuing calendar year and to property taxes first

- 1 due and payable in the calendar year after the ensuing calendar  
2 year.
- 3 (f) The following apply only in a year in which a county council  
4 increases a tax rate under this section:
- 5 (1) The county council shall, in the ordinance increasing the tax  
6 rate, specify the tax rate for the following year.
- 7 (2) The tax rate that must be imposed in the county from October  
8 1 of the year in which the tax rate is increased through September  
9 30 of the following year is equal to the result of:
- 10 (A) the tax rate determined for the county under  
11 IC 6-3.5-1.5-1(a) in that year; plus
- 12 (B) the tax rate currently in effect in the county under this  
13 section.
- 14 The tax rate under this subdivision continues in effect in later  
15 years unless the tax rate is increased under this section.
- 16 (3) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),  
17 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**  
18 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and  
19 payable in the ensuing calendar year.
- 20 (g) The department of local government finance shall determine the  
21 following property tax replacement distribution amounts:
- 22 STEP ONE: Determine the sum of the amounts determined under  
23 STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(a) for the  
24 county in the preceding year.
- 25 STEP TWO: For distribution to each civil taxing unit that in the  
26 year had a maximum permissible property tax levy limited under  
27 IC 6-1.1-18.5-3(g), determine the result of:
- 28 (1) the quotient of:
- 29 (A) the part of the amount determined under STEP ONE of  
30 IC 6-3.5-1.5-1(a) in the preceding year that was attributable  
31 to the civil taxing unit; divided by
- 32 (B) the STEP ONE amount; multiplied by
- 33 (2) the tax revenue received by the county treasurer under this  
34 section.
- 35 **STEP THREE: For distributions in 2009 and thereafter, the**  
36 **result of this STEP is zero (0).** For distribution to the county for  
37 deposit in the county family and children's fund **before 2009**,  
38 determine the result of:
- 39 (1) the quotient of:
- 40 (A) the amount determined under STEP TWO of  
41 IC 6-3.5-1.5-1(a) in the preceding year; divided by
- 42 (B) the STEP ONE amount; multiplied by
- 43 (2) the tax revenue received by the county treasurer under this  
44 section.
- 45 **STEP FOUR: For distributions in 2009 and thereafter, the**  
46 **result of this STEP is zero (0).** For distribution to the county for  
47 deposit in the county children's psychiatric residential treatment  
48 services fund **before 2009**, determine the result of:
- 49 (1) the quotient of:
- 50 (A) the amount determined under STEP THREE of  
51 IC 6-3.5-1.5-1(a) in the preceding year; divided by

- 1 (B) the STEP ONE amount; multiplied by  
 2 (2) the tax revenue received by the county treasurer under this  
 3 section.
- 4 STEP FIVE: For distribution to the county for community mental  
 5 health center purposes, determine the result of:  
 6 (1) the quotient of:  
 7 (A) the amount determined under STEP FOUR of  
 8 IC 6-3.5-1.5-1(a) in the preceding year; divided by  
 9 (B) the STEP ONE amount; multiplied by  
 10 (2) the tax revenue received by the county treasurer under this  
 11 section.
- 12 Except as provided in subsection (m), the county treasurer shall  
 13 distribute the portion of the certified distribution that is attributable to  
 14 a tax rate under this section as specified in this section. The county  
 15 treasurer shall make the distributions under this subsection at the same  
 16 time that distributions are made to civil taxing units under section 15  
 17 of this chapter.
- 18 (h) Notwithstanding sections 3.1 and 4 of this chapter, a county  
 19 council may not decrease or rescind a tax rate imposed under this  
 20 chapter.
- 21 (i) The tax rate under this section shall not be considered for  
 22 purposes of computing:  
 23 (1) the maximum income tax rate that may be imposed in a county  
 24 under section 2 of this chapter or any other provision of this  
 25 chapter; or  
 26 (2) the maximum permissible property tax levy under STEP  
 27 EIGHT of IC 6-1.1-18.5-3(b).
- 28 (j) The tax levy under this section shall not be considered for  
 29 purposes of computing the total county tax levy under  
 30 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5)  
 31 **(before the repeal of those provisions) or for purposes of the credit**  
 32 **under IC 6-1.1-20.6.**
- 33 (k) A distribution under this section shall be treated as a part of the  
 34 receiving civil taxing unit's property tax levy for that year for purposes  
 35 of fixing the budget of the civil taxing unit and for determining the  
 36 distribution of taxes that are distributed on the basis of property tax  
 37 levies.
- 38 (l) If a county council imposes a tax rate under this section, the  
 39 portion of county adjusted gross income tax revenue dedicated to  
 40 property tax replacement credits under section 11 of this chapter may  
 41 not be decreased.
- 42 (m) In the year following the year in a which a county first imposes  
 43 a tax rate under this section, one-half (1/2) of the tax revenue that is  
 44 attributable to the tax rate under this section must be deposited in the  
 45 county stabilization fund established under subsection (o).
- 46 (n) A pledge of county adjusted gross income taxes does not apply  
 47 to revenue attributable to a tax rate under this section.
- 48 (o) A county stabilization fund is established in each county that  
 49 imposes a tax rate under this section. The county stabilization fund  
 50 shall be administered by the county auditor. If for a year the certified  
 51 distributions attributable to a tax rate under this section exceed the

1 amount calculated under STEP ONE through STEP FOUR of  
 2 IC 6-3.5-1.5-1(a) that is used by the department of local government  
 3 finance and the department of state revenue to determine the tax rate  
 4 under this section, the excess shall be deposited in the county  
 5 stabilization fund. Money shall be distributed from the county  
 6 stabilization fund in a year by the county auditor to political  
 7 subdivisions entitled to a distribution of tax revenue attributable to the  
 8 tax rate under this section if:

9 (1) the certified distributions attributable to a tax rate under this  
 10 section are less than the amount calculated under STEP ONE  
 11 through STEP FOUR of IC 6-3.5-1.5-1(a) that is used by the  
 12 department of local government finance and the department of  
 13 state revenue to determine the tax rate under this section for a  
 14 year; or

15 (2) the certified distributions attributable to a tax rate under this  
 16 section in a year are less than the certified distributions  
 17 attributable to a tax rate under this section in the preceding year.

18 However, subdivision (2) does not apply to the year following the first  
 19 year in which certified distributions of revenue attributable to the tax  
 20 rate under this section are distributed to the county.

21 (p) Notwithstanding any other provision, a tax rate imposed under  
 22 this section may not exceed one percent (1%).

23 **(q) A county council must each year hold at least one (1) public**  
 24 **meeting at which the county council discusses whether the tax rate**  
 25 **under this section should be imposed or increased.**

26 ~~(r)~~ (r) The department of local government finance and the  
 27 department of state revenue may take any actions necessary to carry out  
 28 the purposes of this section.

29 SECTION 332. IC 6-3.5-1.1-25, AS ADDED BY P.L.224-2007,  
 30 SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JULY 1, 2008]: Sec. 25. (a) As used in this section, "public safety"  
 32 refers to the following:

33 (1) A police and law enforcement system to preserve public peace  
 34 and order.

35 (2) A firefighting and fire prevention system.

36 (3) Emergency ambulance services (as defined in  
 37 IC 16-18-2-107).

38 (4) Emergency medical services (as defined in IC 16-18-2-110).

39 (5) Emergency action (as defined in IC 13-11-2-65).

40 (6) A probation department of a court.

41 (7) Confinement, supervision, services under a community  
 42 corrections program (as defined in IC 35-38-2.6-2), or other  
 43 correctional services for a person who has been:

44 (A) diverted before a final hearing or trial under an agreement  
 45 that is between the county prosecuting attorney and the person  
 46 or the person's custodian, guardian, or parent and that provides  
 47 for confinement, supervision, community corrections services,  
 48 or other correctional services instead of a final action  
 49 described in clause (B) or (C);

50 (B) convicted of a crime; or

51 (C) adjudicated as a delinquent child or a child in need of

- 1 services.
- 2 (8) A juvenile detention facility under IC 31-31-8.
- 3 (9) A juvenile detention center under IC 31-31-9.
- 4 (10) A county jail.
- 5 (11) A communications system (as defined in IC 36-8-15-3) or an
- 6 enhanced emergency telephone system (as defined in
- 7 IC 36-8-16-2).
- 8 (12) Medical and health expenses for jail inmates and other
- 9 confined persons.
- 10 (13) Pension payments for any of the following:
- 11 (A) A member of the fire department (as defined in
- 12 IC 36-8-1-8) or any other employee of a fire department.
- 13 (B) A member of the police department (as defined in
- 14 IC 36-8-1-9), a police chief hired under a waiver under
- 15 IC 36-8-4-6.5, or any other employee hired by a police
- 16 department.
- 17 (C) A county sheriff or any other member of the office of the
- 18 county sheriff.
- 19 (D) Other personnel employed to provide a service described
- 20 in this section.
- 21 (b) If a county council has imposed a tax rate **of at least twenty-five**
- 22 **hundredths of one percent (0.25%)** under section 24 of this chapter,
- 23 **and has imposed a tax rate of at least twenty-five hundredths of one**
- 24 **percent (0.25%)** under section 26 of this chapter, **or a total combined**
- 25 **tax rate of at least twenty-five hundredths of one percent (0.25%)**
- 26 **under sections 24 and 26 of this chapter**, the county council may also
- 27 adopt an ordinance to impose an additional tax rate under this section
- 28 to provide funding for public safety.
- 29 (c) A tax rate under this section may not exceed ~~the lesser of:~~
- 30 ~~(A) twenty-five hundredths of one percent (0.25%). or~~
- 31 ~~(B) the tax rate imposed under section 26 of this chapter.~~
- 32 (d) If a county council adopts an ordinance to impose a tax rate
- 33 under this section, the county auditor shall send a certified copy of the
- 34 ordinance to the department and the department of local government
- 35 finance by certified mail.
- 36 (e) A tax rate under this section is in addition to any other tax rates
- 37 imposed under this chapter and does not affect the purposes for which
- 38 other tax revenue under this chapter may be used.
- 39 (f) **Except as provided in subsection (k)**, the county auditor shall
- 40 distribute the portion of the certified distribution that is attributable to
- 41 a tax rate under this section to the county and to each municipality in
- 42 the county. The amount that shall be distributed to the county or
- 43 municipality is equal to the result of:
- 44 (1) the portion of the certified distribution that is attributable to a
- 45 tax rate under this section; multiplied by
- 46 (2) a fraction equal to:
- 47 (A) the attributed allocation amount (as defined in
- 48 IC 6-3.5-1.1-15) of the county or municipality for the calendar
- 49 year; divided by
- 50 (B) the sum of the attributed allocation amounts of the county
- 51 and each municipality in the county for the calendar year.

1 The county auditor shall make the distributions required by this  
 2 subsection not more than thirty (30) days after receiving the portion of  
 3 the certified distribution that is attributable to a tax rate under this  
 4 section. Tax revenue distributed to a county or municipality under this  
 5 subsection must be deposited into a separate account or fund and may  
 6 be appropriated by the county or municipality only for public safety  
 7 purposes.

8 (g) The department of local government finance may not require a  
 9 county or municipality receiving tax revenue under this section to  
 10 reduce the county's or municipality's property tax levy for a particular  
 11 year on account of the county's or municipality's receipt of the tax  
 12 revenue.

13 (h) The tax rate under this section and the tax revenue attributable  
 14 to the tax rate under this section shall not be considered for purposes  
 15 of computing:

16 (1) the maximum income tax rate that may be imposed in a county  
 17 under section 2 of this chapter or any other provision of this  
 18 chapter;

19 (2) the maximum permissible property tax levy under STEP  
 20 EIGHT of IC 6-1.1-18.5-3(b); ~~or~~

21 (3) the total county tax levy under IC 6-1.1-21-2(g)(3),  
 22 IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5) **(before the repeal of**  
 23 **IC 6-1.1-21); or**

24 **(4) the credit under IC 6-1.1-20.6.**

25 (i) The tax rate under this section may be imposed or rescinded at  
 26 the same time and in the same manner that the county may impose or  
 27 increase a tax rate under section 24 of this chapter.

28 (j) The department of local government finance and the department  
 29 of state revenue may take any actions necessary to carry out the  
 30 purposes of this section.

31 **(k) Two (2) or more political subdivisions that are entitled to**  
 32 **receive a distribution under this section may adopt resolutions**  
 33 **providing that some part or all of those distributions shall instead**  
 34 **be paid to one (1) political subdivision in the county to carry out**  
 35 **specific public safety purposes specified in the resolutions.**

36 SECTION 333. IC 6-3.5-1.1-26, AS ADDED BY P.L.224-2007,  
 37 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 UPON PASSAGE]: Sec. 26. (a) A county council may impose a tax  
 39 rate under this section to provide property tax relief to political  
 40 subdivisions in the county. A county council is not required to impose  
 41 any other tax before imposing a tax rate under this section.

42 (b) A tax rate under this section may be imposed in increments of  
 43 five hundredths of one percent (0.05%) determined by the county  
 44 council. A tax rate under this section may not exceed one percent (1%).

45 (c) A tax rate under this section is in addition to any other tax rates  
 46 imposed under this chapter and does not affect the purposes for which  
 47 other tax revenue under this chapter may be used.

48 (d) If a county council adopts an ordinance to impose or increase a  
 49 tax rate under this section, the county auditor shall send a certified  
 50 copy of the ordinance to the department and the department of local  
 51 government finance by certified mail.

1 (e) A tax rate under this section may be imposed, increased,  
 2 decreased, or rescinded by a county council at the same time and in the  
 3 same manner that the county council may impose or increase a tax rate  
 4 under section 24 of this chapter.

5 (f) Tax revenue attributable to a tax rate under this section may be  
 6 used for any combination of the following purposes, as specified by  
 7 ordinance of the county council:

8 (1) **Except as provided in subsection (j)**, the tax revenue may be  
 9 used to provide local property tax replacement credits at a  
 10 uniform rate to all taxpayers in the county. ~~Any tax revenue that~~  
 11 ~~is attributable to the tax rate under this section and that is used to~~  
 12 ~~provide local property tax replacement credits under this~~  
 13 ~~subdivision shall be distributed to civil taxing units and school~~  
 14 ~~corporations in the county in the same manner that certified~~  
 15 ~~distributions are allocated as property tax replacement credits~~  
 16 ~~under section 12 of this chapter. The department of local~~  
 17 ~~government finance shall provide each county auditor with the~~  
 18 ~~amount of property tax replacement credits that each civil taxing~~  
 19 ~~unit and school corporation in the auditor's county is entitled to~~  
 20 ~~receive under this subdivision. The county auditor shall then~~  
 21 ~~certify to each civil taxing unit and school corporation the amount~~  
 22 ~~of property tax replacement credits the civil taxing unit or school~~  
 23 ~~corporation is entitled to receive under this subdivision during~~  
 24 ~~that calendar year. The local property tax replacement credits~~  
 25 ~~shall be treated for all purposes as property tax levies. The~~  
 26 ~~county auditor shall determine the local property tax~~  
 27 ~~replacement credit percentage for a particular year based on~~  
 28 ~~the amount of tax revenue that will be used under this~~  
 29 ~~subdivision to provide local property tax replacement credits~~  
 30 ~~in that year. A county council may not adopt an ordinance~~  
 31 ~~determining that tax revenue shall be used under this~~  
 32 ~~subdivision to provide local property tax replacement credits~~  
 33 ~~at a uniform rate to all taxpayers in the county unless the~~  
 34 ~~county council has done the following:~~

35 (A) **Made available to the public the county council's best**  
 36 **estimate of the amount of property tax replacement credits**  
 37 **to be provided under this subdivision to homesteads, other**  
 38 **residential property, commercial property, industrial**  
 39 **property, and agricultural property.**

40 (B) **Adopted a resolution or other statement**  
 41 **acknowledging that some taxpayers in the county that do**  
 42 **not pay the tax rate under this section will receive a**  
 43 **property tax replacement credit that is funded with tax**  
 44 **revenue from the tax rate under this section.**

45 (2) The tax revenue may be used to uniformly increase **(before**  
 46 **January 1, 2009) or uniformly provide (after December 31,**  
 47 **2008)** the homestead credit percentage in the county. The  
 48 ~~additional~~ homestead credits shall be treated for all purposes as  
 49 property tax levies. The ~~additional~~ homestead credits do not  
 50 reduce the basis for determining the state homestead credit under  
 51 IC 6-1.1-20.9 **(before its repeal)**. The ~~additional~~ homestead

1 credits shall be applied to the net property taxes due on the  
 2 homestead after the application of all other assessed value  
 3 deductions or property tax deductions and credits that apply to the  
 4 amount owed under IC 6-1.1. The department of local government  
 5 finance shall determine the ~~additional~~ homestead credit  
 6 percentage for a particular year based on the amount of tax  
 7 revenue that will be used under this subdivision to provide  
 8 ~~additional~~ homestead credits in that year.

9 (3) The tax revenue may be used to provide local property tax  
 10 replacement credits at a uniform rate for all qualified residential  
 11 property (as defined in IC 6-1.1-20.6-4 **before January 1, 2009,**  
 12 **and as defined in section 1 of this chapter after December 31,**  
 13 **2008**) in the county. ~~Any tax revenue that is attributable to the tax~~  
 14 ~~rate under this section and that is used to provide local property~~  
 15 ~~tax replacement credits under this subdivision shall be distributed~~  
 16 ~~to civil taxing units and school corporations in the county in the~~  
 17 ~~same manner that certified distributions are allocated as property~~  
 18 ~~tax replacement credits under section 12 of this chapter. The~~  
 19 ~~department of local government finance shall provide each county~~  
 20 ~~auditor with the amount of property tax replacement credits that~~  
 21 ~~each civil taxing unit and school corporation in the auditor's~~  
 22 ~~county is entitled to receive under this subdivision. The county~~  
 23 ~~auditor shall then certify to each civil taxing unit and school~~  
 24 ~~corporation the amount of property tax replacement credits the~~  
 25 ~~civil taxing unit or school corporation is entitled to receive under~~  
 26 ~~this subdivision during that calendar year. The local property tax~~  
 27 ~~replacement credits shall be treated for all purposes as~~  
 28 ~~property tax levies. The county auditor shall determine the~~  
 29 ~~local property tax replacement credit percentage for a~~  
 30 ~~particular year based on the amount of tax revenue that will~~  
 31 ~~be used under this subdivision to provide local property tax~~  
 32 ~~replacement credits in that year.~~

33 (4) **This subdivision applies only to Lake County. The Lake**  
 34 **County council may adopt an ordinance providing that the tax**  
 35 **revenue from the tax rate under this section is used for any of**  
 36 **the following:**

37 (A) **To reduce all property tax levies imposed by the county**  
 38 **by the granting of property tax replacement credits against**  
 39 **those property tax levies.**

40 (B) **To provide local property tax replacement credits in**  
 41 **Lake County in the following manner:**

42 (i) **The tax revenue under this section that is collected**  
 43 **from taxpayers within a particular municipality in Lake**  
 44 **County (as determined by the department based on the**  
 45 **department's best estimate) shall be used only to provide**  
 46 **a local property tax credit against property taxes**  
 47 **imposed by that municipality.**

48 (ii) **The tax revenue under this section that is collected**  
 49 **from taxpayers within the unincorporated area of Lake**  
 50 **County (as determined by the department) shall be used**  
 51 **only to provide a local property tax credit against**



1            **property taxes imposed by the county. The local**  
 2            **property tax credit for the unincorporated area of Lake**  
 3            **County shall be available only to those taxpayers within**  
 4            **the unincorporated area of the county.**

5            **(C) To provide property tax credits in the following**  
 6            **manner:**

7            **(i) Sixty percent (60%) of the tax revenue under this**  
 8            **section shall be used as provided in clause (B).**

9            **(ii) Forty percent (40%) of the tax revenue under this**  
 10           **section shall be used to provide property tax replacement**  
 11           **credits against property tax levies of the county and each**  
 12           **township and municipality in the county. The percentage**  
 13           **of the tax revenue distributed under this item that shall**  
 14           **be used as credits against the county's levies or against**  
 15           **a particular township's or municipality's levies is equal**  
 16           **to the percentage determined by dividing the population**  
 17           **of the county, township, or municipality by the sum of**  
 18           **the total population of the county, each township in the**  
 19           **county, and each municipality in the county.**

20           **The Lake County council shall determine whether the credits**  
 21           **under clause (A), (B), or (C) shall be provided to homesteads,**  
 22           **to all qualified residential property, or to all taxpayers. The**  
 23           **department of local government finance, with the assistance**  
 24           **of the budget agency, shall certify to the county auditor and**  
 25           **the fiscal body of the county and each township and**  
 26           **municipality in the county the amount of property tax credits**  
 27           **under this subdivision. Except as provided in subsection (g),**  
 28           **the tax revenue under this section that is used to provide**  
 29           **credits under this subdivision shall be treated for all purposes**  
 30           **as property tax levies.**

31           **The county council may before October 1 of a year adopt an**  
 32           **ordinance changing the purposes for which tax revenue**  
 33           **attributable to a tax rate under this section shall be used in the**  
 34           **following year.**

35           (g) The tax rate under this section and the tax revenue attributable  
 36           to the tax rate under this section shall not be considered for purposes  
 37           of computing:

38           (1) the maximum income tax rate that may be imposed in a county  
 39           under section 2 of this chapter or any other provision of this  
 40           chapter;

41           (2) the maximum permissible property tax levy under STEP  
 42           EIGHT of IC 6-1.1-18.5-3(b); or

43           (3) **before January 1, 2009**, the total county tax levy under  
 44           IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5)  
 45           **(before the repeal of those provisions); or**

46           **(4) the credit under IC 6-1.1-20.6.**

47           (h) Tax revenue under this section shall be treated as a part of the  
 48           receiving civil taxing unit's or school corporation's property tax levy for  
 49           that year for purposes of fixing the budget of the civil taxing unit or  
 50           school corporation and for determining the distribution of taxes that are  
 51           distributed on the basis of property tax levies.

1 (i) The department of local government finance and the department  
2 of state revenue may take any actions necessary to carry out the  
3 purposes of this section.

4 **(j) A taxpayer that owns an industrial plant located in Jasper**  
5 **County is ineligible for a local property tax replacement credit**  
6 **under this section against the property taxes due on the industrial**  
7 **plant if the assessed value of the industrial plant as of March 1,**  
8 **2006, exceeds twenty percent (20%) of the total assessed value of**  
9 **all taxable property in the county on that date. The general**  
10 **assembly finds that the provisions of this subsection are necessary**  
11 **because the industrial plant represents such a large percentage of**  
12 **Jasper County's assessed valuation.**

13 SECTION 334. IC 6-3.5-1.5-1, AS AMENDED BY P.L.1-2008,  
14 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 UPON PASSAGE]: Sec. 1. (a) The department of local government  
16 finance and the department of state revenue shall, before July 1 of each  
17 year, jointly calculate the county adjusted income tax rate or county  
18 option income tax rate (as applicable) that must be imposed in a county  
19 to raise income tax revenue in the following year equal to the sum of  
20 the following STEPS:

21 STEP ONE: Determine the greater of zero (0) or the result of:

- 22 (1) the department of local government finance's estimate of  
23 the sum of the maximum permissible ad valorem property tax  
24 levies calculated under IC 6-1.1-18.5 for all ~~political~~  
25 ~~subdivisions~~ **civil taxing units** in the county for the ensuing  
26 calendar year (before any adjustment under IC 6-1.1-18.5-3(g)  
27 or IC 6-1.1-18.5-3(h) for the ensuing calendar year); minus  
28 (2) the sum of the maximum permissible ad valorem property  
29 tax levies calculated under IC 6-1.1-18.5 for all ~~political~~  
30 ~~subdivisions~~ **civil taxing units** in the county for the current  
31 calendar year.

32 In the case of a civil taxing unit that is located in more than one  
33 (1) county, the department of local government finance shall, for  
34 purposes of making the determination under this subdivision,  
35 apportion the civil taxing unit's maximum permissible ad valorem  
36 property tax levy among the counties in which the civil taxing unit  
37 is located.

38 STEP TWO: **This STEP applies only to property taxes first**  
39 **due and payable before January 1, 2009.** Determine the greater  
40 of zero (0) or the result of:

- 41 (1) the department of local government finance's estimate of  
42 the family and children property tax levy that will be imposed  
43 by the county under IC 12-19-7-4 for the ensuing calendar year  
44 (before any adjustment under IC 12-19-7-4(b) for the ensuing  
45 calendar year); minus  
46 (2) the county's family and children property tax levy imposed  
47 by the county under IC 12-19-7-4 for the current calendar year.

48 STEP THREE: **This STEP applies only to property taxes first**  
49 **due and payable before January 1, 2009.** Determine the greater  
50 of zero (0) or the result of:

- 51 (1) the department of local government finance's estimate of

1 the children's psychiatric residential treatment services  
 2 property tax levy that will be imposed by the county under  
 3 IC 12-19-7.5-6 for the ensuing calendar year (before any  
 4 adjustment under IC 12-19-7.5-6(b) for the ensuing calendar  
 5 year); minus

6 (2) the children's psychiatric residential treatment services  
 7 property tax imposed by the county under IC 12-19-7.5-6 for  
 8 the current calendar year.

9 STEP FOUR: Determine the greater of zero (0) or the result of:

10 (1) the department of local government finance's estimate of  
 11 the county's maximum community mental health centers  
 12 property tax levy under IC 12-29-2-2 for the ensuing calendar  
 13 year (before any adjustment under IC 12-29-2-2(c) for the  
 14 ensuing calendar year); minus

15 (2) the county's maximum community mental health centers  
 16 property tax levy under IC 12-29-2-2 for the current calendar  
 17 year.

18 (b) In the case of a county that wishes to impose a tax rate under  
 19 IC 6-3.5-1.1-24 or IC 6-3.5-6-30 (as applicable) for the first time, the  
 20 department of local government finance and the department of state  
 21 revenue shall jointly estimate the amount that will be calculated under  
 22 subsection (a) in the second year after the tax rate is first imposed. The  
 23 department of local government finance and the department of state  
 24 revenue shall calculate the tax rate under IC 6-3.5-1.1-24 or  
 25 IC 6-3.5-6-30 (as applicable) that must be imposed in the county in the  
 26 second year after the tax rate is first imposed to raise income tax  
 27 revenue equal to the estimate under this subsection.

28 (c) The department and the department of local government finance  
 29 shall make the calculations under subsections (a) and (b) based on the  
 30 best information available at the time the calculation is made.

31 **(d) Notwithstanding IC 6-3.5-1.1-24(h) and IC 6-3.5-6-30(h), if**  
 32 **a county has adopted an income tax rate under IC 6-3.5-1.1-24 or**  
 33 **IC 6-3.5-6-30 to replace property tax levy growth, the part of the**  
 34 **tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 that was used**  
 35 **before January 1, 2009, to reduce levy growth in the county family**  
 36 **and children's fund property tax levy and the children's**  
 37 **psychiatric residential treatment services property tax levy shall**  
 38 **instead be used for property tax relief in the same manner that a**  
 39 **tax rate under IC 6-3.5-1.1-26 or IC 6-3.5-6-30 is used for property**  
 40 **tax relief.**

41 SECTION 335. IC 6-3.5-6-1 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. As used in this  
 43 chapter:

44 "Adjusted gross income" has the same definition that the term is  
 45 given in IC 6-3-1-3.5. However, in the case of a county taxpayer who  
 46 is not treated as a resident county taxpayer of a county, the term  
 47 includes only adjusted gross income derived from his **the taxpayer's**  
 48 principal place of business or employment.

49 **"Apartment complex" means real property consisting of at least**  
 50 **five (5) units that are regularly used to rent or otherwise furnish**  
 51 **residential accommodations for periods of at least thirty (30) days.**

1 "Civil taxing unit" means any entity, except a school corporation,  
 2 that has the power to impose ad valorem property taxes. The term does  
 3 not include a solid waste management district that is not entitled to a  
 4 distribution under section 1.3 of this chapter. However, in the case of  
 5 a county in which a consolidated city is located, the consolidated city,  
 6 the county, all special taxing districts, special service districts, included  
 7 towns (as defined in IC 36-3-1-7), and all other political subdivisions  
 8 except townships, excluded cities (as defined in IC 36-3-1-7), and  
 9 school corporations shall be deemed to comprise one (1) civil taxing  
 10 unit whose fiscal body is the fiscal body of the consolidated city.

11 "County income tax council" means a council established by section  
 12 2 of this chapter.

13 "County taxpayer", as it relates to a particular county, means any  
 14 individual:

15 (1) who resides in that county on the date specified in section 20  
 16 of this chapter; or

17 (2) who maintains ~~his~~ **the taxpayer's** principal place of business  
 18 or employment in that county on the date specified in section 20  
 19 of this chapter and who does not reside on that same date in  
 20 another county in which the county option income tax, the county  
 21 adjusted income tax, or the county economic development income  
 22 tax is in effect.

23 "Department" refers to the Indiana department of state revenue.

24 "Fiscal body" has the same definition that the term is given in  
 25 IC 36-1-2-6.

26 **"Homestead" has the meaning set forth in IC 6-1.1-12-37.**

27 **"Qualified residential property" refers to any of the following:**

28 (1) **An apartment complex.**

29 (2) **A homestead.**

30 (3) **Residential rental property.**

31 "Resident county taxpayer", as it relates to a particular county,  
 32 means any county taxpayer who resides in that county on the date  
 33 specified in section 20 of this chapter.

34 **"Residential rental property" means real property consisting of**  
 35 **not more than four (4) units that are regularly used to rent or**  
 36 **otherwise furnish residential accommodations for periods of at**  
 37 **least thirty (30) days.**

38 "School corporation" has the same definition that the term is given  
 39 in IC 6-1.1-1-16.

40 SECTION 336. IC 6-3.5-6-1.1, AS ADDED BY P.L.207-2005,  
 41 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JANUARY 1, 2009]: Sec. 1.1. (a) For purposes of allocating the  
 43 certified distribution made to a county under this chapter among the  
 44 civil taxing units in the county, the allocation amount for a civil taxing  
 45 unit is the amount determined using the following formula:

46 STEP ONE: Determine the total property taxes that are first due  
 47 and payable to the civil taxing unit during the calendar year of the  
 48 distribution plus, for a county, an amount equal to the ~~property~~  
 49 ~~taxes imposed by the county in 1999 for the county's welfare fund~~  
 50 ~~and welfare administration fund:~~ **welfare allocation amount.**

51 STEP TWO: Determine the sum of the following:

1 (A) Amounts appropriated from property taxes to pay the  
 2 principal of or interest on any debenture or other debt  
 3 obligation issued after June 30, 2005, other than an obligation  
 4 described in subsection (b).

5 (B) Amounts appropriated from property taxes to make  
 6 payments on any lease entered into after June 30, 2005, other  
 7 than a lease described in subsection (c).

8 (C) The proceeds of any property that are:  
 9 (i) received as the result of the issuance of a debt obligation  
 10 described in clause (A) or a lease described in clause (B);  
 11 and  
 12 (ii) appropriated from property taxes for any purpose other  
 13 than to refund or otherwise refinance a debt obligation or  
 14 lease described in subsection (b) or (c).

15 STEP THREE: Subtract the STEP TWO amount from the STEP  
 16 ONE amount.

17 STEP FOUR: Determine the sum of:

18 (A) the STEP THREE amount; plus  
 19 (B) the civil taxing unit or school corporation's certified  
 20 distribution for the previous calendar year.

21 **The welfare allocation amount is an amount equal to the sum of the**  
 22 **property taxes imposed by the county in 1999 for the county's**  
 23 **welfare fund and welfare administration fund and, if the county**  
 24 **received a certified distribution under IC 6-3.5-1.1 or this chapter**  
 25 **in 2008, the property taxes imposed by the county in 2008 for the**  
 26 **county's county medical assistance to wards fund, family and**  
 27 **children's fund, children's psychiatric residential treatment**  
 28 **services fund, county hospital care for the indigent fund, and**  
 29 **children with special health care needs county fund.**

30 (b) Except as provided in this subsection, an appropriation from  
 31 property taxes to repay interest and principal of a debt obligation is not  
 32 deducted from the allocation amount for a civil taxing unit if:

33 (1) the debt obligation was issued; and  
 34 (2) the proceeds appropriated from property taxes;  
 35 to refund or otherwise refinance a debt obligation or a lease issued  
 36 before July 1, 2005. However, an appropriation from property taxes  
 37 related to a debt obligation issued after June 30, 2005, is deducted if  
 38 the debt extends payments on a debt or lease beyond the time in which  
 39 the debt or lease would have been payable if the debt or lease had not  
 40 been refinanced or increases the total amount that must be paid on a  
 41 debt or lease in excess of the amount that would have been paid if the  
 42 debt or lease had not been refinanced. The amount of the deduction is  
 43 the annual amount for each year of the extension period or the annual  
 44 amount of the increase over the amount that would have been paid.

45 (c) Except as provided in this subsection, an appropriation from  
 46 property taxes to make payments on a lease is not deducted from the  
 47 allocation amount for a civil taxing unit if:

48 (1) the lease was issued; and  
 49 (2) the proceeds were appropriated from property taxes;  
 50 to refinance a debt obligation or lease issued before July 1, 2005.  
 51 However, an appropriation from property taxes related to a lease

1 entered into after June 30, 2005, is deducted if the lease extends  
 2 payments on a debt or lease beyond the time in which the debt or lease  
 3 would have been payable if it had not been refinanced or increases the  
 4 total amount that must be paid on a debt or lease in excess of the  
 5 amount that would have been paid if the debt or lease had not been  
 6 refinanced. The amount of the deduction is the annual amount for each  
 7 year of the extension period or the annual amount of the increase over  
 8 the amount that would have been paid.

9 SECTION 337. IC 6-3.5-6-13, AS AMENDED BY P.L.224-2007,  
 10 SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JANUARY 1, 2009]: Sec. 13. (a) A county income tax council of a  
 12 county in which the county option income tax is in effect may adopt an  
 13 ordinance to ~~increase the percentage~~ **provide a homestead** credit  
 14 ~~allowed~~ for homesteads in its county. ~~under IC 6-1.1-20.9-2.~~

15 (b) A county income tax council may not ~~increase the percentage~~  
 16 **provide a homestead** credit ~~allowed for homesteads by an amount~~  
 17 **percentage** that exceeds the amount determined in the last STEP of the  
 18 following formula:

19 STEP ONE: Determine the amount of the sum of all property tax  
 20 levies for all taxing units in a county which are to be paid in the  
 21 county in 2003 as reflected by the auditor's abstract for the 2002  
 22 assessment year, adjusted, however, for any postabstract  
 23 adjustments which change the amount of the levies.

24 STEP TWO: Determine the amount of the county's estimated  
 25 property tax replacement under IC 6-1.1-21-3(a) (**before its**  
 26 **repeal**) for property taxes first due and payable in 2003.

27 STEP THREE: Subtract the STEP TWO amount from the STEP  
 28 ONE amount.

29 STEP FOUR: Determine the amount of the county's total county  
 30 levy (as defined in IC 6-1.1-21-2(g) **before its repeal**) for  
 31 property taxes first due and payable in 2003.

32 STEP FIVE: Subtract the STEP FOUR amount from the STEP  
 33 ONE amount.

34 STEP SIX: Subtract the STEP FIVE result from the STEP THREE  
 35 result.

36 STEP SEVEN: Divide the STEP THREE result by the STEP SIX  
 37 result.

38 STEP EIGHT: Multiply the STEP SEVEN result by  
 39 eight-hundredths (0.08).

40 STEP NINE: Round the STEP EIGHT product to the nearest  
 41 one-thousandth (0.001) and express the result as a percentage.

42 (c) The ~~increase of the~~ homestead credit percentage must be  
 43 uniform for all homesteads in a county.

44 (d) In the ordinance that ~~increases~~ **establishes** the homestead credit  
 45 percentage, a county income tax council may provide for a series of  
 46 increases or decreases to take place for each of a group of succeeding  
 47 calendar years.

48 (e) An ordinance may be adopted under this section after March 31  
 49 but before August 1 of a calendar year.

50 (f) An ordinance adopted under this section takes effect on January  
 51 1 of the next succeeding calendar year.

1 (g) Any ordinance adopted under this section for a county is  
 2 repealed for a year if on January 1 of that year the county option  
 3 income tax is not in effect.

4 SECTION 338. IC 6-3.5-6-17, AS AMENDED BY P.L.224-2007,  
 5 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2008]: Sec. 17. (a) Revenue derived from the imposition of  
 7 the county option income tax shall, in the manner prescribed by this  
 8 section, be distributed to the county that imposed it. The amount that  
 9 is to be distributed to a county during an ensuing calendar year equals  
 10 the amount of county option income tax revenue that the department,  
 11 after reviewing the recommendation of the budget agency, determines  
 12 has been:

13 (1) received from that county for a taxable year ending in a  
 14 calendar year preceding the calendar year in which the  
 15 determination is made; and

16 (2) reported on an annual return or amended return processed by  
 17 the department in the state fiscal year ending before July 1 of the  
 18 calendar year in which the determination is made;

19 as adjusted (as determined after review of the recommendation of the  
 20 budget agency) for refunds of county option income tax made in the  
 21 state fiscal year.

22 (b) Before August 2 of each calendar year, the department, after  
 23 reviewing the recommendation of the budget agency, shall certify to the  
 24 county auditor of each adopting county the amount determined under  
 25 subsection (a) plus the amount of interest in the county's account that  
 26 has accrued and has not been included in a certification made in a  
 27 preceding year. The amount certified is the county's "certified  
 28 distribution" for the immediately succeeding calendar year. The amount  
 29 certified shall be adjusted, as necessary, under subsections (c), (d), (e),  
 30 and (f). The ~~department~~ **budget agency** shall provide **the county**  
 31 **council** with ~~the certification~~ an informative summary of the  
 32 calculations used to determine the certified distribution. **The summary**  
 33 **of calculations must include:**

34 (1) **the amount reported on individual income tax returns**  
 35 **processed by the department during the previous fiscal year;**

36 (2) **adjustments for over distributions in prior years;**

37 (3) **adjustments for clerical or mathematical errors in prior**  
 38 **years;**

39 (4) **adjustments for tax rate changes; and**

40 (5) **the amount of excess account balances to be distributed**  
 41 **under IC 6-3.5-6-17.3.**

42 The department shall also certify information concerning the part of the  
 43 certified distribution that is attributable to a tax rate under section 30,  
 44 31, or 32 of this chapter. This information must be certified to the  
 45 county auditor and to the department of local government finance not  
 46 later than September 1 of each calendar year. The part of the certified  
 47 distribution that is attributable to a tax rate under section 30, 31, or 32  
 48 of this chapter may be used only as specified in those provisions.

49 (c) The department shall certify an amount less than the amount  
 50 determined under subsection (b) if the department, after reviewing the  
 51 recommendation of the budget agency, determines that the reduced

1 distribution is necessary to offset overpayments made in a calendar  
2 year before the calendar year of the distribution. The department, after  
3 reviewing the recommendation of the budget agency, may reduce the  
4 amount of the certified distribution over several calendar years so that  
5 any overpayments are offset over several years rather than in one (1)  
6 lump sum.

7 (d) The department, after reviewing the recommendation of the  
8 budget agency, shall adjust the certified distribution of a county to  
9 correct for any clerical or mathematical errors made in any previous  
10 certification under this section. The department, after reviewing the  
11 recommendation of the budget agency, may reduce the amount of the  
12 certified distribution over several calendar years so that any adjustment  
13 under this subsection is offset over several years rather than in one (1)  
14 lump sum.

15 (e) This subsection applies to a county that:

16 (1) initially imposed the county option income tax; or

17 (2) increases the county option income tax rate;

18 under this chapter in the same calendar year in which the department  
19 makes a certification under this section. The department, after  
20 reviewing the recommendation of the budget agency, shall adjust the  
21 certified distribution of a county to provide for a distribution in the  
22 immediately following calendar year and in each calendar year  
23 thereafter. The department shall provide for a full transition to  
24 certification of distributions as provided in subsection (a)(1) through  
25 (a)(2) in the manner provided in subsection (c).

26 (f) This subsection applies in the year a county initially imposes a  
27 tax rate under section 30 of this chapter. Notwithstanding any other  
28 provision, the department shall adjust the part of the county's certified  
29 distribution that is attributable to the tax rate under section 30 of this  
30 chapter to provide for a distribution in the immediately following  
31 calendar year equal to the result of:

32 (1) the sum of the amounts determined under STEP ONE through  
33 STEP FOUR of IC 6-3.5-1.5-1(a) in the year in which the county  
34 initially imposes a tax rate under section 30 of this chapter;  
35 multiplied by

36 (2) the following:

37 (A) In a county containing a consolidated city, one and  
38 five-tenths (1.5).

39 (B) In a county other than a county containing a consolidated  
40 city, two (2).

41 (g) One-twelfth (1/12) of each adopting county's certified  
42 distribution for a calendar year shall be distributed from its account  
43 established under section 16 of this chapter to the appropriate county  
44 treasurer on the first day of each month of that calendar year.

45 (h) Upon receipt, each monthly payment of a county's certified  
46 distribution shall be allocated among, distributed to, and used by the  
47 civil taxing units of the county as provided in sections 18 and 19 of this  
48 chapter.

49 (i) All distributions from an account established under section 16 of  
50 this chapter shall be made by warrants issued by the auditor of state to  
51 the treasurer of state ordering the appropriate payments.



1 SECTION 339. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005,  
 2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JANUARY 1, 2009]: Sec. 18.5. (a) This section applies to a county  
 4 containing a consolidated city.

5 (b) Notwithstanding section 18(e) of this chapter, the distributive  
 6 shares that each civil taxing unit in a county containing a consolidated  
 7 city is entitled to receive during a month equals the following:

8 (1) For the calendar year beginning January 1, 1995, calculate the  
 9 total amount of revenues that are to be distributed as distributive  
 10 shares during that month multiplied by the following factor:

11	Center Township	.0251
12	Decatur Township	.00217
13	Franklin Township	.0023
14	Lawrence Township	.01177
15	Perry Township	.01130
16	Pike Township	.01865
17	Warren Township	.01359
18	Washington Township	.01346
19	Wayne Township	.01307
20	Lawrence-City	.00858
21	Beech Grove	.00845
22	Southport	.00025
23	Speedway	.00722
24	Indianapolis/Marion County	.86409

25 (2) Notwithstanding subdivision (1), for the calendar year  
 26 beginning January 1, 1995, the distributive shares for each civil  
 27 taxing unit in a county containing a consolidated city shall be not  
 28 less than the following:

29	Center Township	\$1,898,145
30	Decatur Township	\$164,103
31	Franklin Township	\$173,934
32	Lawrence Township	\$890,086
33	Perry Township	\$854,544
34	Pike Township	\$1,410,375
35	Warren Township	\$1,027,721
36	Washington Township	\$1,017,890
37	Wayne Township	\$988,397
38	Lawrence-City	\$648,848
39	Beech Grove	\$639,017
40	Southport	\$18,906
41	Speedway	\$546,000

42 (3) For each year after 1995, calculate the total amount of  
 43 revenues that are to be distributed as distributive shares during  
 44 that month as follows:

45 STEP ONE: Determine the total amount of revenues that were  
 46 distributed as distributive shares during that month in calendar  
 47 year 1995.

48 STEP TWO: Determine the total amount of revenue that the  
 49 department has certified as distributive shares for that month  
 50 under section 17 of this chapter for the calendar year.

51 STEP THREE: Subtract the STEP ONE result from the STEP

1 TWO result.

2 STEP FOUR: If the STEP THREE result is less than or equal

3 to zero (0), multiply the STEP TWO result by the ratio

4 established under subdivision (1).

5 STEP FIVE: Determine the ratio of:

6 (A) the maximum permissible property tax levy under

7 IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for each civil

8 taxing unit for the calendar year in which the month falls,

9 plus, for a county, an amount equal to the property taxes

10 imposed by the county in 1999 for the county's welfare fund

11 and welfare administration fund; **the welfare allocation**

12 **amount**; divided by

13 (B) the sum of the maximum permissible property tax levies

14 under IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for all

15 civil taxing units of the county during the calendar year in

16 which the month falls, and an amount equal to the ~~property~~

17 ~~taxes imposed by the county in 1999 for the county's welfare~~

18 ~~fund and welfare administration fund~~; **welfare allocation**

19 **amount**.

20 STEP SIX: If the STEP THREE result is greater than zero (0),

21 the STEP ONE amount shall be distributed by multiplying the

22 STEP ONE amount by the ratio established under subdivision

23 (1).

24 STEP SEVEN: For each taxing unit determine the STEP FIVE

25 ratio multiplied by the STEP TWO amount.

26 STEP EIGHT: For each civil taxing unit determine the

27 difference between the STEP SEVEN amount minus the

28 product of the STEP ONE amount multiplied by the ratio

29 established under subdivision (1). The STEP THREE excess

30 shall be distributed as provided in STEP NINE only to the civil

31 taxing units that have a STEP EIGHT difference greater than

32 or equal to zero (0).

33 STEP NINE: For the civil taxing units qualifying for a

34 distribution under STEP EIGHT, each civil taxing unit's share

35 equals the STEP THREE excess multiplied by the ratio of:

36 (A) the maximum permissible property tax levy under

37 IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for the

38 qualifying civil taxing unit during the calendar year in which

39 the month falls, plus, for a county, an amount equal to the

40 property taxes imposed by the county in 1999 for the

41 county's welfare fund and welfare administration fund;

42 **welfare allocation amount**; divided by

43 (B) the sum of the maximum permissible property tax levies

44 under IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for all

45 qualifying civil taxing units of the county during the

46 calendar year in which the month falls, and an amount equal

47 to the ~~property taxes imposed by the county in 1999 for the~~

48 ~~county's welfare fund and welfare administration fund~~;

49 **welfare allocation amount**.

50 (c) **The welfare allocation amount is an amount equal to the sum**

51 **of the property taxes imposed by the county in 1999 for the**

1 **county's welfare fund and welfare administration fund and the**  
 2 **property taxes imposed by the county in 2008 for the county's**  
 3 **county medical assistance to wards fund, family and children's**  
 4 **fund, children's psychiatric residential treatment services fund,**  
 5 **county hospital care for the indigent fund, children with special**  
 6 **health care needs county fund, plus, in the case of Marion County,**  
 7 **thirty-five million dollars (\$35,000,000).**

8 SECTION 340. IC 6-3.5-6-22 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 22. (a) Except as  
 10 otherwise provided in subsection (b) and the other provisions of this  
 11 chapter, all provisions of the adjusted gross income tax law (IC 6-3)  
 12 concerning:

- 13 (1) definitions;
- 14 (2) declarations of estimated tax;
- 15 (3) filing of returns;
- 16 (4) deductions or exemptions from adjusted gross income;
- 17 (5) remittances;
- 18 (6) incorporation of the provisions of the Internal Revenue Code;
- 19 (7) penalties and interest; and
- 20 (8) exclusion of military pay credits for withholding;

21 apply to the imposition, collection, and administration of the tax  
 22 imposed by this chapter.

23 (b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5, and  
 24 IC 6-3-5-1 do not apply to the tax imposed by this chapter.

25 (c) Notwithstanding subsections (a) and (b), each employer shall  
 26 report to the department the amount of withholdings attributable to  
 27 each county. This report shall be submitted **to the department:**

- 28 **(1) each time the employer remits to the department the tax**  
 29 **that is withheld; and**
- 30 **(2) annually** along with the employer's ~~other~~ **annual** withholding  
 31 report.

32 SECTION 341. IC 6-3.5-6-30, AS ADDED BY P.L.224-2007,  
 33 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JANUARY 1, 2009]: Sec. 30. (a) In a county in which the county  
 35 option income tax is in effect, the county income tax council may,  
 36 before August 1 of a year, adopt an ordinance to impose or increase (as  
 37 applicable) a tax rate under this section.

38 (b) In a county in which neither the county option adjusted gross  
 39 income tax nor the county option income tax is in effect, the county  
 40 income tax council may, before August 1 of a year, adopt an ordinance  
 41 to impose a tax rate under this section.

42 (c) An ordinance adopted under this section takes effect October 1  
 43 of the year in which the ordinance is adopted. If a county income tax  
 44 council adopts an ordinance to impose or increase a tax rate under this  
 45 section, the county auditor shall send a certified copy of the ordinance  
 46 to the department and the department of local government finance by  
 47 certified mail.

48 (d) A tax rate under this section is in addition to any other tax rates  
 49 imposed under this chapter and does not affect the purposes for which  
 50 other tax revenue under this chapter may be used.

51 (e) The following apply only in the year in which a county income

- 1 tax council first imposes a tax rate under this section:
- 2 (1) The county income tax council shall, in the ordinance
- 3 imposing the tax rate, specify the tax rate for each of the
- 4 following two (2) years.
- 5 (2) The tax rate that must be imposed in the county from October
- 6 1 of the year in which the tax rate is imposed through September
- 7 30 of the following year is equal to the result of:
- 8 (A) the tax rate determined for the county under
- 9 IC 6-3.5-1.5-1(a) in that year; multiplied by
- 10 (B) the following:
- 11 (i) In a county containing a consolidated city, one and
- 12 five-tenths (1.5).
- 13 (ii) In a county other than a county containing a consolidated
- 14 city, two (2).
- 15 (3) The tax rate that must be imposed in the county from October
- 16 1 of the following year through September 30 of the year after the
- 17 following year is the tax rate determined for the county under
- 18 IC 6-3.5-1.5-1(b). The tax rate under this subdivision continues
- 19 in effect in later years unless the tax rate is increased under this
- 20 section.
- 21 (4) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),
- 22 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**
- 23 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and
- 24 payable in the ensuing calendar year and to property taxes first
- 25 due and payable in the calendar year after the ensuing calendar
- 26 year.
- 27 (f) The following apply only in a year in which a county income tax
- 28 council increases a tax rate under this section.
- 29 (1) The county income tax council shall, in the ordinance
- 30 increasing the tax rate, specify the tax rate for the following year.
- 31 (2) The tax rate that must be imposed in the county from October
- 32 1 of the year in which the tax rate is increased through September
- 33 30 of the following year is equal to the result of:
- 34 (A) the tax rate determined for the county under
- 35 IC 6-3.5-1.5-1(a) in the year the tax rate is increased; plus
- 36 (B) the tax rate currently in effect in the county under this
- 37 section.
- 38 The tax rate under this subdivision continues in effect in later
- 39 years unless the tax rate is increased under this section.
- 40 (3) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),
- 41 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**
- 42 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and
- 43 payable in the ensuing calendar year.
- 44 (g) The department of local government finance shall determine the
- 45 following property tax replacement distribution amounts:
- 46 STEP ONE: Determine the sum of the amounts determined under
- 47 STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(a) for the
- 48 county in the preceding year.
- 49 STEP TWO: For distribution to each civil taxing unit that in the
- 50 year had a maximum permissible property tax levy limited under
- 51 IC 6-1.1-18.5-3(g), determine the result of:

- 1 (1) the quotient of:  
 2 (A) the part of the amount determined under STEP ONE of  
 3 IC 6-3.5-1.5-1(a) in the preceding year that was attributable  
 4 to the civil taxing unit; divided by  
 5 (B) the STEP ONE amount; multiplied by  
 6 (2) the tax revenue received by the county treasurer under this  
 7 section.
- 8 **STEP THREE: For distributions in 2009 and thereafter, the**  
 9 **result of this STEP is zero (0).** For distribution to the county for  
 10 deposit in the county family and children's fund **before 2009**,  
 11 determine the result of:  
 12 (1) the quotient of:  
 13 (A) the amount determined under STEP TWO of  
 14 IC 6-3.5-1.5-1(a) in the preceding year; divided by  
 15 (B) the STEP ONE amount; multiplied by  
 16 (2) the tax revenue received by the county treasurer under this  
 17 section.
- 18 **STEP FOUR: For distributions in 2009 and thereafter, the**  
 19 **result of this STEP is zero (0).** For distribution to the county for  
 20 deposit in the county children's psychiatric residential treatment  
 21 services fund **before 2009**, determine the result of:  
 22 (1) the quotient of:  
 23 (A) the amount determined under STEP THREE of  
 24 IC 6-3.5-1.5-1(a) in the preceding year; divided by  
 25 (B) the STEP ONE amount; multiplied by  
 26 (2) the tax revenue received by the county treasurer under this  
 27 section.
- 28 **STEP FIVE: For distribution to the county for community mental**  
 29 **health center purposes, determine the result of:**  
 30 (1) the quotient of:  
 31 (A) the amount determined under STEP FOUR of  
 32 IC 6-3.5-1.5-1(a) in the preceding year; divided by  
 33 (B) the STEP ONE amount; multiplied by  
 34 (2) the tax revenue received by the county treasurer under this  
 35 section.
- 36 Except as provided in subsection (m), the county treasurer shall  
 37 distribute the portion of the certified distribution that is attributable to  
 38 a tax rate under this section as specified in this section. The county  
 39 treasurer shall make the distributions under this subsection at the same  
 40 time that distributions are made to civil taxing units under section 18  
 41 of this chapter.
- 42 (h) Notwithstanding sections 12 and 12.5 of this chapter, a county  
 43 income tax council may not decrease or rescind a tax rate imposed  
 44 under this chapter.
- 45 (i) The tax rate under this section shall not be considered for  
 46 purposes of computing:  
 47 (1) the maximum income tax rate that may be imposed in a county  
 48 under section 8 or 9 of this chapter or any other provision of this  
 49 chapter; or  
 50 (2) the maximum permissible property tax levy under STEP  
 51 EIGHT of IC 6-1.1-18.5-3(b).

1 (j) The tax levy under this section shall not be considered for  
 2 purposes of computing the total county tax levy under  
 3 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5)  
 4 **(before the repeal of those provisions) or for purposes of the credit**  
 5 **under IC 6-1.1-20.6.**

6 (k) A distribution under this section shall be treated as a part of the  
 7 receiving civil taxing unit's property tax levy for that year for purposes  
 8 of fixing its budget and for determining the distribution of taxes that  
 9 are distributed on the basis of property tax levies.

10 (l) If a county income tax council imposes a tax rate under this  
 11 section, the county option income tax rate dedicated to locally funded  
 12 homestead credits in the county may not be decreased.

13 (m) In the year following the year in which a county first imposes  
 14 a tax rate under this section:

15 (1) one-third (1/3) of the tax revenue that is attributable to the tax  
 16 rate under this section must be deposited in the county  
 17 stabilization fund established under subsection (o), in the case of  
 18 a county containing a consolidated city; and

19 (2) one-half (1/2) of the tax revenue that is attributable to the tax  
 20 rate under this section must be deposited in the county  
 21 stabilization fund established under subsection (o), in the case of  
 22 a county not containing a consolidated city.

23 (n) A pledge of county option income taxes does not apply to  
 24 revenue attributable to a tax rate under this section.

25 (o) A county stabilization fund is established in each county that  
 26 imposes a tax rate under this section. The county stabilization fund  
 27 shall be administered by the county auditor. If for a year the certified  
 28 distributions attributable to a tax rate under this section exceed the  
 29 amount calculated under STEP ONE through STEP FOUR of  
 30 IC 6-3.5-1.5-1(a) that is used by the department of local government  
 31 finance and the department of state revenue to determine the tax rate  
 32 under this section, the excess shall be deposited in the county  
 33 stabilization fund. Money shall be distributed from the county  
 34 stabilization fund in a year by the county auditor to political  
 35 subdivisions entitled to a distribution of tax revenue attributable to the  
 36 tax rate under this section if:

37 (1) the certified distributions attributable to a tax rate under this  
 38 section are less than the amount calculated under STEP ONE  
 39 through STEP FOUR of IC 6-3.5-1.5-1(a) that is used by the  
 40 department of local government finance and the department of  
 41 state revenue to determine the tax rate under this section for a  
 42 year; or

43 (2) the certified distributions attributable to a tax rate under this  
 44 section in a year are less than the certified distributions  
 45 attributable to a tax rate under this section in the preceding year.

46 However, subdivision (2) does not apply to the year following the first  
 47 year in which certified distributions of revenue attributable to the tax  
 48 rate under this section are distributed to the county.

49 (p) Notwithstanding any other provision, a tax rate imposed under  
 50 this section may not exceed one percent (1%).

51 **(q) A county income tax council must each year hold at least one**

1 **(1) public meeting at which the county council discusses whether**  
 2 **the tax rate under this section should be imposed or increased.**

3 ~~(q)~~ (r) The department of local government finance and the  
 4 department of state revenue may take any actions necessary to carry out  
 5 the purposes of this section.

6 ~~(r)~~ (s) Notwithstanding any other provision, in Lake County the  
 7 county council (and not the county income tax council) is the entity  
 8 authorized to take actions concerning the additional tax rate under this  
 9 section.

10 SECTION 342. IC 6-3.5-6-31, AS ADDED BY P.L.224-2007,  
 11 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2008]: Sec. 31. (a) As used in this section, "public safety"  
 13 refers to the following:

14 (1) A police and law enforcement system to preserve public peace  
 15 and order.

16 (2) A firefighting and fire prevention system.

17 (3) Emergency ambulance services (as defined in  
 18 IC 16-18-2-107).

19 (4) Emergency medical services (as defined in IC 16-18-2-110).

20 (5) Emergency action (as defined in IC 13-11-2-65).

21 (6) A probation department of a court.

22 (7) Confinement, supervision, services under a community  
 23 corrections program (as defined in IC 35-38-2.6-2), or other  
 24 correctional services for a person who has been:

25 (A) diverted before a final hearing or trial under an agreement  
 26 that is between the county prosecuting attorney and the person  
 27 or the person's custodian, guardian, or parent and that provides  
 28 for confinement, supervision, community corrections services,  
 29 or other correctional services instead of a final action  
 30 described in clause (B) or (C);

31 (B) convicted of a crime; or

32 (C) adjudicated as a delinquent child or a child in need of  
 33 services.

34 (8) A juvenile detention facility under IC 31-31-8.

35 (9) A juvenile detention center under IC 31-31-9.

36 (10) A county jail.

37 (11) A communications system (as defined in IC 36-8-15-3) or an  
 38 enhanced emergency telephone system (as defined in  
 39 IC 36-8-16-2).

40 (12) Medical and health expenses for jail inmates and other  
 41 confined persons.

42 (13) Pension payments for any of the following:

43 (A) A member of the fire department (as defined in  
 44 IC 36-8-1-8) or any other employee of a fire department.

45 (B) A member of the police department (as defined in  
 46 IC 36-8-1-9), a police chief hired under a waiver under  
 47 IC 36-8-4-6.5, or any other employee hired by a police  
 48 department.

49 (C) A county sheriff or any other member of the office of the  
 50 county sheriff.

51 (D) Other personnel employed to provide a service described

1 in this section.

2 (b) The county income tax council may adopt an ordinance to  
3 impose an additional tax rate under this section to provide funding for  
4 public safety if:

5 (1) the county income tax council has imposed a tax rate under  
6 section 30 of this chapter, in the case of a county containing a  
7 consolidated city; or

8 (2) the county income tax council has imposed a tax rate **of at**  
9 **least twenty-five hundredths of one percent (0.25%)** under  
10 section 30 of this chapter, ~~and has also imposed~~ a tax rate **of at**  
11 **least twenty-five hundredths of one percent (0.25%)** under  
12 section 32 of this chapter, **or a total combined tax rate of at**  
13 **least twenty-five hundredths of one percent (0.25%) under**  
14 **sections 30 and 32 of this chapter**, in the case of a county other  
15 than a county containing a consolidated city.

16 (c) A tax rate under this section may not exceed the following:

17 (1) Five-tenths of one percent (0.5%), in the case of a county  
18 containing a consolidated city.

19 (2) ~~The lesser of:~~

20 ~~(A) Twenty-five hundredths of one percent (0.25%), or~~

21 ~~(B) the tax rate imposed under section 32 of this chapter;~~

22 in the case of a county other than a county containing a  
23 consolidated city.

24 (d) If a county income tax council adopts an ordinance to impose a  
25 tax rate under this section, the county auditor shall send a certified  
26 copy of the ordinance to the department and the department of local  
27 government finance by certified mail.

28 (e) A tax rate under this section is in addition to any other tax rates  
29 imposed under this chapter and does not affect the purposes for which  
30 other tax revenue under this chapter may be used.

31 (f) **Except as provided in subsection (l)**, the county auditor shall  
32 distribute the portion of the certified distribution that is attributable to  
33 a tax rate under this section to the county and to each municipality in  
34 the county. The amount that shall be distributed to the county or  
35 municipality is equal to the result of:

36 (1) the portion of the certified distribution that is attributable to a  
37 tax rate under this section; multiplied by

38 (2) a fraction equal to:

39 (A) the total property taxes being collected in the county by  
40 the county or municipality for the calendar year; divided by

41 (B) the sum of the total property taxes being collected in the  
42 county by the county and each municipality in the county for  
43 the calendar year.

44 The county auditor shall make the distributions required by this  
45 subsection not more than thirty (30) days after receiving the portion of  
46 the certified distribution that is attributable to a tax rate under this  
47 section. Tax revenue distributed to a county or municipality under this  
48 subsection must be deposited into a separate account or fund and may  
49 be appropriated by the county or municipality only for public safety  
50 purposes.

51 (g) The department of local government finance may not require a



1 county or municipality receiving tax revenue under this section to  
 2 reduce the county's or municipality's property tax levy for a particular  
 3 year on account of the county's or municipality's receipt of the tax  
 4 revenue.

5 (h) The tax rate under this section and the tax revenue attributable  
 6 to the tax rate under this section shall not be considered for purposes  
 7 of computing:

8 (1) the maximum income tax rate that may be imposed in a county  
 9 under section 8 or 9 of this chapter or any other provision of this  
 10 chapter;

11 (2) the maximum permissible property tax levy under STEP  
 12 EIGHT of IC 6-1.1-18.5-3(b); or

13 (3) the total county tax levy under IC 6-1.1-21-2(g)(3),  
 14 IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5) **(before the repeal of**  
 15 **IC 6-1.1-21); or**

16 **(4) the credit under IC 6-1.1-20.6.**

17 (i) The tax rate under this section may be imposed or rescinded at  
 18 the same time and in the same manner that the county may impose or  
 19 increase a tax rate under section 30 of this chapter.

20 (j) The department of local government finance and the department  
 21 of state revenue may take any actions necessary to carry out the  
 22 purposes of this section.

23 (k) Notwithstanding any other provision, in Lake County the county  
 24 council (and not the county income tax council) is the entity authorized  
 25 to take actions concerning the additional tax rate under this section.

26 **(l) Two (2) or more political subdivisions that are entitled to**  
 27 **receive a distribution under this section may adopt resolutions**  
 28 **providing that some part or all of those distributions shall instead**  
 29 **be paid to one (1) political subdivision in the county to carry out**  
 30 **specific public safety purposes specified in the resolutions.**

31 SECTION 343. IC 6-3.5-6-32, AS ADDED BY P.L.224-2007,  
 32 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 UPON PASSAGE]: Sec. 32. (a) A county income tax council may  
 34 impose a tax rate under this section to provide property tax relief to  
 35 political subdivisions in the county. A county income tax council is not  
 36 required to impose any other tax before imposing a tax rate under this  
 37 section.

38 (b) A tax rate under this section may be imposed in increments of  
 39 five hundredths of one percent (0.05%) determined by the county  
 40 income tax council. A tax rate under this section may not exceed one  
 41 percent (1%).

42 (c) A tax rate under this section is in addition to any other tax rates  
 43 imposed under this chapter and does not affect the purposes for which  
 44 other tax revenue under this chapter may be used.

45 (d) If a county income tax council adopts an ordinance to impose or  
 46 increase a tax rate under this section, the county auditor shall send a  
 47 certified copy of the ordinance to the department and the department  
 48 of local government finance by certified mail.

49 (e) A tax rate under this section may be imposed, increased,  
 50 decreased, or rescinded at the same time and in the same manner that  
 51 the county income tax council may impose or increase a tax rate under

1 section 30 of this chapter.

2 (f) Tax revenue attributable to a tax rate under this section may be  
3 used for any combination of the following purposes, as specified by  
4 ordinance of the county income tax council:

5 (1) The tax revenue may be used to provide local property tax  
6 replacement credits at a uniform rate to civil taxing units and  
7 school corporations in the county. The amount of property tax  
8 replacement credits that each civil taxing unit and school  
9 corporation in a county is entitled to receive under this  
10 subdivision during a calendar year equals the product of:

11 (A) the tax revenue attributable to a tax rate under this section  
12 that is dedicated to property tax replacement credits under this  
13 subdivision; multiplied by

14 (B) the following fraction:

15 (i) The numerator of the fraction equals the total property  
16 taxes being collected in the county by the civil taxing unit or  
17 school corporation during the calendar year of the  
18 distribution.

19 (ii) The denominator of the fraction equals the sum of the  
20 total property taxes being collected in the county by all civil  
21 taxing units and school corporations of the county during the  
22 calendar year of the distribution.

23 The department of local government finance shall provide each  
24 county auditor with the amount of property tax replacement  
25 credits that each civil taxing unit and school corporation in the  
26 auditor's county is entitled to receive under this subdivision. The  
27 county auditor shall then certify to each civil taxing unit and  
28 school corporation the amount of property tax replacement credits  
29 the civil taxing unit or school corporation is entitled to receive  
30 under this subdivision during that calendar year. The county  
31 auditor shall also certify these distributions to the county  
32 treasurer. Except as provided in subsection (g), the local property  
33 tax replacement credits shall be treated for all purposes as  
34 property tax levies: **all taxpayers in the county. The local  
35 property tax replacement credits shall be treated for all  
36 purposes as property tax levies. The county auditor shall  
37 determine the local property tax replacement credit  
38 percentage for a particular year based on the amount of tax  
39 revenue that will be used under this subdivision to provide  
40 local property tax replacement credits in that year. A county  
41 income tax council may not adopt an ordinance determining  
42 that tax revenue shall be used under this subdivision to  
43 provide local property tax replacement credits at a uniform  
44 rate to all taxpayers in the county unless the county council  
45 has done the following:**

46 (A) **Made available to the public the county council's best  
47 estimate of the amount of property tax replacement credits  
48 to be provided under this subdivision to homesteads, other  
49 residential property, commercial property, industrial  
50 property, and agricultural property.**

51 (B) **Adopted a resolution or other statement**

1           **acknowledging that some taxpayers in the county that do**  
 2           **not pay the tax rate under this section will receive a**  
 3           **property tax replacement credit that is funded with tax**  
 4           **revenue from the tax rate under this section.**

5           (2) The tax revenue may be used to uniformly increase **(before**  
 6           **January 1, 2009) or uniformly provide (after December 31,**  
 7           **2008)** the homestead credit percentage in the county. The  
 8           ~~additional~~ homestead credits shall be treated for all purposes as  
 9           property tax levies. The ~~additional~~ homestead credits do not  
 10          reduce the basis for determining the state homestead credit under  
 11          IC 6-1.1-20.9 **(before its repeal)**. The ~~additional~~ homestead  
 12          credits shall be applied to the net property taxes due on the  
 13          homestead after the application of all other assessed value  
 14          deductions or property tax deductions and credits that apply to the  
 15          amount owed under IC 6-1.1. The department of local government  
 16          finance shall determine the ~~additional~~ homestead credit  
 17          percentage for a particular year based on the amount of tax  
 18          revenue that will be used under this subdivision to provide  
 19          ~~additional~~ homestead credits in that year.

20          (3) The tax revenue may be used to provide local property tax  
 21          replacement credits at a uniform rate for all qualified residential  
 22          property (as defined in IC 6-1.1-20.6-4 **before January 1, 2009,**  
 23          **and as defined in section 1 of this chapter after December 31,**  
 24          **2008)** in the county. The amount of property tax replacement  
 25          credits that each civil taxing unit and school corporation in a  
 26          county is entitled to receive under this subdivision during a  
 27          calendar year equals the product of:

28                (A) the tax revenue attributable to a tax rate under this section  
 29                that is dedicated to property tax replacement credits under this  
 30                subdivision; multiplied by

31                (B) the following fraction:

32                   (i) The numerator of the fraction equals the total property  
 33                   taxes being collected in the county by the civil taxing unit or  
 34                   school corporation during the calendar year of the  
 35                   distribution;

36                   (ii) The denominator of the fraction equals the sum of the  
 37                   total property taxes being collected in the county by all civil  
 38                   taxing units and school corporations of the county during the  
 39                   calendar year of the distribution.

40          The department of local government finance shall provide each  
 41          county auditor with the amount of property tax replacement  
 42          credits that each civil taxing unit and school corporation in the  
 43          auditor's county is entitled to receive under this subdivision. The  
 44          county auditor shall then certify to each civil taxing unit and  
 45          school corporation the amount of property tax replacement credits  
 46          the civil taxing unit or school corporation is entitled to receive  
 47          under this subdivision during that calendar year. The county  
 48          auditor shall also certify these distributions to the county  
 49          treasurer. Except as provided in subsection (g), the local property  
 50          tax replacement credits shall be treated for all purposes as  
 51          property tax levies. **The local property tax replacement credits**

1 shall be treated for all purposes as property tax levies. The  
2 county auditor shall determine the local property tax  
3 replacement credit percentage for a particular year based on  
4 the amount of tax revenue that will be used under this  
5 subdivision to provide local property tax replacement credits  
6 in that year.

7 (4) This subdivision applies only to Lake County. The Lake  
8 County council may adopt an ordinance providing that the tax  
9 revenue from the tax rate under this section is used for any of  
10 the following:

11 (A) To reduce all property tax levies imposed by the county  
12 by the granting of property tax replacement credits against  
13 those property tax levies.

14 (B) To provide local property tax replacement credits in  
15 Lake County in the following manner:

16 (i) The tax revenue under this section that is collected  
17 from taxpayers within a particular municipality in Lake  
18 County (as determined by the department based on the  
19 department's best estimate) shall be used only to provide  
20 a local property tax credit against property taxes  
21 imposed by that municipality.

22 (ii) The tax revenue under this section that is collected  
23 from taxpayers within the unincorporated area of Lake  
24 County (as determined by the department) shall be used  
25 only to provide a local property tax credit against  
26 property taxes imposed by the county. The local  
27 property tax credit for the unincorporated area of Lake  
28 County shall be available only to those taxpayers within  
29 the unincorporated area of the county.

30 (C) To provide property tax credits in the following  
31 manner:

32 (i) Sixty percent (60%) of the tax revenue under this  
33 section shall be used as provided in clause (B).

34 (ii) Forty percent (40%) of the tax revenue under this  
35 section shall be used to provide property tax replacement  
36 credits against property tax levies of the county and each  
37 township and municipality in the county. The percentage  
38 of the tax revenue distributed under this item that shall  
39 be used as credits against the county's levies or against  
40 a particular township's or municipality's levies is equal  
41 to the percentage determined by dividing the population  
42 of the county, township, or municipality by the sum of  
43 the total population of the county, each township in the  
44 county, and each municipality in the county.

45 The Lake County council shall determine whether the credits  
46 under clause (A), (B), or (C) shall be provided to homesteads,  
47 to all qualified residential property, or to all taxpayers. The  
48 department of local government finance, with the assistance  
49 of the budget agency, shall certify to the county auditor and  
50 the fiscal body of the county and each township and  
51 municipality in the county the amount of property tax credits

1           **under this subdivision. Except as provided in subsection (g),**  
 2           **the tax revenue under this section that is used to provide**  
 3           **credits under this subdivision shall be treated for all purposes**  
 4           **as property tax levies.**

5           **The county income tax council may before October 1 of a year**  
 6           **adopt an ordinance changing the purposes for which tax revenue**  
 7           **attributable to a tax rate under this section shall be used in the**  
 8           **following year.**

9           (g) The tax rate under this section shall not be considered for  
 10          purposes of computing:

11           (1) the maximum income tax rate that may be imposed in a county  
 12           under section 8 or 9 of this chapter or any other provision of this  
 13           chapter; ~~or~~

14           (2) the maximum permissible property tax levy under STEP  
 15           EIGHT of IC 6-1.1-18.5-3(b); ~~or~~

16           **(3) the credit under IC 6-1.1-20.6.**

17           (h) Tax revenue under this section shall be treated as a part of the  
 18          receiving civil taxing unit's or school corporation's property tax levy for  
 19          that year for purposes of fixing the budget of the civil taxing unit or  
 20          school corporation and for determining the distribution of taxes that are  
 21          distributed on the basis of property tax levies.

22           (i) The department of local government finance and the department  
 23          of state revenue may take any actions necessary to carry out the  
 24          purposes of this section.

25           (j) Notwithstanding any other provision, in Lake County the county  
 26          council (and not the county income tax council) is the entity authorized  
 27          to take actions concerning the tax rate under this section.

28          SECTION 344. IC 6-3.5-7-5, AS AMENDED BY HEA 1137-2008,  
 29          SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30          JANUARY 1, 2008 (RETROACTIVE)]: Sec. 5. (a) Except as provided  
 31          in subsection (c), the county economic development income tax may  
 32          be imposed on the adjusted gross income of county taxpayers. The  
 33          entity that may impose the tax is:

34           (1) the county income tax council (as defined in IC 6-3.5-6-1) if  
 35           the county option income tax is in effect on March 31 of the year  
 36           the county economic development income tax is imposed;

37           (2) the county council if the county adjusted gross income tax is  
 38           in effect on March 31 of the year the county economic  
 39           development tax is imposed; or

40           (3) the county income tax council or the county council,  
 41           whichever acts first, for a county not covered by subdivision (1)  
 42           or (2).

43          To impose the county economic development income tax, a county  
 44          income tax council shall use the procedures set forth in IC 6-3.5-6  
 45          concerning the imposition of the county option income tax.

46           (b) Except as provided in subsections (c), (g), (k), (p), and (r) and  
 47          section 28 of this chapter, the county economic development income  
 48          tax may be imposed at a rate of:

49           (1) one-tenth percent (0.1%);

50           (2) two-tenths percent (0.2%);

51           (3) twenty-five hundredths percent (0.25%);

- 1 (4) three-tenths percent (0.3%);
- 2 (5) thirty-five hundredths percent (0.35%);
- 3 (6) four-tenths percent (0.4%);
- 4 (7) forty-five hundredths percent (0.45%); or
- 5 (8) five-tenths percent (0.5%);

6 on the adjusted gross income of county taxpayers.

7 (c) Except as provided in subsection (h), (i), (j), (k), (l), (m), (n), (o),  
8 (p), (s), (v), (w), (x), or (y), the county economic development income  
9 tax rate plus the county adjusted gross income tax rate, if any, that are  
10 in effect on January 1 of a year may not exceed one and twenty-five  
11 hundredths percent (1.25%). Except as provided in subsection (g), (p),  
12 (r), (t), (u), (w), (x), or (y), the county economic development tax rate  
13 plus the county option income tax rate, if any, that are in effect on  
14 January 1 of a year may not exceed one percent (1%).

15 (d) To impose, increase, decrease, or rescind the county economic  
16 development income tax, the appropriate body must, after March 31  
17 but before August 1 of a year, adopt an ordinance. The ordinance to  
18 impose the tax must substantially state the following:

19 "The \_\_\_\_\_ County \_\_\_\_\_ imposes the county economic  
20 development income tax on the county taxpayers of \_\_\_\_\_  
21 County. The county economic development income tax is imposed at  
22 a rate of \_\_\_\_\_ percent (\_\_\_\_%) on the county taxpayers of the  
23 county. This tax takes effect October 1 of this year."

24 (e) Any ordinance adopted under this chapter takes effect ~~July~~  
25 **October 1** of the year the ordinance is adopted.

26 (f) The auditor of a county shall record all votes taken on ordinances  
27 presented for a vote under the authority of this chapter and shall, not  
28 more than ten (10) days after the vote, send a certified copy of the  
29 results to the commissioner of the department by certified mail.

30 (g) This subsection applies to a county having a population of more  
31 than one hundred forty-eight thousand (148,000) but less than one  
32 hundred seventy thousand (170,000). Except as provided in subsection  
33 (p), in addition to the rates permitted by subsection (b), the:

34 (1) county economic development income tax may be imposed at  
35 a rate of:

- 36 (A) fifteen-hundredths percent (0.15%);
- 37 (B) two-tenths percent (0.2%); or
- 38 (C) twenty-five hundredths percent (0.25%); and

39 (2) county economic development income tax rate plus the county  
40 option income tax rate that are in effect on January 1 of a year  
41 may equal up to one and twenty-five hundredths percent (1.25%);  
42 if the county income tax council makes a determination to impose rates  
43 under this subsection and section 22 of this chapter.

44 (h) For a county having a population of more than forty-one  
45 thousand (41,000) but less than forty-three thousand (43,000), except  
46 as provided in subsection (p), the county economic development  
47 income tax rate plus the county adjusted gross income tax rate that are  
48 in effect on January 1 of a year may not exceed one and thirty-five  
49 hundredths percent (1.35%) if the county has imposed the county  
50 adjusted gross income tax at a rate of one and one-tenth percent (1.1%)  
51 under IC 6-3.5-1.1-2.5.

1 (i) For a county having a population of more than thirteen thousand  
2 five hundred (13,500) but less than fourteen thousand (14,000), except  
3 as provided in subsection (p), the county economic development  
4 income tax rate plus the county adjusted gross income tax rate that are  
5 in effect on January 1 of a year may not exceed one and fifty-five  
6 hundredths percent (1.55%).

7 (j) For a county having a population of more than seventy-one  
8 thousand (71,000) but less than seventy-one thousand four hundred  
9 (71,400), except as provided in subsection (p), the county economic  
10 development income tax rate plus the county adjusted gross income tax  
11 rate that are in effect on January 1 of a year may not exceed one and  
12 five-tenths percent (1.5%).

13 (k) This subsection applies to a county having a population of more  
14 than twenty-seven thousand four hundred (27,400) but less than  
15 twenty-seven thousand five hundred (27,500). Except as provided in  
16 subsection (p), in addition to the rates permitted under subsection (b):

17 (1) the county economic development income tax may be imposed  
18 at a rate of twenty-five hundredths percent (0.25%); and

19 (2) the sum of the county economic development income tax rate  
20 and the county adjusted gross income tax rate that are in effect on  
21 January 1 of a year may not exceed one and five-tenths percent  
22 (1.5%);

23 if the county council makes a determination to impose rates under this  
24 subsection and section 22.5 of this chapter.

25 (l) For a county having a population of more than twenty-nine  
26 thousand (29,000) but less than thirty thousand (30,000), except as  
27 provided in subsection (p), the county economic development income  
28 tax rate plus the county adjusted gross income tax rate that are in effect  
29 on January 1 of a year may not exceed one and five-tenths percent  
30 (1.5%).

31 (m) For:

32 (1) a county having a population of more than one hundred  
33 eighty-two thousand seven hundred ninety (182,790) but less than  
34 two hundred thousand (200,000); or

35 (2) a county having a population of more than forty-five thousand  
36 (45,000) but less than forty-five thousand nine hundred (45,900);  
37 except as provided in subsection (p), the county economic development  
38 income tax rate plus the county adjusted gross income tax rate that are  
39 in effect on January 1 of a year may not exceed one and five-tenths  
40 percent (1.5%).

41 (n) For a county having a population of more than six thousand  
42 (6,000) but less than eight thousand (8,000), except as provided in  
43 subsection (p), the county economic development income tax rate plus  
44 the county adjusted gross income tax rate that are in effect on January  
45 1 of a year may not exceed one and five-tenths percent (1.5%).

46 (o) This subsection applies to a county having a population of more  
47 than thirty-nine thousand (39,000) but less than thirty-nine thousand  
48 six hundred (39,600). Except as provided in subsection (p), in addition  
49 to the rates permitted under subsection (b):

50 (1) the county economic development income tax may be imposed  
51 at a rate of twenty-five hundredths percent (0.25%); and

- 1 (2) the sum of the county economic development income tax rate  
 2 and:
- 3 (A) the county adjusted gross income tax rate that are in effect  
 4 on January 1 of a year may not exceed one and five-tenths  
 5 percent (1.5%); or  
 6 (B) the county option income tax rate that are in effect on  
 7 January 1 of a year may not exceed one and twenty-five  
 8 hundredths percent (1.25%);
- 9 if the county council makes a determination to impose rates under this  
 10 subsection and section 24 of this chapter.
- 11 (p) In addition:
- 12 (1) the county economic development income tax may be imposed  
 13 at a rate that exceeds by not more than twenty-five hundredths  
 14 percent (0.25%) the maximum rate that would otherwise apply  
 15 under this section; and
- 16 (2) the:
- 17 (A) county economic development income tax; and  
 18 (B) county option income tax or county adjusted gross income  
 19 tax;
- 20 may be imposed at combined rates that exceed by not more than  
 21 twenty-five hundredths percent (0.25%) the maximum combined  
 22 rates that would otherwise apply under this section.
- 23 However, the additional rate imposed under this subsection may not  
 24 exceed the amount necessary to mitigate the increased ad valorem  
 25 property taxes on homesteads (as defined in IC 6-1.1-20.9-1 **before**  
 26 **January 1, 2009, or IC 6-1.1-12-37 after December 31, 2008**) or  
 27 residential property (as defined in section 26 of this chapter), as  
 28 appropriate under the ordinance adopted by the adopting body in the  
 29 county, resulting from the deduction of the assessed value of inventory  
 30 in the county under IC 6-1.1-12-41 or IC 6-1.1-12-42 **or from the**  
 31 **exclusion in 2008 of inventory from the definition of personal**  
 32 **property in IC 6-1.1-11.**
- 33 (q) If the county economic development income tax is imposed as  
 34 authorized under subsection (p) at a rate that exceeds the maximum  
 35 rate that would otherwise apply under this section, the certified  
 36 distribution must be used for the purpose provided in section 25(e) or  
 37 26 of this chapter to the extent that the certified distribution results  
 38 from the difference between:
- 39 (1) the actual county economic development tax rate; and  
 40 (2) the maximum rate that would otherwise apply under this  
 41 section.
- 42 (r) This subsection applies only to a county described in section 27  
 43 of this chapter. Except as provided in subsection (p), in addition to the  
 44 rates permitted by subsection (b), the:
- 45 (1) county economic development income tax may be imposed at  
 46 a rate of twenty-five hundredths percent (0.25%); and  
 47 (2) county economic development income tax rate plus the county  
 48 option income tax rate that are in effect on January 1 of a year  
 49 may equal up to one and twenty-five hundredths percent (1.25%);  
 50 if the county council makes a determination to impose rates under this  
 51 subsection and section 27 of this chapter.



1 (s) Except as provided in subsection (p), the county economic  
 2 development income tax rate plus the county adjusted gross income tax  
 3 rate that are in effect on January 1 of a year may not exceed one and  
 4 five-tenths percent (1.5%) if the county has imposed the county  
 5 adjusted gross income tax under IC 6-3.5-1.1-3.3.

6 (t) This subsection applies to Howard County. Except as provided  
 7 in subsection (p), the sum of the county economic development income  
 8 tax rate and the county option income tax rate that are in effect on  
 9 January 1 of a year may not exceed one and twenty-five hundredths  
 10 percent (1.25%).

11 (u) This subsection applies to Scott County. Except as provided in  
 12 subsection (p), the sum of the county economic development income  
 13 tax rate and the county option income tax rate that are in effect on  
 14 January 1 of a year may not exceed one and twenty-five hundredths  
 15 percent (1.25%).

16 (v) This subsection applies to Jasper County. Except as provided in  
 17 subsection (p), the sum of the county economic development income  
 18 tax rate and the county adjusted gross income tax rate that are in effect  
 19 on January 1 of a year may not exceed one and five-tenths percent  
 20 (1.5%).

21 (w) An additional county economic development income tax rate  
 22 imposed under section 28 of this chapter may not be considered in  
 23 calculating any limit under this section on the sum of:

- 24 (1) the county economic development income tax rate plus the  
 25 county adjusted gross income tax rate; or
- 26 (2) the county economic development tax rate plus the county  
 27 option income tax rate.

28 (x) The income tax rate limits imposed by subsection (c) or ~~(x)~~ (y)  
 29 or any other provision of this chapter do not apply to:

- 30 (1) a county adjusted gross income tax rate imposed under  
 31 IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or
- 32 (2) a county option income tax rate imposed under IC 6-3.5-6-30,  
 33 IC 6-3.5-6-31, or IC 6-3.5-6-32.

34 For purposes of computing the maximum combined income tax rate  
 35 under subsection (c) or ~~(x)~~ (y) or any other provision of this chapter  
 36 that may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and  
 37 this chapter, a county's county adjusted gross income tax rate or county  
 38 option income tax rate for a particular year does not include the county  
 39 adjusted gross income tax rate imposed under IC 6-3.5-1.1-24,  
 40 IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county option income tax rate  
 41 imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

42 (y) This subsection applies to Monroe County. Except as provided  
 43 in subsection (p), if an ordinance is adopted under IC 6-3.5-6-33, the  
 44 sum of the county economic development income tax rate and the  
 45 county option income tax rate that are in effect on January 1 of a year  
 46 may not exceed one and twenty-five hundredths percent (1.25%).

47 SECTION 345. IC 6-3.5-7-11, AS AMENDED BY P.L.207-2005,  
 48 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 49 JULY 1, 2008]: Sec. 11. (a) Revenue derived from the imposition of  
 50 the county economic development income tax shall, in the manner  
 51 prescribed by this section, be distributed to the county that imposed it.

1 (b) Before August 2 of each calendar year, the department, after  
 2 reviewing the recommendation of the budget agency, shall certify to the  
 3 county auditor of each adopting county the sum of the amount of  
 4 county economic development income tax revenue that the department  
 5 determines has been:

6 (1) received from that county for a taxable year ending before the  
 7 calendar year in which the determination is made; and

8 (2) reported on an annual return or amended return processed by  
 9 the department in the state fiscal year ending before July 1 of the  
 10 calendar year in which the determination is made;

11 as adjusted (as determined after review of the recommendation of the  
 12 budget agency) for refunds of county economic development income  
 13 tax made in the state fiscal year plus the amount of interest in the  
 14 county's account that has been accrued and has not been included in a  
 15 certification made in a preceding year. The amount certified is the  
 16 county's certified distribution, which shall be distributed on the dates  
 17 specified in section 16 of this chapter for the following calendar year.  
 18 The amount certified shall be adjusted under subsections (c), (d), (e),  
 19 (f), and (g). The ~~department~~ **budget agency** shall provide **the county**  
 20 **council** with ~~the certification~~ an informative summary of the  
 21 calculations used to determine the certified distribution. **The summary**  
 22 **of calculations must include:**

23 (1) **the amount reported on individual income tax returns**  
 24 **processed by the department during the previous fiscal year;**

25 (2) **adjustments for over distributions in prior years;**

26 (3) **adjustments for clerical or mathematical errors in prior**  
 27 **years;**

28 (4) **adjustments for tax rate changes; and**

29 (5) **the amount of excess account balances to be distributed**  
 30 **under IC 6-3.5-7-17.3.**

31 (c) The department shall certify an amount less than the amount  
 32 determined under subsection (b) if the department, after reviewing the  
 33 recommendation of the budget agency, determines that the reduced  
 34 distribution is necessary to offset overpayments made in a calendar  
 35 year before the calendar year of the distribution. The department, after  
 36 reviewing the recommendation of the budget agency, may reduce the  
 37 amount of the certified distribution over several calendar years so that  
 38 any overpayments are offset over several years rather than in one (1)  
 39 lump sum.

40 (d) After reviewing the recommendation of the budget agency, the  
 41 department shall adjust the certified distribution of a county to correct  
 42 for any clerical or mathematical errors made in any previous  
 43 certification under this section. The department, after reviewing the  
 44 recommendation of the budget agency, may reduce the amount of the  
 45 certified distribution over several calendar years so that any adjustment  
 46 under this subsection is offset over several years rather than in one (1)  
 47 lump sum.

48 (e) The department, after reviewing the recommendation of the  
 49 budget agency, shall adjust the certified distribution of a county to  
 50 provide the county with the distribution required under section 16(b)  
 51 of this chapter.

1 (f) The department, after reviewing the recommendation of the  
 2 budget agency, shall adjust the certified distribution of a county to  
 3 provide the county with the amount of any tax increase imposed under  
 4 section 25 or 26 of this chapter to provide additional homestead credits  
 5 as provided in those provisions.

6 (g) This subsection applies to a county that:

7 (1) initially imposed the county economic development income  
 8 tax; or

9 (2) increases the county economic development income rate;  
 10 under this chapter in the same calendar year in which the department  
 11 makes a certification under this section. The department, after  
 12 reviewing the recommendation of the budget agency, shall adjust the  
 13 certified distribution of a county to provide for a distribution in the  
 14 immediately following calendar year and in each calendar year  
 15 thereafter. The department shall provide for a full transition to  
 16 certification of distributions as provided in subsection (b)(1) through  
 17 (b)(2) in the manner provided in subsection (c).

18 SECTION 346. IC 6-3.5-7-12, AS AMENDED BY P.L.232-2007,  
 19 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20 JANUARY 1, 2009]: Sec. 12. (a) Except as provided in sections 23, 25,  
 21 26, 27, and 28 of this chapter, the county auditor shall distribute in the  
 22 manner specified in this section the certified distribution to the county.

23 (b) Except as provided in subsections (c) and (h) and sections 15  
 24 and 25 of this chapter, the amount of the certified distribution that the  
 25 county and each city or town in a county is entitled to receive during  
 26 May and November of each year equals the product of the following:

27 (1) The amount of the certified distribution for that month;  
 28 multiplied by

29 (2) A fraction. The numerator of the fraction equals the sum of:  
 30 the following:

31 (A) total property taxes that are first due and payable to the  
 32 county, city, or town during the calendar year in which the  
 33 month falls; plus

34 (B) for a county, ~~an amount equal to the property taxes~~  
 35 ~~imposed by the county in 1999 for the county's welfare fund~~  
 36 ~~and welfare administration fund. the welfare allocation~~  
 37 **amount.**

38 The denominator of the fraction equals the sum of the total  
 39 property taxes that are first due and payable to the county and all  
 40 cities and towns of the county during the calendar year in which  
 41 the month falls, plus **the welfare allocation amount. The**  
 42 **welfare allocation amount is an amount equal to the sum of the**  
 43 **property taxes imposed by the county in 1999 for the county's**  
 44 **welfare fund and welfare administration fund and, if the county**  
 45 **received a certified distribution under this chapter in 2008,**  
 46 **the property taxes imposed by the county in 2008 for the**  
 47 **county's county medical assistance to wards fund, family and**  
 48 **children's fund, children's psychiatric residential treatment**  
 49 **services fund, county hospital care for the indigent fund, and**  
 50 **children with special health care needs county fund.**

51 (c) This subsection applies to a county council or county income tax

1 council that imposes a tax under this chapter after June 1, 1992. The  
 2 body imposing the tax may adopt an ordinance before July 1 of a year  
 3 to provide for the distribution of certified distributions under this  
 4 subsection instead of a distribution under subsection (b). The following  
 5 apply if an ordinance is adopted under this subsection:

6 (1) The ordinance is effective January 1 of the following year.

7 (2) Except as provided in sections 25 and 26 of this chapter, the  
 8 amount of the certified distribution that the county and each city  
 9 and town in the county is entitled to receive during May and  
 10 November of each year equals the product of:

11 (A) the amount of the certified distribution for the month;  
 12 multiplied by

13 (B) a fraction. For a city or town, the numerator of the fraction  
 14 equals the population of the city or the town. For a county, the  
 15 numerator of the fraction equals the population of the part of  
 16 the county that is not located in a city or town. The  
 17 denominator of the fraction equals the sum of the population  
 18 of all cities and towns located in the county and the population  
 19 of the part of the county that is not located in a city or town.

20 (3) The ordinance may be made irrevocable for the duration of  
 21 specified lease rental or debt service payments.

22 (d) The body imposing the tax may not adopt an ordinance under  
 23 subsection (c) if, before the adoption of the proposed ordinance, any of  
 24 the following have pledged the county economic development income  
 25 tax for any purpose permitted by IC 5-1-14 or any other statute:

26 (1) The county.

27 (2) A city or town in the county.

28 (3) A commission, a board, a department, or an authority that is  
 29 authorized by statute to pledge the county economic development  
 30 income tax.

31 (e) The department of local government finance shall provide each  
 32 county auditor with the fractional amount of the certified distribution  
 33 that the county and each city or town in the county is entitled to receive  
 34 under this section.

35 (f) Money received by a county, city, or town under this section  
 36 shall be deposited in the unit's economic development income tax fund.

37 (g) Except as provided in subsection (b)(2)(B), in determining the  
 38 fractional amount of the certified distribution the county and its cities  
 39 and towns are entitled to receive under subsection (b) during a calendar  
 40 year, the department of local government finance shall consider only  
 41 property taxes imposed on tangible property subject to assessment in  
 42 that county.

43 (h) In a county having a consolidated city, only the consolidated city  
 44 is entitled to the certified distribution, subject to the requirements of  
 45 sections 15, 25, and 26 of this chapter.

46 SECTION 347. IC 6-3.5-7-13.1, AS AMENDED BY P.L.1-2007,  
 47 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 48 JANUARY 1, 2009]: Sec. 13.1. (a) The fiscal officer of each county,  
 49 city, or town for a county in which the county economic development  
 50 tax is imposed shall establish an economic development income tax  
 51 fund. Except as provided in sections 23, 25, 26, and 27 of this chapter,

1 the revenue received by a county, city, or town under this chapter shall  
2 be deposited in the unit's economic development income tax fund.

3 (b) **As used in this subsection, "homestead" means a homestead**  
4 **that is eligible for a standard deduction under IC 6-1.1-12-37.**  
5 Except as provided in sections 15, 23, 25, 26, and 27 of this chapter,  
6 revenues from the county economic development income tax may be  
7 used as follows:

8 (1) By a county, city, or town for economic development projects,  
9 for paying, notwithstanding any other law, under a written  
10 agreement all or a part of the interest owed by a private developer  
11 or user on a loan extended by a financial institution or other  
12 lender to the developer or user if the proceeds of the loan are or  
13 are to be used to finance an economic development project, for  
14 the retirement of bonds under section 14 of this chapter for  
15 economic development projects, for leases under section 21 of  
16 this chapter, or for leases or bonds entered into or issued prior to  
17 the date the economic development income tax was imposed if  
18 the purpose of the lease or bonds would have qualified as a  
19 purpose under this chapter at the time the lease was entered into  
20 or the bonds were issued.

21 (2) By a county, city, or town for:

22 (A) the construction or acquisition of, or remedial action with  
23 respect to, a capital project for which the unit is empowered to  
24 issue general obligation bonds or establish a fund under any  
25 statute listed in IC 6-1.1-18.5-9.8;

26 (B) the retirement of bonds issued under any provision of  
27 Indiana law for a capital project;

28 (C) the payment of lease rentals under any statute for a capital  
29 project;

30 (D) contract payments to a nonprofit corporation whose  
31 primary corporate purpose is to assist government in planning  
32 and implementing economic development projects;

33 (E) operating expenses of a governmental entity that plans or  
34 implements economic development projects;

35 (F) to the extent not otherwise allowed under this chapter,  
36 funding substance removal or remedial action in a designated  
37 unit; or

38 (G) funding of a revolving fund established under  
39 IC 5-1-14-14.

40 (3) By a county, city, or town for any lawful purpose for which  
41 money in any of its other funds may be used.

42 (4) By a city or county described in IC 36-7.5-2-3(b) for making  
43 transfers required by IC 36-7.5-4-2. If the county economic  
44 development income tax rate is increased after April 30, 2005, in  
45 a county having a population of more than one hundred forty-five  
46 thousand (145,000) but less than one hundred forty-eight  
47 thousand (148,000), the first three million five hundred thousand  
48 dollars (\$3,500,000) of the tax revenue that results each year from  
49 the tax rate increase shall be used by the county only to make the  
50 county's transfer required by IC 36-7.5-4-2. The first three million  
51 five hundred thousand dollars (\$3,500,000) of the tax revenue that

1 results each year from the tax rate increase shall be paid by the  
 2 county treasurer to the treasurer of the northwest Indiana regional  
 3 development authority under IC 36-7.5-4-2 before certified  
 4 distributions are made to the county or any cities or towns in the  
 5 county under this chapter from the tax revenue that results each  
 6 year from the tax rate increase. In a county having a population of  
 7 more than one hundred forty-five thousand (145,000) but less  
 8 than one hundred forty-eight thousand (148,000), all of the tax  
 9 revenue that results each year from the tax rate increase that is in  
 10 excess of the first three million five hundred thousand dollars  
 11 (\$3,500,000) that results each year from the tax rate increase must  
 12 be used by the county and cities and towns in the county for  
 13 ~~additional~~ homestead credits under subdivision (5).

14 (5) This subdivision applies only in a county having a population  
 15 of more than one hundred forty-five thousand (145,000) but less  
 16 than one hundred forty-eight thousand (148,000). ~~Except as~~  
 17 ~~otherwise provided, the procedures and definitions in~~  
 18 ~~IC 6-1.1-20.9 apply to this subdivision.~~ All of the tax revenue that  
 19 results each year from a tax rate increase described in subdivision  
 20 (4) that is in excess of the first three million five hundred  
 21 thousand dollars (\$3,500,000) that results each year from the tax  
 22 rate increase must be used by the county and cities and towns in  
 23 the county for ~~additional~~ homestead credits under this  
 24 subdivision. The following apply to ~~additional~~ homestead credits  
 25 provided under this subdivision:

26 (A) The ~~additional~~ homestead credits must be applied  
 27 uniformly to ~~increase the~~ **provide a** homestead credit ~~under~~  
 28 ~~IC 6-1.1-20.9~~ for homesteads in the county, city, or town.

29 (B) The ~~additional~~ homestead credits shall be treated for all  
 30 purposes as property tax levies. ~~The additional homestead~~  
 31 ~~credits do not reduce the basis for determining the state~~  
 32 ~~property tax replacement credit under IC 6-1.1-21 or the state~~  
 33 ~~homestead credit under IC 6-1.1-20.9.~~

34 (C) The ~~additional~~ homestead credits shall be applied to the  
 35 net property taxes due on the homestead after the application  
 36 of all other assessed value deductions or property tax  
 37 deductions and credits that apply to the amount owed under  
 38 IC 6-1.1.

39 (D) The department of local government finance shall  
 40 determine the ~~additional~~ homestead credit percentage for a  
 41 particular year based on the amount of county economic  
 42 development income tax revenue that will be used under this  
 43 subdivision to provide ~~additional~~ homestead credits in that  
 44 year.

45 (6) This subdivision applies only in a county having a population  
 46 of more than four hundred thousand (400,000) but less than seven  
 47 hundred thousand (700,000). ~~Except as otherwise provided, the~~  
 48 ~~procedures and definitions in IC 6-1.1-20.9 apply to this~~  
 49 ~~subdivision.~~ A county or a city or town in the county may use  
 50 county economic development income tax revenue to provide  
 51 ~~additional~~ homestead credits in the county, city, or town. The

1 following apply to ~~additional~~ homestead credits provided under  
 2 this subdivision:

3 (A) The county, city, or town fiscal body must adopt an  
 4 ordinance authorizing the ~~additional~~ homestead credits. The  
 5 ordinance must:

- 6 (i) be adopted before September 1 of a year to apply to  
 7 property taxes first due and payable in the following year;  
 8 and  
 9 (ii) specify the amount of county economic development  
 10 income tax revenue that will be used to provide ~~additional~~  
 11 homestead credits in the following year.

12 (B) A county, city, or town fiscal body that adopts an  
 13 ordinance under this subdivision must forward a copy of the  
 14 ordinance to the county auditor and the department of local  
 15 government finance not more than thirty (30) days after the  
 16 ordinance is adopted.

17 (C) The ~~additional~~ homestead credits must be applied  
 18 uniformly to increase the homestead credit under IC 6-1.1-20.9  
 19 for homesteads in the county, city, or town **(for property  
 20 taxes first due and payable before January 1, 2009) or to  
 21 provide a homestead credit for homesteads in the county,  
 22 city, or town (for property taxes first due and payable after  
 23 December 31, 2008).**

24 (D) The ~~additional~~ homestead credits shall be treated for all  
 25 purposes as property tax levies. ~~The additional homestead  
 26 credits do not reduce the basis for determining the state  
 27 property tax replacement credit under IC 6-1.1-21 or the state  
 28 homestead credit under IC 6-1.1-20.9.~~

29 (E) The ~~additional~~ homestead credits shall be applied to the  
 30 net property taxes due on the homestead after the application  
 31 of all other assessed value deductions or property tax  
 32 deductions and credits that apply to the amount owed under  
 33 IC 6-1.1.

34 (F) The department of local government finance shall  
 35 determine the ~~additional~~ homestead credit percentage for a  
 36 particular year based on the amount of county economic  
 37 development income tax revenue that will be used under this  
 38 subdivision to provide ~~additional~~ homestead credits in that  
 39 year.

40 (7) For a regional venture capital fund established under section  
 41 13.5 of this chapter or a local venture capital fund established  
 42 under section 13.6 of this chapter.

43 (8) This subdivision applies only to a county:

44 (A) that has a population of more than one hundred ten  
 45 thousand (110,000) but less than one hundred fifteen thousand  
 46 (115,000); and

47 (B) in which:

- 48 (i) the county fiscal body has adopted an ordinance under  
 49 IC 36-7.5-2-3(e) providing that the county is joining the  
 50 northwest Indiana regional development authority; and  
 51 (ii) the fiscal body of the city described in IC 36-7.5-2-3(e)

1           has adopted an ordinance under IC 36-7.5-2-3(e) providing  
 2           that the city is joining the development authority.  
 3           Revenue from the county economic development income tax may  
 4           be used by a county or a city described in this subdivision for  
 5           making transfers required by IC 36-7.5-4-2. In addition, if the  
 6           county economic development income tax rate is increased after  
 7           June 30, 2006, in the county, the first three million five hundred  
 8           thousand dollars (\$3,500,000) of the tax revenue that results each  
 9           year from the tax rate increase shall be used by the county only to  
 10          make the county's transfer required by IC 36-7.5-4-2. The first  
 11          three million five hundred thousand dollars (\$3,500,000) of the  
 12          tax revenue that results each year from the tax rate increase shall  
 13          be paid by the county treasurer to the treasurer of the northwest  
 14          Indiana regional development authority under IC 36-7.5-4-2  
 15          before certified distributions are made to the county or any cities  
 16          or towns in the county under this chapter from the tax revenue  
 17          that results each year from the tax rate increase. All of the tax  
 18          revenue that results each year from the tax rate increase that is in  
 19          excess of the first three million five hundred thousand dollars  
 20          (\$3,500,000) that results each year from the tax rate increase must  
 21          be used by the county and cities and towns in the county for  
 22          ~~additional~~ homestead credits under subdivision (9).  
 23          (9) This subdivision applies only to a county described in  
 24          subdivision (8). ~~Except as otherwise provided, the procedures and~~  
 25          ~~definitions in IC 6-1.1-20.9 apply to this subdivision.~~ All of the  
 26          tax revenue that results each year from a tax rate increase  
 27          described in subdivision (8) that is in excess of the first three  
 28          million five hundred thousand dollars (\$3,500,000) that results  
 29          each year from the tax rate increase must be used by the county  
 30          and cities and towns in the county for ~~additional~~ homestead  
 31          credits under this subdivision. The following apply to ~~additional~~  
 32          homestead credits provided under this subdivision:  
 33                (A) The ~~additional~~ homestead credits must be applied  
 34                uniformly to ~~increase the~~ **provide a** homestead credit ~~under~~  
 35                ~~IC 6-1.1-20.9~~ for homesteads in the county, city, or town.  
 36                (B) The ~~additional~~ homestead credits shall be treated for all  
 37                purposes as property tax levies. ~~The additional homestead~~  
 38                ~~credits do not reduce the basis for determining the state~~  
 39                ~~property tax replacement credit under IC 6-1.1-21 or the state~~  
 40                ~~homestead credit under IC 6-1.1-20.9.~~  
 41                (C) The ~~additional~~ homestead credits shall be applied to the  
 42                net property taxes due on the homestead after the application  
 43                of all other assessed value deductions or property tax  
 44                deductions and credits that apply to the amount owed under  
 45                IC 6-1.1.  
 46                (D) The department of local government finance shall  
 47                determine the ~~additional~~ homestead credit percentage for a  
 48                particular year based on the amount of county economic  
 49                development income tax revenue that will be used under this  
 50                subdivision to provide ~~additional~~ homestead credits in that  
 51                year.



1 (c) As used in this section, an economic development project is any  
2 project that:

3 (1) the county, city, or town determines will:

4 (A) promote significant opportunities for the gainful  
5 employment of its citizens;

6 (B) attract a major new business enterprise to the unit; or

7 (C) retain or expand a significant business enterprise within  
8 the unit; and

9 (2) involves an expenditure for:

10 (A) the acquisition of land;

11 (B) interests in land;

12 (C) site improvements;

13 (D) infrastructure improvements;

14 (E) buildings;

15 (F) structures;

16 (G) rehabilitation, renovation, and enlargement of buildings  
17 and structures;

18 (H) machinery;

19 (I) equipment;

20 (J) furnishings;

21 (K) facilities;

22 (L) administrative expenses associated with such a project,  
23 including contract payments authorized under subsection  
24 (b)(2)(D);

25 (M) operating expenses authorized under subsection (b)(2)(E);  
26 or

27 (N) to the extent not otherwise allowed under this chapter,  
28 substance removal or remedial action in a designated unit;

29 or any combination of these.

30 (d) If there are bonds outstanding that have been issued under  
31 section 14 of this chapter or leases in effect under section 21 of this  
32 chapter, a county, city, or town may not expend money from its  
33 economic development income tax fund for a purpose authorized under  
34 subsection (b)(3) in a manner that would adversely affect owners of the  
35 outstanding bonds or payment of any lease rentals due.

36 SECTION 348. IC 6-3.5-7-18 IS AMENDED TO READ AS  
37 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 18. (a) Except as  
38 otherwise provided in this chapter, all provisions of the adjusted gross  
39 income tax law (IC 6-3) concerning:

40 (1) definitions;

41 (2) declarations of estimated tax;

42 (3) filing of returns;

43 (4) remittances;

44 (5) incorporation of the provisions of the Internal Revenue Code;

45 (6) penalties and interest;

46 (7) exclusion of military pay credits for withholding; and

47 (8) exemptions and deductions;

48 apply to the imposition, collection, and administration of the tax  
49 imposed by this chapter.

50 (b) The provisions of ~~IC 6-3-1-3.5(a)(6)~~, IC 6-3-3-3, IC 6-3-3-5,  
51 and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

1 (c) Notwithstanding subsections (a) and (b), each employer shall  
 2 report to the department the amount of withholdings attributable to  
 3 each county. This report shall be submitted **to the department:**

4 **(1) each time the employer remits to the department the tax**  
 5 **that is withheld; and**

6 **(2) annually along with the employer's annual withholding report.**

7 SECTION 349. IC 6-3.5-7-23 IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 23. (a) This  
 9 section applies only to a county having a population of more than  
 10 fifty-five thousand (55,000) but less than sixty-five thousand (65,000).

11 (b) The county council may by ordinance determine that, in order to  
 12 promote the development of libraries in the county and thereby  
 13 encourage economic development, it is necessary to use economic  
 14 development income tax revenue to replace library property taxes in  
 15 the county. However, a county council may adopt an ordinance under  
 16 this subsection only if all territory in the county is included in a library  
 17 district.

18 (c) If the county council makes a determination under subsection  
 19 (b), the county council may designate the county economic  
 20 development income tax revenue generated by the tax rate adopted  
 21 under section 5 of this chapter, or revenue generated by a portion of the  
 22 tax rate, as revenue that will be used to replace public library property  
 23 taxes imposed by public libraries in the county. The county council  
 24 may not designate for library property tax replacement purposes any  
 25 county economic development income tax revenue that is generated by  
 26 a tax rate of more than fifteen-hundredths percent (0.15%).

27 (d) The county treasurer shall establish a library property tax  
 28 replacement fund to be used only for the purposes described in this  
 29 section. County economic development income tax revenues derived  
 30 from the portion of the tax rate designated for property tax replacement  
 31 credits under subsection (c) shall be deposited in the library property  
 32 tax replacement fund before certified distributions are made under  
 33 section 12 of this chapter. Any interest earned on money in the library  
 34 property tax replacement fund shall be credited to the library property  
 35 tax replacement fund.

36 (e) The amount of county economic development income tax  
 37 revenue dedicated to providing library property tax replacement credits  
 38 shall, in the manner prescribed in this section, be allocated to public  
 39 libraries operating in the county and shall be used by those public  
 40 libraries as property tax replacement credits. The amount of property  
 41 tax replacement credits that each public library in the county is entitled  
 42 to receive during a calendar year under this section equals the lesser of:

43 (1) the product of:

44 (A) the amount of revenue deposited by the county auditor in  
 45 the library property tax replacement fund; multiplied by

46 (B) a fraction described as follows:

47 (i) The numerator of the fraction equals the sum of the total  
 48 property taxes that would have been collected by the public  
 49 library during the previous calendar year from taxpayers  
 50 located within the library district if the property tax  
 51 replacement under this section had not been in effect.

- 1 (ii) The denominator of the fraction equals the sum of the  
 2 total property taxes that would have been collected during  
 3 the previous year from taxpayers located within the county  
 4 by all public libraries that are eligible to receive property tax  
 5 replacement credits under this section if the property tax  
 6 replacement under this section had not been in effect; or  
 7 (2) the total property taxes that would otherwise be collected by  
 8 the public library for the calendar year if the property tax  
 9 replacement credit under this section were not in effect.
- 10 The department of local government finance shall make any  
 11 adjustments necessary to account for the expansion of a library district.  
 12 However, a public library is eligible to receive property tax  
 13 replacement credits under this section only if it has entered into  
 14 reciprocal borrowing agreements with all other public libraries in the  
 15 county. If the total amount of county economic development income  
 16 tax revenue deposited by the county auditor in the library property tax  
 17 replacement fund for a calendar year exceeds the total property tax  
 18 liability that would otherwise be imposed for public libraries in the  
 19 county for the year, the excess shall remain in the library property tax  
 20 replacement fund and shall be used for library property tax replacement  
 21 purposes in the following calendar year.
- 22 (f) Notwithstanding subsection (e), if a public library did not impose  
 23 a property tax levy during the previous calendar year, that public  
 24 library is entitled to receive a part of the property tax replacement  
 25 credits to be distributed for the calendar year. The amount of property  
 26 tax replacement credits the public library is entitled to receive during  
 27 the calendar year equals the product of:
- 28 (1) the amount of revenue deposited in the library property tax  
 29 replacement fund; multiplied by  
 30 (2) a fraction. The numerator of the fraction equals the budget of  
 31 the public library for that calendar year. The denominator of the  
 32 fraction equals the aggregate budgets of public libraries in the  
 33 county for that calendar year.
- 34 If for a calendar year a public library is allocated a part of the property  
 35 tax replacement credits under this subsection, then the amount of  
 36 property tax credits distributed to other public libraries in the county  
 37 for the calendar year shall be reduced by the amount to be distributed  
 38 as property tax replacement credits under this subsection. The  
 39 department of local government finance shall make any adjustments  
 40 required by this subsection and provide the adjustments to the county  
 41 auditor.
- 42 (g) The department of local government finance shall inform the  
 43 county auditor of the amount of property tax replacement credits that  
 44 each public library in the county is entitled to receive under this  
 45 section. The county auditor shall certify to each public library the  
 46 amount of property tax replacement credits that the public library is  
 47 entitled to receive during that calendar year. The county auditor shall  
 48 also certify these amounts to the county treasurer.
- 49 (h) A public library receiving property tax replacement credits under  
 50 this section shall allocate the credits among each fund for which a  
 51 distinct property tax levy is imposed. The amount that must be

- 1 allocated to each fund equals:
- 2 (1) the amount of property tax replacement credits provided to the
- 3 public library under this section; multiplied by
- 4 (2) the amount determined in STEP THREE of the following
- 5 formula:
- 6 STEP ONE: Determine the property taxes that would have
- 7 been collected for each fund by the public library during the
- 8 previous calendar year if the property tax replacement under
- 9 this section had not been in effect.
- 10 STEP TWO: Determine the sum of the total property taxes that
- 11 would have been collected for all funds by the public library
- 12 during the previous calendar year if the property tax
- 13 replacement under this section had not been in effect.
- 14 STEP THREE: Divide the STEP ONE amount by the STEP
- 15 TWO amount.

16 However, if a public library did not impose a property tax levy during

17 the previous calendar year or did not impose a property tax levy for a

18 particular fund during the previous calendar year, but the public library

19 is imposing a property tax levy in the current calendar year or is

20 imposing a property tax levy for the particular fund in the current

21 calendar year, the department of local government finance shall adjust

22 the amount of property tax replacement credits allocated among the

23 various funds of the public library and shall provide the adjustment to

24 the county auditor. If a public library receiving property tax

25 replacement credits under this section does not impose a property tax

26 levy for a particular fund that is first due and payable in a calendar year

27 in which the property tax replacement credits are being distributed, the

28 public library is not required to allocate to that fund a part of the

29 property tax replacement credits to be distributed to the public library.

30 Notwithstanding IC 6-1.1-20-1.1(1), a public library that receives

31 property tax replacement credits under this section is subject to the

32 procedures for the issuance of bonds set forth in IC 6-1.1-20.

33 (i) For each public library that receives property tax credits under

34 this section, the department of local government finance shall certify

35 to the county auditor the property tax rate applicable to each fund after

36 the property tax replacement credits are allocated.

37 (j) A public library shall treat property tax replacement credits

38 received during a particular calendar year under this section as a part

39 of the public library's property tax levy for each fund for that same

40 calendar year for purposes of fixing the public library's budget and for

41 purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

42 (k) ~~The property tax replacement credits that are received under this~~

43 ~~section do not reduce the total county tax levy that is used to compute~~

44 ~~the state property tax replacement credit under IC 6-1.1-21.~~ For the

45 purpose of computing and distributing certified distributions under

46 IC 6-3.5-1.1 and tax revenue under IC 6-5.5 or IC 6-6-5, the property

47 tax replacement credits that are received under this section shall be

48 treated as though they were property taxes that were due and payable

49 during that same calendar year.

50 SECTION 350. IC 6-3.5-7-26, AS AMENDED BY P.L.224-2007,

51 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 26. (a) This section  
 2 applies only to homestead and property tax replacement credits for  
 3 property taxes first due and payable after calendar year 2006.

4 (b) The following definitions apply throughout this section:

5 (1) "Adopt" includes amend.

6 (2) "Adopting entity" means:

7 (A) the entity that adopts an ordinance under  
 8 IC 6-1.1-12-41(f); or

9 (B) any other entity that may impose a county economic  
 10 development income tax under section 5 of this chapter.

11 (3) "Homestead" refers to tangible property that is eligible for a  
 12 homestead credit under IC 6-1.1-20.9 **or the standard deduction**  
 13 **under IC 6-1.1-12-37.**

14 (4) "Residential" refers to the following:

15 (A) Real property, a mobile home, and industrialized housing  
 16 that would qualify as a homestead if the taxpayer had filed for  
 17 a homestead credit under IC 6-1.1-20.9 **or the standard**  
 18 **deduction under IC 6-1.1-12-37.**

19 (B) Real property not described in clause (A) designed to  
 20 provide units that are regularly used to rent or otherwise  
 21 furnish residential accommodations for periods of thirty (30)  
 22 days or more, regardless of whether the tangible property is  
 23 subject to assessment under rules of the department of local  
 24 government finance that apply to:

25 (i) residential property; or

26 (ii) commercial property.

27 (c) An adopting entity may adopt an ordinance to provide for the use  
 28 of the certified distribution described in section 16(c) of this chapter for  
 29 the purpose provided in subsection (e). An adopting entity that adopts  
 30 an ordinance under this subsection shall use the procedures set forth in  
 31 IC 6-3.5-6 concerning the adoption of an ordinance for the imposition  
 32 of the county option income tax. An ordinance must be adopted under  
 33 this subsection after January 1, 2006, and before June 1, 2006, or, in a  
 34 year following 2006, after March 31 but before August 1 of a calendar  
 35 year. The ordinance may provide for an additional rate under section  
 36 5(p) of this chapter. An ordinance adopted under this subsection:

37 (1) first applies to the certified distribution described in section  
 38 16(c) of this chapter made in the later of the calendar year that  
 39 immediately succeeds the calendar year in which the ordinance is  
 40 adopted or calendar year 2007; and

41 (2) must specify that the certified distribution must be used to  
 42 provide for one (1) of the following, as determined by the  
 43 adopting entity:

44 (A) Uniformly applied ~~increased~~ homestead credits as  
 45 provided in subsection (f).

46 (B) Uniformly applied ~~increased~~ residential credits as  
 47 provided in subsection (g).

48 (C) Allocated ~~increased~~ homestead credits as provided in  
 49 subsection (i).

50 (D) Allocated ~~increased~~ residential credits as provided in  
 51 subsection (j).

1 An ordinance adopted under this subsection may be combined with an  
2 ordinance adopted under section 25 of this chapter.

3 (d) If an ordinance is adopted under subsection (c), the percentage  
4 of the certified distribution specified in the ordinance for use for the  
5 purpose provided in subsection (e) shall be:

6 (1) retained by the county auditor under subsection (k); and

7 (2) used for the purpose provided in subsection (e) instead of the  
8 purposes specified in the capital improvement plans adopted  
9 under section 15 of this chapter.

10 (e) If an ordinance is adopted under subsection (c), the adopting  
11 entity shall use the certified distribution described in section 16(c) of  
12 this chapter to:

13 (1) increase:

14 ~~(1)~~ (A) if the ordinance grants a credit described in subsection  
15 (c)(2)(A) or (c)(2)(C), the homestead credit allowed in the  
16 county under IC 6-1.1-20.9 for a year; or

17 ~~(2)~~ (B) if the ordinance grants a credit described in subsection  
18 (c)(2)(B) or (c)(2)(D), the property tax replacement credit  
19 allowed in the county under IC 6-1.1-21-5 for a year for the  
20 residential property;

21 **for property taxes first due and payable before January 1,**  
22 **2009; or**

23 (2) provide:

24 (A) if the ordinance grants a credit described in subsection  
25 (c)(2)(A) or (c)(2)(C), a homestead credit for homesteads;  
26 or

27 (B) if the ordinance grants a credit described in subsection  
28 (c)(2)(B) or (c)(2)(D), a property tax replacement credit for  
29 residential property;

30 **for property taxes first due and payable after December 31,**  
31 **2008;**

32 to offset the effect on homesteads or residential property, as applicable,  
33 in the county resulting from the statewide deduction for inventory  
34 under IC 6-1.1-12-42 **or from the exclusion in 2008 of inventory**  
35 **from the definition of personal property in IC 6-1.1-1-11.** The  
36 amount of ~~an additional~~ a residential property tax replacement credit  
37 granted under this section may not be considered in computing the  
38 amount of any homestead credit to which the residential property may  
39 be entitled under IC 6-1.1-20.9 (**before its repeal**) or another law other  
40 than IC 6-1.1-20.6.

41 (f) If the imposing entity specifies the application of uniform  
42 ~~increased~~ homestead credits under subsection (c)(2)(A), the county  
43 auditor shall, for each calendar year in which ~~an increased~~ a homestead  
44 credit percentage is authorized under this section, determine:

45 (1) the amount of the certified distribution that is available to  
46 provide ~~an increased~~ a homestead credit percentage **under this**  
47 **section** for the year;

48 (2) the amount of uniformly applied homestead credits for the  
49 year in the county that equals the amount determined under  
50 subdivision (1); and

51 (3) the ~~increased~~ percentage of homestead credit **under this**

1           **section** that equates to the amount of homestead credits  
2           determined under subdivision (2).

3           (g) If the imposing entity specifies the application of uniform  
4 ~~increased~~ residential credits under subsection (c)(2)(B), the county  
5 auditor shall determine for each calendar year in which ~~an increased a~~  
6 homestead credit percentage is authorized under this section:

7           (1) the amount of the certified distribution that is available to  
8 provide ~~an increased a~~ residential property tax replacement credit  
9 percentage for the year;

10          (2) the amount of uniformly applied residential property tax  
11 replacement credits for the year in the county that equals the  
12 amount determined under subdivision (1); and

13          (3) the ~~increased~~ percentage of residential property tax  
14 replacement credit **under this section** that equates to the amount  
15 of residential property tax replacement credits determined under  
16 subdivision (2).

17          (h) The ~~increased~~ percentage of homestead credit determined by the  
18 county auditor under subsection (f) or the ~~increased~~ percentage of  
19 residential property tax replacement credit determined by the county  
20 auditor under subsection (g) applies uniformly in the county in the  
21 calendar year for which the ~~increased~~ percentage is determined.

22          (i) If the imposing entity specifies the application of allocated  
23 ~~increased~~ homestead credits under subsection (c)(2)(C), the county  
24 auditor shall, for each calendar year in which ~~an increased a~~ homestead  
25 credit is authorized under this section, determine:

26          (1) the amount of the certified distribution that is available to  
27 provide ~~an increased a~~ homestead credit **under this section** for  
28 the year; and

29          (2) except as provided in subsection (1), ~~an increased a~~ percentage  
30 of homestead credit for each taxing district in the county that  
31 allocates to the taxing district an amount of ~~increased~~ homestead  
32 credits that bears the same proportion to the amount determined  
33 under subdivision (1) that the amount of inventory assessed value  
34 deducted under IC 6-1.1-12-42 in the taxing district for the  
35 ~~immediately preceding year's~~ assessment date **in 2006** bears to the  
36 total inventory assessed value deducted under IC 6-1.1-12-42 in  
37 the county for the ~~immediately preceding year's~~ assessment date  
38 **in 2006.**

39          (j) If the imposing entity specifies the application of allocated  
40 ~~increased~~ residential property tax replacement credits under subsection  
41 (c)(2)(D), the county auditor shall determine for each calendar year in  
42 which ~~an increased a~~ residential property tax replacement credit is  
43 authorized under this section:

44          (1) the amount of the certified distribution that is available to  
45 provide ~~an increased a~~ residential property tax replacement credit  
46 **under this section** for the year; and

47          (2) except as provided in subsection (1), ~~an increased a~~ percentage  
48 of residential property tax replacement credit for each taxing  
49 district in the county that allocates to the taxing district an amount  
50 of ~~increased~~ residential property tax replacement credits that

1 bears the same proportion to the amount determined under  
 2 subdivision (1) that the amount of inventory assessed value  
 3 deducted under IC 6-1.1-12-42 in the taxing district for the  
 4 ~~immediately preceding year's~~ assessment date **in 2006** bears to the  
 5 total inventory assessed value deducted under IC 6-1.1-12-42 in  
 6 the county for the ~~immediately preceding year's~~ assessment date  
 7 **in 2006.**

8 (k) The county auditor shall retain from the payments of the county's  
 9 certified distribution an amount equal to the revenue lost, if any, due to  
 10 the ~~increase of the~~ homestead credit or residential property tax  
 11 replacement credit **provided under this section** within the county. The  
 12 money shall be distributed to the civil taxing units and school  
 13 corporations of the county:

14 (1) as if the money were from property tax collections; and

15 (2) in such a manner that no civil taxing unit or school  
 16 corporation will suffer a net revenue loss because of the  
 17 allowance of ~~an increased a~~ homestead credit or residential  
 18 property tax replacement credit **under this section.**

19 (l) Subject to the approval of the imposing entity, the county auditor  
 20 may adjust the increased percentage of:

21 (1) homestead credit determined under subsection (i)(2) if the  
 22 county auditor determines that the adjustment is necessary to  
 23 achieve an equitable reduction of property taxes among the  
 24 homesteads in the county; or

25 (2) residential property tax replacement credit determined under  
 26 subsection (j)(2) if the county auditor determines that the  
 27 adjustment is necessary to achieve an equitable reduction of  
 28 property taxes among the residential property in the county.

29 SECTION 351. IC 6-5.5-8-2 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) On or  
 31 before February 1, May 1, August 1, and December 1 of each year the  
 32 auditor of state shall transfer to each county auditor for distribution to  
 33 the taxing units (as defined in IC 6-1.1-1-21) in the county, an amount  
 34 equal to one-fourth (1/4) of the sum of the guaranteed amounts for all  
 35 the taxing units of the county. On or before August 1 of each year the  
 36 auditor of state shall transfer to each county auditor the supplemental  
 37 distribution for the county for the year.

38 (b) For purposes of determining distributions under subsection (c),  
 39 the department of local government finance shall determine a state  
 40 welfare allocation **and tuition support allocation** for each county  
 41 calculated as follows:

42 (1) ~~For 2000 and each year thereafter,~~ The state welfare allocation  
 43 for each county equals the greater of zero (0) or the amount  
 44 determined under the following formula:

45 STEP ONE: For 1997, 1998, and 1999, determine the result  
 46 of:

47 ~~(A)~~ (i) the amounts appropriated by the county in the year  
 48 for the county's county welfare fund and county welfare  
 49 administration fund; divided by

50 ~~(B)~~ (ii) the amounts appropriated by all the taxing units in  
 51 the county in the year.



- 1 STEP TWO: Determine the sum of the results determined in  
 2 STEP ONE.
- 3 STEP THREE: Divide the STEP TWO result by three (3).
- 4 STEP FOUR: Determine the amount that would otherwise be  
 5 distributed to ~~all the taxing units~~ in the county under  
 6 subsection ~~(b)~~ (c) without regard to this subdivision.
- 7 STEP FIVE: Determine the result of:
- 8 ~~(A)~~ (i) the STEP FOUR amount; multiplied by  
 9 ~~(B)~~ (ii) the STEP THREE result.
- 10 **STEP SIX: For 2006, 2007, and 2008, determine the result**  
 11 **of:**
- 12 (i) the tax rate imposed by the county in the year for the  
 13 county's county medical assistance to wards fund, family  
 14 and children's fund, children's psychiatric residential  
 15 treatment services fund, county hospital care for the  
 16 indigent fund, and children with special health care  
 17 needs county fund, plus, in the case of Marion County,  
 18 the tax rate imposed by the health and hospital  
 19 corporation that was necessary to raise thirty-five  
 20 million dollars (\$35,000,000) from all taxing districts in  
 21 the county; divided by
- 22 (ii) the aggregate tax rate imposed by the county unit in  
 23 the year plus, in the case of Marion County, the  
 24 aggregate tax rate imposed by the health and hospital  
 25 corporation in the year.
- 26 **STEP SEVEN: Determine the sum of the STEP SIX**  
 27 **amounts.**
- 28 **STEP EIGHT: Divide the STEP SEVEN result by three**  
 29 **(3).**
- 30 **STEP NINE: Determine the amount that would otherwise**  
 31 **be distributed to the county under subsection (c) without**  
 32 **regard to this subdivision.**
- 33 **STEP TEN: Determine the result of:**
- 34 (i) the STEP EIGHT amount; multiplied by  
 35 (ii) the STEP NINE result.
- 36 **STEP ELEVEN: Determine the sum of the STEP FIVE**  
 37 **amount and the STEP TEN amount.**
- 38 **(2) The tuition support allocation for each school corporation**  
 39 **equals the greater of zero (0) or the amount determined under**  
 40 **the following formula:**
- 41 **STEP ONE: For 2006, 2007, and 2008, determine the result**  
 42 **of:**
- 43 (i) the tax rate imposed by the school corporation in the  
 44 year for the tuition support levy under IC 6-1.1-19-1.5  
 45 (repealed) or IC 20-45-3-11 (repealed) for the school  
 46 corporation's general fund plus the tax rate imposed by  
 47 the school corporation for the school corporation's  
 48 special education preschool fund; divided by
- 49 (ii) the aggregate tax rate imposed by the school  
 50 corporation in the year.
- 51 **STEP TWO: Determine the sum of the results determined**

- 1                   **under STEP ONE.**  
 2                   **STEP THREE: Divide the STEP TWO result by three (3).**  
 3                   **STEP FOUR: Determine the amount that would otherwise**  
 4                   **be distributed to the school corporation under subsection**  
 5                   **(c) without regard to this subdivision.**  
 6                   **STEP FIVE: Determine the result of:**  
 7                   **(i) the STEP FOUR amount; multiplied by**  
 8                   **(ii) the STEP THREE result.**  
 9                   ~~(2)~~ **(3) The state welfare allocation and tuition support**  
 10                   **allocation shall be deducted from the distributions otherwise**  
 11                   **payable under subsection (c) to the county taxing unit that is a**  
 12                   **county and school corporations in the county and shall be**  
 13                   **deposited in a special account within the state general fund, as**  
 14                   **directed by the budget agency.**  
 15                   (c) A taxing unit's guaranteed distribution for a year is the greater  
 16                   of zero (0) or an amount equal to:  
 17                   (1) the amount received by the taxing unit under IC 6-5-10  
 18                   (repealed) and IC 6-5-11 (repealed) in 1989; minus  
 19                   (2) the amount to be received by the taxing unit in the year of the  
 20                   distribution, as determined by the department of local government  
 21                   finance, from property taxes attributable to the personal property  
 22                   of banks, exclusive of the property taxes attributable to personal  
 23                   property leased by banks as the lessor where the possession of the  
 24                   personal property is transferred to the lessee; minus  
 25                   (3) in the case of a taxing unit that is a county, the amount that  
 26                   would have been received by the taxing unit in the year of the  
 27                   distribution, as determined by the department of local government  
 28                   finance from property taxes that:  
 29                   (A) were calculated for the county's county welfare fund and  
 30                   county welfare administration fund for 2000 but were not  
 31                   imposed because of the repeal of IC 12-19-3 and IC 12-19-4;  
 32                   and  
 33                   (B) would have been attributable to the personal property of  
 34                   banks, exclusive of the property taxes attributable to personal  
 35                   property leased by banks as the lessor where the possession of  
 36                   the personal property is transferred to the lessee.  
 37                   (d) The amount of the supplemental distribution for a county for a  
 38                   year shall be determined using the following formula:  
 39                   STEP ONE: Determine the greater of zero (0) or the difference  
 40                   between:  
 41                   (A) one-half (1/2) of the taxes that the department estimates  
 42                   will be paid under this article during the year; minus  
 43                   (B) the sum of all the guaranteed distributions, before the  
 44                   subtraction of all state welfare allocations **and tuition support**  
 45                   **allocations** under subsection ~~(a)~~, **(b)**, for all taxing units in all  
 46                   counties plus the bank personal property taxes to be received  
 47                   by all taxing units in all counties, as determined under  
 48                   subsection (c)(2) for the year.  
 49                   STEP TWO: Determine the quotient of:  
 50                   (A) the amount received under IC 6-5-10 (repealed) and  
 51                   IC 6-5-11 (repealed) in 1989 by all taxing units in the county;

- 1 divided by
- 2 (B) the sum of the amounts received under IC 6-5-10
- 3 (repealed) and IC 6-5-11 (repealed) in 1989 by all taxing units
- 4 in all counties.
- 5 STEP THREE: Determine the product of:
- 6 (A) the amount determined in STEP ONE; multiplied by
- 7 (B) the amount determined in STEP TWO.
- 8 STEP FOUR: Determine the greater of zero (0) or the difference
- 9 between:
- 10 (A) the amount of supplemental distribution determined in
- 11 STEP THREE for the county; minus
- 12 (B) the amount of refunds granted under IC 6-5-10-7
- 13 (repealed) that have yet to be reimbursed to the state by the
- 14 county treasurer under IC 6-5-10-13 (repealed).
- 15 For the supplemental distribution made on or before August 1 of each
- 16 year, the department shall adjust the amount of each county's
- 17 supplemental distribution to reflect the actual taxes paid under this
- 18 article for the preceding year.
- 19 (e) Except as provided in ~~subsection~~ **subsections (g) and (h)**, the
- 20 amount of the supplemental distribution for each taxing unit shall be
- 21 determined using the following formula:
- 22 STEP ONE: Determine the quotient of:
- 23 (A) the amount received by the taxing unit under IC 6-5-10
- 24 (repealed) and IC 6-5-11 (repealed) in 1989; divided by
- 25 (B) the sum of the amounts used in STEP ONE (A) for all
- 26 taxing units located in the county.
- 27 STEP TWO: Determine the product of:
- 28 (A) the amount determined in STEP ONE; multiplied by
- 29 (B) the supplemental distribution for the county, as determined
- 30 in subsection (d), STEP FOUR.
- 31 (f) The county auditor shall distribute the guaranteed and
- 32 supplemental distributions received under subsection (a) to the taxing
- 33 units in the county at the same time that the county auditor makes the
- 34 semiannual distribution of real property taxes to the taxing units.
- 35 (g) The amount of a supplemental distribution paid to a taxing unit
- 36 that is a county shall be reduced by an amount equal to:
- 37 ~~(1) the amount the county would receive under subsection (e)~~
- 38 ~~without regard to this subsection minus~~
- 39 ~~(2) (1) an amount equal to:~~
- 40 (A) the amount ~~under subdivision (1) the county would~~
- 41 **receive under subsection (e) without regard to this**
- 42 **subsection;** multiplied by
- 43 (B) the result of the following:
- 44 (i) Determine the amounts appropriated by the county in
- 45 1997, 1998, and 1999 ~~from for~~ the county's county welfare
- 46 fund and county welfare administration fund, divided by the
- 47 total amounts appropriated by all the taxing units in the
- 48 county in the year.
- 49 (ii) Divide the amount determined in item (i) by three (3);
- 50 **plus**
- 51 **(2) the amount the county would receive under subsection (e)**

1 without regard to this subsection multiplied by the result  
2 determined under the following formula:

3 (A) Determine the result of:

4 (i) the tax rate imposed by the county in 2006, 2007, and  
5 2008 for the county's county medical assistance to wards  
6 fund, family and children's fund, children's psychiatric  
7 residential treatment services fund, county hospital care  
8 for the indigent fund, children with special health care  
9 needs county fund, plus, in the case of Marion County,  
10 the tax rate imposed by the health and hospital  
11 corporation that was necessary to raise thirty-five  
12 million dollars (\$35,000,000) from all taxing districts in  
13 the county; divided by

14 (ii) the aggregate tax rate imposed by the county in the  
15 year plus, in the case of Marion County, the aggregate  
16 tax rate imposed by the health and hospital corporation  
17 in the year.

18 (B) Divide the clause (A) amount by three (3).

19 (h) The amount of a supplemental distribution paid to a school  
20 corporation shall be reduced by an amount equal to:

21 (1) the amount the school corporation would receive under  
22 subsection (e) without regard to this subsection; minus

23 (2) an amount equal to:

24 (A) the amount described in subdivision (1); multiplied by

25 (B) the result of the following formula:

26 (i) Determine the tax rate imposed by the school  
27 corporation in 2006, 2007, and 2008 for the tuition  
28 support levy under IC 6-1.1-19-1.5 (repealed) or  
29 IC 20-45-3-11 (repealed) for the school corporation's  
30 general fund plus the tax rate imposed by the school  
31 corporation for the school corporation's special  
32 education preschool fund, divided by the aggregate tax  
33 rate imposed by the school corporation in the year.

34 (ii) Divide the item (i) amount by three (3).

35 (i) The amounts deducted under subsections (g) and (h) shall be  
36 deposited in a state fund, as directed by the budget agency.

37 SECTION 352. IC 6-6-5-2 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

39 Sec. 2. (a) There is imposed an annual license excise tax upon vehicles,  
40 which tax shall be in lieu of the ad valorem property tax levied for state  
41 or local purposes, but in addition to any registration fees imposed on  
42 such vehicles.

43 (b) The tax imposed by this chapter is a listed tax and subject to the  
44 provisions of IC 6-8.1.

45 (c) No vehicle, as defined in section 1 of this chapter, ~~excepting~~  
46 ~~vehicles in the inventory of vehicles held for sale by a manufacturer,~~  
47 ~~distributor or dealer in the course of business;~~ shall be assessed as  
48 personal property for the purpose of the assessment and levy of  
49 personal property taxes or shall be subject to ad valorem taxes whether  
50 or not such vehicle is in fact registered pursuant to the motor vehicle  
51 registration laws. No person shall be required to give proof of the

1 payment of ad valorem property taxes as a condition to the registration  
2 of any vehicle that is subject to the tax imposed by this chapter.

3 SECTION 353. IC 6-6-5-10 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. (a) The  
5 bureau shall establish procedures necessary for the collection of the tax  
6 imposed by this chapter and for the proper accounting for the same.  
7 The necessary forms and records shall be subject to approval by the  
8 state board of accounts.

9 (b) The county treasurer, upon receiving the excise tax collections,  
10 shall receipt such collections into a separate account for settlement  
11 thereof at the same time as property taxes are accounted for and settled  
12 in June and December of each year, with the right and duty of the  
13 treasurer and auditor to make advances prior to the time of final  
14 settlement of such property taxes in the same manner as provided in  
15 IC 5-13-6-3.

16 (c) **As used in this subsection, "taxing district" has the meaning**  
17 **set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth**  
18 **in IC 6-1.1-1-21, and "tuition support levy" refers to a school**  
19 **corporation's tuition support property tax levy under**  
20 **IC 20-45-3-11 (repealed) for the school corporation's general fund.**  
21 The county auditor shall determine the total amount of excise taxes  
22 collected for each taxing ~~unit~~ **district** in the county and the amount so  
23 collected (and the distributions received under section 9.5 of this  
24 chapter) shall be apportioned and distributed among the respective  
25 funds of ~~each the~~ **taxing unit units** in the same manner and at the same  
26 time as property taxes are apportioned and distributed. However, for  
27 purposes of determining distributions under this section for ~~2000~~ **2009**  
28 and each year thereafter, ~~the state welfare allocation for each county~~  
29 ~~equals the greater of zero (0) or the amount determined under STEP~~  
30 ~~FIVE of the following STEPS:~~

31 ~~STEP ONE:~~ For 1997, 1998, and 1999, determine the result of:

32 (i) the amounts appropriated by the county in the year from the  
33 county's county welfare fund and county welfare  
34 administration fund; divided by

35 (ii) the total amounts appropriated by all the taxing units in the  
36 county in the year.

37 ~~STEP TWO:~~ Determine the sum of the results determined in  
38 ~~STEP ONE.~~

39 ~~STEP THREE:~~ Divide the ~~STEP TWO~~ result by three (3).

40 ~~STEP FOUR:~~ Determine the amount that would otherwise be  
41 distributed to all the taxing units in the county under this  
42 subsection without regard to this subdivision.

43 ~~STEP FIVE:~~ Determine the result of:

44 (i) the ~~STEP FOUR~~ amount; multiplied by

45 (ii) the ~~STEP THREE~~ result.

46 ~~The a~~ **state welfare and tuition support** allocation shall be deducted  
47 from the total amount available for apportionment and distribution to  
48 taxing units under this section before any apportionment and  
49 distribution is made. The county auditor shall remit the state welfare  
50 **and tuition support** allocation to the treasurer of state for deposit, in  
51 a special account within the state general fund: **as directed by the**

1 budget agency. The amount of the state welfare and tuition support  
 2 allocation for a county for a particular year is equal to the result  
 3 determined under STEP FOUR of the following formula:

4 **STEP ONE: Determine the result of the following:**

5 (A) Separately for 1997, 1998, and 1999 for each taxing  
 6 district in the county, determine the result of:

7 (i) the amount appropriated in the year by the county  
 8 from the county's county welfare fund and county  
 9 welfare administration fund; divided by

10 (ii) the total amounts appropriated by all taxing units in  
 11 the county for the same year.

12 (B) Determine the sum of the clause (A) amounts.

13 (C) Divide the clause (B) amount by three (3).

14 (D) Determine the result of:

15 (i) the amount of excise taxes allocated to the taxing  
 16 district that would otherwise be available for  
 17 distribution to taxing units in the taxing district;  
 18 multiplied by

19 (ii) the clause (C) amount.

20 **STEP TWO: Determine the result of the following:**

21 (A) Separately for 2006, 2007, and 2008 for each taxing  
 22 district in the county, determine the result of:

23 (i) the tax rate imposed in the taxing district for the  
 24 county's county medical assistance to wards fund, family  
 25 and children's fund, children's psychiatric residential  
 26 treatment services fund, county hospital care for the  
 27 indigent fund, children with special health care needs  
 28 county fund, plus, in the case of Marion County, the tax  
 29 rate imposed by the health and hospital corporation that  
 30 was necessary to raise thirty-five million dollars  
 31 (\$35,000,000) from all taxing districts in the county;  
 32 divided by

33 (ii) the aggregate tax rate imposed in the taxing district  
 34 for the same year.

35 (B) Determine the sum of the clause (A) amounts.

36 (C) Divide the clause (B) amount by three (3).

37 (D) Determine the result of:

38 (i) the amount of excise taxes allocated to the taxing  
 39 district that would otherwise be available for  
 40 distribution to taxing units in the taxing district after  
 41 subtracting the STEP ONE (D) amount for the same  
 42 taxing district; multiplied by

43 (ii) the clause (C) amount.

44 (E) Determine the sum of the clause (D) amounts for all  
 45 taxing districts in the county.

46 **STEP THREE: Determine the result of the following:**

47 (A) Separately for 2006, 2007, and 2008 for each taxing  
 48 district in the county, determine the result of:

49 (i) the tuition support levy tax rate imposed in the taxing  
 50 district plus the tax rate imposed by the school  
 51 corporation for the school corporation's special

1 education preschool fund in the district; divided by  
 2 (ii) the aggregate tax rate imposed in the taxing district  
 3 for the same year.

4 **(B) Determine the sum of the clause (A) amounts.**

5 **(C) Divide the clause (B) amount by three (3).**

6 **(D) Determine the result of:**

7 (i) the amount of excise taxes allocated to the taxing  
 8 district that would otherwise be available for  
 9 distribution to taxing units in the taxing district after  
 10 subtracting the STEP ONE (D) amount for the same  
 11 taxing district; multiplied by

12 (ii) the clause (C) amount.

13 **(E) Determine the sum of the clause (D) amounts for all  
 14 taxing districts in the county.**

15 **STEP FOUR: Determine the sum of the STEP ONE, STEP  
 16 TWO, and STEP THREE amounts for the county.**

17 **If the boundaries of a taxing district change after the years for  
 18 which a ratio is calculated under STEP ONE, STEP TWO, or  
 19 STEP THREE, the budget agency shall establish a ratio for the  
 20 new taxing district that reflects the tax rates imposed in the  
 21 predecessor taxing districts.**

22 (d) Such determination shall be made from copies of vehicle  
 23 registration forms furnished by the bureau of motor vehicles. Prior to  
 24 such determination, the county assessor of each county shall, from  
 25 copies of registration forms, cause information pertaining to legal  
 26 residence of persons owning taxable vehicles to be verified from the  
 27 assessor's records, to the extent such verification can be so made. The  
 28 assessor shall further identify and verify from the assessor's records the  
 29 several taxing units within which such persons reside.

30 (e) Such verifications shall be done by not later than thirty (30) days  
 31 after receipt of vehicle registration forms by the county assessor, and  
 32 the assessor shall certify such information to the county auditor for the  
 33 auditor's use as soon as it is checked and completed.

34 **SECTION 354. IC 6-6-5.5-20 IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 20. (a) On or  
 36 before May 1, subject to subsections (c) and (d), the auditor of state  
 37 shall distribute to each county auditor an amount equal to fifty percent  
 38 (50%) of the total base revenue to be distributed to all taxing units in  
 39 the county for that year.**

40 (b) On or before December 1, **subject to subsections (c) and (d),**  
 41 the auditor of state shall distribute to each county auditor an amount  
 42 equal to the greater of the following:

43 (1) Fifty percent (50%) of the total base revenue to be distributed  
 44 to all taxing units in the county for that year.

45 (2) The product of the county's distribution percentage multiplied  
 46 by the total commercial vehicle excise tax revenue deposited in  
 47 the commercial vehicle excise tax fund.

48 **(c) Before distributing the amounts under subsections (a) and  
 49 (b), the auditor of state shall deduct for a county unit an amount  
 50 for deposit in a state fund, as directed by the budget agency, equal  
 51 to the result determined under STEP FIVE of the following**

1       **formula:**  
2           **STEP ONE: Separately for 2006, 2007, and 2008, determine**  
3           **the result of:**  
4               **(A) the tax rate imposed by the county in the year for the**  
5               **county's county medical assistance to wards fund, family**  
6               **and children's fund, children's psychiatric residential**  
7               **treatment services fund, county hospital care for the**  
8               **indigent fund, children with special health care needs**  
9               **county fund, plus, in the case of Marion County, the tax**  
10              **rate imposed by the health and hospital corporation that**  
11              **was necessary to raise thirty-five million dollars**  
12              **(\$35,000,000) from all taxing districts in the county;**  
13              **divided by**  
14              **(B) the aggregate tax rate imposed by the county unit and,**  
15              **in the case of Marion County, the health and hospital**  
16              **corporation in the year.**  
17           **STEP TWO: Determine the sum of the STEP ONE amounts.**  
18           **STEP THREE: Divide the STEP TWO result by three (3).**  
19           **STEP FOUR: Determine the amount that would otherwise be**  
20           **distributed to the county under subsection (a) or (b), as**  
21           **appropriate, without regard to this subsection.**  
22           **STEP FIVE: Determine the result of:**  
23               **(A) the STEP THREE amount; multiplied by**  
24               **(B) the STEP FOUR result.**  
25           **(d) Before distributing the amounts under subsections (a) and**  
26           **(b), the auditor of state shall deduct for a school corporation an**  
27           **amount for deposit in a state fund, as directed by the budget**  
28           **agency, equal to the result determined under STEP FIVE of the**  
29           **following formula:**  
30           **STEP ONE: Separately for 2006, 2007, and 2008, determine**  
31           **the result of:**  
32               **(A) the tax rate imposed by the school corporation in the**  
33               **year for the tuition support levy under IC 6-1.1-19-1.5**  
34               **(repealed) or IC 20-45-3-11 (repealed) for the school**  
35               **corporation's general fund plus the tax rate imposed by the**  
36               **school corporation for the school corporation's special**  
37               **education preschool fund; divided by**  
38               **(B) the aggregate tax rate imposed by the school**  
39               **corporation in the year.**  
40           **STEP TWO: Determine the sum of the results determined**  
41           **under STEP ONE.**  
42           **STEP THREE: Divide the STEP TWO result by three (3).**  
43           **STEP FOUR: Determine the amount of commercial vehicle**  
44           **excise tax that would otherwise be distributed to the school**  
45           **corporation under subsection (a) or (b), as appropriate,**  
46           **without regard to this subsection.**  
47           **STEP FIVE: Determine the result of:**  
48               **(A) the STEP FOUR amount; multiplied by**  
49               **(B) the STEP THREE result.**  
50           ~~(c)~~ **(e) Upon receipt, the county auditor shall distribute to the taxing**  
51           **units an amount equal to the product of the taxing unit's distribution**



1 percentage multiplied by the total distributed to the county under this  
 2 section. The amount determined shall be apportioned and distributed  
 3 among the respective funds of each taxing unit in the same manner and  
 4 at the same time as property taxes are apportioned and distributed.

5 ~~(d)~~ (f) In the event that sufficient funds are not available in the  
 6 commercial vehicle excise tax fund for the distributions required by  
 7 subsection (a) and subsection (b)(1), the auditor of state shall transfer  
 8 funds from the commercial vehicle excise tax reserve fund.

9 ~~(e)~~ (g) The auditor of state shall, not later than July 1 of each year,  
 10 furnish to each county auditor an estimate of the amounts to be  
 11 distributed to the counties under this section during the next calendar  
 12 year. Before August 1, each county auditor shall furnish to the proper  
 13 officer of each taxing unit of the county an estimate of the amounts to  
 14 be distributed to the taxing units under this section during the next  
 15 calendar year and the budget of each taxing unit shall show the  
 16 estimated amounts to be received for each fund for which a property  
 17 tax is proposed to be levied.

18 SECTION 355. IC 6-6-6.5-21 IS AMENDED TO READ AS  
 19 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 21. (a) The  
 20 department shall allocate each aircraft excise tax payment collected by  
 21 it to the county in which the aircraft is usually located when not in  
 22 operation or to the aircraft owner's county of residence if based out of  
 23 state. The department shall distribute to each county treasurer on a  
 24 quarterly basis the aircraft excise taxes which were collected by the  
 25 department during the preceding three (3) months and which the  
 26 department has allocated to that county. The distribution shall be made  
 27 on or before the fifteenth of the month following each quarter and the  
 28 first distribution each year shall be made in April.

29 (b) Concurrently with making a distribution of aircraft excise taxes,  
 30 the department shall send an aircraft excise tax report to the county  
 31 treasurer and the county auditor. The department shall prepare the  
 32 report on the form prescribed by the state board of accounts. The  
 33 aircraft excise tax report must include aircraft identification, owner  
 34 information, and excise tax payment, and must indicate the county  
 35 where the aircraft is normally kept when not in operation. The  
 36 department shall, in the manner prescribed by the state board of  
 37 accounts, maintain records concerning the aircraft excise taxes  
 38 received and distributed by it.

39 (c) Except as provided in section 21.5 of this chapter, each county  
 40 treasurer shall deposit money received by him under this chapter in a  
 41 separate fund to be known as the "aircraft excise tax fund". The money  
 42 in the aircraft excise tax fund shall be distributed to the taxing units of  
 43 the county in the manner prescribed in subsection (d).

44 (d) **As used in this subsection, "taxing district" has the meaning**  
 45 **set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth**  
 46 **in IC 6-1.1-1-21, and "tuition support levy" refers to a school**  
 47 **corporation's tuition support property tax levy under**  
 48 **IC 20-45-3-11 (repealed) for the school corporation's general fund.**  
 49 In order to distribute the money in the county aircraft excise tax fund  
 50 to the taxing units of the county, the county auditor shall first allocate  
 51 the money in the fund among the taxing districts of the county. In

1 making these allocations, the county auditor shall allocate to a taxing  
 2 district the excise taxes collected with respect to aircraft usually  
 3 located in the taxing district when not in operation. **Subject to this**  
 4 **subsection**, the money allocated to a taxing district shall be  
 5 apportioned and distributed among the taxing units of that taxing  
 6 district in the same manner and at the same time that the property taxes  
 7 are apportioned and distributed. **For purposes of determining the**  
 8 **distribution for a year under this section for a taxing unit, a state**  
 9 **welfare and tuition support allocation shall be deducted from the**  
 10 **total amount available for apportionment and distribution to**  
 11 **taxing units under this section before any apportionment and**  
 12 **distribution is made. The county auditor shall remit the state**  
 13 **welfare and tuition support allocation to the treasurer of state for**  
 14 **deposit as directed by the budget agency. The amount of the state**  
 15 **welfare and tuition support allocation for a county for a particular**  
 16 **year is equal to the result determined under STEP THREE of the**  
 17 **following formula:**

18 **STEP ONE: Determine the result of the following:**

19 **(A) Separately for 2006, 2007, and 2008 for each taxing**  
 20 **district in the county, determine the result of:**

21 **(i) the tax rate imposed in the taxing district for the**  
 22 **county's county medical assistance to wards fund, family**  
 23 **and children's fund, children's psychiatric residential**  
 24 **treatment services fund, county hospital care for the**  
 25 **indigent fund, children with special health care needs**  
 26 **county fund, plus, in the case of Marion County, the tax**  
 27 **rate imposed by the health and hospital corporation that**  
 28 **was necessary to raise thirty-five million dollars**  
 29 **(\$35,000,000) from all taxing districts in the county;**  
 30 **divided by**

31 **(ii) the aggregate tax rate imposed in the taxing district**  
 32 **for the same year.**

33 **(B) Determine the sum of the clause (A) amounts.**

34 **(C) Divide the clause (B) amount by three (3).**

35 **(D) Determine the result of:**

36 **(i) the amount of excise taxes allocated to the taxing**  
 37 **district that would otherwise be available for**  
 38 **distribution to taxing units in the taxing district;**  
 39 **multiplied by**

40 **(ii) the clause (C) amount.**

41 **(E) Determine the sum of the clause (D) amounts for all**  
 42 **taxing districts in the county.**

43 **STEP TWO: Determine the result of the following:**

44 **(A) Separately for 2006, 2007, and 2008 for each taxing**  
 45 **district in the county, determine the result of:**

46 **(i) the tuition support levy tax rate imposed in the taxing**  
 47 **district plus the tax rate imposed by the school**  
 48 **corporation for the school corporation's special**  
 49 **education preschool fund in the district; divided by**

50 **(ii) the aggregate tax rate imposed in the taxing district**  
 51 **for the same year.**

- 1           **(B) Determine the sum of the clause (A) amounts.**  
 2           **(C) Divide the clause (B) amount by three (3).**  
 3           **(D) Determine the result of:**  
 4                **(i) the amount of excise taxes allocated to the taxing**  
 5                **district that would otherwise be available for**  
 6                **distribution to taxing units in the taxing district;**  
 7                **multiplied by**  
 8                **(ii) the clause (C) amount.**  
 9           **(E) Determine the sum of the clause (D) amounts for all**  
 10           **taxing districts in the county.**

11           **STEP THREE: Determine the sum of the STEP ONE and**  
 12           **STEP TWO amounts for the county.**

13           **If the boundaries of a taxing district change after the years for**  
 14           **which a ratio is calculated under STEP ONE or STEP TWO, the**  
 15           **budget agency shall establish a ratio for the new taxing district that**  
 16           **reflects the tax rates imposed in the predecessor taxing districts.**

17           (e) Within thirty (30) days following the receipt of excise taxes from  
 18           the department, the county treasurer shall file a report with the county  
 19           auditor concerning the aircraft excise taxes collected by the county  
 20           treasurer. The county treasurer shall file the report on the form  
 21           prescribed by the state board of accounts. The county treasurer shall,  
 22           in the manner and at the times prescribed in IC 6-1.1-27, make a  
 23           settlement with the county auditor for the aircraft excise taxes collected  
 24           by the county treasurer. The county treasurer shall, in the manner  
 25           prescribed by the state board of accounts, maintain records concerning  
 26           the aircraft excise taxes received and distributed by him.

27           SECTION 356. IC 6-6-11-9 IS AMENDED TO READ AS  
 28           FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:  
 29           Sec. 9. A boat is exempt from the boat excise tax imposed for a year if  
 30           the boat is:

- 31                (1) owned by the United States;  
 32                (2) owned by the state or one (1) of its political subdivisions (as  
 33                defined in IC 36-1-2-13);  
 34                (3) owned by an organization exempt from federal income  
 35                taxation under 501(c)(3) of the Internal Revenue Code;  
 36                (4) a human powered vessel, as determined by the department of  
 37                natural resources;  
 38                (5) held by a boat manufacturer, distributor, or dealer for sale in  
 39                the ordinary course of business; ~~and subject to assessment under~~  
 40                ~~IC 6-1.1;~~  
 41                (6) used by a person for the production of income and subject to  
 42                assessment under IC 6-1.1;  
 43                (7) stored in Indiana for less than twenty-two (22) consecutive  
 44                days and not operated, used, or docked in Indiana;  
 45                (8) registered outside Indiana and operated, used, or docked in  
 46                Indiana for a combined total of less than twenty-two (22)  
 47                consecutive days during the boating year; or  
 48                (9) subject to the commercial vessel tonnage tax under IC 6-6-6.

49           SECTION 357. IC 6-6-11-31 IS AMENDED TO READ AS  
 50           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 31. (a) A boat  
 51           excise tax fund is established in each county. Each county treasurer

1 shall deposit in the fund the taxes received under this chapter.

2 (b) **As used in this subsection, "taxing district" has the meaning**  
 3 **set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth**  
 4 **in IC 6-1.1-1-21, and "tuition support levy" refers to a school**  
 5 **corporation's tuition support property tax levy under**  
 6 **IC 20-45-3-11 (repealed) for the school corporation's general fund.**

7 The excise tax money in the county boat excise tax fund shall be  
 8 distributed to the taxing units of the county. The county auditor shall  
 9 allocate the money in the fund among the taxing ~~units~~ **districts** of the  
 10 county based on the tax situs of each boat. **Subject to this subsection,**  
 11 **the money allocated to the taxing units shall be apportioned and**  
 12 **distributed among the funds of the taxing units in the same manner and**  
 13 **at the same time that property taxes are apportioned and distributed.**  
 14 **For purposes of determining the distribution for a year under this**  
 15 **section for a taxing unit, a state welfare and tuition support**  
 16 **allocation shall be deducted from the total amount available for**  
 17 **apportionment and distribution to taxing units under this section**  
 18 **before any apportionment and distribution is made. The county**  
 19 **auditor shall remit the state welfare and tuition support allocation**  
 20 **to the treasurer of state for deposit as directed by the budget**  
 21 **agency. The amount of the state welfare and tuition support**  
 22 **allocation for a county for a particular year is equal to the result**  
 23 **determined under STEP THREE of the following formula:**

24 **STEP ONE: Determine the result of the following:**

25 (A) **Separately for 2006, 2007, and 2008 for each taxing**  
 26 **district in the county, determine the result of:**

27 (i) **the tax rate imposed in the taxing district for the**  
 28 **county's county medical assistance to wards fund, family**  
 29 **and children's fund, children's psychiatric residential**  
 30 **treatment services fund, county hospital care for the**  
 31 **indigent fund, children with special health care needs**  
 32 **county fund, plus, in the case of Marion County, the tax**  
 33 **rate imposed by the health and hospital corporation that**  
 34 **was necessary to raise thirty-five million dollars**  
 35 **(\$35,000,000) from all taxing districts in the county;**  
 36 **divided by**

37 (ii) **the aggregate tax rate imposed in the taxing district**  
 38 **for the same year.**

39 (B) **Determine the sum of the clause (A) amounts.**

40 (C) **Divide the clause (B) amount by three (3).**

41 (D) **Determine the result of:**

42 (i) **the amount of excise taxes allocated to the taxing**  
 43 **district that would otherwise be available for**  
 44 **distribution to taxing units in the taxing district;**  
 45 **multiplied by**

46 (ii) **the clause (C) amount.**

47 (E) **Determine the sum of the clause (D) amounts for all**  
 48 **taxing districts in the county.**

49 **STEP TWO: Determine the result of the following:**

50 (A) **Separately for 2006, 2007, and 2008 for each taxing**  
 51 **district in the county, determine the result of:**

1 (i) the tuition support levy tax rate imposed in the taxing  
 2 district plus the tax rate imposed by the school  
 3 corporation for the school corporation's special  
 4 education preschool fund in the district; divided by  
 5 (ii) the aggregate tax rate imposed in the taxing district  
 6 for the same year.

7 (B) Determine the sum of the clause (A) amounts.

8 (C) Divide the clause (B) amount by three (3).

9 (D) Determine the result of:

10 (i) the amount of excise taxes allocated to the taxing  
 11 district that would otherwise be available for  
 12 distribution to taxing units in the taxing district;  
 13 multiplied by

14 (ii) the clause (C) amount.

15 (E) Determine the sum of the clause (D) amounts for all  
 16 taxing districts in the county.

17 **STEP THREE: Determine the sum of the STEP ONE and**  
 18 **STEP TWO amounts for the county.**

19 **If the boundaries of a taxing district change after the years for**  
 20 **which a ratio is calculated under STEP ONE or STEP TWO, the**  
 21 **budget agency shall establish a ratio for the new taxing district that**  
 22 **reflects the tax rates imposed in the predecessor taxing districts.**

23 SECTION 358. IC 6-8.1-1-1, AS AMENDED BY P.L.233-2007,  
 24 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JANUARY 1, 2009]: Sec. 1. "Listed taxes" or "taxes" includes only the  
 26 pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat  
 27 admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13);  
 28 the slot machine wagering tax (IC 4-35-8); the gross income tax  
 29 (IC 6-2.1) (repealed); the utility receipts and utility services use taxes  
 30 (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted  
 31 gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8)  
 32 (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the  
 33 county option income tax (IC 6-3.5-6); the county economic  
 34 development income tax (IC 6-3.5-7); ~~the municipal option income tax~~  
 35 ~~(IC 6-3.5-8)~~; the auto rental excise tax (IC 6-6-9); the financial  
 36 institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative  
 37 fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor  
 38 carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a  
 39 reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax  
 40 (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the  
 41 hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1);  
 42 the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the  
 43 wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5);  
 44 the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC  
 45 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and  
 46 beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and  
 47 IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and  
 48 hazardous chemical inventory form fee (IC 6-6-10); the penalties  
 49 assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and  
 50 penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the  
 51 underground storage tank fee (IC 13-23); the solid waste management

1 fee (IC 13-20-22); and any other tax or fee that the department is  
2 required to collect or administer.

3 SECTION 359. IC 6-8.1-7-1, AS AMENDED BY P.L.219-2007,  
4 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2008]: Sec. 1. (a) This subsection does not apply to the  
6 disclosure of information concerning a conviction on a tax evasion  
7 charge. Unless in accordance with a judicial order or as otherwise  
8 provided in this chapter, the department, its employees, former  
9 employees, counsel, agents, or any other person may not divulge the  
10 amount of tax paid by any taxpayer, terms of a settlement agreement  
11 executed between a taxpayer and the department, investigation records,  
12 investigation reports, or any other information disclosed by the reports  
13 filed under the provisions of the law relating to any of the listed taxes,  
14 including required information derived from a federal return, except to:

- 15 (1) members and employees of the department;
- 16 (2) the governor;
- 17 (3) the attorney general or any other legal representative of the  
18 state in any action in respect to the amount of tax due under the  
19 provisions of the law relating to any of the listed taxes; or
- 20 (4) any authorized officers of the United States;

21 when it is agreed that the information is to be confidential and to be  
22 used solely for official purposes.

23 (b) The information described in subsection (a) may be revealed  
24 upon the receipt of a certified request of any designated officer of the  
25 state tax department of any other state, district, territory, or possession  
26 of the United States when:

- 27 (1) the state, district, territory, or possession permits the exchange  
28 of like information with the taxing officials of the state; and
- 29 (2) it is agreed that the information is to be confidential and to be  
30 used solely for tax collection purposes.

31 (c) The information described in subsection (a) relating to a person  
32 on public welfare or a person who has made application for public  
33 welfare may be revealed to the director of the division of family  
34 resources, and to any director of a ~~county local~~ office of ~~family and~~  
35 ~~children~~ **the division of family resources** located in Indiana, upon  
36 receipt of a written request from either director for the information. The  
37 information shall be treated as confidential by the directors. In addition,  
38 the information described in subsection (a) relating to a person who has  
39 been designated as an absent parent by the state Title IV-D agency  
40 shall be made available to the state Title IV-D agency upon request.  
41 The information shall be subject to the information safeguarding  
42 provisions of the state and federal Title IV-D programs.

43 (d) The name, address, Social Security number, and place of  
44 employment relating to any individual who is delinquent in paying  
45 educational loans owed to a postsecondary educational institution may  
46 be revealed to that institution if it provides proof to the department that  
47 the individual is delinquent in paying for educational loans. This  
48 information shall be provided free of charge to approved postsecondary  
49 educational institutions (as defined by IC 21-7-13-6(a)). The  
50 department shall establish fees that all other institutions must pay to the  
51 department to obtain information under this subsection. However, these

1 fees may not exceed the department's administrative costs in providing  
2 the information to the institution.

3 (e) The information described in subsection (a) relating to reports  
4 submitted under IC 6-6-1.1-502 concerning the number of gallons of  
5 gasoline sold by a distributor and IC 6-6-2.5 concerning the number of  
6 gallons of special fuel sold by a supplier and the number of gallons of  
7 special fuel exported by a licensed exporter or imported by a licensed  
8 transporter may be released by the commissioner upon receipt of a  
9 written request for the information.

10 (f) The information described in subsection (a) may be revealed  
11 upon the receipt of a written request from the administrative head of a  
12 state agency of Indiana when:

13 (1) the state agency shows an official need for the information;  
14 and

15 (2) the administrative head of the state agency agrees that any  
16 information released will be kept confidential and will be used  
17 solely for official purposes.

18 SECTION 360. IC 7.1-5-10-13 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. A permittee  
20 who holds a permit to sell at retail shall not cash a check issued by the  
21 **county local** office of **family and children** **the division of family**  
22 **resources** or by a charitable organization if any part of the proceeds of  
23 the check are to be used to purchase an alcoholic beverage.

24 SECTION 361. IC 8-6-3-1 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Whenever  
26 the separation of grades at the intersection of a railroad or railroads (as  
27 defined in IC 8-3-1-2) and a public street or highway is constructed, the  
28 railroad or railroads shall pay five (5) percent of the cost of the grade  
29 separation as provided in this chapter.

30 (b) This chapter shall apply to an existing crossing, a new crossing,  
31 or the reconstruction of an existing grade separation.

32 (c) If more than one (1) railroad (as defined in IC 8-3-1-2) is  
33 involved in a separation, the railroads involved shall divide the amount  
34 to be paid by the railroads by agreement between the railroads. If the  
35 railroads fail to agree, the circuit court of the county in which the  
36 crossing is located shall have jurisdiction, upon the application of a  
37 party, to determine the division of the amount to be paid by the  
38 railroads. The decision of the court is final, unless one (1) or more  
39 parties deeming themselves aggrieved by the decision of the court shall  
40 appeal therefrom to the court of appeals of Indiana within thirty (30)  
41 days, or within additional time not exceeding ninety (90) days, as may  
42 be granted by the circuit court. The appeal shall be taken in  
43 substantially the same manner as an appeal in a civil case from the  
44 circuit court.

45 (d) If a grade separation shall involve a state highway that is a part  
46 of the state highway system of Indiana, or a street or highway selected  
47 by the Indiana department of transportation as a route of a highway in  
48 the state highway system, the state, out of the funds of the Indiana  
49 department of transportation or funds appropriated for the use of the  
50 Indiana department of transportation, shall pay ninety-five percent  
51 (95%) of the cost of the grade separation.

1 (e) Before the Indiana department of transportation shall proceed  
2 with a grade separation within a city or town, the Indiana department  
3 of transportation shall first obtain the consent of the city, by a  
4 resolution adopted by the board or officials of the city having  
5 jurisdiction over improvement of the streets of the city, and any  
6 material modification of the plans upon which the consent was granted  
7 shall first be approved by the city by a similar resolution.

8 (f) If such grade separation is on a highway or street not a part of the  
9 highways under the jurisdiction of the Indiana department of  
10 transportation, or a part of a route selected by it, but is within any city  
11 or town of the state, the city or town shall pay one-half (1/2) of  
12 ninety-five percent (95%) of the total of such cost and the county in  
13 which the crossing is located shall be liable for and pay one-half (1/2)  
14 of the ninety-five percent (95%).

15 (g) If a grade separation that involves a state highway that is a part  
16 of the state highway system of Indiana, or a street or highway selected  
17 by the Indiana department of transportation as a route of a highway in  
18 the state highway system, necessitates the grade separation on other  
19 highways or streets, not a part of the highways under the jurisdiction of  
20 the Indiana department of transportation but within any city of the state  
21 of Indiana, then of the total cost of the grade separation on a highway  
22 or street not under the jurisdiction of the Indiana department of  
23 transportation but necessitated by the grade separation involving a  
24 highway or street which is a part of the state highway system, the city  
25 shall pay one-fourth (1/4) of ninety-five percent (95%) and the county  
26 in which the crossing is located shall be liable for and pay one-fourth  
27 (1/4) of the ninety-five percent (95%) of the total of the costs and the  
28 state out of the funds of the Indiana department of transportation or  
29 funds appropriated for the use of the Indiana department of  
30 transportation, shall be liable for and pay one-half (1/2) of the  
31 remaining portion.

32 (h) If a crossing is not within any city or town and does not involve  
33 a highway under the jurisdiction of the Indiana department of  
34 transportation, then the county in which the crossing is located shall  
35 pay the ninety-five percent (95%) of the total cost which is not paid by  
36 the railroad or railroads.

37 (i) The division of the cost of grade separation applies when the  
38 grade separation replaces and eliminates an existing grade crossing at  
39 which active warning devices are in place or ordered to be installed by  
40 a state regulatory agency, but when the grade separation does not  
41 replace nor eliminate an existing grade crossing the state, county or  
42 municipality, as the case may be, shall bear and pay one hundred  
43 percent (100%) of the cost of the grade separation.

44 (j) In estimating and computing the cost of the grade separation,  
45 there shall be considered as a part of costs all expenses reasonably  
46 necessary for preliminary engineering, rights-of-way and all work  
47 required to comply with the plans and specifications for the work,  
48 including all changes in the highway and the grade thereof and the  
49 approaches to the grade separation, as well as all changes in the  
50 roadbed, grade, rails, ties, bridges, buildings, and other structural  
51 changes in a railroad as may be necessary to effect the grade separation



1 and to restore the railroad facilities aforesaid to substantially the same  
2 condition as before the separation.

3 (k) The required railroad share of the cost shall be based on the  
4 costs for preliminary engineering, right-of-way, and construction within  
5 the limits described below:

6 (1) Where a grade crossing is eliminated by grade separation, the  
7 structure and approaches for the number of lanes on the existing  
8 highway and in accordance with the current design standards of  
9 the governmental entity having jurisdiction over the highway  
10 involved.

11 (2) Where another facility, such as a highway or waterway,  
12 requiring a bridge structure is located within the limits of a grade  
13 separation project, the estimated cost of a theoretical structure and  
14 approaches as described under subdivision (1) to eliminate the  
15 railroad-highway grade crossing without considering the presence  
16 of the waterway or other highway.

17 (3) Where a grade crossing is eliminated by railroad or highway  
18 relocation, the actual cost of the relocation project, or the  
19 estimated cost of a structure and approaches as described under  
20 subdivision (1), whichever is less.

21 (l) If the Indiana department of transportation or any city, town, or  
22 county is unable to reach an agreement with a railroad company after  
23 determining that construction or reconstruction of a grade separation,  
24 which replaces or eliminates the need for a grade crossing, is necessary  
25 to protect travelers on the roads and streets of the state, the appropriate  
26 unit or combination of units of government shall give a written notice  
27 of its intention to proceed with the construction or reconstruction of a  
28 grade separation to the superintendent or regional engineer of the  
29 railroad company. The notice of intention shall be made by the  
30 adoption of a resolution stating the need for the grade separation. If,  
31 after thirty (30) days, the railroad has not agreed to a division of  
32 inspections, plans and specifications, the number and type of jobs to be  
33 completed by each agency, a division of costs, and other necessary  
34 conditions, the Indiana department of transportation, city, town, or  
35 county may proceed with the grade separation exercising any and all of  
36 its powers to construct or reconstruct a bridge and, notwithstanding  
37 other provisions of this chapter, may pay for up to one hundred percent  
38 (100%) of the cost of the project. If the railroad is unable, for good  
39 cause, to pay the share of the cost required by this section, the city,  
40 town, or county may certify the amount owed by the railroad to the  
41 county auditor who shall prepare a special tax duplicate to be collected  
42 and settled for by the county treasurer in the same manner and at the  
43 same time as property taxes are collected. ~~except that such tax~~  
44 ~~assessment shall not authorize a payment or credit from the property~~  
45 ~~tax replacement fund created by IC 6-1-1-21.~~ However, before the  
46 Indiana department of transportation, city, town, or county undertakes  
47 to do the work themselves they shall notify an agent of the railroad as  
48 to the time and place of the work.

49 SECTION 362. IC 8-14-9-12, AS AMENDED BY P.L.219-2007,  
50 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
51 JULY 1, 2008]: Sec. 12. All bonds and interest on bonds issued under

1 this chapter are exempt from taxation as provided under IC 6-8-5-1. All  
2 general laws relating to:

- 3 (1) the filing of a petition requesting the issuance of bonds;
- 4 (2) the right of:
  - 5 (A) taxpayers and voters to remonstrate against the issuance of
  - 6 bonds, **in the case of a proposed bond issue described by**
  - 7 **IC 6-1.1-20-3.1(a); or**
  - 8 **(B) voters to vote on the issuance of bonds, in the case of a**
  - 9 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- 10 (3) the appropriation of the proceeds of the bonds and the
- 11 approval of the appropriation by the department of local
- 12 government finance; and
- 13 (4) the sale of bonds at public sale for not less than par value;

14 are applicable to proceedings under this chapter.

15 SECTION 363. IC 8-18-21-13, AS AMENDED BY P.L.224-2007,  
16 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 UPON PASSAGE]: Sec. 13. The annual operating budget of a toll road  
18 authority is subject to:

- 19 (1) review by the county board of tax adjustment; ~~(before January~~  
20 ~~1, 2009) or the county board of tax and capital projects review~~  
21 ~~(after December 31, 2008) and then~~
- 22 (2) **review** by the department of local government finance;

23 as in the case of other political subdivisions.

24 SECTION 364. IC 8-22-3-16, AS AMENDED BY P.L.219-2007,  
25 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JULY 1, 2008]: Sec. 16. (a) The board may issue general obligation  
27 bonds of the authority for the purpose of procuring funds to pay the  
28 cost of acquiring real property, or constructing, enlarging, improving,  
29 remodeling, repairing, or equipping buildings, structures, runways, or  
30 other facilities, for use as or in connection with or for administrative  
31 purposes of the airport. The issuance of the bonds must be authorized  
32 by ordinance of the board providing for the amount, terms, and tenor  
33 of the bonds and for the time and character of notice and the mode of  
34 making sale. If one (1) airport is owned by the authority, an ordinance  
35 authorizing the issuance of bonds for a separate second airport is  
36 subject to approval as provided in this section. The bonds bear interest  
37 and are payable at the times and places that the board determines but  
38 running not more than twenty-five (25) years after the date of their  
39 issuance, and they must be executed in the name of the authority by the  
40 president of the board and attested by the secretary who shall affix to  
41 each of the bonds the official seal of the authority. The interest coupons  
42 attached to the bonds may be executed by placing on them the  
43 facsimile signature of the president of the board.

44 (b) The issuance of general obligation bonds must be approved by  
45 resolution of the following body:

- 46 (1) When the authority is established by an eligible entity, by its  
47 fiscal body.
- 48 (2) When the authority is established by two (2) or more eligible  
49 entities acting jointly, by the fiscal body of each of those entities.
- 50 (3) When the authority was established under IC 19-6-2 (**before**  
51 **its repeal**), by the mayor of the consolidated city, and if a second

1 airport is to be funded, also by the city-county council.  
 2 (4) When the authority was established under IC 19-6-3 (**before**  
 3 **its repeal**), by the county council.

4 (c) The airport director shall manage and supervise the preparation,  
 5 advertisement, and sale of the bonds, subject to the authorizing  
 6 ordinance. Before the sale of the bonds, the airport director shall cause  
 7 notice of the sale to be published once each week for two (2)  
 8 consecutive weeks in two (2) newspapers of general circulation  
 9 published in the district, setting out the time and place where bids will  
 10 be received, the amount and maturity dates of the issue, the maximum  
 11 interest rate, and the terms and conditions of sale and delivery of the  
 12 bonds. The bonds shall be sold to the highest bidder, in accordance  
 13 with the procedures for selling public bonds. After the bonds have been  
 14 properly sold and executed, the airport director shall deliver them to the  
 15 treasurer of the authority and take a receipt for them, and shall certify  
 16 to the treasurer the amount which the purchaser is to pay for them,  
 17 together with the name and address of the purchaser. On payment of  
 18 the purchase price, the treasurer shall deliver the bonds to the  
 19 purchaser, and the treasurer and airport director or superintendent shall  
 20 report their actions to the board.

21 (d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:  
 22 (1) the filing of a petition requesting the issuance of bonds and  
 23 giving notice of them;  
 24 (2) the giving of notice of determination to issue bonds;  
 25 (3) the giving of notice of hearing on the appropriation of the  
 26 proceeds of bonds and the right of taxpayers to appeal and be  
 27 heard on the proposed appropriation;  
 28 (4) the approval of the appropriation by the department of local  
 29 government finance;  
 30 (5) the right of:  
 31 (A) taxpayers and voters to remonstrate against the issuance of  
 32 bonds, **in the case of a proposed bond issue described by**  
 33 **IC 6-1.1-20-3.1(a); or**  
 34 (B) voters to vote on the issuance of bonds, **in the case of a**  
 35 **proposed bond issue described by IC 6-1.1-20-3.5(a); and**  
 36 (6) the sale of bonds at public sale for not less than par value;  
 37 are applicable to proceedings under this chapter for the issuance of  
 38 general obligation bonds.

39 (e) Bonds issued under this chapter are not a corporate obligation or  
 40 indebtedness of any eligible entity but are an indebtedness of the  
 41 authority as a municipal corporation. An action to question the validity  
 42 of the bonds issued or to prevent their issue must be instituted not later  
 43 than the date set for sale of the bonds, and all of the bonds after that  
 44 date are incontestable.

45 SECTION 365. IC 8-22-3.5-9, AS AMENDED BY P.L.97-2007,  
 46 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 47 JULY 1, 2008]: Sec. 9. (a) As used in this section, "base assessed  
 48 value" means:

49 (1) the net assessed value of all the tangible property as finally  
 50 determined for the assessment date immediately preceding the  
 51 effective date of the allocation provision of the commission's

1 resolution adopted under section 5 or 9.5 of this chapter,  
2 notwithstanding the date of the final action taken under section 6  
3 of this chapter; plus

4 (2) to the extent it is not included in subdivision (1), the net  
5 assessed value of property that is assessed as residential property  
6 under the rules of the department of local government finance, as  
7 finally determined for any assessment date after the effective date  
8 of the allocation provision.

9 However, subdivision (2) applies only to an airport development zone  
10 established after June 30, 1997, and the portion of an airport  
11 development zone established before June 30, 1997, that is added to an  
12 existing airport development zone.

13 (b) A resolution adopted under section 5 of this chapter and  
14 confirmed under section 6 of this chapter must include a provision with  
15 respect to the allocation and distribution of property taxes for the  
16 purposes and in the manner provided in this section.

17 (c) The allocation provision must:

18 (1) apply to the entire airport development zone; and

19 (2) require that any property tax on taxable tangible property  
20 subsequently levied by or for the benefit of any public body  
21 entitled to a distribution of property taxes in the airport  
22 development zone be allocated and distributed as provided in  
23 subsections (d) and (e).

24 (d) Except as otherwise provided in this section, the proceeds of the  
25 taxes attributable to the lesser of:

26 (1) the assessed value of the tangible property for the assessment  
27 date with respect to which the allocation and distribution is made;

28 or

29 (2) the base assessed value;

30 shall be allocated and, when collected, paid into the funds of the  
31 respective taxing units.

32 (e) All of the property tax proceeds in excess of those described in  
33 subsection (d) shall be allocated to the eligible entity for the airport  
34 development zone and, when collected, paid into special funds as  
35 follows:

36 (1) The commission may determine that a portion of tax proceeds  
37 shall be allocated to a training grant fund to be expended by the  
38 commission without appropriation solely for the purpose of  
39 reimbursing training expenses incurred by public or private  
40 entities in the training of employees for the qualified airport  
41 development project.

42 (2) The commission may determine that a portion of tax proceeds  
43 shall be allocated to a debt service fund and dedicated to the  
44 payment of principal and interest on revenue bonds or a loan  
45 contract of the airport authority for a qualified airport  
46 development project, to the payment of leases for a qualified  
47 airport development project, or to the payment of principal and  
48 interest on bonds issued by an eligible entity to pay for qualified  
49 airport development projects in the airport development zone or  
50 serving the airport development zone.

51 (3) The commission may determine that a part of the tax proceeds

1 shall be allocated to a project fund and used to pay expenses  
 2 incurred by the commission for a qualified airport development  
 3 project that is in the airport development zone or is serving the  
 4 airport development zone.

5 (4) Except as provided in subsection (f), all remaining tax  
 6 proceeds after allocations are made under subdivisions (1), (2),  
 7 and (3) shall be allocated to a project fund and dedicated to the  
 8 reimbursement of expenditures made by the commission for a  
 9 qualified airport development project that is in the airport  
 10 development zone or is serving the airport development zone.

11 (f) ~~if the~~ **Before July 15 of each year, the commission shall do the**  
 12 **following:**

13 **(1) Determine the amount, if any, by which** tax proceeds  
 14 allocated to the project fund in subsection (e)(3) **in the following**  
 15 **year will** exceed the amount necessary to satisfy amounts  
 16 required under subsection (e). ~~the excess in the project fund over~~  
 17 ~~that amount shall be paid to the respective taxing units in the~~  
 18 ~~manner prescribed by subsection (d).~~

19 **(2) Provide a written notice to the county auditor and the**  
 20 **officers who are authorized to fix budgets, tax rates, and tax**  
 21 **levies under IC 6-1.1-17-5 for each of the other taxing units**  
 22 **that is wholly or partly located within the allocation area. The**  
 23 **notice must:**

24 **(A) state the amount, if any, of excess tax proceeds that the**  
 25 **commission has determined may be allocated to the**  
 26 **respective taxing units in the manner prescribed in**  
 27 **subsection (d); or**

28 **(B) state that the commission has determined that there**  
 29 **are no excess tax proceeds that may be allocated to the**  
 30 **respective taxing units in the manner prescribed in**  
 31 **subsection (d).**

32 **The county auditor shall allocate to the respective taxing units**  
 33 **the amount, if any, of excess tax proceeds determined by the**  
 34 **commission.**

35 (g) When money in the debt service fund and in the project fund is  
 36 sufficient to pay all outstanding principal and interest (to the earliest  
 37 date on which the obligations can be redeemed) on revenue bonds  
 38 issued by the airport authority for the financing of qualified airport  
 39 development projects, all lease rentals payable on leases of qualified  
 40 airport development projects, and all costs and expenditures associated  
 41 with all qualified airport development projects, money in the debt  
 42 service fund and in the project fund in excess of those amounts shall be  
 43 paid to the respective taxing units in the manner prescribed by  
 44 subsection (d).

45 (h) Property tax proceeds allocable to the debt service fund under  
 46 subsection (e)(2) must, subject to subsection (g), be irrevocably  
 47 pledged by the eligible entity for the purpose set forth in subsection  
 48 (e)(2).

49 (i) Notwithstanding any other law, each assessor shall, upon petition  
 50 of the commission, reassess the taxable tangible property situated upon  
 51 or in, or added to, the airport development zone effective on the next

1 assessment date after the petition.

2 (j) Notwithstanding any other law, the assessed value of all taxable  
3 tangible property in the airport development zone, for purposes of tax  
4 limitation, property tax replacement, and formulation of the budget, tax  
5 rate, and tax levy for each political subdivision in which the property  
6 is located is the lesser of:

7 (1) the assessed value of the tangible property as valued without  
8 regard to this section; or

9 (2) the base assessed value.

10 SECTION 366. IC 8-22-3.5-14, AS AMENDED BY P.L.124-2006,  
11 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 14. (a) This section  
13 applies only to an airport development zone that is in a:

14 (1) city described in section 1(2) of this chapter; or

15 (2) county described in section 1(3), 1(4), or 1(6) of this chapter.

16 (b) Notwithstanding any other law, a business or an employee of a  
17 business that is located in an airport development zone is entitled to the  
18 benefits provided by the following statutes, as if the business were  
19 located in an enterprise zone:

20 ~~(1) IC 6-1.1-20-8.~~

21 ~~(2) (1) IC 6-3-2-8.~~

22 ~~(3) (2) IC 6-3-3-10.~~

23 ~~(4) (3) IC 6-3.1-7.~~

24 ~~(5) (4) IC 6-3.1-9.~~

25 ~~(6) (5) IC 6-3.1-10-6.~~

26 (c) Before June 1 of each year, a business described in subsection  
27 (b) must pay a fee equal to the amount of the fee that is required for  
28 enterprise zone businesses under IC 5-28-15-5(a)(4)(A). However,  
29 notwithstanding IC 5-28-15-5(a)(4)(A), the fee shall be paid into the  
30 debt service fund established under section 9(e)(2) of this chapter. If  
31 the commission determines that a business has failed to pay the fee  
32 required by this subsection, the business is not eligible for any of the  
33 benefits described in subsection (b).

34 (d) A business that receives any of the benefits described in  
35 subsection (b) must use all of those benefits, except for the amount of  
36 the fee required by subsection (c), for its property or employees in the  
37 airport development zone and to assist the commission. If the  
38 commission determines that a business has failed to use its benefits in  
39 the manner required by this subsection, the business is not eligible for  
40 any of the benefits described in subsection (b).

41 (e) If the commission determines that a business has failed to pay  
42 the fee required by subsection (c) or has failed to use benefits in the  
43 manner required by subsection (d), the commission shall provide  
44 written notice of the determination to the department of state revenue,  
45 the department of local government finance, and the county auditor.

46 SECTION 367. IC 8-22-3.6-3, AS AMENDED BY P.L.224-2007,  
47 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
48 UPON PASSAGE]: Sec. 3. (a) An authority that is located in a:

49 (1) city having a population of more than ninety thousand  
50 (90,000) but less than one hundred five thousand (105,000);

51 (2) county having a population of more than one hundred five

1 thousand (105,000) but less than one hundred ten thousand  
2 (110,000); or

3 (3) county having a population of more than three hundred  
4 thousand (300,000) but less than four hundred thousand  
5 (400,000);

6 may enter into a lease of an airport project with a lessor for a term not  
7 to exceed fifty (50) years and the lease may provide for payments to be  
8 made by the airport authority from property taxes levied under  
9 IC 8-22-3-17, taxes allocated under IC 8-22-3.5-9, any other revenues  
10 available to the airport authority, or any combination of these sources.

11 (b) A lease may provide that payments by the authority to the lessor  
12 are required only to the extent and only for the period that the lessor is  
13 able to provide the leased facilities in accordance with the lease. The  
14 terms of each lease must be based upon the value of the facilities leased  
15 and may not create a debt of the authority or the eligible entity for  
16 purposes of the Constitution of the State of Indiana.

17 (c) A lease may be entered into by the authority only after a public  
18 hearing by the board at which all interested parties are provided the  
19 opportunity to be heard. After the public hearing, the board may adopt  
20 an ordinance authorizing the execution of the lease if it finds that the  
21 service to be provided throughout the term of the lease will serve the  
22 public purpose of the authority and is in the best interest of the  
23 residents of the authority district.

24 (d) Upon execution of a lease providing for payments by the  
25 authority in whole or in part from the levy of property taxes under  
26 IC 8-22-3-17, the board shall publish notice of the execution of the  
27 lease and its approval in accordance with IC 5-3-1. Fifty (50) or more  
28 taxpayers residing in the authority district who will be affected by the  
29 lease and who may be of the opinion that no necessity exists for the  
30 execution of the lease or that the payments provided for in the lease are  
31 not fair and reasonable may file a petition in the office of the county  
32 auditor within thirty (30) days after the publication of the notice of  
33 execution and approval. The petition must set forth the petitioners'  
34 names, addresses, and objections to the lease and the facts showing that  
35 the execution of the lease is unnecessary or unwise or that the  
36 payments provided for in the lease are not fair and reasonable, as the  
37 case may be.

38 (e) Upon the filing of a petition under subsection (d), the county  
39 auditor shall immediately certify a copy of the petition, together with  
40 any other data necessary to present the questions involved, to the  
41 department of local government finance. ~~(before January 1, 2009) or~~  
42 ~~the county board of tax and capital projects review (after December 31,~~  
43 ~~2008):~~ Upon receipt of the certified petition and information, the  
44 department of local government finance ~~or the county board of tax and~~  
45 ~~capital projects review~~ shall fix a time and place for a hearing in the  
46 authority district, which must be not less than five (5) or more than  
47 thirty (30) days after the time is fixed. Notice of the hearing shall be  
48 given by the department of local government finance to the members  
49 of the board, and to the first fifty (50) petitioners on the petition, by a  
50 letter signed by ~~one (1) member of the state board of tax commissioners~~  
51 ~~or the county board of tax and capital projects review the~~

1 **commissioner of the department of local government finance** and  
 2 enclosed with fully prepaid postage sent to those persons at their usual  
 3 place of residence, at least five (5) days before the date of the hearing.  
 4 The decision of the department of local government finance or ~~the~~  
 5 ~~county board of tax and capital projects review~~ on the appeal, upon the  
 6 necessity for the execution of the lease, and as to whether the payments  
 7 under it are fair and reasonable, is final.

8 (f) An authority entering into a lease payable from any sources  
 9 permitted under this chapter may:

10 (1) pledge the revenue to make payments under the lease pursuant  
 11 to IC 5-1-14-4; or

12 (2) establish a special fund to make the payments.

13 (g) Lease rentals may be limited to money in the special fund so that  
 14 the obligations of the airport authority to make the lease rental  
 15 payments are not considered debt of the unit or the district for purposes  
 16 of the Constitution of the State of Indiana.

17 (h) Except as provided in this section, no approvals of any  
 18 governmental body or agency are required before the authority enters  
 19 into a lease under this section.

20 (i) An action to contest the validity of the lease or to enjoin the  
 21 performance of any of its terms and conditions must be brought within  
 22 thirty (30) days after the later of:

23 (1) the public hearing described in subsection (c); or

24 (2) the publication of the notice of the execution and approval of  
 25 the lease described in subsection (d), if the lease is payable in  
 26 whole or in part from tax levies.

27 However, if the lease is payable in whole or in part from tax levies and  
 28 an appeal has been taken to the department of local government  
 29 finance, ~~or the county board of tax and capital projects review~~, an  
 30 action to contest the validity or enjoin the performance must be brought  
 31 within thirty (30) days after the decision of the department of local  
 32 government finance. ~~or the county board of tax and capital projects~~  
 33 ~~review.~~

34 (j) If an authority exercises an option to buy an airport project from  
 35 a lessor, the authority may subsequently sell the airport project, without  
 36 regard to any other statute, to the lessor at the end of the lease term at  
 37 a price set forth in the lease or at fair market value established at the  
 38 time of the sale by the authority through auction, appraisal, or arms  
 39 length negotiation. If the airport project is sold at auction, after  
 40 appraisal, or through negotiation, the board shall conduct a hearing  
 41 after public notice in accordance with IC 5-3-1 before the sale. Any  
 42 action to contest the sale must be brought within fifteen (15) days of  
 43 the hearing.

44 SECTION 368. IC 10-13-3-27, AS AMENDED BY P.L.216-2007,  
 45 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 46 UPON PASSAGE]: Sec. 27. (a) Except as provided in subsection (b),  
 47 on request, a law enforcement agency shall release a limited criminal  
 48 history to or allow inspection of a limited criminal history by  
 49 noncriminal justice organizations or individuals only if the subject of  
 50 the request:

51 (1) has applied for employment with a noncriminal justice



- 1 organization or individual;
- 2 (2) has applied for a license and has provided criminal history
- 3 data as required by law to be provided in connection with the
- 4 license;
- 5 (3) is a candidate for public office or a public official;
- 6 (4) is in the process of being apprehended by a law enforcement
- 7 agency;
- 8 (5) is placed under arrest for the alleged commission of a crime;
- 9 (6) has charged that the subject's rights have been abused
- 10 repeatedly by criminal justice agencies;
- 11 (7) is the subject of a judicial decision or determination with
- 12 respect to the setting of bond, plea bargaining, sentencing, or
- 13 probation;
- 14 (8) has volunteered services that involve contact with, care of, or
- 15 supervision over a child who is being placed, matched, or
- 16 monitored by a social services agency or a nonprofit corporation;
- 17 (9) is currently residing in a location designated by the
- 18 department of child services (established by IC 31-25-1-1) or by
- 19 a juvenile court as the out-of-home placement for a child at the
- 20 time the child will reside in the location;
- 21 (10) has volunteered services at a public school (as defined in
- 22 IC 20-18-2-15) or nonpublic school (as defined in IC 20-18-2-12)
- 23 that involve contact with, care of, or supervision over a student
- 24 enrolled in the school;
- 25 (11) is being investigated for welfare fraud by an investigator of
- 26 the division of family resources or a ~~county local~~ office of ~~family~~
- 27 ~~and children~~; **the division of family resources**;
- 28 (12) is being sought by the parent locator service of the child
- 29 support bureau of the department of child services;
- 30 (13) is or was required to register as a sex or violent offender
- 31 under IC 11-8-8; or
- 32 (14) has been convicted of any of the following:
- 33 (A) Rape (IC 35-42-4-1), if the victim is less than eighteen
- 34 (18) years of age.
- 35 (B) Criminal deviate conduct (IC 35-42-4-2), if the victim is
- 36 less than eighteen (18) years of age.
- 37 (C) Child molesting (IC 35-42-4-3).
- 38 (D) Child exploitation (IC 35-42-4-4(b)).
- 39 (E) Possession of child pornography (IC 35-42-4-4(c)).
- 40 (F) Vicarious sexual gratification (IC 35-42-4-5).
- 41 (G) Child solicitation (IC 35-42-4-6).
- 42 (H) Child seduction (IC 35-42-4-7).
- 43 (I) Sexual misconduct with a minor as a felony (IC 35-42-4-9).
- 44 (J) Incest (IC 35-46-1-3), if the victim is less than eighteen
- 45 (18) years of age.

46 However, limited criminal history information obtained from the

47 National Crime Information Center may not be released under this

48 section except to the extent permitted by the Attorney General of the

49 United States.

- 50 (b) A law enforcement agency shall allow inspection of a limited
- 51 criminal history by and release a limited criminal history to the

1 following noncriminal justice organizations:

2 (1) Federally chartered or insured banking institutions.

3 (2) Officials of state and local government for any of the  
4 following purposes:

5 (A) Employment with a state or local governmental entity.

6 (B) Licensing.

7 (3) Segments of the securities industry identified under 15 U.S.C.  
8 78q(f)(2).

9 (c) Any person who knowingly or intentionally uses limited criminal  
10 history for any purpose not specified under this section commits a  
11 Class A misdemeanor.

12 SECTION 369. IC 11-10-7-5 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The earnings  
14 of an offender employed under this chapter shall be surrendered to the  
15 department. This amount shall be distributed in the following order:

16 (1) Not less than twenty percent (20%) of the offender's gross  
17 earnings to be given to the offender or retained by the department.  
18 If retained by the department, the amount, with accrued interest  
19 if interest on the amount is earned, must be returned to the  
20 offender not later than at the time of the offender's release on  
21 parole or discharge.

22 (2) State and federal income taxes and Social Security deductions.

23 (3) The expenses of room and board, as fixed by the department  
24 and the budget agency, in facilities operated by the department,  
25 or, if the offender is housed in a facility not operated by the  
26 department, the amount paid by the department to the operator of  
27 the facility or other appropriate authority for room and board and  
28 other incidentals as established by agreement between the  
29 department and the appropriate authority.

30 (4) The support of the offender's dependents, when directed by the  
31 offender or ordered by the court to pay this support. If the  
32 offender's dependents are receiving welfare assistance, the  
33 appropriate **county local** office of **family and children the**  
34 **division of family resources** or welfare department in another  
35 state shall be notified of these disbursements.

36 (5) Ten percent (10%) of the offender's gross earnings, to be  
37 deposited in the violent crime victims compensation fund  
38 established by IC 5-2-6.1-40.

39 (b) Any remaining amount shall be given to the offender or retained  
40 by the department in accord with subsection (a)(1).

41 (c) The department may, when special circumstances warrant or for  
42 just cause, waive the collection of room and board charges by or on  
43 behalf of a facility operated by the department or, if the offender is  
44 housed in a facility not operated by the department, authorize payment  
45 of room and board charges from other available funds.

46 SECTION 370. IC 11-10-8-6 IS AMENDED TO READ AS  
47 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The earnings  
48 of an offender employed in a work release program under this chapter,  
49 less payroll deductions required by law and court ordered deductions  
50 for satisfaction of a judgment against the offender, shall be surrendered  
51 to the department or its designated representative. The remaining

- 1 earnings shall be distributed in the following order:
- 2 (1) State and federal income taxes and Social Security deductions
- 3 not otherwise withheld.
- 4 (2) The cost of membership in an employee organization.
- 5 (3) Ten percent (10%) of the offender's gross earnings, to be
- 6 deposited in the violent crime victims compensation fund
- 7 established by IC 5-2-6.1-40.
- 8 (4) Not less than fifteen percent (15%) of the offender's gross
- 9 earnings, if that amount of the gross is available after the above
- 10 deductions, to be given to the offender or retained by the
- 11 department. If retained by the department, the amount, with
- 12 accrued interest, must be returned to the offender not later than at
- 13 the time of the offender's release on parole or discharge.
- 14 (5) The expense of room and board, as fixed by the department
- 15 and the budget agency, in facilities operated by the department,
- 16 or, if the offender is housed in a facility not operated by the
- 17 department, the amount paid by the department to the operator of
- 18 the facility or other appropriate authority for room and board and
- 19 other incidentals as established by agreement between the
- 20 department and the appropriate authority.
- 21 (6) Transportation cost to and from work, and other work related
- 22 incidental expenses.
- 23 (7) Court ordered costs or fines imposed as a result of conviction
- 24 of an offense under Indiana law, unless the costs or fines are
- 25 being paid through other means.
- 26 (b) After the amounts prescribed in subsection (a) are deducted, the
- 27 department may, out of the remaining amount:
- 28 (1) when directed by the offender or ordered by the court, pay for
- 29 the support of the offender's dependents (if the offender's
- 30 dependents are receiving welfare assistance, the appropriate
- 31 **county local** office of ~~family and children~~ **the division of family**
- 32 **resources** or welfare department in another state shall be notified
- 33 of these disbursements); and
- 34 (2) with the consent of the offender, pay to the offender's victims
- 35 or others any unpaid obligations of the offender.
- 36 (c) Any remaining amount shall be given to the offender or retained
- 37 by the department in accord with subsection (a)(4).
- 38 (d) The department may, when special circumstances warrant or for
- 39 just cause, waive the collection of room and board charges by or on
- 40 behalf of a facility operated by the department or, if the offender is
- 41 housed in a facility not operated by the department, authorize payment
- 42 of room and board charges from other available funds.
- 43 SECTION 371. IC 11-12-2-2, AS AMENDED BY P.L.34-2007,
- 44 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 45 UPON PASSAGE]: Sec. 2. (a) To qualify for financial aid under this
- 46 chapter, a county must establish a community corrections advisory
- 47 board by resolution of the county executive or, in a county having a
- 48 consolidated city, by the city-county council. A community corrections
- 49 advisory board consists of:
- 50 (1) the county sheriff or the sheriff's designee;
- 51 (2) the prosecuting attorney or the prosecuting attorney's

- 1 designee;
- 2 (3) the director of the ~~county local~~ office of ~~family and children~~
- 3 **the division of family resources** or the director's designee;
- 4 (4) the executive of the most populous municipality in the county
- 5 or the executive's designee;
- 6 (5) two (2) judges having criminal jurisdiction, if available,
- 7 appointed by the circuit court judge or the judges' designees;
- 8 (6) one (1) judge having juvenile jurisdiction, appointed by the
- 9 circuit court judge;
- 10 (7) one (1) public defender or the public defender's designee, if
- 11 available, or one (1) attorney with a substantial criminal defense
- 12 practice appointed by the county executive or, in a county having
- 13 a consolidated city, by the city-county council;
- 14 (8) one (1) victim, or victim advocate if available, appointed by
- 15 the county executive or, in a county having a consolidated city, by
- 16 the city-county council;
- 17 (9) one (1) ex-offender, if available, appointed by the county
- 18 executive or, in a county having a consolidated city, by the
- 19 city-county council; and
- 20 (10) the following members appointed by the county executive or,
- 21 in a county having a consolidated city, by the city-county council:
- 22 (A) One (1) member of the county fiscal body or the member's
- 23 designee.
- 24 (B) One (1) probation officer.
- 25 (C) One (1) educational administrator.
- 26 (D) One (1) representative of a private correctional agency, if
- 27 such an agency exists in the county.
- 28 (E) One (1) mental health administrator, or, if there is none
- 29 available in the county, one (1) psychiatrist, psychologist, or
- 30 physician.
- 31 (F) Four (4) lay persons, at least one (1) of whom must be a
- 32 member of a minority race if a racial minority resides in the
- 33 county and a member of that minority is willing to serve.
- 34 (b) Designees of officials designated under subsection (a)(1)
- 35 through (a)(7) and (a)(10)(A) serve at the pleasure of the designating
- 36 official.
- 37 (c) Members of the advisory board appointed by the county
- 38 executive or, in a county having a consolidated city, by the city-county
- 39 council, shall be appointed for a term of four (4) years. The criminal
- 40 defense attorney, the ex-offender, and the victim or victim advocate
- 41 shall be appointed for a term of four (4) years. Other members serve
- 42 only while holding the office or position held at the time of
- 43 appointment. The circuit court judge may fill the position of the judge
- 44 having juvenile court jurisdiction by self appointment if the circuit
- 45 court judge is otherwise qualified. A vacancy occurring before the
- 46 expiration of the term of office shall be filled in the same manner as
- 47 original appointments for the unexpired term. Members may be
- 48 reappointed.
- 49 (d) Two (2) or more counties, by resolution of their county
- 50 executives or, in a county having a consolidated city, by the city-county
- 51 council, may combine to apply for financial aid under this chapter. If

1 counties so combine, the counties may establish one (1) community  
 2 corrections advisory board to serve these counties. This board must  
 3 contain the representation prescribed in subsection (a), but the  
 4 members may come from the participating counties as determined by  
 5 agreement of the county executives or, in a county having a  
 6 consolidated city, by the city-county council.

7 (e) The members of the community corrections advisory board shall,  
 8 within thirty (30) days after the last initial appointment is made, meet  
 9 and elect one (1) member as chairman and another as vice chairman  
 10 and appoint a secretary-treasurer who need not be a member. A  
 11 majority of the members of a community corrections advisory board  
 12 may provide for a number of members that is:

- 13 (1) less than a majority of the members; and
- 14 (2) at least six (6);

15 to constitute a quorum for purposes of transacting business. The  
 16 affirmative votes of at least five (5) members, but not less than a  
 17 majority of the members present, are required for the board to take  
 18 action. A vacancy in the membership does not impair the right of a  
 19 quorum to transact business.

20 (f) The county executive and county fiscal body shall provide  
 21 necessary assistance and appropriations to the community corrections  
 22 advisory board established for that county. Appropriations required  
 23 under this subsection are limited to amounts received from the  
 24 following sources:

- 25 (1) Department grants.
- 26 (2) User fees.
- 27 (3) Other funds as contained within an approved plan.

28 Additional funds may be appropriated as determined by the county  
 29 executive and county fiscal body.

30 SECTION 372. IC 11-12-2-9 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9. (a) **Except as**  
 32 **otherwise provided in this section**, a county receiving financial aid  
 33 under this chapter shall be charged a sum for each person committed  
 34 to the department of correction and confined in a state correctional  
 35 facility equal to seventy-five percent (75%) of the average daily cost of  
 36 confining a person in certain state correctional facilities as calculated  
 37 by the state board of accounts. The daily cost is determined by dividing  
 38 the average daily population of the state prison, the Pendleton  
 39 Correctional Facility, and the Putnamville Correctional Facility into the  
 40 previous fiscal year's operating expense of those three (3) facilities and  
 41 reducing the quotient to an average daily cost. However, no charge may  
 42 be made for those persons:

- 43 (1) convicted of:
  - 44 (A) murder or a Class A or Class B felony;
  - 45 (B) involuntary manslaughter, reckless homicide, battery,
  - 46 criminal confinement, child molesting, robbery, burglary, or
  - 47 escape as Class C felonies;
  - 48 (C) any other felony resulting in bodily injury to any other
  - 49 person;
  - 50 (D) any other felony committed by means of a deadly weapon;
  - 51 (E) any felony for which an habitual offender sentence was

- 1 imposed;
- 2 (F) any offense for which the sentence is nonsuspendible
- 3 under IC 35-50-2-2(a); or
- 4 (G) dealing in marijuana as a Class D felony under
- 5 IC 35-48-4-10(b)(1)(B) or a Class C felony under
- 6 IC 35-48-4-10(b)(2);
- 7 (2) transferred to the department of correction after they have
- 8 violated the terms of their community corrections sentence; or
- 9 (3) who were charged with:
- 10 (A) a felony resulting in serious bodily injury; or
- 11 (B) a felony committed by means of a deadly weapon;
- 12 and the sentencing court noted on the commitment order that such
- 13 charges were dismissed pursuant to a plea agreement under
- 14 IC 35-35-3; or
- 15 **(4) who are committed to the department as a delinquent**
- 16 **offender (other than a delinquent offender whose commitment**
- 17 **is prohibited under IC 31-37-19-7).**
- 18 **However, amounts owed to the state for commitments of**
- 19 **delinquent offenders for periods before January 1, 2009, must be**
- 20 **paid by the county.**
- 21 (b) The amount charged a county under this section may not exceed
- 22 the amount of financial aid received under this chapter. The amount
- 23 charged shall be deducted from the subsidy payable to the participating
- 24 county. All charges are a charge upon the county of original
- 25 jurisdiction.
- 26 (c) ~~Notwithstanding subsection (a); if a county receives financial aid~~
- 27 ~~under this chapter for a program or a facility for persons convicted of~~
- 28 ~~crimes but has not received financial aid under this chapter for a~~
- 29 ~~program or a facility for delinquent offenders; the costs of keeping~~
- 30 ~~delinquent offenders in state programs or facilities operated by the~~
- 31 ~~department of correction shall be paid under IC 11-10-2-3.~~
- 32 (d) ~~Notwithstanding subsection (a); if a county receives financial aid~~
- 33 ~~under this chapter for a program or a facility for delinquent offenders~~
- 34 ~~but has not received financial aid under this chapter for a program or~~
- 35 ~~a facility for persons convicted of crimes; the costs of keeping persons~~
- 36 ~~convicted of crimes in state programs or facilities operated by the~~
- 37 ~~department of correction shall be paid by the department of correction.~~
- 38 (e) ~~Notwithstanding subsection (a); (c) No charge may be made for:~~
- 39 (1) the initial twelve (12) months of the county's participation in
- 40 the subsidy program;
- 41 (2) each month during which:
- 42 (A) the county maintains a residential facility or a portion of
- 43 a residential facility as part of its community corrections plan;
- 44 and
- 45 (B) the residential facility or the community corrections
- 46 portion of the residential facility operates at the rated bed
- 47 capacity specified in the county's community corrections plan;
- 48 or
- 49 (3) each month during which a county that has no residential
- 50 facility as part of its community corrections plan operates a
- 51 community corrections program at the offender-supervisor ratio

- 1 specified by the plan.
- 2 ~~(f)~~ (d) A county fulfills the rated bed capacity requirement of
- 3 subsection ~~(e)(2)~~ (c)(2) if the following conditions are met:
- 4 (1) Each bed used in the calculation of rated bed capacity must be
- 5 filled each day of the month unless a vacancy occurs because of
- 6 the release, escape, or incarceration of the bed's occupant.
- 7 (2) A vacancy that occurs because of the release, escape, or
- 8 incarceration of the occupant of a bed used in the calculation of
- 9 rated bed capacity must be filled within two (2) days after its
- 10 occurrence.
- 11 ~~(g)~~ (e) A county fulfills the offender-supervisor ratio requirement of
- 12 subsection ~~(e)(3)~~ (c)(3) if the following conditions are met:
- 13 (1) Each opening used in the calculation of the
- 14 offender-supervisor ratio specified in the community corrections
- 15 plan must be filled each day of the month unless a vacancy occurs
- 16 because of the release, escape, or incarceration of an offender.
- 17 (2) A vacancy that occurs because of the release, escape, or
- 18 incarceration of an offender must be filled within two (2) working
- 19 days after its occurrence.
- 20 SECTION 373. IC 11-12-5-3 IS AMENDED TO READ AS
- 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Any earnings
- 22 of a person employed under this chapter, less payroll deductions
- 23 required by law and court ordered deductions for satisfaction of a
- 24 judgment against that person, shall be collected by the county sheriff,
- 25 probation department, ~~county local~~ office of ~~family and children~~, **the**
- 26 **division of family resources**, or other agency designated by the
- 27 sentencing or committing court. Unless otherwise ordered by the court,
- 28 the remaining earnings shall be distributed in the following order:
- 29 (1) To pay state and federal income taxes and Social Security
- 30 deductions not otherwise withheld.
- 31 (2) To pay the cost of membership in an employee organization.
- 32 (3) Not less than fifteen percent (15%) of the person's gross
- 33 earnings, if that amount of the gross is available after the above
- 34 deductions, to be given to that person or retained for the person,
- 35 with accrued interest, until the person's release or discharge.
- 36 (4) To pay for the person's room and board provided by the
- 37 county.
- 38 (5) To pay transportation costs to and from work, and other work
- 39 related incidental expenses.
- 40 (6) To pay court ordered costs, fines, or restitution.
- 41 (b) After the amounts prescribed in subsection (a) are deducted, the
- 42 remaining amount may be used to:
- 43 (1) when directed by the person or ordered by the court, pay for
- 44 the support of the person's dependents (if the person's dependents
- 45 are receiving welfare assistance, the appropriate **local** office of
- 46 ~~family and children~~ **the division of family resources** or welfare
- 47 department in another state shall be notified of such
- 48 disbursements); and
- 49 (2) with the consent of the person, pay to the person's victims or
- 50 others any unpaid obligations of that person.
- 51 (c) Any remaining amount shall be given to the person or retained

1 for the person according to subsection (a)(3).

2 (d) The collection of room and board under subsection (a)(4) may  
3 be waived.

4 SECTION 374. IC 11-13-6-5.5, AS AMENDED BY P.L.173-2006,  
5 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 UPON PASSAGE]: Sec. 5.5. (a) This section shall not be construed to  
7 limit victims' rights granted by IC 35-40 or any other law.

8 (b) As used in this section, "sex offense" refers to a sex offense  
9 described in IC 11-8-8-5.

10 (c) As used in this section, "victim" means a person who has  
11 suffered direct harm as a result of a delinquent act that would be a sex  
12 offense if the delinquent offender were an adult. The term includes a  
13 victim's representative appointed under IC 35-40-13.

14 (d) Unless a victim has requested in writing not to be notified, the  
15 department shall notify the victim involved in the adjudication of a  
16 delinquent offender committed to the department for a sex offense of  
17 the delinquent offender's:

- 18 (1) discharge from the department of correction;
- 19 (2) release from the department of correction under any temporary  
20 release program administered by the department;
- 21 (3) release on parole;
- 22 (4) parole release hearing under this chapter;
- 23 (5) parole violation hearing under this chapter; or
- 24 (6) escape from commitment to the department of correction.

25 (e) The department shall make the notification required under  
26 subsection (d):

- 27 (1) at least forty (40) days before a discharge, release, or hearing  
28 occurs; and
- 29 (2) not later than twenty-four (24) hours after the escape of a  
30 delinquent offender from commitment to the department of  
31 correction.

32 The department shall supply the information to a victim at the address  
33 supplied to the department by the victim. A victim is responsible for  
34 supplying the department with any change of address or telephone  
35 number of the victim.

36 (f) The probation officer ~~or caseworker~~ preparing the  
37 predispositional report under IC 31-37-17 shall inform the victim  
38 before the predispositional report is prepared of the right of the victim  
39 to receive notification from the department under subsection (d). The  
40 probation department ~~or county office of family and children~~ shall  
41 forward the most recent list of the addresses or telephone numbers, or  
42 both, of victims to the department. The probation department ~~or county~~  
43 ~~office of family and children~~ shall supply the department with the  
44 information required by this section as soon as possible but not later  
45 than five (5) days after the receipt of the information. A victim is  
46 responsible for supplying the department with the correct address and  
47 telephone number of the victim.

48 (g) Notwithstanding IC 11-8-5-2 and IC 4-1-6, a delinquent offender  
49 may not have access to the name and address of a victim. Upon the  
50 filing of a motion by a person requesting or objecting to the release of  
51 victim information or representative information, or both, that is



1 retained by the department, the court shall review in camera the  
2 information that is the subject of the motion before ruling on the  
3 motion.

4 (h) The notice required under subsection (d) must specify whether  
5 the delinquent offender is being discharged, is being released under a  
6 temporary release program administered by the department, is being  
7 released on parole, is having a parole release hearing, is having a  
8 parole violation hearing, or has escaped. The notice must contain the  
9 following information:

- 10 (1) The name of the delinquent offender.
- 11 (2) The date of the delinquent act.
- 12 (3) The date of the adjudication as a delinquent offender.
- 13 (4) The delinquent act of which the delinquent offender was  
14 adjudicated.
- 15 (5) The disposition imposed.
- 16 (6) The amount of time for which the delinquent offender was  
17 committed to the department.
- 18 (7) The date and location of the interview (if applicable).

19 SECTION 375. IC 12-7-2-32, AS AMENDED BY P.L.145-2006,  
20 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 JANUARY 1, 2009]: Sec. 32. "Child welfare services", for purposes of  
22 the following statutes, ~~means the services for children prescribed in~~  
23 ~~IC 31-26-3-1:~~ **has the meaning set forth in IC 31-9-2-19.5:**

- 24 (1) IC 12-13.
- 25 (2) IC 12-14.
- 26 (3) IC 12-15.
- 27 ~~(4) IC 12-19.~~

28 SECTION 376. IC 12-7-2-45 IS AMENDED TO READ AS  
29 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. "County office"  
30 refers to a ~~county~~ **local** office of **the division of family and children**  
31 **resources.**

32 SECTION 377. IC 12-7-2-46, AS AMENDED BY P.L.145-2006,  
33 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
34 UPON PASSAGE]: Sec. 46. "County director" refers to a director of a  
35 ~~county~~ **local** office ~~or a director of a district office~~ of the division of  
36 family resources. ~~or the department of child services.~~

37 SECTION 378. IC 12-7-2-57.5, AS AMENDED BY P.L.234-2005,  
38 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 UPON PASSAGE]: Sec. 57.5. ~~(a)~~ "Department", for purposes of  
40 IC 12-13-14, has the meaning set forth in IC 12-13-14-1.

41 ~~(b) "Department"; for purposes of IC 12-19; refers to the department~~  
42 ~~of child services.~~

43 ~~(c) "Department"; for purposes of IC 12-20; refers to the department~~  
44 ~~of local government finance established by IC 6-1.1-30-1.1.~~

45 SECTION 379. IC 12-7-2-64, AS AMENDED BY P.L.1-2007,  
46 SECTION 107, IS AMENDED TO READ AS FOLLOWS  
47 [EFFECTIVE JANUARY 1, 2009]: Sec. 64. "Director" refers to the  
48 following:

- 49 (1) With respect to a particular division, the director of the  
50 division.
- 51 (2) With respect to a particular state institution, the director who

- 1 has administrative control of and responsibility for the state  
 2 institution.  
 3 (3) For purposes of IC 12-10-15, the term refers to the director of  
 4 the division of aging.  
 5 ~~(4) For purposes of IC 12-19-5, the term refers to the director of~~  
 6 ~~the department of child services established by IC 31-25-1-1.~~  
 7 ~~(5) (4)~~ For purposes of IC 12-25, the term refers to the director of  
 8 the division of mental health and addiction.  
 9 ~~(6) (5)~~ For purposes of IC 12-26, the term:  
 10 (A) refers to the director who has administrative control of and  
 11 responsibility for the appropriate state institution; and  
 12 (B) includes the director's designee.  
 13 ~~(7) (6)~~ If subdivisions (1) through ~~(6) (5)~~ do not apply, the term  
 14 refers to the director of any of the divisions.

15 SECTION 380. IC 12-7-2-91 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 91. "Fund" means  
 17 the following:

- 18 (1) For purposes of IC 12-12-1-9, the fund described in  
 19 IC 12-12-1-9.  
 20 ~~(2) For purposes of IC 12-13-8, the meaning set forth in~~  
 21 ~~IC 12-13-8-1.~~  
 22 ~~(3) (2)~~ For purposes of IC 12-15-20, the meaning set forth in  
 23 IC 12-15-20-1.  
 24 ~~(4) (3)~~ For purposes of IC 12-17-12, the meaning set forth in  
 25 IC 12-17-12-4.  
 26 ~~(5) (4)~~ For purposes of IC 12-17.6, the meaning set forth in  
 27 IC 12-17.6-1-3.  
 28 ~~(6) (5)~~ For purposes of IC 12-18-4, the meaning set forth in  
 29 IC 12-18-4-1.  
 30 ~~(7) (6)~~ For purposes of IC 12-18-5, the meaning set forth in  
 31 IC 12-18-5-1.  
 32 ~~(8) For purposes of IC 12-19-7, the meaning set forth in~~  
 33 ~~IC 12-19-7-2.~~  
 34 ~~(9) (7)~~ For purposes of IC 12-23-2, the meaning set forth in  
 35 IC 12-23-2-1.  
 36 ~~(10) (8)~~ For purposes of IC 12-23-18, the meaning set forth in  
 37 IC 12-23-18-4.  
 38 ~~(11) (9)~~ For purposes of IC 12-24-6, the meaning set forth in  
 39 IC 12-24-6-1.  
 40 ~~(12) (10)~~ For purposes of IC 12-24-14, the meaning set forth in  
 41 IC 12-24-14-1.  
 42 ~~(13) (11)~~ For purposes of IC 12-30-7, the meaning set forth in  
 43 IC 12-30-7-3.

44 SECTION 381. IC 12-7-2-124.6 IS ADDED TO THE INDIANA  
 45 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 46 [EFFECTIVE UPON PASSAGE]: **Sec. 124.6. "Local director" refers**  
 47 **to a director of a local office of the division of family resources.**

48 SECTION 382. IC 12-7-2-124.8 IS ADDED TO THE INDIANA  
 49 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 50 [EFFECTIVE UPON PASSAGE]: **Sec. 124.8. "Local office" refers**

1 **to a county or district office of the division of family resources.**

2 SECTION 383. IC 12-8-10-1, AS AMENDED BY P.L.1-2007,  
3 SECTION 112, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies only to  
5 the indicated money of the following state agencies to the extent that  
6 the money is used by the agency to obtain services from grantee  
7 agencies to carry out the program functions of the agency:

8 (1) Money appropriated or allocated to a state agency from money  
9 received by the state under the federal Social Services Block  
10 Grant Act (42 U.S.C. 1397 et seq.).

11 (2) The division of aging, except this chapter does not apply to  
12 money expended under the following:

13 (A) The following statutes, unless application of this chapter  
14 is required by another subdivision of this section:

15 (i) IC 12-10-6.

16 (ii) IC 12-10-12.

17 (B) Epilepsy services.

18 (3) The division of family resources, for money expended under  
19 the following programs:

20 (A) The child development associate scholarship program.

21 (B) The dependent care program.

22 (C) Migrant day care.

23 ~~(D) The youth services bureau.~~

24 ~~(E) The project safe program.~~

25 ~~(F) (D) The commodities program.~~

26 ~~(G) (E) The migrant nutrition program.~~

27 ~~(H) (F) Any emergency shelter program.~~

28 ~~(I) (G) The energy weatherization program.~~

29 ~~(J) (H) Programs for individuals with developmental~~  
30 ~~disabilities.~~

31 (4) The state department of health, for money expended under the  
32 following statutes:

33 (A) IC 16-19-10.

34 (B) IC 16-38-3.

35 (5) The group.

36 (6) All state agencies, for any other money expended for the  
37 purchase of services if all the following apply:

38 (A) The purchases are made under a contract between the state  
39 agency and the office of the secretary.

40 (B) The contract includes a requirement that the office of the  
41 secretary perform the duties and exercise the powers described  
42 in this chapter.

43 (C) The contract is approved by the budget agency.

44 (7) The division of mental health and addiction.

45 SECTION 384. IC 12-13-5-5, AS AMENDED BY P.L.234-2005,  
46 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
47 JANUARY 1, 2009]: Sec. 5. (a) Each county auditor shall keep records  
48 and make reports relating to the county welfare fund (before July 1,  
49 2001), the family and children's fund (**before January 1, 2009**), and  
50 other financial transactions as required under IC 12-13 through  
51 IC 12-19 and as required by the division or the department of child

1 services.

2 (b) All records provided for in IC 12-13 through IC 12-19 shall be  
3 kept, prepared, and submitted in the form required by the division or  
4 the department of child services and the state board of accounts.

5 SECTION 385. IC 12-14-25-9, AS AMENDED BY P.L.145-2006,  
6 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 JANUARY 1, 2009]: Sec. 9. ~~(a)~~ The codirectors of the election division  
8 shall notify the division of family resources ~~and the department of child~~  
9 ~~services~~ of the following:

10 (1) The scheduled date of each primary, general, municipal, and  
11 special election.

12 (2) The jurisdiction in which the election will be held.

13 SECTION 386. IC 12-15-1.5-8, AS AMENDED BY P.L.145-2006,  
14 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JANUARY 1, 2009]: Sec. 8. (a) The codirectors of the election division  
16 shall provide the division of family resources ~~and the department of~~  
17 ~~child services~~ with a list of the current addresses and telephone  
18 numbers of the offices of the circuit court clerk or board of registration  
19 in each county. The division of family resources ~~and the department of~~  
20 ~~child services~~ shall promptly forward the list and each revision of the  
21 list to each ~~county local~~ office.

22 (b) The codirectors shall provide the division of family resources  
23 ~~and the department of child services~~ with pre-addressed packets for  
24 county offices to transmit applications under section 6(1) or 6(2) of this  
25 chapter.

26 SECTION 387. IC 12-15-2-16, AS AMENDED BY P.L.145-2006,  
27 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 UPON PASSAGE]: Sec. 16. An individual:

29 (1) who is less than eighteen (18) years of age;

30 (2) who is described in 42 U.S.C. 1396a(a)(10)(A)(ii); and

31 (3) who is:

32 (A) a child in need of services (as defined in IC 31-34-1);

33 (B) a child placed in the custody of the department of child  
34 services ~~or a county office~~ under IC 31-35-6-1 (or IC 31-6-5-5  
35 before its repeal); or

36 (C) a child placed under the supervision or in the custody of  
37 the department of child services ~~or a county office~~ by an order  
38 of the court;

39 is eligible to receive Medicaid.

40 SECTION 388. IC 12-16-7.5-4.5, AS AMENDED BY  
41 P.L.218-2007, SECTION 38, IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4.5. (a) Not later  
43 than October 31 following the end of each state fiscal year, the division  
44 shall:

45 (1) calculate for each county the total amount of payable claims  
46 submitted to the division during the state fiscal year attributed to:

47 (A) patients who were residents of the county; and

48 (B) patients:

49 (i) who were not residents of Indiana;

50 (ii) whose state of residence could not be determined by the  
51 division; and

- 1 (iii) who were residents of Indiana but whose county of  
 2 residence in Indiana could not be determined by the  
 3 division;  
 4 and whose medical condition that necessitated the care or  
 5 service occurred in the county;
- 6 (2) notify each county of the amount of payable claims attributed  
 7 to the county under the calculation made under subdivision (1);  
 8 and
- 9 (3) with respect to payable claims attributed to a county under  
 10 subdivision (1):
- 11 (A) calculate the total amount of payable claims submitted  
 12 during the state fiscal year for:
- 13 (i) each hospital;  
 14 (ii) each physician; and  
 15 (iii) each transportation provider; and
- 16 (B) determine the amount of each payable claim for each  
 17 hospital, physician, and transportation provider listed in clause  
 18 (A).
- 19 (b) For the state fiscal years beginning after June 30, 2005, but  
 20 before July 1, 2007, and before November 1 following the end of a  
 21 state fiscal year, the division shall allocate the funds transferred from  
 22 a county's hospital care for the indigent fund to the state hospital care  
 23 for the indigent fund under IC 12-16-14 during or for the following  
 24 state fiscal years:
- 25 (1) For the state fiscal year ending June 30, 2006, as required  
 26 under the following STEPS:
- 27 STEP ONE: Determine the total amount of funds transferred  
 28 from all counties' hospital care for the indigent funds by the  
 29 counties to the state hospital care for the indigent fund under  
 30 IC 12-16-14 during or for the state fiscal year.
- 31 STEP TWO: Of the total amount of payable claims submitted  
 32 to the division during the state fiscal year from all counties  
 33 under subsection (a), determine the amount that is the lesser  
 34 of:
- 35 (A) the amount of total physician payable claims and total  
 36 transportation provider payable claims; or  
 37 (B) three million dollars (\$3,000,000).
- 38 The amount determined under this STEP shall be used by the  
 39 division to make payments under section 5 of this chapter.
- 40 STEP THREE: Transfer an amount equal to the sum of:
- 41 (A) the non-federal share of the payments made under  
 42 clause (A) of STEP FIVE of IC 12-15-15-1.5(b);  
 43 (B) the amount transferred under IC 12-15-20-2(8)(F); and  
 44 (C) the non-federal share of the payments made under  
 45 IC 12-15-15-9 and IC 12-15-15-9.5;
- 46 to the Medicaid indigent care trust fund for funding the  
 47 transfer to the office and the non-federal share of the payments  
 48 identified in this STEP.
- 49 STEP FOUR: Transfer an amount equal to sixty-one million  
 50 dollars (\$61,000,000) less the sum of:
- 51 (A) the amount determined in STEP TWO; and

- 1 (B) the amount transferred under STEP THREE;  
 2 to the Medicaid indigent care trust fund for funding the  
 3 non-federal share of payments under clause (B) of STEP FIVE  
 4 of IC 12-15-15-1.5(b).  
 5 STEP FIVE: Transfer to the Medicaid indigent care trust fund  
 6 for the programs referenced at IC 12-15-20-2(8)(D)(vi) and  
 7 funded in accordance with IC 12-15-20-2(8)(H) the amount  
 8 determined under STEP ONE, less the sum of the amount:  
 9 (A) determined in STEP TWO;  
 10 (B) transferred in STEP THREE; and  
 11 (C) transferred in STEP FOUR.
- 12 (2) For the state fiscal year ending June 30, 2007, as required  
 13 under the following steps:  
 14 STEP ONE: Determine the total amount of funds transferred  
 15 from all counties' hospital care for the indigent funds by the  
 16 counties to the state hospital care for the indigent fund under  
 17 IC 12-16-14 during or for the state fiscal year.  
 18 STEP TWO: Of the total amount of payable claims submitted  
 19 to the division during the state fiscal year from all counties  
 20 under subsection (a), determine the amount that is the lesser  
 21 of:  
 22 (A) the amount of total physician payable claims and total  
 23 transportation provider payable claims; or  
 24 (B) three million dollars (\$3,000,000).  
 25 The amount determined under this STEP shall be used by the  
 26 division for making payments under section 5 of this chapter  
 27 or for the non-federal share of Medicaid payments for  
 28 physicians and transportation providers, as determined by the  
 29 office.  
 30 STEP THREE: Transfer an amount equal to the sum of:  
 31 (A) the non-federal share of five million dollars  
 32 (\$5,000,000) for the payment made under clause (A) of  
 33 STEP FIVE of IC 12-15-15-1.5(b);  
 34 (B) the amount transferred under IC 12-15-20-2(8)(F); and  
 35 (C) the non-federal share of the payments made under  
 36 IC 12-15-15-9 and IC 12-15-15-9.5;  
 37 to the Medicaid indigent care trust fund for funding the  
 38 transfer to the office and the non-federal share of the payments  
 39 identified in this STEP.  
 40 STEP FOUR: Transfer an amount equal to the amount  
 41 determined under STEP ONE less the sum of:  
 42 (A) the amount determined in STEP TWO; and  
 43 (B) the amount transferred under STEP THREE;  
 44 to the Medicaid indigent care trust fund for funding the  
 45 non-federal share of payments under clause (B) of STEP FIVE  
 46 of IC 12-15-15-1.5(b).
- 47 (c) For the state fiscal years beginning after June 30, 2007, before  
 48 November 1 following the end of the state fiscal year, the division shall  
 49 allocate the funds transferred ~~from a county's hospital care for the~~  
 50 ~~indigent fund~~ to the state hospital care for the indigent fund ~~under~~  
 51 ~~IC 12-16-14 during or for the state fiscal year~~ as required under the

1 following STEPS:

2 STEP ONE: Determine the total amount of funds transferred from  
3 a county's hospital care for the indigent fund by the county to the  
4 state hospital care for the indigent fund under IC 12-16-14 during  
5 or for the state fiscal year.

6 STEP TWO: ~~Of the total amount of payable claims submitted to~~  
7 ~~the division during the state fiscal year attributed to the county~~  
8 ~~under subsection (a); Determine the amount of total physician~~  
9 ~~payable claims, and total transportation provider payable claims.~~  
10 ~~Of the amounts determined for physicians and transportation~~  
11 ~~providers, calculate the sum of those amounts as a percentage of~~  
12 ~~an amount equal to the sum of the total payable physician claims~~  
13 ~~and total payable transportation provider claims attributed to all~~  
14 ~~the counties submitted to the division during the state fiscal year.~~  
15 **specified in STEP THREE.**

16 STEP THREE: ~~Multiply The amount to be used under STEP~~  
17 ~~TWO is three million dollars (\$3,000,000). by the percentage~~  
18 ~~calculated under STEP TWO.~~

19 STEP FOUR: Transfer to the Medicaid indigent care trust fund  
20 for purposes of IC 12-15-20-2(8)(G) an amount equal to the  
21 amount calculated under STEP ONE, minus an amount equal to  
22 the amount ~~calculated~~ **specified** under STEP THREE.

23 STEP FIVE: The division shall retain an amount equal to the  
24 amount remaining in the state hospital care for the indigent fund  
25 after the transfer in STEP FOUR for purposes of making  
26 payments under section 5 of this chapter or for the non-federal  
27 share of Medicaid payments for physicians and transportation  
28 providers, as determined by the office.

29 (d) The costs of administering the hospital care for the indigent  
30 program, including the processing of claims, shall be paid from the  
31 funds transferred to the state hospital care for the indigent fund.

32 SECTION 389. IC 12-16-14-6 IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. ~~(a)~~ The state  
34 hospital care for the indigent fund is established.

35 ~~(b) Before the fifth day of each month, all money contained in a~~  
36 ~~county hospital care for the indigent fund at the end of the preceding~~  
37 ~~month shall be transferred to the state hospital care for the indigent~~  
38 ~~fund.~~

39 SECTION 390. IC 12-16-14-7 IS AMENDED TO READ AS  
40 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7. ~~(a)~~ The state  
41 hospital care for the indigent fund ~~consists of~~ **includes** the following:

42 (1) The money transferred to the state hospital care for the  
43 indigent fund from ~~the a county. hospital care for the indigent~~  
44 ~~funds.~~

45 (2) Any contributions to the fund from individuals, corporations,  
46 foundations, or others for the purpose of providing hospital care  
47 for the indigent.

48 ~~(3) The money advanced to the fund under IC 12-16-15.~~

49 ~~(4)~~ **(3)** The appropriations made ~~specifically~~ to the fund by the  
50 general assembly.

51 ~~(b) This section does not obligate the general assembly to~~

1 appropriate money to the state hospital care for the indigent fund.

2 SECTION 391. IC 12-16-17 IS ADDED TO THE INDIANA CODE  
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
4 JANUARY 1, 2009]:

5 **Chapter 17. Health and Hospital Corporation of Marion County**

6 **Sec. 1. The office of the secretary of family and social services**  
7 **shall annually transfer forty million dollars (\$40,000,000) to a**  
8 **hospital corporation established under IC 16-22-8 from the state**  
9 **general fund for the purposes of the hospital corporation.**

10 **Sec. 2. A transfer required in a calendar year under section 1 of**  
11 **this chapter shall be made in four (4) equal installments before**  
12 **April 30, July 31, September 30, and December 31.**

13 **Sec. 3. The maximum permissible property tax levy that a**  
14 **hospital corporation established under IC 16-22-8 would otherwise**  
15 **be permitted to impose under IC 6-1.1-18.5-3 shall be reduced by**  
16 **thirty-five million dollars (\$35,000,000) in a calendar year in which**  
17 **section 1 of this chapter provides for a transfer.**

18 SECTION 392. IC 12-19-1-1 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~A county office~~  
20 **The division shall establish local offices** of family and children ~~is~~  
21 ~~established resources~~ in each county ~~or district designated by the~~  
22 ~~division.~~  
**division.**

23 SECTION 393. IC 12-19-1-2, AS AMENDED BY P.L.138-2007,  
24 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
25 UPON PASSAGE]: Sec. 2. (a) The director of the ~~department of child~~  
26 ~~services division~~ shall appoint a ~~county local~~ director ~~in~~ ~~for~~ each  
27 ~~county.~~ **local office.**

28 (b) ~~The director of the department of child services shall appoint~~  
29 ~~each county director:~~

30 (1) ~~solely on the basis of merit; and~~

31 (2) ~~from eligible lists established by the state personnel~~  
32 ~~department.~~

33 (c) ~~Each county~~ (b) **A local** director must be a citizen of the United  
34 States.

35 SECTION 394. IC 12-19-1-3 IS AMENDED TO READ AS  
36 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The ~~county local~~  
37 director is the executive and administrative officer of the ~~county local~~  
38 office.

39 SECTION 395. IC 12-19-1-4 IS AMENDED TO READ AS  
40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A ~~county~~  
41 **local** director is entitled to receive as compensation for the ~~county local~~  
42 director's services an amount determined by the division that is within:

43 (1) the lawfully established appropriations; and

44 (2) the salary ranges of the pay plan adopted by the state  
45 personnel department and approved by the budget committee.

46 (b) Compensation paid to a ~~county local~~ director shall be paid in the  
47 same manner that compensation is paid to other state employees.

48 SECTION 396. IC 12-19-1-5 IS AMENDED TO READ AS  
49 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) In addition  
50 to the compensation paid under this article, a ~~county local~~ director may  
51 receive for each mile necessarily traveled in the discharge of the ~~county~~



1 **local** director's duties the same amount per mile that other state  
2 employees receive.

3 (b) A **county local** director is also entitled to a per diem for lodging  
4 and meal expenses if the **county local** director's official duties require  
5 the **county local** director to travel outside of the county **where the local**  
6 **director's county: permanent office is located.** The per diem for a  
7 **county local** director's lodging and meals shall be paid at the rate set by  
8 law for other state employees.

9 (c) ~~An amount to be paid under this section for traveling expenses~~  
10 ~~or for a per diem for lodging and meals shall be paid only if the amount~~  
11 ~~has been made available by appropriation.~~

12 SECTION 397. IC 12-19-1-7, AS AMENDED BY P.L.145-2006,  
13 SECTION 107, IS AMENDED TO READ AS FOLLOWS  
14 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The **county local** director  
15 shall appoint from eligible lists established by the state personnel  
16 department the number of assistants necessary to

17 ~~(1) administer the welfare activities within the county or district~~  
18 ~~that are administered by the division under IC 12-13 through~~  
19 ~~IC 12-19 or by an administrative rule, with the approval of the~~  
20 ~~director of the division. or~~

21 ~~(2) administer the child services (as defined in IC 12-19-7-1) and~~  
22 ~~child welfare activities within the county that are the~~  
23 ~~responsibility of the department under IC 12-13 through IC 12-19~~  
24 ~~and IC 31-25 through IC 31-40 or by an administrative rule, with~~  
25 ~~the approval of the director of the department.~~

26 (b) The

27 ~~(1) division, for personnel performing activities described in~~  
28 ~~subsection (a)(1);~~

29 ~~(2) department, for personnel performing activities described in~~  
30 ~~subsection (a)(2); or~~

31 ~~(3) division and the department jointly for personnel performing~~  
32 ~~activities in both subsection (a)(1) and (a)(2);~~

33 **(a)**, shall determine the compensation of the assistants within the salary  
34 ranges of the pay plan adopted by the state personnel department and  
35 approved by the budget agency, with the advice of the budget  
36 committee, and within lawfully established appropriations.

37 SECTION 398. IC 12-19-1-8, AS AMENDED BY P.L.234-2005,  
38 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 UPON PASSAGE]: Sec. 8. (a) ~~Except as provided in subsection (b);~~  
40 ~~The costs of personal services in the administration of a county local~~  
41 ~~office's duties under this article if the employment is necessary for the~~  
42 ~~administration of the county office's duties imposed upon the county~~  
43 ~~office by this article and rules prescribed by the division or the~~  
44 ~~department shall be paid by the following:~~

45 ~~(1) the division, for activities described in section 7(a)(1) 7(a) of~~  
46 ~~this chapter~~

47 ~~(2) The department, for activities described in section 7(a)(2) of~~  
48 ~~this chapter.~~

49 ~~(b) The division and the department shall negotiate and agree to the~~  
50 ~~payment of personnel services within the administration of a county~~

1 office for activities that qualify under both section 7(a)(1) and 7(a)(2)  
2 of this chapter. **shall be paid by the division.**

3 SECTION 399. IC 12-19-1-9 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The division  
5 shall provide the necessary facilities to house the **county local** office.

6 (b) The division shall pay for the costs of the facilities, supplies, and  
7 equipment needed by each **county local** office. ~~including the transfer~~  
8 ~~to the county that is required by IC 12-13-5.~~

9 SECTION 400. IC 12-19-1-10, AS AMENDED BY P.L.234-2005,  
10 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
11 UPON PASSAGE]: Sec. 10. ~~(a)~~ Subject to the rules adopted by the  
12 director of the division, a **county local** office shall administer the  
13 following:

14 (1) Assistance to dependent children in the homes of the  
15 dependent children.

16 (2) Assistance and services to elderly persons.

17 (3) Assistance to persons with disabilities.

18 (4) Care and treatment of the following persons, **other than**  
19 **persons for whom the department of child services is**  
20 **providing services under IC 31 for the following:**

21 (A) Dependent children.

22 (B) Children with disabilities.

23 ~~(5) Provision of family preservation services.~~

24 ~~(6)~~ **(5)** Any other welfare activities that are delegated to the  
25 **county local** office by the division, ~~under this chapter~~; including  
26 services concerning assistance to the blind.

27 SECTION 401. IC 12-19-1-13 IS AMENDED TO READ AS  
28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) A **county**  
29 **local** office may sue and be sued under the name of "The **County** Office  
30 of Family ~~and Children Resources~~ of \_\_\_\_\_" **(Insert:**  
31 **"County" or "District", as appropriate).**

32 (b) The **county local** office has all other rights and powers and shall  
33 perform all other duties necessary to administer this chapter.

34 (c) A suit brought against a **county local** office may be filed in ~~the~~  
35 ~~following:~~

36 ~~(1) The any circuit or superior~~ court with jurisdiction in the  
37 ~~county-~~ **area served by the local office.**

38 ~~(2) A superior court or any other court of the county.~~

39 (d) A notice or summons in a suit brought against the **county local**  
40 office must be served on the **county local** director. It is not required to  
41 name the individual employees of the **county local** office as either  
42 plaintiff or defendant.

43 SECTION 402. IC 12-19-1-15 IS AMENDED TO READ AS  
44 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. (a) ~~A county~~  
45 **office The division** may receive and administer a gift, devise, or  
46 bequest of personal property, including the income from real property,  
47 that is

48 ~~(1) to or for the benefit of a home or an institution in which~~  
49 ~~dependent or neglected children are cared for under the~~  
50 ~~supervision of the county office; or~~

(2) for the benefit of children who are committed to the care or supervision of the county an individual receiving payments or services through a local office.

(b) A county office may invest or reinvest money received under this section in the same types of securities in which life insurance companies are authorized by law to invest the money of the life insurance companies.

~~(c)~~ (b) The following division shall be kept in establish a special fund and or an account in a trust fund for the money received under this section. The expenses of administering the fund or account shall be paid from money in the fund or account. The money may not be commingled with any other fund or with money received from taxation.

~~(1)~~ All money received by the county office under this section:

~~(2)~~ All money, proceeds, or income realized from real property or other investments.

(c) The treasurer of state shall invest the money in the fund or account not currently needed to meet the obligations of the fund or account in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund or account.

(d) Money in the fund or account at the end of a state fiscal year does not revert to the state general fund.

~~(d)~~ (e) Subject to the approval of the judge or the court of the county having probate jurisdiction, money described in subsection ~~(c)~~(1) or ~~(c)~~(2) in the fund or account may be expended by the county office division in any manner consistent with the purposes of the fund's creation fund or account created under this section and with the intention of the donor.

SECTION 403. IC 12-19-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 16. (a) This section does not apply to money received to reimburse the county family and children's fund for expenditures made from the appropriations of the county office: **appropriated by the general assembly, including any federal grant.**

(b) A county office may receive and administer money available to or for the benefit of a person receiving payments or services from the county office. The following applies to all money received under this section: **(1) The money shall be kept in a special fund known as The county family and children resources trust clearance fund and is established to administer money available to or for the benefit of an individual receiving payments or services through a local office. The fund shall be administered by the division. Separate accounts in the fund shall be established, as appropriate, to carry out the purposes of the donors of the money deposited in the fund.**

(c) **The expenses of administering the fund shall be paid from money in the fund.**

(d) **Money in the fund** may not be commingled with any other fund or with money received from taxation. ~~(2)~~ The money may be expended by the county local office in any manner consistent with the following:

~~(A)~~ **(1) The purpose of the county family and children trust**

clearance fund or with the intention of the donor of the money.

~~(B)~~ (2) Indiana law.

(e) **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.**

(f) **Money in the fund at the end of a state fiscal year does not revert to the state general fund.**

SECTION 404. IC 12-19-1-18, AS AMENDED BY P.L.145-2006, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) After petition to and with the approval of the judge of ~~the~~ a circuit court **of the county where an applicant for or recipient of public assistance resides (or, if a superior court has probate jurisdiction in the county, the superior court that has probate jurisdiction where the recipient of public assistance resides)**, a ~~county~~ local office may take the actions described in subsection (b) if:

(1) an applicant for public assistance is physically or mentally incapable of completing an application for assistance; or

(2) a recipient of public assistance:

(A) is incapable of managing the recipient's affairs; or

(B) refuses to:

(i) take care of the recipient's money properly; or

(ii) comply with the director of the division's rules and policies.

(b) If the conditions of subsection (a) are satisfied, the ~~county~~ local office may designate a responsible person to do the following:

(1) Act for the applicant or recipient.

(2) Receive on behalf of the recipient the assistance the recipient is eligible to receive under any of the following:

(A) This chapter.

(B) IC 12-10-6.

(C) IC 12-14-1 through IC 12-14-9.5.

(D) IC 12-14-13 through IC 12-14-19.

(E) IC 12-15.

(F) IC 16-35-2.

(c) A fee for services provided under this section may be paid to the responsible person in an amount not to exceed ten dollars (\$10) each month. The fee may be allowed:

(1) in the monthly assistance award; or

(2) by vendor payment if the fee would cause the amount of assistance to be increased beyond the maximum amount permitted by statute.

SECTION 405. IC 12-19-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) A responsible person approved under section 18 of this chapter preferably must be a relative or friend of good moral character whose interest is limited to the well-being of the applicant or recipient. However, the responsible person may not be any of the following:

(1) An employee of the ~~county~~ local office.

(2) The superintendent of a county home.

1 (3) A person directly or indirectly financially connected with a  
2 health facility or an institution giving care to the recipient.

3 (4) A person directly or indirectly connected with the operation of  
4 a health facility or an institution giving care to the recipient.

5 (b) Costs may not be charged by a person or public official in  
6 proceedings concerning the appointment of a responsible person under  
7 section 18 of this chapter.

8 SECTION 406. IC 12-19-1-21 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 21. (a)  
10 Notwithstanding any other law, after December 31, 1999, a county may  
11 not impose any of the following:

12 (1) A property tax levy for a county welfare fund.

13 (2) A property tax levy for a county welfare administration fund.

14 **(b) Notwithstanding any other law, after December 31, 2008, a**  
15 **county may not impose any of the following:**

16 **(1) A property tax levy for a county medical assistance to**  
17 **wards fund.**

18 **(2) A property tax levy for a county family and children's**  
19 **services fund.**

20 **(3) A property tax levy for a children's psychiatric residential**  
21 **treatment services fund.**

22 **(4) A property tax levy for a children with special health care**  
23 **needs county fund.**

24 SECTION 407. IC 12-19-1-22 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) ~~All bonds issued~~  
26 ~~and loans made under IC 12-1-11 (before its repeal) or this article~~  
27 ~~before January 1, 2000; that are payable from property taxes imposed~~  
28 ~~under IC 12-19-3 (before its repeal):~~

29 (1) ~~are direct general obligations of the county issuing the bonds~~  
30 ~~or making the loans; and~~

31 (2) ~~are payable out of unlimited ad valorem taxes that shall be~~  
32 ~~levied and collected on all taxable property within the county.~~

33 (b) Each official and body responsible for the levying of taxes for  
34 the county must ensure that sufficient levies are made to meet the  
35 principal and interest on ~~the~~ **all bonds issued** and loans **made under**  
36 **this article before January 1, 2009**, at the time fixed for the payment  
37 of the principal and interest, without regard to any other statute. If an  
38 official or a body fails or refuses to make or allow a sufficient levy  
39 required by this section, the bonds and loans and the interest on the  
40 bonds and loans shall be payable out of the county general fund without  
41 appropriation.

42 SECTION 408. IC 12-19-2-1 IS AMENDED TO READ AS  
43 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Unless expressly  
44 prohibited by law, the premiums on all bonds that an officer or other  
45 person is required to execute under this article shall be paid in the same  
46 manner as other expenses of the division ~~or county office~~ are paid out  
47 of the appropriation for fixed charges.

48 SECTION 409. IC 12-19-2-2, AS AMENDED BY P.L.234-2005,  
49 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
50 UPON PASSAGE]: Sec. 2. The following are not personally liable,  
51 except to the state, for an official act done or omitted in connection

1 with the performance of duties under this article:

- 2 (1) The director of the division.  
 3 (2) Officers and employees of the division.  
 4 (3) Officers and employees of a **county local** office.  
 5 ~~(4) The director of the department of child services.~~  
 6 ~~(5) Officers and employees of the department of child services.~~

7 SECTION 410. IC 12-19-2-3, AS AMENDED BY P.L.234-2005,  
 8 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 UPON PASSAGE]: Sec. 3. An officer or employee of:

- 10 (1) the division; **or**  
 11 (2) a **county local** office; **or**  
 12 ~~(3) the department of child services;~~

13 may administer oaths and affirmations required to carry out the  
 14 purposes of this article or of any other statute imposing duties on the  
 15 **county local** office.

16 SECTION 411. IC 12-19-2-5 IS AMENDED TO READ AS  
 17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A person who is  
 18 related to a **county local** director in the following manner is not eligible  
 19 for a position in the **county local** office:

- 20 (1) Husband or wife.  
 21 (2) Father or mother.  
 22 (3) Son or daughter.  
 23 (4) Son-in-law or daughter-in-law.  
 24 (5) Brother or sister.  
 25 (6) Niece or nephew.  
 26 (7) Uncle or aunt.

27 SECTION 412. IC 12-19-2-6 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A person  
 29 prohibited under section 5 of this chapter from employment with a  
 30 **county local** office may not receive compensation for services  
 31 performed for the **county local** office from appropriations made by the  
 32 state or by the county.

33 SECTION 413. IC 12-19-7-1, AS AMENDED BY P.L.145-2006,  
 34 SECTION 109, IS AMENDED TO READ AS FOLLOWS  
 35 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,  
 36 "child services" means the following:

- 37 (1) Child welfare services specifically provided for children who  
 38 are:  
 39 (A) adjudicated to be:  
 40 (i) children in need of services; or  
 41 (ii) delinquent children; or  
 42 (B) recipients of or are eligible for:  
 43 (i) informal adjustments;  
 44 (ii) service referral agreements; and  
 45 (iii) adoption assistance;

46 including the costs of using an institution or facility in Indiana for  
 47 providing educational services as described in either  
 48 IC 20-33-2-29 (if applicable) or IC 20-26-11-13 (if applicable), all  
 49 services required to be paid by a county under IC 31-40-1-2, and  
 50 all costs required to be paid by a county under IC 20-26-11-12.

- 51 (2) Assistance awarded by a county to a destitute child under

1 IC 31-26-2.

2 (3) Child welfare services as described in IC 31-26-3 (**before its**  
3 **repeal) or child welfare programs under IC 31-26-3.5.**

4 SECTION 414. IC 12-19-7-1.5, AS AMENDED BY P.L.145-2006,  
5 SECTION 110, IS AMENDED TO READ AS FOLLOWS  
6 [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) The division or the  
7 department of child services may transfer any of the following to a  
8 county family and children's fund:

9 (1) Money transferred under P.L.273-1999, SECTION 126, to the  
10 division from a county welfare fund on or after July 1, 2000,  
11 without regard to the county from which the money was  
12 transferred.

13 (2) Money appropriated to the division or department for any of  
14 the following:

15 (A) Assistance awarded by the department or a county office  
16 to a destitute child under IC 31-26-2.

17 (B) Child welfare services as described in IC 31-26-3 (**before**  
18 **its repeal) or child welfare programs under IC 31-26-3.5.**

19 (C) Any other services for which the expenses were paid from  
20 a county welfare fund before January 1, 2000.

21 (b) Money transferred under subsection (a)(1) or (a)(2) must be used  
22 for purposes described in subsection (a)(2).

23 SECTION 415. IC 12-24-13-5, AS AMENDED BY P.L.1-2005,  
24 SECTION 140, IS AMENDED TO READ AS FOLLOWS  
25 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) **Except as provided in**  
26 **section 6 of this chapter**, whenever placement of a child with a  
27 disability (as defined in IC 20-35-1-2) in a state institution is necessary  
28 for the provision of special education for that child, the cost of the  
29 child's education program, nonmedical care, and room and board shall  
30 be paid by the division rather than by the child's parents, guardian, or  
31 other responsible party.

32 (b) The child's parents, guardian, or other responsible party shall pay  
33 the cost of any transportation not required by the child's individualized  
34 education program (as defined in IC 20-18-2-9). The school  
35 corporation in which the child has legal settlement (as determined  
36 under IC 20-26-11) shall pay the cost of transportation required by the  
37 student's individualized education program under IC 20-35-8-2.  
38 However, this section does not relieve an insurer or other third party  
39 from an otherwise valid obligation to provide or pay for the services  
40 provided to the child.

41 (c) The Indiana state board of education and the divisions shall  
42 jointly establish a procedure and standards for determining when  
43 placement in a state institution is necessary for the provision of special  
44 education for a child.

45 SECTION 416. IC 12-24-13-6, AS AMENDED BY P.L.145-2006,  
46 SECTION 125, IS AMENDED TO READ AS FOLLOWS  
47 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. The department of child  
48 services ~~or a county office~~ is responsible for the cost of treatment or  
49 maintenance of a child under the department's ~~or county office's~~  
50 custody or supervision who is placed **by or with the consent of the**  
51 **department of child services** in a state institution. ~~only if the cost is~~

1 reimbursable under the state Medicaid program under IC 12-15.

2 SECTION 417. IC 12-26-8-9 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9. A juvenile  
4 court that commits a child under this article shall require the ~~county~~  
5 **office department of child services for a child who is a child in need**  
6 **of services** or the probation department for the court to report to the  
7 court on the progress made in implementing the commitment at least  
8 every six (6) months. If the committed child is a child in need of  
9 services, the ~~county office~~ **department of child services** shall perform  
10 case reviews of the child's commitment under IC 31-34-21.

11 SECTION 418. IC 12-26-10-4, AS AMENDED BY P.L.145-2006,  
12 SECTION 126, IS AMENDED TO READ AS FOLLOWS  
13 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. If the comfort and the care  
14 of an individual are not otherwise provided:

- 15 (1) from the individual's estate;  
16 (2) by the individual's relatives or friends; or  
17 (3) through financial assistance from the department of child  
18 services **or** the division of family resources; ~~or a county office~~;  
19 the court may order the assistance furnished and paid for out of the  
20 general fund of the county.

21 SECTION 419. IC 12-29-1-5, AS AMENDED BY HEA 1137-2008,  
22 SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
23 UPON PASSAGE]: Sec. 5. All general Indiana statutes relating to the  
24 following apply to the issuance of county bonds under this chapter:

- 25 (1) The filing of a petition requesting the issuance of bonds.  
26 (2) The giving of notice of the following:  
27 (A) The filing of the petition requesting the issuance of the  
28 bonds.  
29 (B) The determination to issue bonds.  
30 (C) A hearing on the appropriation of the proceeds of the  
31 bonds.  
32 (3) The right of taxpayers to appear and be heard on the proposed  
33 appropriation.  
34 (4) The approval of the appropriation by the department of local  
35 government finance (before January 1, 2009). ~~or the county board~~  
36 ~~of tax and capital projects review (after December 31, 2008)~~.  
37 (5) **Before July 1, 2008**, the right of taxpayers and voters to  
38 remonstrate against the issuance of bonds.

- 39 **(6) After June 30, 2008:**  
40 **(A) the right of taxpayers and voters to remonstrate**  
41 **against the issuance of bonds, in the case of a proposed**  
42 **bond issue described by IC 6-1.1-20-3.1(a); or**  
43 **(B) voters to vote on the issuance of bonds, in the case of a**  
44 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

45 SECTION 420. IC 12-29-2-18, AS AMENDED BY P.L.219-2007,  
46 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
47 JULY 1, 2008]: Sec. 18. All general Indiana statutes relating to the  
48 following apply to the issuance of county bonds under this chapter:

- 49 (1) The filing of a petition requesting the issuance of bonds.  
50 (2) The giving of notice of the following:  
51 (A) The filing of the petition requesting the issuance of the



- 1 bonds.
- 2 (B) The determination to issue bonds.
- 3 (C) A hearing on the appropriation of the proceeds of the
- 4 bonds.
- 5 (3) The right of taxpayers to appear and be heard on the proposed
- 6 appropriation.
- 7 (4) The approval of the appropriation by the department of local
- 8 government finance.
- 9 (5) The right of:
- 10 (A) taxpayers and voters to remonstrate against the issuance of
- 11 bonds **in the case of a proposed bond issue described by**
- 12 **IC 6-1.1-20-3.1(a); or**
- 13 **(B) voters to vote on the issuance of bonds in the case of a**
- 14 **proposed bond issue described by IC 6-1.1-20-3.5(a).**
- 15 SECTION 421. IC 13-18-8-2, AS AMENDED BY P.L.224-2007,
- 16 SECTION 103, IS AMENDED TO READ AS FOLLOWS
- 17 [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) If the offender is a municipal
- 18 corporation, the cost of:
- 19 (1) acquisition, construction, repair, alteration, or extension of the
- 20 necessary plants, machinery, or works; or
- 21 (2) taking other steps that are necessary to comply with the order;
- 22 shall be paid out of money on hand available for these purposes or out
- 23 of the general money of the municipal corporation not otherwise
- 24 appropriated.
- 25 (b) If there is not sufficient money on hand or unappropriated, the
- 26 necessary money shall be raised by the issuance of bonds. The bond
- 27 issue is subject only to the approval of the department of local
- 28 government finance (before ~~January 1, 2009~~) **or the county board of tax**
- 29 **and capital projects review (after December 31, 2008): July 1, 2008).**
- 30 SECTION 422. IC 13-21-3-15 IS AMENDED TO READ AS
- 31 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. (a) A district
- 32 located in a county having a population of more than thirty-two
- 33 thousand (32,000) but less than thirty-three thousand (33,000) may
- 34 appeal to the department of local government finance to have a
- 35 property tax rate in excess of the rate permitted by section 12 of this
- 36 chapter. The appeal may be granted if the district establishes that all of
- 37 the following conditions exist:
- 38 (1) The district is in the process of constructing a landfill.
- 39 (2) A higher property tax rate is necessary to pay the fees charged
- 40 by out of county landfills to dispose of solid waste generated in
- 41 the district during the design and construction phases of the
- 42 landfill being established by the district.
- 43 (b) The procedure applicable to maximum levy appeals under
- 44 IC 6-1.1-18.5 applies to an appeal under this section. Any additional
- 45 levy granted under this section
- 46 ~~(1) is not part of the total county tax levy (as defined in~~
- 47 ~~IC 6-1.1-21-2); and~~
- 48 ~~(2) may not exceed seven and thirty-three hundredths cents~~
- 49 ~~(\$0.0733) on each one hundred dollars (\$100) of assessed~~
- 50 ~~valuation of property in the district.~~
- 51 (c) The department of local government finance shall establish the

1 tax rate if a higher tax rate is permitted.

2 (d) A property tax rate imposed under this section expires not later  
3 than December 31, 1997.

4 SECTION 423. IC 13-21-3-15.5 IS AMENDED TO READ AS  
5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15.5. (a) A district  
6 may appeal to the department of local government finance to have a  
7 property tax rate in excess of the rate permitted by section 12 of this  
8 chapter. The appeal may be granted if the district with respect to 2001  
9 property taxes payable in 2002:

10 (1) imposed the maximum property tax rate established under  
11 section 12 of this chapter; and

12 (2) collected property tax revenue in an amount less than the  
13 maximum permissible ad valorem property tax levy determined  
14 for the district under IC 6-1.1-18.5.

15 (b) The procedure applicable to maximum levy appeals under  
16 IC 6-1.1-18.5 applies to an appeal under this section.

17 (c) An additional levy granted under this section

18 ~~(1) is not part of the total county tax levy (as defined in~~  
19 ~~IC 6-1.1-21-2); and~~

20 ~~(2) may not exceed the rate calculated to result in a property tax~~  
21 ~~levy equal to the maximum permissible ad valorem property tax~~  
22 ~~levy determined for the district under IC 6-1.1-18.5.~~

23 (d) The department of local government finance shall establish the  
24 tax rate if a higher tax rate is permitted.

25 SECTION 424. IC 14-23-3-3 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. ~~Annually~~ **(a) Before**  
27 **January 1, 2009**, there shall **annually** be levied, ~~and collected~~ as other  
28 **state ad valorem property** taxes are levied, ~~and collected~~ the amount  
29 of sixteen hundredths of one cent (\$0.0016) upon each one hundred  
30 dollars (\$100) worth of taxable property in Indiana. **An ad valorem**  
31 **property tax may not be levied under this section for property**  
32 **taxes first due and payable after December 31, 2008.**

33 **(b) The ad valorem property tax imposed under this section**  
34 **shall be collected as other ad valorem property taxes are collected.**  
35 **The county in which the property tax is levied shall transfer the**  
36 **amounts collected from the levy to the treasurer of state for deposit**  
37 **in the fund.**

38 (c) The money collected resulting from one hundred fifty-seven  
39 thousandths of one cent (\$0.00157) of the rate shall be paid into the  
40 fund. The money collected resulting from three thousandths of one cent  
41 (\$0.00003) is appropriated to the budget agency for purposes of  
42 department of local government finance data base management.

43 **(d) This section expires January 1, 2009.**

44 SECTION 425. IC 14-27-6-40, AS AMENDED BY P.L.219-2007,  
45 SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
46 JULY 1, 2008]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20  
47 relating to the following apply to proceedings under this chapter:

48 (1) The filing of a petition requesting the issuance of bonds and  
49 giving notice of the petition.

50 (2) The giving of notice of determination to issue bonds.

51 (3) The giving of notice of hearing on the appropriation of the

1 proceeds of bonds and the right of taxpayers to appeal and be  
2 heard on the proposed appropriation.

3 (4) The approval of the appropriation by the department of local  
4 government finance.

5 (5) The right of:

6 (A) taxpayers and voters to remonstrate against the issuance of  
7 bonds **in the case of a proposed bond issue described by**  
8 **IC 6-1.1-20-3.1(a); or**

9 **(B) voters to vote on the issuance of bonds in the case of a**  
10 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

11 (6) The sale of bonds at public sale for not less than the par value.

12 SECTION 426. IC 14-30-2-19, AS AMENDED BY P.L.224-2007,  
13 SECTION 104, IS AMENDED TO READ AS FOLLOWS  
14 [EFFECTIVE UPON PASSAGE]: Sec. 19. The commission shall  
15 prepare an annual budget for the commission's operation and other  
16 expenditures under IC 6-1.1-17. However, the annual budget is not  
17 subject to review and modification by the county board of tax  
18 adjustment (~~before January 1, 2009~~) or the county board of tax and  
19 capital projects review (~~after December 31, 2008~~) of any county.  
20 Notwithstanding any other law, the budget of the commission shall be  
21 treated for all other purposes as if the appropriate county board of tax  
22 adjustment (~~before January 1, 2009~~) or the county board of tax and  
23 capital projects review (~~after December 31, 2008~~) had approved the  
24 budget.

25 SECTION 427. IC 14-30-4-16, AS AMENDED BY P.L.224-2007,  
26 SECTION 105, IS AMENDED TO READ AS FOLLOWS  
27 [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) The commission shall  
28 prepare an annual budget for the commission's operation and other  
29 expenditures under IC 6-1.1-17. The annual budget is subject to review  
30 and modification by the county board of tax adjustment (~~before January~~  
31 ~~1, 2009~~) or the county board of tax and capital projects review (~~after~~  
32 ~~December 31, 2008~~) of any participating county.

33 (b) The commission is not eligible for funding through the Wabash  
34 River heritage corridor commission established by IC 14-13-6-6.

35 SECTION 428. IC 14-33-9-1, AS AMENDED BY P.L.224-2007,  
36 SECTION 106, IS AMENDED TO READ AS FOLLOWS  
37 [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The budget of a district:

38 (1) must be prepared and submitted:

39 (A) at the same time;

40 (B) in the same manner; and

41 (C) with notice;

42 as is required by statute for the preparation of budgets by  
43 municipalities; and

44 (2) is subject to the same review by:

45 (A) the county board of tax adjustment; (~~before January 1,~~  
46 ~~2009~~) or the county board of tax and capital projects review  
47 (~~after December 31, 2008~~); and

48 (B) the department of local government finance;

49 as is required by statute for the budgets of municipalities.

50 (b) If a district is established in more than one (1) county:

51 (1) except as provided in subsection (c), the budget shall be

1 certified to the auditor of the county in which is located the court  
2 that had exclusive jurisdiction over the establishment of the  
3 district; and

4 (2) notice must be published in each county having land in the  
5 district. Any taxpayer in the district is entitled to be heard before  
6 the county board of tax adjustment (~~before January 1, 2009~~) **or the**  
7 **county board of tax and capital projects review and**, after  
8 December 31, 2008, **the fiscal body of each county** having  
9 jurisdiction.

10 (c) If one (1) of the counties in a district contains either a first or  
11 second class city located in whole or in part in the district, the budget:

12 (1) shall be certified to the auditor of that county; and

13 (2) is subject to review at the county level only by the county  
14 board of tax adjustment (~~before January 1, 2009~~) **or the county**  
15 **board of tax and capital projects review and**, after December 31,  
16 2008, **the fiscal body** of that county.

17 SECTION 429. IC 14-33-11-8 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) Before offering  
19 bonds for sale, the board shall give notice in the same manner as is  
20 **provided required by IC 6-1.1-20** for the sale of bonds by municipal  
21 corporations.

22 (b) Persons affected are entitled to:

23 (1) remonstrate against issuance of the bonds (**in the case of a**  
24 **preliminary determination made before July 1, 2008, to issue**  
25 **bonds); or**

26 (2) **vote on the proposed issuance of bonds in an election on a**  
27 **local public question (in the case of a preliminary**  
28 **determination made after June 30, 2008, to issue bonds).**

29 (c) An action to question the validity of the bonds may not be  
30 instituted after the date fixed for sale, and the bonds are incontestable  
31 after that time.

32 SECTION 430. IC 14-33-11-9 IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. If the board is denied  
34 the right to issue bonds as a result of remonstrance proceedings **or an**  
35 **election on a local public question held under IC 6-1.1-20-3.6:**

36 (1) all contracts let by the board for work to be paid from the sale  
37 of bonds are void; and

38 (2) no liability accrues to the district or to the board.

39 SECTION 431. IC 15-13-8-3, AS ADDED BY SEA 190, SECTION  
40 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
41 2008]: Sec. 3. (a) The fund consists of the following:

42 (1) Revenue from the property tax imposed under IC 15-13-9  
43 **before January 1, 2009.**

44 (2) Appropriations made by the general assembly.

45 (3) Interest accruing from investment of money in the fund.

46 (4) Certain proceeds from the operation of the fair.

47 (b) The fund is divided into the following accounts:

48 (1) Agricultural fair revolving contingency account.

49 (2) Other accounts established by the commission.

50 (c) The money credited to the agricultural fair revolving  
51 contingency account may be used only to pay start-up expenses for the

1 fair each year. Money used to pay the start-up expenses from the  
2 account must be replaced using proceeds from the operation of the fair  
3 before the proceeds may be used for any other purpose.

4 SECTION 432. IC 15-13-9-1, AS ADDED BY SEA 190, SECTION  
5 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
6 2008]: Sec. 1. A tax is imposed upon all the taxable property in Indiana  
7 at a rate of eight hundredths of a cent (\$.0008) for each one hundred  
8 dollars (\$100) of assessed valuation **for property taxes first due and**  
9 **payable before January 1, 2009. The state may not impose an ad**  
10 **valorem property tax under this section for property taxes first due**  
11 **and payable after December 31, 2008.**

12 SECTION 433. IC 15-13-9-5 IS ADDED TO THE INDIANA  
13 CODE AS A NEW SECTION TO READ AS FOLLOWS  
14 [EFFECTIVE JULY 1, 2008]: **Sec. 5. This chapter expires January**  
15 **1, 2009.**

16 SECTION 434. IC 16-22-6-20 IS AMENDED TO READ AS  
17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. (a) If the execution  
18 of the original or a modified lease is authorized, notice of the signing  
19 shall be published on behalf of the county one (1) time in a newspaper  
20 of general circulation and published in the county. Except as provided  
21 in subsection (b), at least ten (10) taxpayers in the county whose tax  
22 rate will be affected by the proposed lease may file a petition with the  
23 county auditor not more than thirty (30) days after publication of notice  
24 of the execution of the lease. The petition must set forth the objections  
25 to the lease and facts showing that the execution of the lease is  
26 unnecessary or unwise or that the lease rental is not fair and reasonable.

27 (b) The authority for taxpayers to object to a proposed lease  
28 described in subsection (a) does not apply if the authority complies  
29 with the procedures for the issuance of bonds and other evidences of  
30 indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~  
31 **IC 6-1.1-20.**

32 SECTION 435. IC 16-22-8-43, AS AMENDED BY P.L.194-2007,  
33 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
34 JULY 1, 2008]: Sec. 43. (a) The corporation may issue general  
35 obligation bonds to procure funds to pay the cost of acquiring real  
36 property or constructing, enlarging, improving, remodeling, repairing,  
37 or equipping buildings for use as a hospital, a health care facility, or an  
38 administrative facility. The issuance of the bonds shall be authorized  
39 by a board resolution providing for the amount, terms, and tenor of the  
40 bonds, for the time and character of notice, and the mode of making the  
41 sale. The bonds shall be payable not more than forty (40) years after the  
42 date of issuance. The bonds shall be executed in the name of the  
43 corporation by the executive director.

44 (b) The executive director shall manage and supervise the  
45 preparation, advertisement, and sale of bonds, subject to the provisions  
46 of the authorizing resolution. Before the sale of the bonds, the  
47 executive director shall publish notice of the sale in accordance with  
48 IC 5-3-1, setting out the time and place where bids will be received, the  
49 amount and maturity dates of the issue, the maximum interest rate, and  
50 the terms and conditions of sale and delivery of the bonds. The bonds  
51 shall be sold to the highest and best bidder. After the bonds have been

1 sold and executed, the executive director shall deliver the bonds to the  
 2 treasurer of the corporation and take the treasurer's receipt, and shall  
 3 certify to the treasurer the amount that the purchaser is to pay, together  
 4 with the name and address of the purchaser. On payment of the  
 5 purchase price, the treasurer shall deliver the bonds to the purchaser,  
 6 and the treasurer and executive director shall report the actions to the  
 7 board.

8 (c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

9 (1) Notice and filing of the petition requesting the issuance of the  
 10 bonds.

11 (2) Notice of determination to issue bonds.

12 (3) Notice of hearing on the appropriation of the proceeds of the  
 13 bonds and the right of taxpayers to appeal and be heard.

14 (4) Approval by the department of local government finance.

15 (5) The right to:

16 (A) remonstrate **in the case of a proposed bond issue**  
 17 **described by IC 6-1.1-20-3.1(a); or**

18 **(B) vote on the issuance of bonds in the case of a proposed**  
 19 **bond issue described by IC 6-1.1-20-3.5(a).**

20 (6) Sale of bonds at public sale for not less than the par value.

21 (d) The bonds are the direct general obligations of the corporation  
 22 and are payable out of unlimited ad valorem taxes levied and collected  
 23 on all the taxable property within the county of the corporation. All  
 24 officials and bodies having to do with the levying of taxes for the  
 25 corporation shall see that sufficient levies are made to meet the  
 26 principal and interest on the bonds at the time fixed for payment.

27 (e) The bonds are exempt from taxation for all purposes but the  
 28 interest is subject to the adjusted gross income tax.

29 SECTION 436. IC 16-33-3-10 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. Whenever the  
 31 circuit court having jurisdiction finds, upon application by the ~~county~~  
 32 **local office of family and children; the division of family resources,**  
 33 that the parent or guardian of a client placed in the center is unable to  
 34 meet the costs that the parent or guardian is required to pay for the  
 35 services of the center, the court shall order payment of the costs from  
 36 the county general fund.

37 SECTION 437. IC 16-33-4-12, AS AMENDED BY P.L.145-2006,  
 38 SECTION 137, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) An application for  
 40 admission to the home may be made by a responsible parent, a  
 41 guardian, a representative of the court, or the ~~county office of family~~  
 42 **and children; department of child services.**

43 (b) If an application is submitted by a person other than a  
 44 responsible parent or guardian, the superintendent of the home shall  
 45 cooperate with ~~the appropriate county office of family and children;~~  
 46 ~~either directly or through~~ the department of child services to ensure that  
 47 an appropriate case study is made upon application and continued  
 48 throughout the period the child resides at the home.

49 SECTION 438. IC 16-33-4-13 IS AMENDED TO READ AS  
 50 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The  
 51 superintendent is responsible for the care, control, and training of

1 children admitted to and living in the home from the day a child is  
2 admitted to the home until the child is:

- 3 (1) eighteen (18) years of age; or  
4 (2) discharged from the home.

5 (b) The superintendent shall make certain in the case of every child  
6 in the home that:

- 7 (1) there is a responsible parent;  
8 (2) there is a responsible relative; or  
9 (3) if a responsible parent or relative is not available, the child is  
10 a ward of the ~~county office of family and children in the county of~~  
11 **residence department of child services** from which there is a  
12 representative;

13 who is regularly and frequently concerned with the welfare of the child.

14 (c) If:

- 15 (1) the parent or parents have been deprived of the custody and  
16 control of a child by order of the court; and  
17 (2) custody has been given by the court to ~~a county office of~~  
18 **family and children; the department of child services;**

19 the wardship shall be retained by the ~~county office of family and~~  
20 **children; department of child services.**

21 SECTION 439. IC 16-33-4-14 IS AMENDED TO READ AS  
22 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Either  
23 parent, a guardian, a relative, or ~~a county office of family and children;~~  
24 **the department of child services** applying for the admission of a child  
25 to the home shall, in securing admittance of the child, place the child  
26 in the home for the length of time determined to be in the best interests  
27 of the child.

28 (b) A child shall be returned at any time to the:

- 29 (1) parent or parents;  
30 (2) relative; or  
31 (3) ~~county office of family and children~~ **department of child**  
32 **services** that placed the child in the home;

33 if removal of the child from the home is applied for upon written  
34 application. The superintendent may require not more than thirty (30)  
35 days notice when a discharge is requested.

36 (c) If the superintendent finds that a child does not adjust to  
37 institutional living or is not educable, the superintendent:

- 38 (1) may:  
39 (A) with the approval of the state health commissioner; and  
40 (B) upon proper notification;  
41 discharge the child to the applicant placing the child in the home;  
42 and  
43 (2) shall cooperate with the ~~appropriate county office of family~~  
44 **and children department of child services** for further disposition  
45 of the case as necessary.

46 SECTION 440. IC 16-33-4-15 IS AMENDED TO READ AS  
47 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. A child  
48 admitted to the home may not be permanently removed from the home  
49 and placed elsewhere without the express approval of the:

- 50 (1) parent or parents who;  
51 (2) guardian who;

1 (3) relative who; or  
 2 (4) ~~county office of family and children~~ **department of child**  
 3 **services** that;

4 applied for admission of the child to the home.

5 SECTION 441. IC 16-33-4-16 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. Either parent,  
 7 a guardian, a relative, a representative of the ~~county office of family~~  
 8 ~~and children~~, **department of child services**, or other person approved  
 9 by the superintendent may visit a child being maintained in the home  
 10 at times or places the superintendent prescribes.

11 SECTION 442. IC 16-33-4-17, AS AMENDED BY P.L.145-2006,  
 12 SECTION 138, IS AMENDED TO READ AS FOLLOWS  
 13 [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Each child, the estate of  
 14 the child, the parent or parents of the child, or the guardian of the child,  
 15 individually or collectively, are liable for the payment of the costs of  
 16 maintenance of the child of up to one hundred percent (100%) of the  
 17 per capita cost, except as otherwise provided. The cost shall be  
 18 computed annually by dividing the total annual cost of operation for the  
 19 fiscal year, exclusive of the cost of education programs, construction,  
 20 and equipment, by the total child days each year. The maintenance cost  
 21 shall be referred to as maintenance charges. The charge may not be  
 22 levied against any of the following:

23 (1) The department of child services. ~~or the county office of~~  
 24 ~~family and children~~

25 (2) **A county or any person or office**, to be derived from county  
 26 tax sources.

27 ~~(2)~~ (3) A child orphaned by reason of the death of the natural  
 28 parents.

29 (b) The billing and collection of the maintenance charges as  
 30 provided for in subsection (a) shall be made by the superintendent of  
 31 the home based on the per capita cost for the preceding fiscal year. All  
 32 money collected shall be deposited in a fund to be known as the  
 33 Indiana soldiers' and sailors' children's home maintenance fund. The  
 34 fund shall be used by the state health commissioner for the:

35 (1) preventative maintenance; and

36 (2) repair and rehabilitation;

37 of buildings of the home that are used for housing, food service, or  
 38 education of the children of the home.

39 (c) The superintendent of the home may, with the approval of the  
 40 state health commissioner, agree to accept payment at a lesser rate than  
 41 that prescribed in subsection (a). The superintendent of the home shall,  
 42 in determining whether or not to accept the lesser amount, take into  
 43 consideration the amount of money that is necessary to maintain or  
 44 support any member of the family of the child. All agreements to  
 45 accept a lesser amount are subject to cancellation or modification at  
 46 any time by the superintendent of the home with the approval of the  
 47 state health commissioner.

48 (d) A person who has been issued a statement of amounts due as  
 49 maintenance charges may petition the superintendent of the home for  
 50 a release from or modification of the statement and the superintendent  
 51 shall provide for hearings to be held on the petition. The superintendent



1 of the home may, with the approval of the state health commissioner  
 2 and after the hearing, cancel or modify the former statement and at any  
 3 time for due cause may increase the amounts due for maintenance  
 4 charges to an amount not to exceed the maximum cost as determined  
 5 under subsection (a).

6 (e) The superintendent of the home may arrange for the  
 7 establishment of a graduation or discharge trust account for a child by  
 8 arranging to accept a lesser rate of maintenance charge. The trust fund  
 9 must be of sufficient size to provide for immediate expenses upon  
 10 graduation or discharge.

11 (f) The superintendent may make agreements with instrumentalities  
 12 of the federal government for application of any monetary awards to be  
 13 applied toward the maintenance charges in a manner that provides a  
 14 sufficient amount of the periodic award to be deposited in the child's  
 15 trust account to meet the immediate personal needs of the child and to  
 16 provide a suitable graduation or discharge allowance. The amount  
 17 applied toward the settlement of maintenance charges may not exceed  
 18 the amount specified in subsection (a).

19 (g) The superintendent of the home may do the following:

20 (1) Investigate, either with the superintendent's own staff or on a  
 21 contractual or other basis, the financial condition of each person  
 22 liable under this chapter.

23 (2) Make determinations of the ability of:

24 (A) the estate of the child;

25 (B) the legal guardian of the child; or

26 (C) each of the responsible parents of the child;

27 to pay maintenance charges.

28 (3) Set a standard as a basis of judgment of ability to pay that  
 29 shall be recomputed periodically to do the following:

30 (A) Reflect changes in the cost of living and other pertinent  
 31 factors.

32 (B) Provide for unusual and exceptional circumstances in the  
 33 application of the standard.

34 (4) Issue to any person liable under this chapter statements of  
 35 amounts due as maintenance charges, requiring the person to pay  
 36 monthly, quarterly, or otherwise as may be arranged, an amount  
 37 not exceeding the maximum cost as determined under this  
 38 chapter.

39 SECTION 443. IC 16-33-4-17.5 IS AMENDED TO READ AS  
 40 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17.5. (a) In the  
 41 case of a child who is:

42 ~~(1) admitted to the home from another county; and~~

43 ~~(2) (1) adjudicated to be a delinquent child or child in need of~~  
 44 ~~services by the a juvenile court; in the county where the home is~~  
 45 ~~located; and~~

46 **(2) placed by or with the consent of the department of child**  
 47 **services in the home;**

48 ~~the juvenile court may order the county office of family and children~~  
 49 ~~of the child's county of residence before the child's admission to the~~  
 50 ~~home to department of child services shall reimburse the cost of~~  
 51 ~~services ordered by the juvenile court; provided to the child, including~~

1 related transportation costs, and any cost incurred by ~~the~~ **a county**  
 2 **where the home is located** to transport or detain the child before the  
 3 ~~order is issued.~~ **child is adjudicated to be a delinquent child or child**  
 4 **in need of services.**

5 (b) ~~A county office of family and children ordered to~~ **The**  
 6 **department of child services shall** reimburse **and pay** costs under this  
 7 section. ~~shall pay the amount ordered from the county family and~~  
 8 ~~children's fund.~~

9 (c) ~~The county office of family and children~~ **department of child**  
 10 **services** may require the parent or guardian of the child, other than a  
 11 parent, guardian, or custodian associated with the home, to reimburse  
 12 ~~the county family and children's fund~~ **department** for an amount paid  
 13 under this section.

14 (d) A child who is admitted to the home does not become a resident  
 15 of the county where the home is located.

16 (e) When an unemancipated child is released from the home, the  
 17 ~~county office of family and children for the child's county of residence~~  
 18 ~~before entering the home~~ **department of child services** is responsible  
 19 for transporting the child to the parent or guardian of the child. If a  
 20 parent or guardian does not exist for an unemancipated child released  
 21 from the home, the ~~county office of family and children of the child's~~  
 22 ~~county of residence before entering the home~~ **department of child**  
 23 **services** shall obtain custody of the child.

24 SECTION 444. IC 16-34-2-1.1, AS AMENDED BY P.L.36-2005,  
 25 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 UPON PASSAGE]: Sec. 1.1. (a) An abortion shall not be performed  
 27 except with the voluntary and informed consent of the pregnant woman  
 28 upon whom the abortion is to be performed. Except in the case of a  
 29 medical emergency, consent to an abortion is voluntary and informed  
 30 only if the following conditions are met:

31 (1) At least eighteen (18) hours before the abortion and in the  
 32 presence of the pregnant woman, the physician who is to perform  
 33 the abortion, the referring physician or a physician assistant (as  
 34 defined in IC 25-27.5-2-10), an advanced practice nurse (as  
 35 defined in IC 25-23-1-1(b)), or a midwife (as defined in  
 36 IC 34-18-2-19) to whom the responsibility has been delegated by  
 37 the physician who is to perform the abortion or the referring  
 38 physician has orally informed the pregnant woman of the  
 39 following:

40 (A) The name of the physician performing the abortion.

41 (B) The nature of the proposed procedure or treatment.

42 (C) The risks of and alternatives to the procedure or treatment.

43 (D) The probable gestational age of the fetus, including an  
 44 offer to provide:

45 (i) a picture or drawing of a fetus;

46 (ii) the dimensions of a fetus; and

47 (iii) relevant information on the potential survival of an  
 48 unborn fetus;

49 at this stage of development.

50 (E) The medical risks associated with carrying the fetus to

- 1 term.
- 2 (F) The availability of fetal ultrasound imaging and  
3 auscultation of fetal heart tone services to enable the pregnant  
4 woman to view the image and hear the heartbeat of the fetus  
5 and how to obtain access to these services.
- 6 (2) At least eighteen (18) hours before the abortion, the pregnant  
7 woman will be orally informed of the following:
- 8 (A) That medical assistance benefits may be available for  
9 prenatal care, childbirth, and neonatal care from the ~~county~~  
10 **local office of family and children; the division of family**  
11 **resources.**
- 12 (B) That the father of the unborn fetus is legally required to  
13 assist in the support of the child. In the case of rape, the  
14 information required under this clause may be omitted.
- 15 (C) That adoption alternatives are available and that adoptive  
16 parents may legally pay the costs of prenatal care, childbirth,  
17 and neonatal care.
- 18 (3) The pregnant woman certifies in writing, before the abortion  
19 is performed, that the information required by subdivisions (1)  
20 and (2) has been provided.
- 21 (b) Before an abortion is performed, the pregnant woman may, upon  
22 the pregnant woman's request, view the fetal ultrasound imaging and  
23 hear the auscultation of the fetal heart tone if the fetal heart tone is  
24 audible.
- 25 SECTION 445. IC 16-34-2-3 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) All abortions  
27 performed after a fetus is viable shall be:
- 28 (1) governed by section 1(a)(3) and 1(b) of this chapter;
- 29 (2) performed in a hospital having premature birth intensive care  
30 units, unless compliance with this requirement would result in an  
31 increased risk to the life or health of the mother; and
- 32 (3) performed in the presence of a second physician as provided  
33 in subsection (b).
- 34 (b) An abortion may be performed after a fetus is viable only if there  
35 is in attendance a physician, other than the physician performing the  
36 abortion, who shall take control of and provide immediate care for a  
37 child born alive as a result of the abortion. During the performance of  
38 the abortion, the physician performing the abortion, and after the  
39 abortion, the physician required by this subsection to be in attendance,  
40 shall take all reasonable steps in keeping with good medical practice,  
41 consistent with the procedure used, to preserve the life and health of  
42 the viable unborn child. However, this subsection does not apply if  
43 compliance would result in an increased risk to the life or health of the  
44 mother.
- 45 (c) Any fetus born alive shall be treated as a person under the law,  
46 and a birth certificate shall be issued certifying the child's birth even  
47 though the child may subsequently die, in which event a death  
48 certificate shall be issued. Failure to take all reasonable steps, in  
49 keeping with good medical practice, to preserve the life and health of  
50 the live born person shall subject the responsible persons to Indiana  
51 laws governing homicide, manslaughter, and civil liability for wrongful

1 death and medical malpractice.

2 (d) If, before the abortion, the mother, and if married, her husband,  
3 has or have stated in writing that she does or they do not wish to keep  
4 the child in the event that the abortion results in a live birth, and this  
5 writing is not retracted before the abortion, the child, if born alive, shall  
6 immediately upon birth become a ward of the ~~county office of family~~  
7 ~~and children~~ **department of child services**.

8 SECTION 446. IC 16-35-4-2 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.  
10 **Notwithstanding the repeal of IC 16-35-3**, all money contained in or  
11 **received for deposit in** the children with special health care needs  
12 county fund established in each county under IC 16-35-3 (**repealed**)  
13 shall be transferred at the end of each month to the children with  
14 special health care needs state fund.

15 SECTION 447. IC 16-35-4-3 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The children  
17 with special health care needs state fund consists of the following:

18 (1) Money transferred ~~to the fund from the children with special~~  
19 ~~health care needs county fund~~ under ~~IC 16-35-3~~: **section 2 of this**  
20 **chapter**.

21 (2) Contributions to the fund from individuals, corporations,  
22 foundations, or other persons for the purpose of providing money  
23 to assist children with special health care needs.

24 (3) Appropriations made specifically to the fund by the general  
25 assembly.

26 SECTION 448. IC 16-39-3-8 IS AMENDED TO READ AS  
27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. If an emergency  
28 exists in which a child is alleged to be a child in need of services under  
29 IC 31-34-1 and the ~~county office of family and children~~ **department**  
30 **of child services** seeks access to the mental health records of the  
31 parent, guardian, or custodian of the child as a part of a preliminary  
32 inquiry under IC 31-34-7, the ~~county office~~ **department of child**  
33 **services** may file a verified petition, which sets forth the facts the  
34 ~~county office~~ **department of child services** alleges constitute an  
35 emergency, seeking an emergency hearing under this section. A request  
36 for access to a patient's mental health record under this section shall be  
37 heard by the **juvenile** court having jurisdiction under IC 31-30 through  
38 IC 31-40. Notice of a hearing to be conducted under this section shall  
39 be served not later than twenty-four (24) hours before the hearing to all  
40 persons entitled to receive notice under section 4 of this chapter. If  
41 actual notice cannot be given, the ~~county office~~ **department of child**  
42 **services** shall file with the court an affidavit stating that verbal notice  
43 or written notice left at the last known address of the respondent was  
44 attempted not less than twenty-four (24) hours before the hearing. A  
45 hearing under this section shall be held not later than forty-eight (48)  
46 hours after the petition for an emergency hearing is filed. The **juvenile**  
47 court shall enter written findings concerning the release or denial of the  
48 release of the mental health records of the parent, guardian, or  
49 custodian. The **juvenile** court shall order the release of the mental  
50 health records if the court finds the following by a preponderance of the

1 evidence:

2 (1) Other reasonable methods of obtaining the information sought  
3 are not available or would not be effective.

4 (2) The need for disclosure in the best interests of the child  
5 outweighs the potential harm to the patient caused by a necessary  
6 disclosure. In weighing the potential harm to the patient, the  
7 **juvenile** court shall consider the impact of disclosure on the  
8 provider-patient relationship and the patient's rehabilitative  
9 process.

10 SECTION 449. IC 16-40-1-2, AS AMENDED BY P.L.99-2007,  
11 SECTION 160, IS AMENDED TO READ AS FOLLOWS  
12 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in  
13 subsection (b), each:

- 14 (1) physician;  
15 (2) superintendent of a hospital;  
16 (3) director of a local health department;  
17 (4) director of a **county local** office of **family and children; the**  
18 **department of child services;**  
19 (5) director of the division of disability and rehabilitative  
20 services;  
21 (6) superintendent of a state institution serving individuals with  
22 a disability; or  
23 (7) superintendent of a school corporation;

24 who diagnoses, treats, provides, or cares for a person with a disability  
25 shall report the disabling condition to the state department within sixty  
26 (60) days.

27 (b) Each:

- 28 (1) physician holding an unlimited license to practice medicine;  
29 or  
30 (2) optometrist licensed under IC 25-24-1;

31 shall file a report regarding a person who is blind or has a visual  
32 impairment with the office of the secretary of family and social services  
33 in accordance with IC 12-12-9.

34 SECTION 450. IC 20-19-2-8, AS ADDED BY P.L.65-2005,  
35 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
36 JANUARY 1, 2009]: Sec. 8. (a) In addition to any other powers and  
37 duties prescribed by law, the state board shall adopt rules under  
38 IC 4-22-2 concerning, but not limited to, the following matters:

39 (1) The designation and employment of the employees and  
40 consultants necessary for the department. The state board shall fix  
41 the compensation of employees of the department, subject to the  
42 approval of the budget committee and the governor under  
43 IC 4-12-2.

44 (2) The establishment and maintenance of standards and  
45 guidelines ~~other than building, space, and site requirements~~, for  
46 media centers, libraries, instructional materials centers, or any  
47 other area or system of areas in a school where a full range of  
48 information sources, associated equipment, and services from  
49 professional media staff are accessible to the school community.  
50 With regard to library automation systems, the state board may  
51 only adopt rules that meet the standards established by the state

- 1 library board for library automation systems under  
 2 IC 4-23-7.1-11(b).
- 3 (3) The establishment and maintenance of standards for student  
 4 personnel and guidance services.
- 5 (4) The establishment and maintenance of minimum standards for  
 6 driver education programs (including classroom instruction and  
 7 practice driving) and equipment. Classroom instruction standards  
 8 established under this subdivision must include instruction about:  
 9 (A) railroad-highway grade crossing safety; and  
 10 (B) the procedure for participation in the human organ donor  
 11 program.
- 12 (5) The inspection of all public schools in Indiana to determine  
 13 the condition of the schools. The state board shall establish  
 14 standards governing the accreditation of public schools.  
 15 Observance of:  
 16 (A) IC 20-31-4;  
 17 (B) IC 20-28-5-2;  
 18 (C) IC 20-28-6-3 through IC 20-28-6-7;  
 19 (D) IC 20-28-9-7 and IC 20-28-9-8;  
 20 (E) IC 20-28-11; and  
 21 (F) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-6, and  
 22 IC 20-32-8;
- 23 is a prerequisite to the accreditation of a school. Local public  
 24 school officials shall make the reports required of them and  
 25 otherwise cooperate with the state board regarding required  
 26 inspections. Nonpublic schools may also request the inspection  
 27 for classification purposes. Compliance with the building and site  
 28 guidelines adopted by the state board is not a prerequisite of  
 29 accreditation.
- 30 (6) Subject to section 9 of this chapter, the adoption and approval  
 31 of textbooks under IC 20-20-5.
- 32 (7) The distribution of funds and revenues appropriated for the  
 33 support of schools in the state.
- 34 (8) The state board may not establish an accreditation system for  
 35 nonpublic schools that is less stringent than the accreditation  
 36 system for public schools.
- 37 (9) A separate system for recognizing nonpublic schools under  
 38 IC 20-19-2-10. Recognition of nonpublic schools under this  
 39 subdivision constitutes the system of regulatory standards that  
 40 apply to nonpublic schools that seek to qualify for the system of  
 41 recognition.
- 42 (10) The establishment and enforcement of standards and  
 43 guidelines concerning the safety of students participating in  
 44 cheerleading activities.
- 45 (b) Before final adoption of any rule, the state board shall make a  
 46 finding on the estimated fiscal impact that the rule will have on school  
 47 corporations.
- 48 SECTION 451. IC 20-19-2-12, AS AMENDED BY P.L.1-2006,  
 49 SECTION 313, IS AMENDED TO READ AS FOLLOWS  
 50 [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) The state board shall,  
 51 **in the manner provided by IC 4-22-2, adopt rules setting forth**

1 nonbinding guidelines for the selection of school sites and the  
 2 construction, alteration, and repair of school buildings, **athletic**  
 3 **facilities, and other categories of facilities related to the operation**  
 4 **and administration of school corporations.** The nonbinding  
 5 guidelines (†) must include:

6 (1) preferred location and building practices for school  
 7 corporations, including standards for enhancing health, **student**  
 8 **safety, accessibility,** energy efficiency, ~~cost~~ **operating** efficiency,  
 9 and instructional efficacy; ~~and~~

10 (2) ~~may include~~ guidelines concerning minimum acreage, cost per  
 11 square foot ~~and~~ **or cost per ADM (as defined in IC 20-18-2-2),**  
 12 **technology infrastructure, building materials,** per student  
 13 square footage, **and other general space requirements,**  
 14 **including space for academics, administration and staff**  
 15 **support, arts education and auditoriums, libraries, cafeterias,**  
 16 **athletics and physical education, transportation facilities, and**  
 17 **maintenance and repair facilities; and**

18 (3) **additional guidelines that the state board considers**  
 19 **necessary for efficient and cost effective construction of school**  
 20 **facilities.**

21 **The building law compliance officer appointed under IC 10-19-7-4,**  
 22 **the office of management and budget, and the department of local**  
 23 **government finance shall, upon request of the board, provide**  
 24 **technical assistance as necessary for the development of the**  
 25 **guidelines.**

26 (b) The state board shall annually compile, in a document capable  
 27 of easy revision, the:

28 (1) guidelines described in subsection (a); and

29 (2) rules of the:

30 (A) fire prevention and building safety commission; and

31 (B) state department of health;

32 that govern site selection and the construction, alteration, and repair of  
 33 school buildings.

34 (c) **A school corporation shall consider the guidelines adopted**  
 35 **under subsection (a) when developing plans and specifications for**  
 36 **a facility described in subsection (a).** Before submitting completed  
 37 written plans and specifications for the selection of a school building  
 38 site or the construction or alteration of a school building to the division  
 39 of fire and building safety for issuance of a design release under  
 40 IC 22-15-3, a school corporation shall **do the following:**

41 (1) **Submit the proposed plans and specifications to the**  
 42 **department. Within thirty (30) days after the department**  
 43 **receives the plans and specifications, the department shall:**

44 (A) **review the plans and specifications to determine**  
 45 **whether they comply with the guidelines adopted under**  
 46 **subsection (a); and**

47 (B) **provide written recommendations concerning the plans**  
 48 **and specifications to the school corporation, which must**  
 49 **include findings as to any material differences between the**  
 50 **plans and specifications and the guidelines adopted under**  
 51 **subsection (a).**

1 ~~(1)~~ **(2) After the earlier of:**

2 **(A) receipt of the recommendations provided under**  
3 **subdivision (1)(B); or**

4 **(B) the date that is thirty (30) days after the date the**  
5 **department received the plans and specifications under**  
6 **subdivision (1)(A);**

7 issue a public document that describes **the recommendations, if**  
8 **any, and** any material differences between the plans and  
9 specifications prepared by the school corporation and the  
10 guidelines adopted under subsection (a), as determined under the  
11 guidelines adopted by the state board. ~~and~~

12 ~~(2)~~ **(3) After publishing a notice of the public hearing under**  
13 **IC 5-3-1, conduct a public hearing to receive public comment**  
14 **concerning the school corporation's plans and specifications.**

15 After the public hearing and without conducting another public hearing  
16 under this subsection, the governing body may revise the plans and  
17 specifications or submit the plans and specifications to the division of  
18 fire and building safety without making changes. The school  
19 corporation shall revise the public document described in subdivision  
20 ~~(1)~~ **(2)** to identify any changes in the plans and specifications after the  
21 public document's initial preparation.

22 SECTION 452. IC 20-19-2-13, AS ADDED BY P.L.1-2005,  
23 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 JANUARY 1, 2009]: Sec. 13. The state board may not approve or  
25 disapprove plans and specifications for the construction, alteration, or  
26 repair of school buildings, except as necessary under the following:

27 (1) The terms of a federal grant or a federal law.

28 (2) IC 20-35-4-2 concerning the authorization of a special school  
29 for children with disabilities.

30 **However, the state board shall adopt guidelines concerning plans**  
31 **and specifications as required by section 12 of this chapter.**

32 SECTION 453. IC 20-19-3-8, AS ADDED BY P.L.1-2005,  
33 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
34 JANUARY 1, 2009]: Sec. 8. **(a)** The department may not approve or  
35 disapprove plans and specifications for the construction, alteration, or  
36 repair of school buildings, except as necessary under the following:

37 (1) The terms of a federal grant or a federal law.

38 (2) IC 20-35-4-2 concerning the authorization of a special school  
39 for children with disabilities.

40 **(b) Notwithstanding subsection (a), the department shall do the**  
41 **following:**

42 **(1) Receive and review plans and specifications as required by**  
43 **IC 20-19-2-12.**

44 **(2) Establish a central clearinghouse for access by school**  
45 **corporations that may want to use a prototype design in the**  
46 **construction of school facilities. The department shall compile**  
47 **necessary publications and may establish a computer data**  
48 **base to distribute information on prototype designs to school**  
49 **corporations. Architects and engineers registered to practice**  
50 **in Indiana may submit plans and specifications for a**  
51 **prototype design to the clearinghouse. The plans and**



1 specifications may be accessed by any person. However, the  
 2 following provisions apply to a prototype design submitted to  
 3 the clearinghouse:

4 (A) The original architect of record or engineer of record  
 5 retains ownership of and liability for a prototype design.

6 (B) A school corporation or other person may not use a  
 7 prototype design without the site-specific, written  
 8 permission of the original architect of record or engineer  
 9 of record.

10 (C) An architect's or engineer's liability under clause (A)  
 11 is subject to the requirements of clause (B).

12 The state board may adopt rules under IC 4-22-2 to  
 13 implement this subdivision.

14 SECTION 454. IC 20-20-34-1, AS ADDED BY P.L.2-2006,  
 15 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JANUARY 1, 2009]: Sec. 1. This chapter applies to each school  
 17 corporation. imposing a property tax under IC 20-46-2 for a calendar  
 18 year for the school corporation's special education preschool fund:

19 SECTION 455. IC 20-20-34-2, AS ADDED BY P.L.2-2006,  
 20 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JANUARY 1, 2009]: Sec. 2. (a) The auditor of state shall distribute to  
 22 each school corporation an amount equal to the result of the following  
 23 formula:

24 ~~STEP ONE: Determine~~ the product of:

25 ~~(A)~~ (1) two thousand seven hundred fifty dollars (\$2,750);  
 26 multiplied by

27 ~~(B)~~ (2) the number of special education preschool children who  
 28 are students in the school corporation, as annually determined by  
 29 the department.

30 ~~STEP TWO: Determine the greater of zero (0) or the remainder~~  
 31 of:

32 ~~(A) the STEP ONE amount; minus~~

33 ~~(B) the property tax required by IC 20-46-2.~~

34 (b) A distribution under this section is in addition to any distribution  
 35 of federal funds that are made available to the state for special  
 36 education preschool programs.

37 SECTION 456. IC 20-20-36 IS ADDED TO THE INDIANA CODE  
 38 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 39 JANUARY 1, 2009]:

#### 40 Chapter 36. Levy Replacement Grant

41 Sec. 1. As used in this chapter, "credit" refers to a credit  
 42 granted under IC 6-1.1-20.6.

43 Sec. 2. As used in this chapter, "circuit breaker replacement  
 44 amount" refers to the amount determined under section 5 of this  
 45 chapter.

46 Sec. 3. As used in this chapter, "grant" refers to a grant  
 47 distributed under this chapter.

48 Sec. 4. (a) Notwithstanding any other provision, a school  
 49 corporation is eligible for a grant under this chapter in a particular  
 50 year only if for that year the school corporation's total property  
 51 tax revenue is expected to be reduced by more than two percent

1 (2%) because of the application of credits in that year.

2 (b) Subject to subsection (a), an eligible school corporation is  
3 entitled to a grant in:

4 (1) 2009 equal to the eligible school corporation's circuit  
5 breaker replacement amount for property taxes imposed for  
6 the March 1, 2008, and January 15, 2009, assessment dates;  
7 and

8 (2) 2010 equal to the eligible school corporation's circuit  
9 breaker replacement amount for property taxes imposed for  
10 the March 1, 2009, and January 15, 2010, assessment dates.

11 **Sec. 5. (a) An eligible school corporation's circuit breaker**  
12 **replacement amount for 2009 is equal to the result determined**  
13 **under STEP FOUR of the following formula:**

14 **STEP ONE: Determine the amount of credits granted against**  
15 **the eligible school corporation's combined levy for the eligible**  
16 **school corporation's debt service fund, capital projects fund,**  
17 **transportation fund, school bus replacement fund, and racial**  
18 **balance fund.**

19 **STEP TWO: Determine the sum of the STEP ONE amounts**  
20 **for all eligible school corporations in Indiana.**

21 **STEP THREE: Divide fifty million dollars (\$50,000,000) by**  
22 **the STEP TWO amount, rounding to the nearest ten**  
23 **thousandth (0.0001).**

24 **STEP FOUR: Multiply the STEP THREE result by the STEP**  
25 **ONE amount, rounding to the nearest dollar (\$1).**

26 (b) An eligible school corporation's circuit breaker replacement  
27 amount for 2010 is equal to the result determined under STEP  
28 FOUR of the following formula:

29 **STEP ONE: Determine the amount of credits granted against**  
30 **the eligible school corporation's combined levy for the school**  
31 **corporation's debt service fund, capital projects fund,**  
32 **transportation fund, school bus replacement fund, and racial**  
33 **balance fund.**

34 **STEP TWO: Determine the sum of the STEP ONE amounts**  
35 **for all eligible school corporations in Indiana.**

36 **STEP THREE: Divide seventy million dollars (\$70,000,000)**  
37 **by the STEP TWO amount, rounding to the nearest ten**  
38 **thousandth (0.0001).**

39 **STEP FOUR: Multiply the STEP THREE result by the STEP**  
40 **ONE amount, rounding to the nearest dollar (\$1).**

41 **Sec. 6. The department shall administer the grant program.**

42 **Sec. 7. (a) Not later than May 1 of a calendar year, the budget**  
43 **agency shall certify to the department an initial estimate of the**  
44 **circuit breaker replacement amount attributable to each school**  
45 **corporation for the calendar year.**

46 (b) Not later than November 1 of a calendar year, the budget  
47 agency shall certify to the department a final estimate of the circuit  
48 breaker replacement amount attributable to each eligible school  
49 corporation for the calendar year.

50 (c) The budget agency shall compute an amount certified under  
51 this section using the best information available to the budget

1 agency at the time the certification is made.

2 **Sec. 8. Subject to section 9 of this chapter, the department shall**  
 3 **distribute a grant to an eligible school corporation equal to fifty**  
 4 **percent (50%) of the eligible school corporation's estimated circuit**  
 5 **breaker replacement amount for the calendar year in two (2)**  
 6 **installments. An installment shall be paid not later than:**

7 (1) June 20; and

8 (2) December 20;

9 of the calendar year.

10 **Sec. 9. Based on the final estimate of the circuit breaker**  
 11 **replacement amount certified to the department by the budget**  
 12 **agency, the department shall settle any overpayment or**  
 13 **underpayment of circuit breaker replacement amounts to an**  
 14 **eligible school corporation. The department may offset**  
 15 **overpayments of circuit breaker replacement amounts for a**  
 16 **particular calendar year against:**

17 (1) a grant; or

18 (2) state tuition support distribution;

19 that the eligible school corporation would otherwise be entitled to  
 20 receive.

21 **Sec. 10. An eligible school corporation shall deposit and use the**  
 22 **amount received from a grant as follows:**

23 (1) An amount equal to the revenue lost to the eligible school  
 24 corporation's debt service fund as the result of the granting of  
 25 credits shall be deposited in the eligible school corporation's  
 26 debt service fund for purposes of the debt service fund.

27 (2) Any part of a grant remaining after making the deposit  
 28 required under subdivision (1) may be deposited in any  
 29 combination of the eligible school corporation's capital  
 30 projects fund, transportation fund, school bus replacement  
 31 fund, and racial balance fund, as determined by the school  
 32 corporation.

33 SECTION 457. IC 20-21-2-8, AS ADDED BY P.L.1-2005,  
 34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 UPON PASSAGE]: Sec. 8. Upon the presentation of satisfactory  
 36 evidence showing that:

37 (1) there is a school age individual with a visual disability  
 38 residing in a county;

39 (2) the individual is entitled to the facilities of the school;

40 (3) the individual's parent wishes the individual to participate in  
 41 the school's educational program but is unable to pay the expenses  
 42 of maintaining the individual at the school; and

43 (4) the individual is entitled to placement in the school under  
 44 section 6 of this chapter;

45 a court with jurisdiction shall, upon application by the ~~county~~ local  
 46 office of ~~the division of family and children~~ resources, order the  
 47 individual to be sent to the school at the expense of the county. The  
 48 expenses include the expenses described in section 10 of this chapter  
 49 and shall be paid from the county general fund.

50 SECTION 458. IC 20-22-2-8, AS ADDED BY P.L.1-2005,  
 51 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: Sec. 8. Upon the presentation of satisfactory  
2 evidence showing that:

- 3 (1) there is a school age individual with a hearing disability
- 4 residing in a county;
- 5 (2) the individual is entitled to the facilities of the school;
- 6 (3) the individual's parent wishes the individual to participate in
- 7 the school's educational program but is unable to pay the expenses
- 8 of maintaining the individual at the school; and
- 9 (4) the individual is entitled to placement in the school under
- 10 section 6 of this chapter;

11 a court with jurisdiction shall, upon application by the ~~county~~ **local**  
12 office of **the division of family and children, resources,** order the  
13 individual to be sent to the school at the expense of the county. The  
14 expenses include the expenses described in section 10 of this chapter  
15 and shall be paid from the county general fund.

16 SECTION 459. IC 20-23-4-42, AS ADDED BY P.L.1-2005,  
17 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 JANUARY 1, 2009]: Sec. 42. (a) The ~~state board shall enforce the~~  
19 ~~rules compiled under IC 20-19-2-8 that establish~~ procedures and  
20 ~~standards set forth in IC 20-19-2-12 concerning the review of, and~~  
21 **public hearings concerning, plans and specifications** for the  
22 construction of, addition to, or remodeling of school facilities ~~The~~  
23 ~~commission shall apply these rules~~ equally to facilities to be used or  
24 leased by both community school corporations and school corporations  
25 that are not community school corporations.

26 (b) ~~A school building or an addition to a school building may not be~~  
27 ~~constructed and a lease of a school building for a term of more than one~~  
28 ~~(1) year may not be entered into by a school corporation other than a~~  
29 ~~community school corporation or by two (2) or more school~~  
30 ~~corporations jointly without the approval of the state board. For~~  
31 ~~purposes of this subsection, "community school corporation" does not~~  
32 ~~include a community school corporation governed by an interim board~~  
33 ~~of school trustees.~~

34 (c) ~~(b)~~ An action to ~~question any approval referred to in this section~~  
35 ~~or to enjoin school construction or the performance of any of the terms~~  
36 ~~and conditions of a lease or the execution, sale, or delivery of bonds, on~~  
37 ~~the ground that any approval should not have been granted, may not be~~  
38 ~~instituted at any time later than fifteen (15) days after approval has~~  
39 ~~been granted.~~

40 SECTION 460. IC 20-24-7-2, AS AMENDED BY P.L.2-2006,  
41 SECTION 106, IS AMENDED TO READ AS FOLLOWS  
42 [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) Not later than the date  
43 established by the department for determining ADM, and after May 31  
44 each year, the organizer shall submit to the department the following  
45 information on a form prescribed by the department:

- 46 (1) The number of students enrolled in the charter school.
- 47 (2) The name and address of each student.
- 48 (3) The name of the school corporation in which the student has
- 49 legal settlement.
- 50 (4) The name of the school corporation, if any, that the student
- 51 attended during the immediately preceding school year.

- 1 (5) The grade level in which the student will enroll in the charter  
2 school.
- 3 The department shall verify the accuracy of the information reported.
- 4 (b) This subsection applies after December 31 of the calendar year  
5 in which a charter school begins its initial operation. The department  
6 shall distribute to the organizer the state tuition support distribution.  
7 The department shall make a distribution under this subsection at the  
8 same time and in the same manner as the department makes a  
9 distribution of state tuition support under IC 20-43-2 to other school  
10 corporations.
- 11 (c) The department shall provide to the department of local  
12 government finance the following information:
- 13 (1) For each county, the number of students who:  
14 (A) have legal settlement in the county; and  
15 (B) attend a charter school:
- 16 (2) The school corporation in which each student described in  
17 subdivision (1) has legal settlement:
- 18 (3) The charter school that a student described in subdivision (1)  
19 attends and the county in which the charter school is located:
- 20 (4) The amount of the tuition support levy determined under  
21 IC 20-45-3-11 for each school corporation described in  
22 subdivision (2):
- 23 (5) The amount determined under STEP TWO of the following  
24 formula:  
25 STEP ONE: Determine the product of:  
26 (A) the target revenue per ADM (as defined in  
27 IC 20-43-1-26) determined for a charter school described in  
28 subdivision (3); multiplied by  
29 (B) thirty-five hundredths (0.35):  
30 STEP TWO: Determine the product of:  
31 (A) the STEP ONE amount; multiplied by  
32 (B) the current ADM of a charter school described in  
33 subdivision (3):
- 34 (6) The amount determined under STEP THREE of the following  
35 formula:  
36 STEP ONE: Determine the number of students described in  
37 subdivision (1) who:  
38 (A) attend the same charter school; and  
39 (B) have legal settlement in the same school corporation  
40 located in the county:  
41 STEP TWO: Determine the subdivision (5) STEP ONE  
42 amount for a charter school described in STEP ONE (A):  
43 STEP THREE: Determine the product of:  
44 (A) the STEP ONE amount; multiplied by  
45 (B) the STEP TWO amount.
- 46 SECTION 461. IC 20-24-7-3, AS AMENDED BY P.L.2-2006,  
47 SECTION 107, IS AMENDED TO READ AS FOLLOWS  
48 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) This section applies to  
49 a conversion charter school.
- 50 (b) Not later than the date established by the department for  
51 determining ADM and after July 2, the organizer shall submit to a

1 governing body on a form prescribed by the department the information  
2 reported under section 2(a) of this chapter for each student who:

- 3 (1) is enrolled in the organizer's conversion charter school; and
- 4 (2) has legal settlement in the governing body's school  
5 corporation.

6 (c) (b) Beginning not more than sixty (60) days after the department  
7 receives the information reported under section 2(a) of this chapter, the  
8 department shall distribute to the organizer:

- 9 (1) tuition support and other state funding for any purpose for  
10 students enrolled in the conversion charter school;
- 11 (2) a proportionate share of state and federal funds received:
  - 12 (A) for students with disabilities; or
  - 13 (B) for staff services for students with disabilities;  
14 enrolled in the conversion charter school; and
- 15 (3) a proportionate share of funds received under federal or state  
16 categorical aid programs for students who are eligible for the  
17 federal or state categorical aid and are enrolled in the conversion  
18 charter school;

19 for the second six (6) months of the calendar year in which the  
20 conversion charter school is established. The department shall make a  
21 distribution under this subsection at the same time and in the same  
22 manner as the department makes a distribution to the governing body  
23 of the school corporation in which the conversion charter school is  
24 located. A distribution to the governing body of the school corporation  
25 in which the conversion charter school is located is reduced by the  
26 amount distributed to the conversion charter school. This subsection  
27 does not apply to a conversion charter school after December 31 of the  
28 calendar year in which the conversion charter school is established.

29 (d) This subsection applies beginning with the first property tax  
30 distribution described in IC 6-1.1-27-1 to the governing body of the  
31 school corporation in which a conversion charter school is located after  
32 the governing body receives the information reported under subsection  
33 (b). Not more than ten (10) days after the governing body receives a  
34 property tax distribution described in IC 6-1.1-27-1, the governing  
35 body shall distribute to the conversion charter school the amount  
36 determined under STEP THREE of the following formula:

37 STEP ONE: Determine the quotient of:

38 (A) the number of students who:

- 39 (i) are enrolled in the conversion charter school; and
- 40 (ii) were counted in the ADM of the previous year for the  
41 school corporation in which the conversion charter school is  
42 located; divided by

43 (B) the current ADM of the school corporation in which the  
44 conversion charter school is located:

45 In determining the number of students enrolled under clause  
46 (A)(i), each kindergarten student shall be counted as one-half  
47 (1/2) student.

48 STEP TWO: Determine the total amount of the following  
49 revenues to which the school corporation in which the conversion  
50 charter school is located is entitled for the second six (6) months  
51 of the calendar year in which the conversion charter school is

- 1 established:
- 2 (A) Revenues obtained by the school corporation's:
- 3 (i) general fund property tax levy; and
- 4 (ii) excise tax revenue (as defined in IC 20-43-1-12);
- 5 (B) The school corporation's certified distribution of county
- 6 adjusted gross income tax revenue under IC 6-3.5-1.1 that is
- 7 to be used as property tax replacement credits.
- 8 STEP THREE: Determine the product of:
- 9 (A) the STEP ONE amount; multiplied by
- 10 (B) the STEP TWO amount:
- 11 (e) Subsection (d) does not apply to a conversion charter school
- 12 after the later of the following dates:
- 13 (1) December 31 of the calendar year in which the conversion
- 14 charter school is established;
- 15 (2) Ten (10) days after the date on which the governing body of
- 16 the school corporation in which the conversion charter school is
- 17 located receives the final distribution described in IC 6-1.1-27-1
- 18 of revenues to which the school corporation in which the
- 19 conversion charter school is located is entitled for the second six
- 20 (6) months of the calendar year in which the conversion charter
- 21 school is established:
- 22 (f) (c) This subsection applies during the second six (6) months of
- 23 the calendar year in which a conversion charter school is established.
- 24 A conversion charter school may apply for an advance from the charter
- 25 school advancement account under IC 20-49-7 in the amount
- 26 determined under STEP FOUR of the following formula:
- 27 STEP ONE: Determine the result under subsection (d) STEP
- 28 ONE (A).
- 29 STEP TWO: Determine the difference between:
- 30 (A) the conversion charter school's current ADM; minus
- 31 (B) the STEP ONE amount.
- 32 STEP THREE: Determine the quotient of:
- 33 (A) the STEP TWO amount; divided by
- 34 (B) the conversion charter school's current ADM.
- 35 STEP FOUR: Determine the product of:
- 36 (A) the STEP THREE amount; multiplied by
- 37 (B) the quotient of:
- 38 (i) the subsection (d) STEP TWO amount; divided by
- 39 (ii) two (2).
- 40 SECTION 462. IC 20-24-7-4, AS AMENDED BY P.L.2-2006,
- 41 SECTION 108, IS AMENDED TO READ AS FOLLOWS
- 42 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Services that a school
- 43 corporation provides to a charter school, including transportation, may
- 44 be provided at not more than one hundred three percent (103%) of the
- 45 actual cost of the services.
- 46 (b) This subsection applies to a sponsor that is a state educational
- 47 institution described in IC 20-24-1-7(2). In a calendar year, a state
- 48 educational institution may receive from the organizer of a charter
- 49 school sponsored by the state educational institution an administrative
- 50 fee equal to not more than three percent (3%) of the total amount the
- 51 organizer receives during the calendar year

1           ~~(1) under section 12 of this chapter; and~~  
 2           ~~(2) from basic tuition support (as defined in IC 20-43-1-8).~~

3           SECTION 463. IC 20-24-7-9, AS AMENDED BY P.L.2-2006,  
 4           SECTION 109, IS AMENDED TO READ AS FOLLOWS  
 5           [EFFECTIVE JANUARY 1, 2009]: Sec. 9. (a) This section applies if:

6           (1) a sponsor:

7                 (A) revokes a charter before the end of the term for which the  
 8                 charter is granted; or

9                 (B) does not renew a charter; or

10           (2) a charter school otherwise terminates its charter before the end  
 11           of the term for which the charter is granted.

12           (b) Any ~~local~~ or state funds that remain to be distributed to the  
 13           charter school in the calendar year in which an event described in  
 14           subsection (a) occurs shall be distributed as follows:

15                 (1) First, to the common school loan fund to repay any existing  
 16                 obligations of the charter school under IC 20-49-7.

17                 (2) Second, to the entities that distributed the funds to the charter  
 18                 school. A distribution under this subdivision shall be on a pro rata  
 19                 basis.

20           (c) If the funds described in subsection (b) are insufficient to repay  
 21           all existing obligations of the charter school under IC 20-49-7, the state  
 22           shall repay any remaining obligations of the charter school under  
 23           IC 20-49-7 from the amount appropriated for state tuition support  
 24           distributions.

25           SECTION 464. IC 20-24.5-2-10, AS ADDED BY P.L.2-2007,  
 26           SECTION 209, IS AMENDED TO READ AS FOLLOWS  
 27           [EFFECTIVE JANUARY 1, 2009]: Sec. 10. A laboratory school that:

28                 (1) is operated without an agreement; and

29                 (2) has an ADM of not more than seven hundred fifty (750);

30           must be treated as a charter school for purposes of ~~local funding under~~  
 31           ~~IC 20-45-3 and state~~ funding under IC 20-20-33 and IC 20-43.

32           SECTION 465. IC 20-25-8-3, AS ADDED BY P.L.1-2005,  
 33           SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34           UPON PASSAGE]: Sec. 3. Each school shall report to the ~~county local~~  
 35           office of ~~family and children~~ **the department of child services** the  
 36           names of foster parents who have not completed a compact under this  
 37           chapter.

38           SECTION 466. IC 20-26-7-17, AS ADDED BY P.L.1-2005,  
 39           SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40           JANUARY 1, 2009]: Sec. 17. (a) A school corporation may:

41                 (1) purchase buildings or lands, or both, for school purposes; and

42                 (2) improve the buildings or lands, or both.

43           (b) An existing building, other than a building obtained under  
 44           IC 5-17-2 (before its repeal) or IC 4-13-1.7, permitting the purchase of  
 45           suitable surplus government buildings, may not be purchased for use  
 46           as a school building unless the building was originally constructed for  
 47           use by the school corporation and used for that purpose for at least five  
 48           (5) years preceding the acquisition as provided in this section through  
 49           section 19 of this chapter.

50           (c) Notwithstanding this section through section 19 of this chapter  
 51           limiting the purchase of school buildings, a school corporation may:



- 1 (1) purchase suitable buildings or lands, or both, adjacent to  
 2 school property for school purposes; and  
 3 (2) improve the buildings or lands, or both, after giving notice to  
 4 the taxpayers of the intention of the school corporation to  
 5 purchase.

6 The taxpayers of the school corporation have the same right of appeal  
 7 ~~to the department of local government finance~~ under the same  
 8 procedure as provided for in IC 6-1.1-20-5 through IC 6-1.1-20-6.

9 SECTION 467. IC 20-26-7-18, AS ADDED BY P.L.1-2005,  
 10 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2008]: Sec. 18. A school corporation may issue and sell bonds  
 12 under the general statutes governing the issuance of bonds to purchase  
 13 and improve buildings or lands, or both. All laws relating to **approval**  
 14 **(if required) in a local public question under IC 6-1.1-20**, the filing  
 15 of petitions, remonstrances, and objecting petitions, giving notices of  
 16 the filing of petitions, the determination to issue bonds, and the  
 17 appropriation of the proceeds of the bonds are applicable to the  
 18 issuance of bonds under sections 17 through 19 of this chapter.

19 SECTION 468. IC 20-26-9-12, AS ADDED BY P.L.1-2005,  
 20 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JANUARY 1, 2009]: Sec. 12. (a) School cities, school townships,  
 22 school towns, and joint districts may:

- 23 (1) establish, equip, operate, and maintain school kitchens and  
 24 school lunchrooms for the improvement of the health of students  
 25 and for the advancement of the educational work of their  
 26 respective schools;  
 27 (2) employ all necessary directors, assistants, and agents; and  
 28 (3) appropriate funds for the school lunch program.

29 Participation in a school lunch program under this chapter is  
 30 discretionary with the governing board of a school corporation.

31 (b) If federal funds are not available to operate a school lunch  
 32 program:

- 33 (1) the state may not participate in a school lunch program; and  
 34 (2) money appropriated by the state for that purpose and not  
 35 expended shall immediately revert to the state general fund.

36 (c) Failure on the part of the state to participate in the school lunch  
 37 program does not invalidate any appropriation made or school lunch  
 38 program carried on by a school corporation by means of gifts or money  
 39 ~~raised by tax levy under this chapter:~~ **appropriated from state tuition**  
 40 **support distributions received by the school corporation.**

41 SECTION 469. IC 20-26-11-9, AS AMENDED BY P.L.145-2006,  
 42 SECTION 149, IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies to  
 44 each student:

- 45 (1) described in section 8(a) of this chapter;  
 46 (2) who is placed in a home or facility in Indiana that is outside  
 47 the school corporation where the student has legal settlement; and  
 48 (3) for which the state is not obligated to pay transfer tuition.

49 (b) Not later than ten (10) days after the department of child  
 50 services ~~or a county office of family and children~~ places or changes the  
 51 placement of a student, the department of child services ~~or the county~~

1 ~~office of family and children~~ that placed the student shall notify the  
 2 school corporation where the student has legal settlement and the  
 3 school corporation where the student will attend school of the  
 4 placement or change of placement. Before June 30 of each year, a  
 5 county that places a student in a home or facility shall notify the school  
 6 corporation where a student has legal settlement and the school  
 7 corporation in which a student will attend school if a student's  
 8 placement will continue for the ensuing school year. The notifications  
 9 required under this subsection must be made by:

10 (1) ~~the county office (as defined in IC 12-7-2-45) if the county~~  
 11 ~~office or~~ the department of child services, **if the department of**  
 12 **child services** placed or consented to the placement of the  
 13 student; or

14 (2) if subdivision (1) does not apply, the court or other agency  
 15 making the placement.

16 SECTION 470. IC 20-26-11-12, AS AMENDED BY P.L.145-2006,  
 17 SECTION 150, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) If a student is  
 19 transferred under section 5 of this chapter from a school corporation in  
 20 Indiana to a public school corporation in another state, the transferor  
 21 corporation shall pay the transferee corporation the full tuition fee  
 22 charged by the transferee corporation. However, the amount of the full  
 23 tuition fee may not exceed the amount charged by the transferor  
 24 corporation for the same class of school, or if the school does not have  
 25 the same classification, the amount may not exceed the amount charged  
 26 by the geographically nearest school corporation in Indiana that has the  
 27 same classification.

28 (b) If a child is:

29 (1) placed by ~~a court order or with the consent of the~~  
 30 **department of child services** in an out-of-state institution or  
 31 other facility; and

32 (2) provided all educational programs and services by a public  
 33 school corporation in the state where the child is placed, whether  
 34 at the facility, the public school, or another location;

35 ~~the county office of family and children for the county placing the child~~  
 36 **department of child services** shall pay ~~from the county family and~~  
 37 ~~children's fund~~ to the public school corporation in which the child is  
 38 enrolled, the amount of transfer tuition specified in subsection (c).

39 (c) The transfer tuition for which ~~a county office~~ **the department**  
 40 **of child services** is obligated under subsection (b) is equal to the  
 41 following:

42 (1) The amount under a written agreement among the ~~county~~  
 43 ~~office;~~ **department of child services**, the institution or other  
 44 facility, and the governing body of the public school corporation  
 45 in the other state that specifies the amount and method of  
 46 computing transfer tuition.

47 (2) The full tuition fee charged by the transferee corporation, if  
 48 subdivision (1) does not apply. However, the amount of the full  
 49 tuition fee must not exceed the amount charged by the transferor  
 50 corporation for the same class of school, or if the school does not  
 51 have the same classification, the amount must not exceed the

- 1 amount charged by the geographically nearest school corporation  
 2 in Indiana that has the same classification.
- 3 (d) If a child is:
- 4 (1) placed by ~~a court order~~ **or with the consent of the**  
 5 **department of child services** in an out-of-state institution or  
 6 other facility; and
- 7 (2) provided:
- 8 (A) onsite educational programs and services either through  
 9 the facility's employees or by contract with another person or  
 10 organization that is not a public school corporation; or
- 11 (B) educational programs and services by a nonpublic school;  
 12 ~~the county office of family and children for the county placing the child~~  
 13 **department of child services** shall pay ~~from the county family and~~  
 14 ~~children's fund~~; in an amount and in the manner specified in a written  
 15 agreement between the ~~county office~~ **department of child services** and  
 16 the institution or other facility.
- 17 (e) ~~An agreement described in subsection (c) or (d) is subject to the~~  
 18 ~~approval of the director of the department of child services. However,~~  
 19 ~~For purposes of IC 4-13-2, the an agreement described in subsection~~  
 20 ~~(c) or (d) shall not be treated as a contract.~~
- 21 SECTION 471. IC 20-26-11-13, AS AMENDED BY P.L.234-2007,  
 22 SECTION 105, IS AMENDED TO READ AS FOLLOWS  
 23 [EFFECTIVE JANUARY 1, 2009]: Sec. 13. (a) As used in this section,  
 24 the following terms have the following meanings:
- 25 (1) "Class of school" refers to a classification of each school or  
 26 program in the transferee corporation by the grades or special  
 27 programs taught at the school. Generally, these classifications are  
 28 denominated as kindergarten, elementary school, middle school  
 29 or junior high school, high school, and special schools or classes,  
 30 such as schools or classes for special education, career and  
 31 technical education, or career education.
- 32 (2) "Special equipment" means equipment that during a school  
 33 year:
- 34 (A) is used only when a child with disabilities is attending  
 35 school;
- 36 (B) is not used to transport a child to or from a place where the  
 37 child is attending school;
- 38 (C) is necessary for the education of each child with  
 39 disabilities that uses the equipment, as determined under the  
 40 individualized education program for the child; and
- 41 (D) is not used for or by any child who is not a child with  
 42 disabilities.
- 43 (3) "Student enrollment" means the following:
- 44 (A) The total number of students in kindergarten through  
 45 grade 12 who are enrolled in a transferee school corporation  
 46 on a date determined by the state board.
- 47 (B) The total number of students enrolled in a class of school  
 48 in a transferee school corporation on a date determined by the  
 49 state board.
- 50 However, a kindergarten student shall be counted under clauses  
 51 (A) and (B) as one-half (1/2) student. The state board may select

1 a different date for counts under this subdivision. However, the  
 2 same date shall be used for all school corporations making a count  
 3 for the same class of school.

4 (b) Each transferee corporation is entitled to receive for each school  
 5 year on account of each transferred student, except a student  
 6 transferred under section 6 of this chapter, transfer tuition from the  
 7 transferor corporation or the state as provided in this chapter. Transfer  
 8 tuition equals the amount determined under STEP THREE of the  
 9 following formula:

10 STEP ONE: Allocate to each transfer student the capital  
 11 expenditures for any special equipment used by the transfer  
 12 student and a proportionate share of the operating costs incurred  
 13 by the transferee school for the class of school where the transfer  
 14 student is enrolled.

15 STEP TWO: If the transferee school included the transfer student  
 16 in the transferee school's ADM for a school year, allocate to the  
 17 transfer student a proportionate share of the following general  
 18 fund revenues of the transferee school for, except as provided in  
 19 clause (C), the calendar year in which the school year ends:

- 20 (A) State tuition support distributions.
- 21 (B) Property tax levies **under IC 20-45-7 and IC 20-45-8.**
- 22 (C) Excise tax revenue (as defined in IC 20-43-1-12) received  
 23 for deposit in the calendar year in which the school year  
 24 begins.
- 25 (D) Allocations to the transferee school under IC 6-3.5.

26 STEP THREE: Determine the greater of:

- 27 (A) zero (0); or
- 28 (B) the result of subtracting the STEP TWO amount from the  
 29 STEP ONE amount.

30 If a child is placed in an institution or facility in Indiana ~~under a court~~  
 31 ~~order, by or with the approval of the department of child services,~~  
 32 the institution or facility shall charge the ~~county office of the county of~~  
 33 ~~the student's legal settlement under IC 12-19-7~~ **department of child**  
 34 **services** for the use of the space within the institution or facility  
 35 (commonly called capital costs) that is used to provide educational  
 36 services to the child based upon a prorated per student cost.

37 (c) Operating costs shall be determined for each class of school  
 38 where a transfer student is enrolled. The operating cost for each class  
 39 of school is based on the total expenditures of the transferee  
 40 corporation for the class of school from its general fund expenditures  
 41 as specified in the classified budget forms prescribed by the state board  
 42 of accounts. This calculation excludes:

- 43 (1) capital outlay;
- 44 (2) debt service;
- 45 (3) costs of transportation;
- 46 (4) salaries of board members;
- 47 (5) contracted service for legal expenses; and
- 48 (6) any expenditure that is made ~~out of the general fund~~ from  
 49 extracurricular account receipts;

50 for the school year.

51 (d) The capital cost of special equipment for a school year is equal

1 to:

- 2 (1) the cost of the special equipment; divided by  
 3 (2) the product of:  
 4 (A) the useful life of the special equipment, as determined  
 5 under the rules adopted by the state board; multiplied by  
 6 (B) the number of students using the special equipment during  
 7 at least part of the school year.

8 (e) When an item of expense or cost described in subsection (c)  
 9 cannot be allocated to a class of school, it shall be prorated to all  
 10 classes of schools on the basis of the student enrollment of each class  
 11 in the transferee corporation compared with the total student  
 12 enrollment in the school corporation.

13 (f) Operating costs shall be allocated to a transfer student for each  
 14 school year by dividing:

- 15 (1) the transferee school corporation's operating costs for the class  
 16 of school in which the transfer student is enrolled; by  
 17 (2) the student enrollment of the class of school in which the  
 18 transfer student is enrolled.

19 When a transferred student is enrolled in a transferee corporation for  
 20 less than the full school year of student attendance, the transfer tuition  
 21 shall be calculated by the part of the school year for which the  
 22 transferred student is enrolled. A school year of student attendance  
 23 consists of the number of days school is in session for student  
 24 attendance. A student, regardless of the student's attendance, is enrolled  
 25 in a transferee school unless the student is no longer entitled to be  
 26 transferred because of a change of residence, the student has been  
 27 excluded or expelled from school for the balance of the school year or  
 28 for an indefinite period, or the student has been confirmed to have  
 29 withdrawn from school. The transferor and the transferee corporation  
 30 may enter into written agreements concerning the amount of transfer  
 31 tuition due in any school year. If an agreement cannot be reached, the  
 32 amount shall be determined by the state board, and costs may be  
 33 established, when in dispute, by the state board of accounts.

34 (g) A transferee school shall allocate revenues described in  
 35 subsection (b) STEP TWO to a transfer student by dividing:

- 36 (1) the total amount of revenues received; by  
 37 (2) the ADM of the transferee school for the school year that ends  
 38 in the calendar year in which the revenues are received.

39 However, for state tuition support distributions or any other state  
 40 distribution computed using less than the total ADM of the transferee  
 41 school, the transferee school shall allocate the revenues to the transfer  
 42 student by dividing the revenues that the transferee school is eligible  
 43 to receive in a calendar year by the student count used to compute the  
 44 state distribution.

45 (h) Instead of the payments provided in subsection (b), the  
 46 transferor corporation or state owing transfer tuition may enter into a  
 47 long term contract with the transferee corporation governing the  
 48 transfer of students. The contract may:

- 49 (1) be entered into for a period of not more than five (5) years  
 50 with an option to renew;  
 51 (2) specify a maximum number of students to be transferred; and

1 (3) fix a method for determining the amount of transfer tuition  
2 and the time of payment, which may be different from that  
3 provided in section 14 of this chapter.

4 (i) A school corporation may negotiate transfer tuition agreements  
5 with a neighboring school corporation that can accommodate additional  
6 students. Agreements under this section may:

- 7 (1) be for one (1) year or longer; and  
8 (2) fix a method for determining the amount of transfer tuition or  
9 time of payment that is different from the method, amount, or  
10 time of payment that is provided in this section or section 14 of  
11 this chapter.

12 A school corporation may not transfer a student under this section  
13 without the prior approval of the child's parent.

14 ~~(j) If a school corporation experiences a net financial impact with  
15 regard to transfer tuition that is negative for a particular school year as  
16 described in IC 20-45-6-8, the school corporation may appeal for an  
17 excessive levy as provided under IC 20-45-6-8.~~

18 SECTION 472. IC 20-26-11-17, AS ADDED BY P.L.1-2005,  
19 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JANUARY 1, 2009]: Sec. 17. (a) Each year before the date specified  
21 in the rules adopted by the state board, a school corporation shall report  
22 the information specified in subsection (b) for each student:

- 23 (1) for whom tuition support is paid by another school  
24 corporation;  
25 (2) for whom tuition support is paid by the state; and  
26 (3) who is enrolled in the school corporation but has the  
27 equivalent of a legal settlement in another state or country;

28 ~~to the county office (as defined in IC 12-7-2-45) for the county in  
29 which the principal office of the school corporation is located and to  
30 the department.~~

31 (b) Each school corporation shall provide the following information  
32 for each school year for each category of student described in  
33 subsection (a):

- 34 (1) The amount of tuition support and other support received for  
35 the students described in subsection (a).  
36 (2) The operating expenses, as determined under section 13 of  
37 this chapter, incurred for the students described in subsection (a).  
38 (3) Special equipment expenditures that are directly related to  
39 educating students described in subsection (a).  
40 (4) The number of transfer students described in subsection (a).  
41 (5) Any other information required under the rules adopted by the  
42 state board after consultation with the office of the secretary of  
43 family and social services.

44 (c) The information required under this section shall be reported in  
45 the format and on the forms specified by the state board.

46 (d) Not later than November 30 of each year the department shall  
47 compile the information required from school corporations under this  
48 section and submit the compiled information in the form specified by  
49 the office of the secretary of family and social services to the office of  
50 the secretary of family and social services.

51 ~~(e) Not later than November 30 of each year each county office shall~~

1 submit the following information to the office of the secretary of family  
2 and social services for each child who is described in IC 12-19-7-1(1)  
3 and is placed in another state or is a student in a school outside the  
4 school corporation where the child has legal settlement:

5 (1) The name of the child:

6 (2) The name of the school corporation where the child has legal  
7 settlement:

8 (3) The last known address of the custodial parent or guardian of  
9 the child:

10 (4) Any other information required by the office of the secretary  
11 of family and social services:

12 (f) (e) Not later than December 31 of each year, the office of the  
13 secretary of family and social services shall submit a report to the  
14 members of the budget committee and the executive director of the  
15 legislative services agency that compiles and analyzes the information  
16 required from school corporations under this section. The report must  
17 identify the types of state and local funding changes that are needed to  
18 provide adequate state and local money to educate transfer students. A  
19 report submitted under this subsection to the executive director of the  
20 legislative services agency must be in an electronic format under  
21 IC 5-14-6.

22 SECTION 473. IC 20-26-11-23, AS AMENDED BY P.L.2-2006,  
23 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE JANUARY 1, 2009]: Sec. 23. (a) If a transfer is ordered  
25 to commence in a school year, where the transferor corporation has net  
26 additional costs over savings (on account of any transfer ordered)  
27 allocable to the calendar year in which the school year begins, and  
28 where the transferee corporation does not have budgeted funds for the  
29 net additional costs, the net additional costs may be recovered by one  
30 (1) or more of the following methods in addition to any other methods  
31 provided by applicable law:

32 (1) An emergency loan made under IC 20-48-1-7 to be paid, out  
33 of the debt service levy and fund, or a loan from any state fund  
34 made available for the net additional costs.

35 (2) An advance in the calendar year of state funds, which would  
36 otherwise become payable to the transferee corporation after such  
37 calendar year under law.

38 (3) A grant or grants in the calendar year from any funds of the  
39 state made available for the net additional costs.

40 (b) The net additional costs must be certified by the department of  
41 local government finance, and any grant shall be made solely after  
42 affirmative recommendation of the school property tax control board.  
43 Repayment of any advance or loan from the state shall be made in  
44 accordance with IC 20-45-6-3. **The use of any of the methods in this**  
45 **section does not subject the transferor corporation to IC 20-45-6-5 or**  
46 **IC 20-45-6-6: from state tuition support distributions or other**  
47 **money available to the school corporation.**

48 SECTION 474. IC 20-31-11-6, AS AMENDED BY P.L.2-2006,  
49 SECTION 149, IS AMENDED TO READ AS FOLLOWS  
50 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) A public school that  
51 receives a monetary award under this chapter may expend that award

1 for any educational purpose for that school, except:

- 2 (1) athletics;  
3 (2) salaries for school personnel; or  
4 (3) salary bonuses for school personnel.

5 (b) A monetary award may not be used to determine

6 ~~(1) the maximum permissible tuition support levy under~~  
7 ~~IC 20-45-3; or~~

8 ~~(2) the state tuition support under IC 20-43~~

9 of the school corporation in which the school receiving the monetary  
10 award is located.

11 SECTION 475. IC 20-33-2-29, AS ADDED BY P.L.1-2005,  
12 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JANUARY 1, 2009]: Sec. 29. (a) It is unlawful for a person operating  
14 or responsible for:

- 15 (1) an educational;  
16 (2) a correctional;  
17 (3) a charitable; or  
18 (4) a benevolent institution or training school;

19 to fail to ensure that a child under the person's authority attends school  
20 as required under this chapter. Each day of violation of this section  
21 constitutes a separate offense.

22 (b) If a child is placed in an institution or facility ~~under a court~~  
23 ~~order, by or with the approval of the department of child services,~~  
24 the institution or facility shall charge the ~~county office of family and~~  
25 ~~children of the county of the child's legal settlement under IC 12-19-7~~  
26 **department of child services** for the use of the space within the  
27 institution or facility (commonly called capital costs) that is used to  
28 provide educational services to the child based upon a prorated per  
29 child cost.

30 SECTION 476. IC 20-40-4-4, AS ADDED BY P.L.2-2006,  
31 SECTION 163, IS AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. ~~(a)~~ The fund consists of the  
33 following:

34 ~~(1) The levy;~~

35 ~~(2) distributions to the school corporation from the state under~~  
36 ~~IC 20-20-34.~~

37 **(b) A school corporation may not impose a special education**  
38 **preschool property tax levy after December 31, 2008.**

39 SECTION 477. IC 20-40-8-1, AS ADDED BY P.L.2-2006,  
40 SECTION 163, IS AMENDED TO READ AS FOLLOWS  
41 [EFFECTIVE JANUARY 1, 2009]: Sec. 1. As used in this chapter,  
42 "calendar year distribution" means the sum of the following:

43 (1) A school corporation's:

44 (A) state tuition support; and

45 (B) maximum permissible tuition support levy (as defined in  
46 IC 20-45-1-15 **before its repeal**);

47 for the calendar year.

48 (2) The school corporation's excise tax revenue (as defined in  
49 IC 20-43-1-12) for the immediately preceding calendar year.

50 SECTION 478. IC 20-40-8-21 IS ADDED TO THE INDIANA  
51 CODE AS A **NEW SECTION** TO READ AS FOLLOWS



1 [EFFECTIVE JANUARY 1, 2009]: **Sec. 21. Money in the fund may**  
 2 **be transferred to another fund to replace property tax revenues**  
 3 **lost to the fund as a result of the granting of circuit breaker credits**  
 4 **under IC 6-1.1-20.6. A school corporation shall make a transfer of**  
 5 **money under this section if the fund experiencing a shortfall is a**  
 6 **debt service fund and money is not transferred from any other**  
 7 **fund to cover the shortfall. The amount transferred must be equal**  
 8 **to the amount of the shortfall that is not replaced from other funds.**

9 SECTION 479. IC 20-40-12-6, AS ADDED BY P.L.2-2006,  
 10 SECTION 163, IS AMENDED TO READ AS FOLLOWS  
 11 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. Subject to the approval of  
 12 the commissioner of insurance, the governing body of the school  
 13 corporation may:

- 14 (1) transfer to the fund an amount of money in  
 15 ~~(A) the general fund budget; and~~  
 16 ~~(B) the general fund tax levy and rate;~~  
 17 (2) transfer money from the general fund to the fund;  
 18 (3) appropriate money from the general fund for the fund; or  
 19 (4) transfer money from the capital projects fund to the fund, to  
 20 the extent that money in the capital projects fund may be used for  
 21 property or casualty insurance.

22 SECTION 480. IC 20-43-1-17, AS ADDED BY P.L.2-2006,  
 23 SECTION 166, IS AMENDED TO READ AS FOLLOWS  
 24 [EFFECTIVE JANUARY 1, 2009]: Sec. 17. "Maximum permissible  
 25 tuition support levy" ~~has refers to the meaning set forth in~~  
 26 ~~IC 20-45-1-15. maximum permissible tuition support levy that a~~  
 27 **school corporation was permitted to impose under IC 20-45-3-11**  
 28 **(before its repeal).**

29 SECTION 481. IC 20-43-2-1, AS ADDED BY P.L.2-2006,  
 30 SECTION 166, IS AMENDED TO READ AS FOLLOWS  
 31 [EFFECTIVE JANUARY 1, 2009]: Sec. 1. The department shall  
 32 distribute the amount appropriated by the general assembly for  
 33 distribution as state tuition support in accordance with this article. If  
 34 the appropriations for distribution as state tuition support are more than  
 35 required under this article, ~~one-half (1/2) of any excess shall revert to~~  
 36 ~~the state general fund. and one-half (1/2) of any excess shall revert to~~  
 37 ~~the property tax replacement fund.~~ The appropriations for state tuition  
 38 support shall be made each calendar year under a schedule set by the  
 39 budget agency and approved by the governor. However, the schedule  
 40 must provide:

- 41 (1) for at least twelve (12) payments;  
 42 (2) that one (1) payment shall be made at least every forty (40)  
 43 days; and  
 44 (3) the total of the payments in each calendar year must equal the  
 45 amount required under this article.

46 SECTION 482. IC 20-43-2-2, AS AMENDED BY P.L.234-2007,  
 47 SECTION 235, IS AMENDED TO READ AS FOLLOWS  
 48 [EFFECTIVE JULY 1, 2008]: Sec. 2. The maximum state distribution  
 49 for a calendar year for all school corporations **for the purposes**  
 50 **described in section 3 of this chapter** is:

- 51 (1) three billion eight hundred twelve million five hundred

1 thousand dollars (\$3,812,500,000) in 2007;  
 2 (2) three billion nine hundred sixty million nine hundred thousand  
 3 dollars (\$3,960,900,000) in 2008; and  
 4 (3) ~~four six billion one five~~ hundred ~~nineteen nine~~ million six  
 5 hundred thousand dollars (~~\$4,119,600,000~~) (**\$6,509,000,000**) in  
 6 2009.

7 SECTION 483. IC 20-43-3-1, AS AMENDED BY P.L.234-2007,  
 8 SECTION 237, IS AMENDED TO READ AS FOLLOWS  
 9 [EFFECTIVE JANUARY 1, 2009]: Sec. 1. If a computation under this  
 10 article results in a fraction and a rounding rule is not specified, the  
 11 fraction shall be rounded as follows:

12 ~~(1) All tax rates shall be computed by rounding the rate to the~~  
 13 ~~nearest one-hundredth of a cent (\$0.0001).~~

14 ~~(2) (1) All calculations related to the complexity index shall be~~  
 15 ~~computed by rounding to the nearest ten thousandth (0.0001).~~

16 ~~(3) (2) All tax levies and tuition support distributions shall be~~  
 17 ~~computed by rounding the levy or tuition support distribution to~~  
 18 ~~the nearest dollar (\$1) amount.~~

19 ~~(4) (3) The fraction calculated in IC 20-43-2-4 shall be computed~~  
 20 ~~by rounding to the nearest one millionth (0.000001).~~

21 ~~(5) (4) If a calculation is not covered by subdivision (1), (2), or~~  
 22 ~~(3), or (4); the result of the calculation shall be rounded to the~~  
 23 ~~nearest one hundredth (0.01).~~

24 SECTION 484. IC 20-43-3-3, AS ADDED BY P.L.2-2006,  
 25 SECTION 166, IS AMENDED TO READ AS FOLLOWS  
 26 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. Not later than January 15  
 27 each year, the department of local government finance shall certify to  
 28 the department the amount of each school corporation's excise tax  
 29 revenue for the immediately preceding year. ~~In 2006, the department~~  
 30 ~~of local government finance shall certify to the department the amount~~  
 31 ~~of each school corporation's excise tax revenue for both 2004 and 2005.~~  
 32 The department may rely on the excise tax revenue amounts certified  
 33 by the department of local government finance under this section in  
 34 making calculations under this article. **This section expires July 1,**  
 35 **2009.**

36 SECTION 485. IC 20-43-3-4, AS AMENDED BY HEA 1137-2008,  
 37 SECTION 123, IS AMENDED TO READ AS FOLLOWS  
 38 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) A school corporation's  
 39 previous year revenue equals the amount determined under STEP TWO  
 40 of the following formula:

41 STEP ONE: Determine the sum of the following:

42 (A) The school corporation's basic tuition support for the year  
 43 that precedes the current year.

44 (B) The school corporation's maximum permissible tuition  
 45 support levy for the calendar year that precedes the current  
 46 year, made in determining the school corporation's adjusted  
 47 tuition support levy for the calendar year: **2008.**

48 (C) The school corporation's excise tax revenue for the year  
 49 that precedes the current year by two (2) years: **calendar year**  
 50 **2007.**

51 STEP TWO: Subtract from the STEP ONE result an amount equal

1 to the reduction in the school corporation's state tuition support  
 2 under any combination of subsection (b), subsection (c),  
 3 IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.

4 (b) A school corporation's previous year revenue must be reduced  
 5 if:

6 (1) the school corporation's state tuition support for special  
 7 education or career and technical education is reduced as a result  
 8 of a complaint being filed with the department after December 31,  
 9 1988, because the school program overstated the number of  
 10 children enrolled in special education programs or career and  
 11 technical education programs; and

12 (2) the school corporation's previous year revenue has not been  
 13 reduced under this subsection more than one (1) time because of  
 14 a given overstatement.

15 The amount of the reduction equals the amount the school corporation  
 16 would have received in state tuition support for special education and  
 17 career and technical education because of the overstatement.

18 (c) **This section applies only to 2009.** A school corporation's  
 19 previous year revenue must be reduced if an existing elementary or  
 20 secondary school located in the school corporation converts to a charter  
 21 school under ~~IC 20-5.5-11 before July 1, 2005~~, or IC 20-24-11. ~~after~~  
 22 ~~June 30, 2005~~. The amount of the reduction equals the product of:

23 (1) the sum of the amounts distributed to the conversion charter  
 24 school under ~~IC 20-5.5-7-3.5(c) and IC 20-5.5-7-3.5(d) before~~  
 25 ~~July 1, 2005~~, and IC 20-24-7-3(c) and IC 20-24-7-3(d) ~~after June~~  
 26 ~~30, 2005~~; (as effective **December 31, 2008**); multiplied by

27 (2) two (2).

28 SECTION 486. IC 20-43-3-6, AS ADDED BY P.L.2-2006,  
 29 SECTION 166, IS AMENDED TO READ AS FOLLOWS  
 30 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) For purposes of this  
 31 section, "school corporation" does not include a charter school.

32 (b) Adjusted assessed valuation of any school corporation that is  
 33 used in computing a school corporation's state tuition support for a  
 34 calendar year must be the assessed valuation in the school corporation,  
 35 adjusted as provided in IC 6-1.1-34.

36 (c) The amount of the valuation described in subsection (b) must  
 37 also be adjusted downward by the department of local government  
 38 finance to the extent it consists of real or personal property owned by  
 39 a railroad or other corporation under the jurisdiction of a federal court  
 40 under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result  
 41 of the corporation being involved in a bankruptcy proceeding the  
 42 corporation is delinquent in payment of its Indiana real and personal  
 43 property taxes for the year to which the valuation applies. If the railroad  
 44 or other corporation in some subsequent calendar year makes payment  
 45 of the delinquent taxes, the state superintendent shall prescribe  
 46 adjustments in the distributions of state tuition support that  
 47 subsequently become due to a school corporation affected by the  
 48 delinquency. The adjustment must ensure that the school corporation  
 49 will not have been unjustly enriched under P.L.382-1987(ss).

50 (d) The amount of the valuation described in subsection (b) must  
 51 also be adjusted downward by the department of local government

1 finance to the extent it consists of real or personal property described  
2 in ~~IC 6-1.1-17-0.5(b)~~. **IC 6-1.1-17-0.5.**

3 SECTION 487. IC 20-43-4-1, AS AMENDED BY HEA 1137-2008,  
4 SECTION 124, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) An individual is an  
6 eligible pupil if the individual is a pupil enrolled in a school  
7 corporation and:

8 (1) the school corporation has the responsibility to educate the  
9 pupil in its public schools without the payment of tuition;

10 (2) subject to subdivision (5), the school corporation has the  
11 responsibility to pay transfer tuition under IC 20-26-11 because  
12 the pupil is:

13 (A) transferred for education to another school corporation; **or**

14 (B) **placed in an out-of-state institution or facility by or**  
15 **with the consent of the department of child services;**

16 (3) the pupil is enrolled in a school corporation as a transfer  
17 student under IC 20-26-11-6 or entitled to be counted for ADM  
18 purposes as a resident of the school corporation when attending  
19 its schools under any other applicable law or regulation;

20 (4) the state is responsible for the payment of transfer tuition to  
21 the school corporation for the pupil under IC 20-26-11; or

22 (5) all of the following apply:

23 (A) The school corporation is a transferee corporation.

24 (B) The pupil does not qualify as a qualified pupil in the  
25 transferee corporation under subdivision (3) or (4).

26 (C) The transferee corporation's attendance area includes a  
27 state licensed private or public health care facility or child care  
28 facility where the pupil was placed:

29 (i) by or with the consent of the department of child  
30 services;

31 (ii) by a court order;

32 (iii) by a child placing agency licensed by the department of  
33 child services;

34 (iv) by a parent or guardian under IC 20-26-11-8; or

35 (v) by or with the consent of the department under  
36 IC 20-35-6-2.

37 (b) For purposes of a career and technical education grant, an  
38 eligible pupil includes a student enrolled in a charter school.

39 SECTION 488. IC 20-43-6-3, AS AMENDED BY P.L.234-2007,  
40 SECTION 249, IS AMENDED TO READ AS FOLLOWS  
41 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) A school corporation's  
42 total regular program tuition support for a calendar year is the amount  
43 determined under the applicable provision of this section.

44 (b) This subsection applies to a school corporation that has  
45 transition to foundation revenue per adjusted ADM for a calendar year  
46 that is not equal to the school corporation's foundation amount for the  
47 calendar year. The school corporation's total regular program tuition  
48 support for a calendar year is equal to the school corporation's  
49 transition to foundation revenue for the calendar year.

50 (c) This subsection applies to a school corporation that has  
51 transition to foundation revenue per adjusted ADM for a calendar year

1 that is equal to the school corporation's foundation amount for the  
 2 calendar year. The school corporation's total regular program tuition  
 3 support for a calendar year is the sum of the following:

4 (1) The school corporation's foundation amount for the calendar  
 5 year multiplied by the school corporation's adjusted ADM for the  
 6 current year.

7 (2) The amount of the annual decrease in federal aid to impacted  
 8 areas from the year preceding the ensuing calendar year by three

9 (3) years to the year preceding the ensuing calendar year by two  
 10 (2) years.

11 ~~(3) The part of the school corporation's maximum permissible  
 12 tuition support levy for the year that equals the original amount of  
 13 the levy imposed by the school corporation to cover the costs of  
 14 opening a new school facility or reopening an existing facility  
 15 during the preceding year.~~

16 SECTION 489. IC 20-43-6-5, AS ADDED BY P.L.2-2006,  
 17 SECTION 166, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. A school corporation's  
 19 basic tuition support for a calendar year is ~~the difference between:~~

20 ~~(1) equal to the school corporation's total regular program tuition  
 21 support for the calendar year. minus~~

22 ~~(2) the school corporation's local contribution for the calendar  
 23 year.~~

24 SECTION 490. IC 20-43-11.5 IS ADDED TO THE INDIANA  
 25 CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2008]:

27 **Chapter 11.5. New Facility Adjustment**

28 **Sec. 1. (a) A school corporation may appeal to the department  
 29 of local government finance under IC 6-1.1-19 for a new facility  
 30 adjustment to increase the school corporation's tuition support  
 31 distribution for the following year by the amount described in  
 32 section 2 of this chapter.**

33 **(b) Upon the demonstration by the school corporation to the  
 34 department of local government finance that an adjustment is  
 35 necessary to pay increased costs to open:**

36 **(1) a new school facility; or**

37 **(2) an existing facility that has not been used for at least three**

38 **(3) years and that is being reopened to provide additional  
 39 classroom space;**

40 **the department of local government finance may grant the appeal.  
 41 If the department of local government finance grants an appeal, it  
 42 shall determine the amount of the new facility adjustment to be  
 43 distributed to the school corporation under this chapter. In  
 44 determining the amount of a new facility adjustment, the  
 45 department of local government finance shall consider the extent  
 46 to which a part of tuition support distributions offsets any  
 47 increased costs described in subdivision (1) or (2).**

48 **Sec. 2. (a) If a school corporation's appeal under this chapter is  
 49 granted, the department shall, subject to amounts appropriated,  
 50 distribute to the school corporation the amount of the new facility  
 51 adjustment approved by the department of local government**

1 **finance.**

2 **(b) A new facility adjustment is in addition to the amount of the**  
3 **state tuition support distribution to which the school corporation**  
4 **is entitled under this article.**

5 SECTION 491. IC 20-44-3-3, AS ADDED BY P.L.2-2006,  
6 SECTION 167, IS AMENDED TO READ AS FOLLOWS  
7 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. ~~(a)~~ A school corporation's  
8 levy excess is valid.

9 **(b) The general fund portion of a school corporation's levy excess**  
10 **may not be contested on the grounds that it exceeds the school**  
11 **corporation's maximum permissible tuition support levy limit for the**  
12 **applicable calendar year.**

13 SECTION 492. IC 20-45-7-20, AS AMENDED BY P.L.224-2007,  
14 SECTION 114, IS AMENDED TO READ AS FOLLOWS  
15 [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) The county auditor shall  
16 compute the amount of the tax to be levied each year. Before August  
17 2, the county auditor shall certify the amount to the county council.

18 (b) The tax rate shall be advertised and fixed by the county council  
19 in the same manner as other property tax rates. The tax rate shall be  
20 subject to all applicable law relating to review by the county board of  
21 tax adjustment ~~(before January 1, 2009)~~ or the county board of tax and  
22 capital projects review ~~(after December 31, 2008)~~ and the department  
23 of local government finance.

24 (c) The department of local government finance shall certify the tax  
25 rate at the time it certifies the other county tax rates.

26 (d) The department of local government finance shall raise or lower  
27 the tax rate to the tax rate provided in this chapter, regardless of  
28 whether the certified tax rate is below or above the tax rate advertised  
29 by the county.

30 SECTION 493. IC 20-45-8-20, AS AMENDED BY P.L.224-2007,  
31 SECTION 115, IS AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2008]: Sec. 20. The tax levy is subject to all  
33 laws concerning review by the county board of tax adjustment ~~(before~~  
34 ~~January 1, 2009)~~ or the county board of tax and capital projects review  
35 ~~(after December 31, 2008)~~ and the department of local government  
36 finance.

37 SECTION 494. IC 20-46-1-7, AS ADDED BY P.L.2-2006,  
38 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
39 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) This section applies to  
40 a school corporation that added an amount to the school corporation's  
41 base tax levy before 2002 as the result of the approval of an excessive  
42 tax levy by the majority of individuals voting in a referendum held in  
43 the area served by the school corporation under IC 6-1.1-19-4.5 (before  
44 its repeal).

45 (b) A school corporation may adopt a resolution before September  
46 21, 2005, to transfer the power of the school corporation to levy the  
47 amount described in subsection (a) from the school corporation's  
48 general fund to the school corporation's fund. A school corporation that  
49 adopts a resolution under this section shall, as soon as practicable after  
50 adopting the resolution, send a certified copy of the resolution to the  
51 department of local government finance and the county auditor. A

1 school corporation that adopts a resolution under this section may, for  
 2 property taxes first due and payable after 2005, levy an additional  
 3 amount for the fund that does not exceed the amount of the excessive  
 4 tax levy added to the school corporation's base tax levy before 2002.

5 (c) The power of the school corporation to impose the levy  
 6 transferred to the fund under this section expires December 31, 2012,  
 7 unless:

8 (1) the school corporation adopts a resolution to reimpose or  
 9 extend the levy; and

10 (2) the levy is approved, before January 1, 2013, by a majority of  
 11 the individuals who vote in a referendum that is conducted in  
 12 accordance with the requirements in this chapter.

13 As soon as practicable after adopting the resolution under subdivision  
 14 (1), the school corporation shall send a certified copy of the resolution  
 15 to the county auditor and the department of local government finance.  
 16 Upon receipt of the certified resolution, the tax control board shall  
 17 proceed in the same manner as the tax control board would for any  
 18 other levy being reimposed or extended under this chapter. However,  
 19 if requested by the school corporation in the resolution adopted under  
 20 subdivision (1), the question of reimposing or extending a levy  
 21 transferred to the fund under this section may be combined with a  
 22 question presented to the voters to reimpose or extend a levy initially  
 23 imposed after 2001. A levy reimposed or extended under this  
 24 subsection shall be treated for all purposes as a levy reimposed or  
 25 extended under IC 6-1.1-19-4.5(c) (before its repeal) and this chapter,  
 26 after June 30, 2006.

27 (d) The school corporation's levy under this section may not be  
 28 considered in the determination of the school corporation's state tuition  
 29 support **distribution** under IC 20-43 or the determination of ~~the school~~  
 30 ~~corporation's maximum permissible tuition support levy under~~  
 31 ~~IC 20-45-3: any other property tax levy imposed by the school~~  
 32 **corporation.**

33 SECTION 495. IC 20-46-1-8, AS ADDED BY P.L.2-2006,  
 34 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2008]: Sec. 8. ~~(a) This section applies to a~~  
 36 ~~school corporation that includes a request for a levy under this chapter~~  
 37 ~~in an emergency appeal under IC 6-1.1-19 and IC 20-45-6-2:~~

38 ~~(b) In addition to, or instead of, any recommendation that the tax~~  
 39 ~~control board may make in an appeal, the tax control board may~~  
 40 ~~recommend that the appellant school corporation be permitted to make~~  
 41 ~~a levy for the ensuing calendar year under this chapter.~~ **(a) Subject to**  
 42 **this chapter, the governing body of a school corporation may adopt**  
 43 **a resolution to place a referendum under this chapter on the ballot**  
 44 **for either of the following purposes:**

45 **(1) The governing body of the school corporation determines**  
 46 **that it cannot, in a calendar year, carry out its public**  
 47 **educational duty unless it imposes a referendum tax levy**  
 48 **under this chapter.**

49 **(2) The governing body of the school corporation determines**  
 50 **that a referendum tax levy under this chapter should be**  
 51 **imposed to replace property tax revenue that the school**

1           **corporation will not receive because of the application of the**  
 2           **credit under IC 6-1.1-20.6.**

3           **(b) The governing body of the school corporation shall certify**  
 4           **a copy of the resolution to the county fiscal body of each county in**  
 5           **which the school corporation is located.**

6           SECTION 496. IC 20-46-1-9, AS ADDED BY P.L.2-2006,  
 7           SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 8           [EFFECTIVE JULY 1, 2008]: Sec. 9. A ~~tax control board~~  
 9           ~~recommendation referendum tax levy~~ under this chapter may be put  
 10          into effect only if

11          (1) a majority of the individuals who vote in a referendum that is  
 12          conducted in accordance with this section and sections 10 through  
 13          19 of this chapter approves the appellant school corporation's  
 14          making a levy for the ensuing calendar year.

15          (2) ~~the department of local government finance approves the~~  
 16          ~~recommendation in writing; and~~

17          (3) ~~the appellant school corporation requests that the tax control~~  
 18          ~~board take the steps necessary to cause a referendum to be~~  
 19          ~~conducted.~~

20          SECTION 497. IC 20-46-1-12, AS ADDED BY P.L.2-2006,  
 21          SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 22          [EFFECTIVE JULY 1, 2008]: Sec. 12. **If a school corporation adopts**  
 23          **a resolution under section 8 of this chapter,** the ~~tax control board~~  
 24          ~~shall act county fiscal body must~~ under IC 3-10-9-3 to certify the  
 25          question to be voted on at the referendum to the county election board  
 26          of each county in which any part of the appellant school corporation is  
 27          located.

28          SECTION 498. IC 20-46-1-13, AS ADDED BY P.L.2-2006,  
 29          SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 30          [EFFECTIVE JULY 1, 2008]: Sec. 13. Each county clerk shall, upon  
 31          receiving the question certified by the ~~tax control board~~ **county fiscal**  
 32          **body** under this chapter, call a meeting of the county election board to  
 33          make arrangements for the referendum.

34          SECTION 499. IC 20-46-1-14, AS ADDED BY P.L.2-2006,  
 35          SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 36          [EFFECTIVE JULY 1, 2008]: Sec. 14. (a) The referendum shall be  
 37          held in the next primary or general election in which all the registered  
 38          voters who are residents of the appellant school corporation are entitled  
 39          to vote after certification of the question under IC 3-10-9-3. However,  
 40          if the referendum would be held at a primary or general election more  
 41          than six (6) months after certification by the ~~tax control board;~~ **county**  
 42          **fiscal body,** the referendum shall be held at a special election to be  
 43          conducted not less than ninety (90) days after the question is certified  
 44          to the circuit court clerk or clerks by the ~~tax control board;~~ **county**  
 45          **fiscal body.**

46          (b) The school corporation shall advise each affected county  
 47          election board of the date on which the school corporation desires that  
 48          the referendum be held, and, if practicable, the referendum shall be  
 49          held on the day specified by the school corporation.

50          (c) The referendum shall be held under the direction of the county  
 51          election board, which shall take all steps necessary to carry out the



1 referendum.

2 (d) If a primary election, general election, or special election is held  
3 during the sixty (60) days preceding or following the special election  
4 described in this section and is held in an election district that includes  
5 some, but not all, of the school corporation, the county election board  
6 may also adopt orders to specify when the registration period for the  
7 elections cease and resume under IC 3-7-13-10.

8 (e) Not less than ten (10) days before the date on which the  
9 referendum is to be held, the county election board shall cause notice  
10 of the question that is to be voted upon at the referendum to be  
11 published in accordance with IC 5-3-1.

12 (f) If the referendum is not conducted at a primary or general  
13 election, the appellant school corporation in which the referendum is  
14 to be held shall pay all the costs of holding the referendum.

15 SECTION 500. IC 20-46-1-15, AS ADDED BY P.L.2-2006,  
16 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
17 [EFFECTIVE JULY 1, 2008]: Sec. 15. Each county election board  
18 shall cause:

19 (1) the question certified to the circuit court clerk by the ~~tax~~  
20 ~~control board~~ **county fiscal body** to be placed on the ballot in the  
21 form prescribed by IC 3-10-9-4; and

22 (2) an adequate supply of ballots and voting equipment to be  
23 delivered to the precinct election board of each precinct in which  
24 the referendum is to be held.

25 SECTION 501. IC 20-46-1-17, AS ADDED BY P.L.2-2006,  
26 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
27 [EFFECTIVE JULY 1, 2008]: Sec. 17. Each precinct election board  
28 shall count the affirmative votes and the negative votes cast in the  
29 referendum and shall certify those two (2) totals to the county election  
30 board of each county in which the referendum is held. The circuit court  
31 clerk of each county shall, immediately after the votes cast in the  
32 referendum have been counted, certify the results of the referendum to  
33 the ~~tax control board~~ **county fiscal body**. Upon receiving the  
34 certification of all the votes cast in the referendum, the ~~tax control~~  
35 ~~board~~ **county fiscal body** shall promptly certify the result of the  
36 referendum to the department of local government finance. If a  
37 majority of the individuals who voted in the referendum voted "yes" on  
38 the referendum question:

39 (1) ~~the department of local government finance; upon being~~  
40 ~~notified by the tax control board of the result of the referendum;~~  
41 **county fiscal body** shall promptly notify the school corporation  
42 that the school corporation is authorized to collect, for the  
43 calendar year that next follows the calendar year in which the  
44 referendum is held, a levy not greater than the amount approved  
45 in the referendum;

46 (2) the levy may be imposed for the number of calendar years  
47 approved by the voters following the referendum for the school  
48 corporation in which the referendum is held; and

49 (3) the school corporation shall establish a fund under  
50 IC 20-40-3-1.

51 SECTION 502. IC 20-46-1-18, AS ADDED BY P.L.2-2006,

1 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JANUARY 1, 2009]: Sec. 18. **(a)** A school corporation's  
 3 levy may not be considered in the determination of the school  
 4 corporation's state tuition support **distribution** under IC 20-43 or the  
 5 determination of ~~the school corporation's maximum permissible tuition~~  
 6 ~~support levy under IC 20-45-3~~. **any other property tax levy imposed**  
 7 **by the school corporation.**

8 SECTION 503. IC 20-46-1-19, AS ADDED BY P.L.2-2006,  
 9 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 10 [EFFECTIVE JANUARY 1, 2009]: Sec. 19. If a majority of the  
 11 persons who voted in the referendum did not vote "yes" on the  
 12 referendum question:

13 (1) the school corporation may not make any levy for its ~~general~~  
 14 **referendum tax levy** fund; ~~other than a levy permitted under~~  
 15 ~~IC 20-45~~; and

16 (2) another referendum under this section may not be held for one  
 17 (1) year after the date of the referendum.

18 SECTION 504. IC 20-46-5-6, AS ADDED BY P.L.2-2006,  
 19 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This section does not  
 21 apply to a school corporation located in South Bend, unless a resolution  
 22 adopted under IC 6-1.1-17-5.6(d) by the governing body of the school  
 23 corporation is in effect.

24 (b) Before a governing body may collect property taxes for the fund  
 25 in a particular calendar year, the governing body must, after January 1  
 26 and not later than September 20 of the immediately preceding year:

27 (1) conduct a public hearing on; and  
 28 (2) pass a resolution to adopt;

29 a plan.

30 **(c) This section expires January 1, 2009.**

31 SECTION 505. IC 20-46-5-7, AS ADDED BY P.L.2-2006,  
 32 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) **Except as provided in**  
 34 **subsection (b)**, this section applies only to a school corporation located  
 35 in South Bend.

36 **(b) After December 31, 2009, this section applies to all school**  
 37 **corporations.**

38 ~~(b)~~ **(c) This subsection expires January 1, 2010.** This section does  
 39 not apply to the school corporation if a resolution adopted under  
 40 IC 6-1.1-17-5.6(d) by the governing body of the school corporation is  
 41 in effect.

42 ~~(c)~~ **(d)** Before the governing body of the school corporation may  
 43 collect property taxes for the fund in a particular calendar year, the  
 44 governing body must, after January 1 and on or before February 1 of  
 45 the immediately preceding year:

46 (1) conduct a public hearing on; and  
 47 (2) pass a resolution to adopt;

48 a plan.

49 SECTION 506. IC 20-46-5-8, AS ADDED BY P.L.2-2006,  
 50 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
 51 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) The department of local

- 1 government finance shall prescribe the format of the plan.
- 2 (b) A plan must apply to at least the ~~ten (10)~~ **twelve (12)** budget
- 3 years immediately following the year the plan is adopted.
- 4 (c) A plan must at least include the following:
- 5 (1) An estimate for each year to which it applies of the nature and
- 6 amount of proposed expenditures from the fund.
- 7 (2) A presumption that the minimum useful life of a school bus is
- 8 not less than ~~ten (10)~~ **twelve (12)** years.
- 9 (3) An identification of:
- 10 (A) the source of all revenue to be dedicated to the proposed
- 11 expenditures in the upcoming budget year; and
- 12 (B) the amount of property taxes to be collected in that year
- 13 and the unexpended balance to be retained in the fund for
- 14 expenditures proposed for a later year.
- 15 (4) If the school corporation is seeking to:
- 16 (A) acquire; or
- 17 (B) contract for transportation services that will provide;
- 18 additional school buses or school buses with a larger seating
- 19 capacity as compared with the number and type of school buses
- 20 from the prior school year, evidence of a demand for increased
- 21 transportation services within the school corporation. Clause (B)
- 22 does not apply if contracted transportation services are not paid
- 23 from the fund.
- 24 (5) If the school corporation is seeking to:
- 25 (A) replace an existing school bus earlier than ~~ten (10)~~ **twelve**
- 26 **(12)** years after the existing school bus was originally
- 27 acquired; or
- 28 (B) require a contractor to replace a school bus;
- 29 evidence that the need exists for the replacement of the school
- 30 bus. Clause (B) does not apply if contracted transportation
- 31 services are not paid from the fund.
- 32 (6) Evidence that the school corporation that seeks to acquire
- 33 additional school buses under this section is acquiring or
- 34 contracting for the school buses only for the purposes specified in
- 35 subdivision (4) or for replacement purposes.
- 36 SECTION 507. IC 20-46-6-8, AS ADDED BY P.L.2-2006,
- 37 SECTION 169, IS AMENDED TO READ AS FOLLOWS
- 38 [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section does not
- 39 apply to a school corporation that is located in South Bend, unless a
- 40 resolution adopted under IC 6-1.1-17-5.6(d) by the governing body of
- 41 the school corporation is in effect.
- 42 (b) Before a governing body may collect property taxes for a capital
- 43 projects fund in a particular year, the governing body must:
- 44 (1) after January 1; and
- 45 (2) not later than September 20;
- 46 of the immediately preceding year, hold a public hearing on a proposed
- 47 or amended plan and pass a resolution to adopt the proposed or
- 48 amended plan.
- 49 **(c) This section expires January 1, 2009.**
- 50 SECTION 508. IC 20-46-6-9, AS ADDED BY P.L.2-2006,
- 51 SECTION 169, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) **Except as provided in**  
 2 **subsection (b)**, this section applies only to a school corporation that is  
 3 located in South Bend.

4 **(b) After December 31, 2009, this section applies to all school**  
 5 **corporations.**

6 ~~(b)~~ (c) **This subsection expires January 1, 2010.** This ~~subsection~~  
 7 **section** does not apply to the school corporation if a resolution adopted  
 8 under IC 6-1.1-17-5.6(d) by the governing body of the school  
 9 corporation is in effect.

10 ~~(c)~~ (d) Before the governing body of the school corporation may  
 11 collect property taxes for a fund in a particular year, the governing  
 12 body must:

13 (1) after January 1; and

14 (2) before February 2;

15 of the immediately preceding year, hold a public hearing on a proposed  
 16 or amended plan and pass a resolution to adopt the proposed or  
 17 amended plan.

18 SECTION 509. IC 20-46-7-8, AS AMENDED BY P.L.224-2007,  
 19 SECTION 116, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) **This section does not apply**  
 21 **to the following:**

22 **(1) Bonds or lease rental agreements for which a school**  
 23 **corporation:**

24 **(A) after June 30, 2008, makes a preliminary**  
 25 **determination as described in IC 6-1.1-20-3.1 or**  
 26 **IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5;**  
 27 **or**

28 **(B) in the case of bonds or lease rental agreements not**  
 29 **subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5,**  
 30 **adopts a resolution or ordinance authorizing the bonds or**  
 31 **lease rental agreement after June 30, 2008.**

32 **(2) Repayment from the debt service fund of loans made after**  
 33 **June 30, 2008, for the purchase of school buses under**  
 34 **IC 20-27-4-5.**

35 ~~(a)~~ (b) A school corporation must file a petition requesting approval  
 36 from the department of local government finance to:

37 (1) incur bond indebtedness;

38 (2) enter into a lease rental agreement; or

39 (3) repay from the debt service fund loans made for the purchase  
 40 of school buses under IC 20-27-4-5;

41 not later than twenty-four (24) months after the first date of publication  
 42 of notice of a preliminary determination under IC 6-1.1-20-3.1(2),  
 43 unless the school corporation demonstrates that a longer period is  
 44 reasonable in light of the school corporation's facts and circumstances.

45 ~~(b)~~ (c) A school corporation must obtain approval from the  
 46 department of local government finance before the school corporation  
 47 may:

48 (1) incur the indebtedness;

49 (2) enter into the lease agreement; or

50 (3) repay the school bus purchase loan.

51 ~~(c)~~ (d) This restriction does not apply to property taxes that a school

1 corporation levies to pay or fund bond or lease rental indebtedness  
 2 created or incurred before July 1, 1974. In addition, this restriction does  
 3 not apply to a lease agreement or a purchase agreement entered into  
 4 between a school corporation and the Indiana bond bank for the lease  
 5 or purchase of a school bus under IC 5-1.5-4-1(a)(5), if the lease  
 6 agreement or purchase agreement conforms with the school  
 7 corporation's ten (10) year school bus replacement plan approved by  
 8 the department of local government finance under IC 21-2-11.5-3.1  
 9 **(before its repeal) or IC 20-46-5.**

10 ~~(d)~~ (e) This section does not apply to

11 ~~(1)~~ school bus purchase loans made by a school corporation that  
 12 will be repaid solely from the general fund of the school  
 13 corporation. ~~or~~

14 ~~(2)~~ bonded indebtedness incurred; or lease rental agreements  
 15 entered into for capital projects approved by a county board of tax  
 16 and capital projects review under IC 6-1.1-29.5 after December  
 17 31, 2008.

18 SECTION 510. IC 20-46-7-8.5 IS ADDED TO THE INDIANA  
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2008]: **Sec. 8.5. (a) Notwithstanding any**  
 21 **other provision, review by the department of local government**  
 22 **finance and approval by the department of local government**  
 23 **finance are not required before a school corporation may issue or**  
 24 **enter into bonds, a lease, or any other obligation, if the school**  
 25 **corporation:**

26 (1) after June 30, 2008, makes a preliminary determination as  
 27 described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as  
 28 described in IC 6-1.1-20-5; or

29 (2) in the case of bonds, leases, or other obligations not subject  
 30 to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a  
 31 resolution or ordinance authorizing the bonds, lease rental  
 32 agreement, or other obligations after June 30, 2008.

33 (b) A school corporation is not required to obtain the approval  
 34 of the department of local government finance before the school  
 35 corporation may repay from the debt service fund any loans made  
 36 after June 30, 2008, for the purchase of school buses under  
 37 IC 20-27-4-5.

38 (c) This subsection applies after June 30, 2008. Notwithstanding  
 39 any other provision, review by the department of local government  
 40 finance and approval by the department of local government  
 41 finance are not required before a school corporation may  
 42 construct, alter, or repair a capital project.

43 SECTION 511. IC 20-46-7-9, AS AMENDED BY P.L.224-2007,  
 44 SECTION 117, IS AMENDED TO READ AS FOLLOWS  
 45 [EFFECTIVE JULY 1, 2008]: Sec. 9. (a) This section applies only to  
 46 an obligation ~~described in~~ **subject to** section 8 of this chapter. This  
 47 section does not apply to bonded indebtedness ~~incurred~~ or lease rental  
 48 agreements entered into for capital projects approved by a county board  
 49 of tax and capital projects review under IC 6-1.1-29.5 after December  
 50 31, 2008: **for which a school corporation:**

51 (1) after June 30, 2008, makes a preliminary determination as

1 **described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as**  
 2 **described in IC 6-1.1-20-5; or**  
 3 **(2) in the case of bonds or lease rental agreements not subject**  
 4 **to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a**  
 5 **resolution or ordinance authorizing the bonds or lease rental**  
 6 **agreement after June 30, 2008.**

7 (b) The department of local government finance may:

- 8 (1) approve;  
 9 (2) disapprove; or  
 10 (3) modify then approve;

11 a school corporation's proposed lease rental agreement, bond issue, or  
 12 school bus purchase loan. Before the department of local government  
 13 finance approves or disapproves a proposed lease rental agreement,  
 14 bond issue, or school bus purchase loan, the department of local  
 15 government finance may seek the recommendation of the tax control  
 16 board.

17 (c) The department of local government finance shall render a  
 18 decision not more than three (3) months after the date the department  
 19 of local government finance receives a request for approval under  
 20 section 8 of this chapter. However, the department of local government  
 21 finance may extend this three (3) month period by an additional three  
 22 (3) months if, at least ten (10) days before the end of the original three  
 23 (3) month period, the department of local government finance sends  
 24 notice of the extension to the executive officer of the school  
 25 corporation.

26 SECTION 512. IC 20-46-7-10, AS AMENDED BY P.L.224-2007,  
 27 SECTION 118, IS AMENDED TO READ AS FOLLOWS  
 28 [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) This section applies only  
 29 to an obligation described in section 8 of this chapter. This section does  
 30 not apply to bonded indebtedness ~~incurred~~ or lease rental agreements  
 31 ~~entered into for capital projects approved by a county board of tax and~~  
 32 ~~capital projects review under IC 6-1.1-29.5 after December 31, 2008:~~  
 33 **for which the school corporation:**

- 34 **(1) after June 30, 2008, makes a preliminary determination as**  
 35 **described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as**  
 36 **described in IC 6-1.1-20-5; or**  
 37 **(2) in the case of bonds or lease rental agreements not subject**  
 38 **to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a**  
 39 **resolution or ordinance authorizing the bonds or lease rental**  
 40 **agreement after June 30, 2008.**

41 (b) The department of local government finance may not approve a  
 42 school corporation's proposed lease rental agreement or bond issue to  
 43 finance the construction of additional classrooms unless the school  
 44 corporation first:

- 45 (1) establishes that additional classroom space is necessary; and  
 46 (2) conducts a feasibility study, holds public hearings, and hears  
 47 public testimony on using a twelve (12) month school term  
 48 (instead of the nine (9) month school term (as defined in  
 49 IC 20-30-2-7)) rather than expanding classroom space.

50 (c) A taxpayer may petition for judicial review of the final  
 51 determination of the department of local government finance under this

1 section. The petition must be filed in the tax court not more than thirty  
2 (30) days after the department of local government finance enters its  
3 order under this section.

4 SECTION 513. IC 20-46-7-11, AS ADDED BY P.L.2-2006,  
5 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
6 [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The department of local  
7 government finance in determining whether to approve or disapprove  
8 a school building construction project and the tax control board in  
9 determining whether to recommend approval or disapproval of a school  
10 building construction project shall consider the following factors:

- 11 (1) The current and proposed square footage of school building  
12 space per student.
- 13 (2) Enrollment patterns within the school corporation.
- 14 (3) The age and condition of the current school facilities.
- 15 (4) The cost per square foot of the school building construction  
16 project.
- 17 (5) The effect that completion of the school building construction  
18 project would have on the school corporation's tax rate.
- 19 (6) Any other pertinent matter.

20 **(b) The authority of the department of local government finance**  
21 **to determine whether to approve or disapprove a school building**  
22 **construction project does not after June 30, 2008, include the**  
23 **authority to review or approve the financing of the school building**  
24 **construction project.**

25 SECTION 514. IC 20-46-7-12, AS ADDED BY P.L.2-2006,  
26 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
27 [EFFECTIVE UPON PASSAGE]: Sec. 12. ~~The department of local~~  
28 ~~government finance in determining whether to approve or disapprove~~  
29 ~~a school building construction project and the tax control board in~~  
30 ~~determining whether to recommend approval or disapproval of~~ **Except**  
31 **as provided by IC 5-1-14-10, the maximum term or repayment**  
32 **period for bonds issued by a school corporation for a school**  
33 **building construction project may not approve or recommend the**  
34 **approval of a project that is financed through the issuance of bonds if**  
35 **the bonds mature more than twenty-five (25) exceed twenty (20) years**  
36 **after the date of the issuance of the bonds.**

37 SECTION 515. IC 20-47-2-13, AS ADDED BY P.L.2-2006,  
38 SECTION 170, IS AMENDED TO READ AS FOLLOWS  
39 [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) If the execution of the lease  
40 as originally agreed upon or as modified by agreement is authorized by  
41 the governing body or bodies of the school corporation or corporations,  
42 the governing body shall give notice of the signing of the lease by  
43 publication one (1) time in:

- 44 (1) a newspaper of general circulation printed in the English  
45 language in the school corporation;
- 46 (2) a newspaper described in subdivision (1) in each school  
47 corporation if the proposed lease is a joint lease; or
- 48 (3) if no such newspaper is published in the school corporation,  
49 in any newspaper of general circulation published in the county.

50 **(b) This subsection does not apply to a lease for which a school**  
51 **corporation after June 30, 2008, makes a preliminary**

1 **determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or**  
 2 **a decision as described in IC 6-1.1-20-5, or, in the case of a lease**  
 3 **not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5,**  
 4 **adopts a resolution or ordinance authorizing the lease after June**  
 5 **30, 2008.** Within thirty (30) days after the publication of notice under  
 6 subsection (a), fifty (50) or more taxpayers in the school corporation or  
 7 corporations who:

8 (1) will be affected by the proposed lease; and

9 (2) are of the opinion that:

10 (A) necessity does not exist for the execution of the lease; or

11 (B) the proposed rental provided for in the lease is not a fair  
 12 and reasonable rental;

13 may file a petition in the office of the county auditor of the county in  
 14 which the school corporation or corporations are located. The petition  
 15 must set forth the taxpayers' objections to the lease and facts showing  
 16 that the execution of the lease is unnecessary or unwise or that the lease  
 17 rental is not fair and reasonable, as the case may be.

18 (c) Upon the filing of a petition under subsection (b), the county  
 19 auditor shall immediately certify a copy of the petition, together with  
 20 any other data that is necessary to present the questions involved, to the  
 21 department of local government finance. Upon receipt of the certified  
 22 petition and data, if any, the department of local government finance  
 23 shall fix a time, date, and place for the hearing of the matter, which  
 24 may not be less than five (5) nor more than thirty (30) days thereafter.  
 25 The department of local government finance shall

26 (1) conduct the hearing in the school corporation or corporations,  
 27 or in the county where the school corporation or corporations are  
 28 located; and

29 (2) give notice of the hearing to the members of the governing  
 30 body or bodies of the school corporation or corporations and to  
 31 the first fifty (50) taxpayers who signed the petition under  
 32 subsection (b) by a letter signed by the commissioner or deputy  
 33 commissioner of the department of local government finance and  
 34 enclosed with full prepaid postage addressed to the taxpayer  
 35 petitioners at their usual place of residence, at least five (5) days  
 36 before the hearing.

37 The decision of the department of local government finance on the  
 38 appeal, upon the necessity for the execution of the lease and as to  
 39 whether the rental is fair and reasonable, is final.

40 SECTION 516. IC 20-47-2-14, AS ADDED BY P.L.2-2006,  
 41 SECTION 170, IS AMENDED TO READ AS FOLLOWS  
 42 [EFFECTIVE JULY 1, 2008]: Sec. 14. An action to contest the validity  
 43 of the lease or to enjoin the performance of any of the terms and  
 44 conditions of the lease may not be instituted at any time later than:

45 (1) thirty (30) days after publication of notice of the execution of  
 46 the lease by the governing body or bodies of the school  
 47 corporation or corporations; or

48 (2) if an appeal **is allowed under section 13 of this chapter and**  
 49 **has been taken to the department of local government finance,**  
 50 **thirty (30) days after the decision of the department of local**  
 51 **government finance.**



1 SECTION 517. IC 20-47-3-5, AS ADDED BY P.L.2-2006,  
 2 SECTION 170, IS AMENDED TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) Except as provided in  
 4 ~~subsection~~ **subsections (d) and (e)**, a lease must provide that the school  
 5 corporation or corporations have an option to:

- 6 (1) renew the lease for a further term on like conditions; and  
 7 (2) purchase the property covered by the lease;

8 with the terms and conditions of the purchase to be specified in the  
 9 lease, subject to the approval of the department of local government  
 10 finance.

11 (b) If the option to purchase the property covered by the lease is  
 12 exercised, the school corporation or corporations, to procure funds to  
 13 pay the purchase price, may issue and sell bonds under the provisions  
 14 of the general statute governing the issue and sale of bonds of the  
 15 school corporation or corporations. The purchase price may not be  
 16 more than the purchase price set forth in the lease plus:

- 17 (1) two percent (2%) of the purchase price as prepayment penalty  
 18 for purchase within the first five (5) years of the lease term; or  
 19 (2) one percent (1%) of the purchase price as prepayment penalty  
 20 for purchase in the second five (5) years of the lease term;

21 and thereafter the purchase shall be without prepayment penalty.

22 (c) However:

- 23 (1) if the school corporation or corporations have not exercised an  
 24 option to purchase the property covered by the lease at the  
 25 expiration of the lease; and  
 26 (2) upon the full discharge and performance by the school  
 27 corporation or corporations of their obligations under the lease;

28 the property covered by the lease becomes the absolute property of the  
 29 school corporation or corporations, and the lessor corporation shall  
 30 execute proper instruments conveying to the school corporation or  
 31 corporations good and merchantable title to that property.

32 (d) The following provisions apply to a school corporation that is  
 33 located in Dubois County and enters into a lease with a religious  
 34 organization or the organization's agent as authorized under section 4  
 35 of this chapter:

- 36 (1) The lease is not required to include on behalf of the school  
 37 corporation an option to purchase the property covered by the  
 38 lease.  
 39 (2) The lease must include an option to renew the lease.  
 40 (3) The property covered by the lease is not required to become  
 41 the absolute property of the school corporation as provided in  
 42 subsection (c).

43 **(e) In the case of a lease for which a school corporation:**

- 44 **(1) after June 30, 2008, makes a preliminary determination as**  
 45 **described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as**  
 46 **described in IC 6-1.1-20-5; or**  
 47 **(2) in the case of a lease not subject to IC 6-1.1-20-3.1,**  
 48 **IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or**  
 49 **ordinance authorizing the lease after June 30, 2008;**

50 **the terms and conditions of the purchase that are specified in the**  
 51 **lease are not subject to the approval of the department of local**

1 **government finance.**

2 SECTION 518. IC 20-47-3-8, AS ADDED BY P.L.2-2006,  
3 SECTION 170, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) **Except as provided in**  
5 **subsection (b)**, a school corporation or corporations may, in  
6 anticipation of the acquisition of a site and the construction and  
7 erection of a school building or buildings, and, subject to the approval  
8 of the department of local government finance, enter into a lease with  
9 a lessor corporation before the actual acquisition of the site and the  
10 construction and erection of the building or buildings. However, the  
11 lease entered into by the school corporation or school corporations may  
12 not provide for the payment of any lease rental by the lessee or lessees  
13 until the building or buildings are ready for occupancy, at which time  
14 the stipulated lease rental may begin. The lessor corporation shall  
15 furnish a bond to the approval of the lessee or lessees conditioned on  
16 the final completion of the building or buildings within a period not to  
17 exceed one (1) year from the date of the execution of the lease,  
18 unavoidable delays excepted.

19 **(b) In the case of a lease for which a school corporation:**  
20 **(1) after June 30, 2008, makes a preliminary determination as**  
21 **described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as**  
22 **described in IC 6-1.1-20-5; or**  
23 **(2) in the case of a lease not subject to IC 6-1.1-20-3.1,**  
24 **IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or**  
25 **ordinance authorizing the lease after June 30, 2008;**  
26 **the approval of the department of local government finance is not**  
27 **required.**

28 SECTION 519. IC 20-47-3-11, AS ADDED BY P.L.2-2006,  
29 SECTION 170, IS AMENDED TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) If the execution of the lease  
31 as originally agreed upon or as modified by agreement is authorized by  
32 the governing body or bodies of the school corporation or corporations,  
33 the governing body shall give notice of the signing of the lease by  
34 publication one (1) time in:

- 35 (1) a newspaper of general circulation printed in the English  
36 language in the school corporation;  
37 (2) a newspaper described in subdivision (1) in each school  
38 corporation if the proposed lease is a joint lease; or  
39 (3) if no such newspaper is published in the school corporation,  
40 in any newspaper of general circulation published in the county.

41 **(b) This subsection does not apply to leases for which a school**  
42 **corporation after June 30, 2008, makes a preliminary**  
43 **determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or**  
44 **a decision as described in IC 6-1.1-20-5, or, in the case of leases not**  
45 **subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts**  
46 **a resolution or ordinance authorizing the lease after June 30, 2008.**  
47 Within thirty (30) days after the publication of notice under subsection  
48 (a), ten (10) or more taxpayers in the school corporation or corporations  
49 who:

- 50 (1) will be affected by the proposed lease; and  
51 (2) are of the opinion that:

1 (A) no necessity exists for the execution of the lease; or  
 2 (B) the proposed rental provided for in the lease is not a fair  
 3 and reasonable rental;  
 4 may file a petition in the office of the county auditor of the county in  
 5 which the school corporation or corporations are located. The petition  
 6 must set forth the taxpayers' objections to the lease and facts showing  
 7 that the execution of the lease is unnecessary or unwise, or that the  
 8 lease rental is not fair and reasonable, as the case may be.

9 (c) Upon the filing of a petition under subsection (b), the county  
 10 auditor shall immediately certify a copy of the petition and any other  
 11 data that is necessary to present the questions involved to the  
 12 department of local government finance. Upon receipt of the certified  
 13 petition and data, if any, the department of local government finance  
 14 shall fix a date, time, and place for the hearing of the matter, which  
 15 may not be less than five (5) nor more than thirty (30) days after receipt  
 16 of the petition and data, if any. The department of local government  
 17 finance shall:

- 18 (1) conduct the hearing in the school corporation or corporations  
 19 or in the county where the school corporation or corporations are  
 20 located; and  
 21 (2) give notice of the hearing to the members of the governing  
 22 body or bodies of the school corporation or corporations and to  
 23 the first ten (10) taxpayer petitioners upon the petition by a letter  
 24 signed by the commissioner or deputy commissioner of the  
 25 department of local government finance, and enclosed with full  
 26 prepaid postage addressed to the taxpayer petitioners at their  
 27 usual place of residence, at least five (5) days before the hearing.

28 The decision of the department of local government finance on the  
 29 appeal, upon the necessity for the execution of the lease, and as to  
 30 whether the rental is fair and reasonable, is final.

31 SECTION 520. IC 20-47-3-12, AS ADDED BY P.L.2-2006,  
 32 SECTION 170, IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE JULY 1, 2008]: Sec. 12. An action to contest the validity  
 34 of the lease or to enjoin the performance of any of the terms and  
 35 conditions of the lease may not be instituted at any time later than:

- 36 (1) thirty (30) days after publication of notice of the execution of  
 37 the lease by the governing body or bodies of the school  
 38 corporation or corporations; or  
 39 (2) if an appeal **is allowed under section 11 of this chapter and**  
 40 **has been taken to the department of local government finance,**  
 41 **thirty (30) days after the decision of the department of local**  
 42 **government finance.**

43 SECTION 521. IC 20-47-4-6, AS ADDED BY P.L.2-2006,  
 44 SECTION 170, IS AMENDED TO READ AS FOLLOWS  
 45 [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) A lessor corporation may  
 46 acquire and finance an existing school building, other than as provided  
 47 in section 5 of this chapter, and lease the existing school building to a  
 48 school corporation. A school corporation shall comply with:

- 49 (1) IC 20-47-2 or IC 20-47-3; ~~and~~  
 50 (2) the petition and remonstrance provisions under IC 6-1.1-20 **(if**  
 51 **required); and**

1           **(3) the local public question provisions under IC 6-1.1-20 (if**  
 2           **required).**

3           (b) A lease made under this section may provide for the payment of  
 4 lease rentals by the school corporation for the use of the existing school  
 5 building.

6           (c) Lease rental payments made under the lease do not constitute a  
 7 debt of the school corporation for purposes of the Constitution of the  
 8 State of Indiana.

9           (d) A new school building may be substituted for the existing school  
 10 building under the lease if the substitution was included in the notices  
 11 given under IC 20-47-2, IC 20-47-3, and IC 6-1.1-20. A new school  
 12 building must be substituted for the existing school building upon  
 13 completion of the new school building.

14           SECTION 522. IC 20-48-1-4, AS ADDED BY P.L.2-2006,  
 15 SECTION 171, IS AMENDED TO READ AS FOLLOWS  
 16 [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) Bonds issued by a school  
 17 corporation must be sold at:

- 18           (1) not less than par value;  
 19           (2) public sale as provided by IC 5-1-11; and  
 20           (3) any rate or rates of interest determined by the bidding.

21           **(b) This subsection does not apply to bonds for which a school**  
 22 **corporation:**

23           **(1) after June 30, 2008, makes a preliminary determination as**  
 24 **described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as**  
 25 **described in IC 6-1.1-20-5; or**

26           **(2) in the case of bonds not subject to IC 6-1.1-20-3.1,**  
 27 **IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or**  
 28 **ordinance authorizing the bonds after June 30, 2008.**

29           If the net interest cost exceeds eight percent (8%) per year, the bonds  
 30 must not be issued until the issuance is approved by the department of  
 31 local government finance.

32           SECTION 523. IC 20-48-1-8, AS AMENDED BY P.L.219-2007,  
 33 SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2008]: Sec. 8. The provisions of all general statutes and rules  
 35 relating to:

- 36           (1) filing petitions requesting the issuance of bonds and giving  
 37 notice of the issuance of bonds;  
 38           (2) giving notice of determination to issue bonds;  
 39           (3) giving notice of a hearing on the appropriation of the proceeds  
 40 of the bonds and the right of taxpayers to appear and be heard on  
 41 the proposed appropriation;  
 42           ~~(4) the approval of the appropriation by the department of local~~  
 43 ~~government finance; and~~  
 44           ~~(5)~~ **(4) the right of taxpayers and voters to remonstrate against or**  
 45 **vote on, as applicable, the issuance of bonds;**

46           apply to proceedings for the issuance of bonds and the making of an  
 47 emergency loan under this article and IC 20-26-1 through IC 20-26-5.  
 48 An action to contest the validity of the bonds or emergency loans may  
 49 not be brought later than five (5) days after the acceptance of a bid for  
 50 the sale of the bonds.

51           SECTION 524. IC 20-48-1-9, AS ADDED BY P.L.2-2006,

1 SECTION 171, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JANUARY 1, 2009]: Sec. 9. (a) If the governing body  
 3 of a school corporation finds and declares that an emergency exists to  
 4 borrow money with which to pay current expenses from a particular  
 5 fund before the receipt of revenues from taxes levied or state tuition  
 6 support distributions for the fund, the governing body may issue  
 7 warrants in anticipation of the receipt of the revenues.

8 (b) The principal of warrants issued under subsection (a) is payable  
 9 solely from the fund for which the taxes are levied or from the school  
 10 corporation's general fund in the case of anticipated state tuition  
 11 support distributions. However, the interest on the warrants may be  
 12 paid from the debt service fund, from the fund for which the taxes are  
 13 levied, or the general fund in the case of anticipated state tuition  
 14 support distributions.

15 (c) The amount of principal of temporary loans maturing on or  
 16 before June 30 for any fund may not exceed eighty percent (80%) of  
 17 the amount of taxes and state tuition support distributions estimated to  
 18 be collected or received for and distributed to the fund at the June  
 19 settlement.

20 (d) The amount of principal of temporary loans maturing after June  
 21 30 and on or before December 31 may not exceed eighty percent (80%)  
 22 of the amount of taxes and state tuition support distributions estimated  
 23 to be collected or received for and distributed to the fund at the  
 24 December settlement.

25 ~~(e) At each settlement, the amount of taxes and state tuition support~~  
 26 ~~distributions estimated to be collected or received for and distributed~~  
 27 ~~to the fund includes allocations to the fund from the property tax~~  
 28 ~~replacement fund.~~

29 ~~(f)~~ (e) The county auditor or the auditor's deputy shall determine the  
 30 estimated amount of taxes and state tuition support distributions to be  
 31 collected or received and distributed. The warrants evidencing a loan  
 32 in anticipation of tax revenue or state tuition support distributions may  
 33 not be delivered to the purchaser of the warrant and payment may not  
 34 be made on the warrant before January 1 of the year the loan is to be  
 35 repaid. However, the proceedings necessary for the loan may be held  
 36 and carried out before January 1 and before the approval. The loan may  
 37 be made even though a part of the last preceding June or December  
 38 settlement has not been received.

39 ~~(g)~~ (f) Proceedings for the issuance and sale of warrants for more  
 40 than one (1) fund may be combined. Separate warrants for each fund  
 41 must be issued, and each warrant must state on the face of the warrant  
 42 the fund from which the warrant's principal is payable. An action to  
 43 contest the validity of a warrant may not be brought later than fifteen  
 44 (15) days after the first publication of notice of sale.

45 ~~(h)~~ (g) An issue of tax or state tuition support anticipation warrants  
 46 may not be made if the total of all tax or state tuition support  
 47 anticipation warrants exceeds twenty thousand dollars (\$20,000) until  
 48 the issuance is advertised for sale, bids are received, and an award is  
 49 made by the governing body as required for the sale of bonds, except  
 50 that the publication of notice of the sale is not necessary:

51 (1) outside the county; or

1 (2) more than ten (10) days before the date of sale.

2 SECTION 525. IC 20-48-1-11, AS ADDED BY P.L.2-2006,  
3 SECTION 171, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE JANUARY 1, 2009]: Sec. 11. (a) As used in this section,  
5 "debt service obligations" refers to the principal and interest payable  
6 during a calendar year on a school corporation's general obligation  
7 bonds and lease rentals under IC 20-47-2 and IC 20-47-3.

8 (b) Before the end of each calendar year, the department of local  
9 government finance shall review the bond and lease rental levies, or  
10 any levies that replace bond and lease rental levies, of each school  
11 corporation that are payable in the next succeeding year and the  
12 appropriations from the levies from which the school corporation is to  
13 pay the amount, if any, of the school corporation's debt service  
14 obligations. If the levies and appropriations of the school corporation  
15 are not sufficient to pay the debt service obligations, the department of  
16 local government finance shall establish for each school corporation:

17 (1) bond or lease rental levies, or any levies that replace the bond  
18 and lease rental levies; and

19 (2) appropriations;

20 that are sufficient to pay the debt service obligations.

21 (c) Upon the failure of a school corporation to pay any of the school  
22 corporation's debt service obligations during a calendar year when due,  
23 the treasurer of state, upon being notified of the failure by a claimant,  
24 shall pay the unpaid debt service obligations that are due from the  
25 funds of the state only to the extent of the amounts appropriated by the  
26 general assembly for the calendar year for distribution to the school  
27 corporation from state funds, deducting the payment from the  
28 appropriated amounts. A deduction under this subsection must be  
29 made:

30 (1) first from ~~property tax relief funds to the extent of the property~~  
31 ~~tax relief funds;~~

32 ~~(2) second from all other funds except state tuition support; and~~

33 ~~(3) third (2) second from state tuition support.~~

34 (d) This section shall be interpreted liberally so that the state shall  
35 to the extent legally valid ensure that the debt service obligations of  
36 each school corporation are paid. However, this section does not create  
37 a debt of the state.

38 SECTION 526. IC 20-48-4-7, AS ADDED BY P.L.2-2006,  
39 SECTION 171, IS AMENDED TO READ AS FOLLOWS  
40 [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) **After June 30, 2008, this**  
41 **section applies only if the alteration or construction is a controlled**  
42 **project (as defined in IC 6-1.1-20-1.1) for which a preliminary**  
43 **determination under IC 6-1.1-20-3.1 was made before July 1, 2008.**

44 (b) Before altering or constructing a building or an addition to a  
45 building, the proposed action must be submitted for approval to the  
46 department of local government finance. The department of local  
47 government finance shall set the proposal for hearing and give ten (10)  
48 days notice of the hearing to the taxpayers of the taxing district by:

49 (1) one (1) publication in each of two (2) newspapers of opposite  
50 political parties published in the taxing district;

51 (2) one (1) publication if only one (1) newspaper is published;

1 (3) publication in two (2) newspapers representing the two (2)  
 2 leading political parties published in the county and having a  
 3 general circulation in the taxing district if no newspaper is  
 4 published in the district; or

5 (4) publication in one (1) newspaper if only one (1) paper is  
 6 published in the county.

7 The department of local government finance shall conduct the hearing  
 8 in the taxing district. After the hearing upon the proposal, the  
 9 department of local government finance shall certify its approval or  
 10 disapproval to the county auditor and to the township trustee.

11 SECTION 527. IC 20-48-4-8, AS ADDED BY P.L.2-2006,  
 12 SECTION 171, IS AMENDED TO READ AS FOLLOWS  
 13 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) Upon approval by the  
 14 department of local government finance (**if required under section 6**  
 15 **of this chapter**), the township trustee may, with the consent of the  
 16 township board, issue and sell the bonds of the civil township in an  
 17 amount sufficient to pay for the alteration, construction, or addition  
 18 described in section 6 of this chapter.

19 (b) The trustee may levy a tax on the taxable property of the  
 20 township in an amount sufficient to discharge the bonds issued and  
 21 sold. The bonds may not bear a maturity date more than twenty (20)  
 22 years from the date of issue.

23 SECTION 528. IC 20-40-8-19, AS AMENDED BY P.L.234-2007,  
 24 SECTION 230, IS AMENDED TO READ AS FOLLOWS: Sec. 19.  
 25 ~~This section applies during the period beginning January 1, 2008, and~~  
 26 ~~ending December 31, 2009.~~ Money in the fund may be used to pay for  
 27 up to one hundred percent (100%) of the following costs of a school  
 28 corporation:

29 (1) Utility services.

30 (2) Property or casualty insurance.

31 (3) Both utility services and property or casualty insurance.

32 A school corporation's expenditures under this section may not exceed  
 33 in 2008 and in 2009 three and five-tenths percent (3.5%) of the school  
 34 corporation's 2005 calendar year distribution.

35 SECTION 529. IC 20-49-3-8, AS ADDED BY P.L.2-2006,  
 36 SECTION 172, IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. The fund may be used to  
 38 make advances:

39 (1) to school corporations, including school townships, under  
 40 IC 20-49-4 and IC 20-49-5;

41 (2) under IC 20-49-6; and

42 (3) to charter schools under ~~IC 20-24-7-3(f)~~ **IC 20-24-7-3(c)** and  
 43 IC 20-49-7.

44 SECTION 530. IC 25-34.1-3-8, AS AMENDED BY P.L.57-2007,  
 45 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 46 JULY 1, 2008]: Sec. 8. (a) This section does not preclude a person  
 47 who:

48 (1) is not licensed or certified as a real estate appraiser under this  
 49 section; and

50 (2) is licensed as a broker under this article;

51 from appraising real estate in Indiana for compensation.

1 (b) As used in this section, "federal act" refers to Title XI of the  
 2 Financial Institutions Reform, Recovery, and Enforcement Act (12  
 3 U.S.C. 3331 through 3351).

4 (c) The commission shall adopt rules to establish a real estate  
 5 appraiser licensure and certification program to be administered by the  
 6 board.

7 (d) The commission may not adopt rules under this section except  
 8 upon the action and written recommendations of the board under  
 9 IC 25-34.1-8-6.5.

10 (e) The real estate appraiser licensure and certification program  
 11 established by the commission under this section must meet the  
 12 requirements of:

13 (1) the federal act;

14 (2) any federal regulations adopted under the federal act; and

15 (3) any other requirements established by the commission as  
 16 recommended by the board, including requirements for education,  
 17 experience, examination, reciprocity, and temporary practice.

18 (f) The real estate appraiser licensure and certification requirements  
 19 established by the commission under this section must require a person  
 20 to meet the standards for real estate appraiser certification and  
 21 licensure established:

22 (1) under the federal act;

23 (2) by federal regulations; and

24 (3) **under** any other requirements established by the commission  
 25 as recommended by the board, including requirements for  
 26 education, experience, examination, reciprocity, and temporary  
 27 practice.

28 (g) The commission may require continuing education as a  
 29 condition of renewal for real estate appraiser licensure and  
 30 certification.

31 (h) The following are not required to be a licensed or certified real  
 32 estate appraiser to perform the requirements of IC 6-1.1-4:

33 (1) A county assessor. ~~who holds office under IC 36-2-15.~~

34 (2) A township assessor. ~~who holds office under IC 36-6-5.~~

35 (3) An individual employed by an officer described in subdivision  
 36 ~~(1) or (2).~~ **employee of a county or township assessor.**

37 (i) Notwithstanding IC 25-34.1-3-2(a):

38 (1) only a person who receives a license or certificate issued  
 39 under the real estate appraiser licensure and certification program  
 40 established under this section may appraise real estate involved  
 41 in transactions governed by:

42 (A) the federal act; and

43 (B) any regulations adopted under the federal act;

44 as determined under rules adopted by the commission, as  
 45 recommended by the board; and

46 (2) a person who receives a license or certificate issued under the  
 47 real estate appraiser licensure and certification program  
 48 established under this section may appraise real estate not  
 49 involved in transactions governed by:

50 (A) the federal act; and

51 (B) any regulations adopted under the federal act;



1 as determined under rules adopted by the commission, as  
2 recommended by the board.

3 SECTION 531. IC 29-3-9-11, AS AMENDED BY P.L.145-2006,  
4 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The department ~~or~~  
6 ~~county office of family and children of child services~~ shall investigate  
7 and report to the court concerning the conditions and  
8 circumstances of a minor and the fitness and conduct of the  
9 guardian or the proposed guardian whenever ordered to do so by  
10 the court.

11 (b) The office of the secretary of family and social services shall  
12 investigate and report to the court concerning the conditions and  
13 circumstances of a minor or an alleged incapacitated ~~person~~ **adult** or  
14 protected person **who is an adult** and the fitness and conduct of the  
15 guardian or the proposed guardian whenever ordered to do so by the  
16 court.

17 SECTION 532. IC 31-9-2-5.5 IS ADDED TO THE INDIANA  
18 CODE AS A NEW SECTION TO READ AS FOLLOWS  
19 [EFFECTIVE JANUARY 1, 2009]: **Sec. 5.5. "Adoption subsidy", for**  
20 **purposes of IC 31-19-26.5, has the meaning set forth in**  
21 **IC 31-19-26.5-1.**

22 SECTION 533. IC 31-9-2-9.3, AS ADDED BY P.L.145-2006,  
23 SECTION 171, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2008]: Sec. 9.3. (a) "Applicant", for purposes  
25 of IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, and **IC 31-26-3.5**,  
26 ~~IC 31-28-1, IC 31-28-2, and IC 31-28-3~~, means a person who has  
27 applied for assistance for the applicant or another person.

28 (b) "Applicant", for purposes of IC 31-27, means a person who  
29 seeks a license to operate a child caring institution, foster family home,  
30 group home, or child placing agency.

31 SECTION 534. IC 31-9-2-9.7, AS ADDED BY P.L.145-2006,  
32 SECTION 173, IS AMENDED TO READ AS FOLLOWS  
33 [EFFECTIVE JULY 1, 2008]: Sec. 9.7. "Assistance", for purposes of  
34 the following statutes, means money or services regardless of the  
35 source, paid or furnished under any of the following statutes:

- 36 (1) IC 31-25-3.  
37 (2) IC 31-25-4.  
38 (3) IC 31-26-2.  
39 ~~(4) IC 31-26-3.~~  
40 **(4) IC 31-26-3.5.**  
41 ~~(5) IC 31-28-1.~~  
42 ~~(6) IC 31-28-2.~~  
43 ~~(7) IC 31-28-3.~~

44 SECTION 535. IC 31-9-2-10.3, AS ADDED BY P.L.145-2006,  
45 SECTION 174, IS AMENDED TO READ AS FOLLOWS  
46 [EFFECTIVE JANUARY 1, 2009]: Sec. 10.3. "Blind", for purposes of  
47 IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, IC 31-28-1,  
48 IC 31-28-2, and IC 31-28-3, means an individual who has vision in the  
49 better eye with correcting glasses of 20/200 or less, or a disqualifying  
50 visual field defect as determined upon examination by an  
51 ophthalmologist or optometrist who has been designated to make such

1 examinations by the county office and approved by the department.

2 SECTION 536. IC 31-9-2-17, AS AMENDED BY P.L.145-2006,  
3 SECTION 181, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE UPON PASSAGE]: Sec. 17. "Child in need of services",  
5 for purposes of ~~IC 31-25-3~~, ~~IC 31-25-4~~, ~~IC 31-26-2~~, ~~IC 31-26-3~~,  
6 ~~IC 31-28-1~~, ~~IC 31-28-2~~, ~~IC 31-28-3~~, and ~~IC 31-34~~, means **this title,**  
7 **refers to** a child described in IC 31-34-1.

8 SECTION 537. IC 31-9-2-17.8 IS ADDED TO THE INDIANA  
9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
10 [EFFECTIVE JANUARY 1, 2009]: **Sec. 17.8. "Child services", for**  
11 **purposes of this title, means the following:**

12 (1) **Services, other than services that are costs of secure**  
13 **detention, specifically provided by or on behalf of the**  
14 **department for or on behalf of children who are:**

15 (A) **adjudicated to be:**

16 (i) **children in need of services under IC 31-34; or**

17 (ii) **delinquent children under IC 31-37;**

18 (B) **parties in a child in need of services case filed under**  
19 **IC 31-34 or in a delinquency case filed under IC 31-37**  
20 **before adjudication or entry of a dispositional decree;**

21 (C) **subject to temporary care or supervision by the**  
22 **department under any applicable provision of IC 31-33,**  
23 **IC 31-34, or IC 31-37;**

24 (D) **recipients or beneficiaries of a program of informal**  
25 **adjustment approved under IC 31-34-8 or IC 31-37-9; or**

26 (E) **recipients or beneficiaries of:**

27 (i) **adoption assistance under Title IV-E of the federal**  
28 **Social Security Act (42 U.S.C. 673), as amended;**

29 (ii) **adoption subsidies or assistance under IC 31-19-26.5;**  
30 **or**

31 (iii) **assistance, including emergency assistance or**  
32 **assisted guardianships, provided under Title IV-A of the**  
33 **federal Social Security Act (42 U.S.C. 601 et seq.), as**  
34 **amended.**

35 (2) **Costs of using an institution or facility for providing**  
36 **educational services to children described in subdivision**  
37 **(1)(A), under either IC 20-33-2-29 (if applicable) or**  
38 **IC 20-26-11-13 (if applicable).**

39 (3) **Assistance awarded by the department to a destitute child**  
40 **under IC 31-26-2.**

41 SECTION 538. IC 31-9-2-19.5, AS ADDED BY P.L.145-2006,  
42 SECTION 182, IS AMENDED TO READ AS FOLLOWS  
43 [EFFECTIVE JULY 1, 2008]: Sec. 19.5. "Child welfare services", for  
44 purposes of ~~IC 31-25-3~~, ~~IC 31-25-4~~, ~~IC 31-26-2~~, ~~IC 31-26-3~~,  
45 ~~IC 31-28-1~~, ~~IC 31-28-2~~, and ~~IC 31-28-3~~, means the services for  
46 children described in ~~IC 31-26-3-1~~. **this title, means services**  
47 **provided under a child welfare program.**

48 SECTION 539. IC 31-9-2-19.6 IS ADDED TO THE INDIANA  
49 CODE AS A NEW SECTION TO READ AS FOLLOWS  
50 [EFFECTIVE JULY 1, 2008]: **Sec. 19.6. "Child welfare program",**  
51 **for purposes of this title, has the meaning set forth in**

1 **IC 31-26-3.5-1.**

2 SECTION 540. IC 31-9-2-20.3 IS ADDED TO THE INDIANA  
3 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
4 [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.3. "Child with special**  
5 **needs", for purposes of IC 31-19-26.5, has the meaning set forth in**  
6 **IC 31-19-26.5-2.**

7 SECTION 541. IC 31-9-2-24.5 IS ADDED TO THE INDIANA  
8 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
9 [EFFECTIVE JANUARY 1, 2009]: **Sec. 24.5. "Costs of secure**  
10 **detention", for purposes of this title, has the meaning set forth in**  
11 **IC 31-40-1-1.5.**

12 SECTION 542. IC 31-9-2-26, AS AMENDED BY P.L.138-2007,  
13 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
14 UPON PASSAGE]: Sec. 26. "County office" or "county office of family  
15 and children", **for purposes of this title**, refers to a **county local** office  
16 of the department. ~~of child services established by IC 31-25-1-1.~~

17 SECTION 543. IC 31-9-2-39.5, AS ADDED BY P.L.145-2006,  
18 SECTION 188, IS AMENDED TO READ AS FOLLOWS  
19 [EFFECTIVE UPON PASSAGE]: Sec. 39.5. "Destitute child", for  
20 purposes of ~~IC 31-25-3, IC 31-25-4, IC 31-26-2, IC 31-26-3,~~  
21 ~~IC 31-28-1, IC 31-28-2, and IC 31-28-3~~; **this title**, means an individual:

- 22 (1) who is needy;  
23 (2) who is not a public ward;  
24 (3) who is less than eighteen (18) years of age;  
25 (4) who has been deprived of parental support or care because of  
26 a parent's:  
27 (A) death;  
28 (B) continued absence from the home; or  
29 (C) physical or mental incapacity;  
30 (5) whose relatives liable for the individual's support are not able  
31 to provide adequate care or support for the individual without  
32 public assistance; and  
33 (6) who is in need of foster care, under circumstances that do not  
34 require the individual to be made a public ward.

35 SECTION 544. IC 31-9-2-44.8, AS ADDED BY P.L.138-2007,  
36 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
37 JULY 1, 2008]: Sec. 44.8. "Family preservation services", for purposes  
38 of ~~IC 31-34-24 and IC 31-37-24~~; **IC 31-26-6**, means short term, highly  
39 intensive services designed to protect, treat, and support the following:

- 40 (1) A family with a child at risk of placement by enabling the  
41 family to remain intact and care for the child at home.  
42 (2) A family that adopts or plans to adopt an abused or neglected  
43 child who is at risk of placement or adoption disruption by  
44 assisting the family to achieve or maintain a stable, successful  
45 adoption of the child.

46 SECTION 545. IC 31-9-2-76.6 IS ADDED TO THE INDIANA  
47 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
48 [EFFECTIVE UPON PASSAGE]: **Sec. 76.6. "Local office", for**  
49 **purposes of this title, refers to a local office established by the**  
50 **department to serve a county or a region.**

51 SECTION 546. IC 31-9-2-92.5, AS AMENDED BY P.L.145-2006,

1 SECTION 205, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2008]: Sec. 92.5. (a) "Plan", for purposes of  
 3 ~~IC 31-34-24~~, **IC 31-26-6**, has the meaning set forth in ~~IC 31-34-24-1~~.  
 4 **IC 31-26-6-1.**

5 (b) "Plan", for purposes of ~~IC 31-37-24~~, has the meaning set forth  
 6 in ~~IC 31-37-24-1~~.

7 (c) **(b)** "Plan", for purposes of IC 31-25-4, has the meaning set forth  
 8 in IC 31-25-4-5.

9 SECTION 547. IC 31-9-2-99.7, AS ADDED BY P.L.145-2006,  
 10 SECTION 209, IS AMENDED TO READ AS FOLLOWS  
 11 [EFFECTIVE UPON PASSAGE]: Sec. 99.7. "Public welfare", for  
 12 purposes of IC 31-25-3, IC 31-25-4, **and** IC 31-26-2, ~~IC 31-26-3~~;  
 13 ~~IC 31-28-1~~, ~~IC 31-28-2~~, **and** ~~IC 31-28-3~~; means any form of public  
 14 welfare or Social Security provided in IC 31-25-3, IC 31-25-4, **or**  
 15 IC 31-26-2. ~~IC 31-26-3~~, ~~IC 31-28-1~~, ~~IC 31-28-2~~, **or** ~~IC 31-28-3~~. The  
 16 term does not include direct township assistance as administered by  
 17 township trustees under IC 12-20.

18 SECTION 548. IC 31-9-2-102.5, AS ADDED BY P.L.145-2006,  
 19 SECTION 210, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE UPON PASSAGE]: Sec. 102.5. "Recipient", for  
 21 purposes of IC 31-25-3, IC 31-25-4, **and** IC 31-26-2, ~~IC 31-26-3~~;  
 22 ~~IC 31-28-1~~, ~~IC 31-28-2~~, **and** ~~IC 31-28-3~~; means a person who has  
 23 received or is receiving assistance for the person or another person.

24 SECTION 549. IC 31-9-2-103.6 IS ADDED TO THE INDIANA  
 25 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2008]: **Sec. 103.6. "Region", for purposes of**  
 27 **this title, refers to an area in Indiana designated as a region by the**  
 28 **department. However, for purposes of:**

29 (1) **IC 31-25-2-20, the term refers to a region established**  
 30 **under IC 31-25-2-20; and**

31 (2) **IC 31-26-6, the term refers to a service region established**  
 32 **under IC 31-26-6-3.**

33 SECTION 550. IC 31-9-2-103.7 IS ADDED TO THE INDIANA  
 34 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2008]: **Sec. 103.7. "Regional services**  
 36 **council", for purposes of this title, refers to a regional services**  
 37 **council established for a region under IC 31-26-6-4.**

38 SECTION 551. IC 31-9-2-113.7 IS ADDED TO THE INDIANA  
 39 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 40 [EFFECTIVE JANUARY 1, 2009]: **Sec. 113.7. "Secure detention**  
 41 **facility", for purposes of this title, has the meaning set forth in**  
 42 **IC 31-40-1-1.5.**

43 SECTION 552. IC 31-9-2-116.4 IS ADDED TO THE INDIANA  
 44 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 45 [EFFECTIVE JANUARY 1, 2009]: **Sec. 116.4. "Services", for**  
 46 **purposes of IC 31-40-1, has the meaning set forth in IC 31-40-1-1.5.**

47 SECTION 553. IC 31-9-2-129 IS AMENDED TO READ AS  
 48 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 129. (a) "Team", for  
 49 purposes of IC 31-33-3, refers to a community child protection team  
 50 appointed under IC 31-33-3.

51 (b) "Team", for purposes of ~~IC 31-34-24~~, has the meaning set forth

1 in ~~IC 31-34-24-2~~.

2 (c) "Team", for purposes of ~~IC 31-37-24~~, has the meaning set forth  
3 in ~~IC 31-37-24-2~~.

4 SECTION 554. IC 31-9-2-135, AS AMENDED BY P.L.138-2007,  
5 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 UPON PASSAGE]: Sec. 135. (a) "Warrant", for purposes of  
7 IC 31-25-3, IC 31-25-4, **and** IC 31-26-2, ~~IC 31-26-3~~, ~~IC 31-28-1~~,  
8 ~~IC 31-28-2~~, **and** ~~IC 31-28-3~~, means an instrument that is:

- 9 (1) the equivalent of a money payment; and  
10 (2) immediately convertible into cash by the payee for the full  
11 face amount of the instrument.

12 (b) "Warrant", for purposes of the Uniform Child Custody  
13 Jurisdiction Act under IC 31-21, has the meaning set forth in  
14 IC 31-21-2-21.

15 SECTION 555. IC 31-14-10-1, AS AMENDED BY P.L.68-2005,  
16 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JANUARY 1, 2009]: Sec. 1. Upon finding that a man is the child's  
18 biological father, the court shall, in the initial determination, conduct  
19 a hearing to determine the issues of support, custody, and parenting  
20 time. Upon the request of any party or on the court's own motion, the  
21 court may order a probation officer ~~or caseworker~~ to prepare a report  
22 to assist the court in determining these matters.

23 SECTION 556. IC 31-14-10-2 IS AMENDED TO READ AS  
24 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. The probation  
25 officer ~~or caseworker~~ may do the following:

- 26 (1) Consult with any person who may have information about the  
27 child and the child's potential custodial arrangements.  
28 (2) Upon approval of the court, refer the child for professional  
29 diagnosis and evaluation.  
30 (3) Without consent from the child's parent or guardian, consult  
31 with and obtain information concerning the child from:  
32 (A) medical;  
33 (B) psychiatric;  
34 (C) psychological; or  
35 (D) other;

36 persons who have knowledge of the child.

37 SECTION 557. IC 31-14-13-5, AS AMENDED BY P.L.68-2005,  
38 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JANUARY 1, 2009]: Sec. 5. The court may order the probation  
40 department ~~the county office of family and children~~, or any licensed  
41 child placing agency to supervise the placement to ensure that the  
42 custodial or parenting time terms of the decree are carried out if:

- 43 (1) both parents or the child request supervision; or  
44 (2) the court finds that without supervision the child's physical  
45 health and well-being would be endangered or the child's  
46 emotional development would be significantly impaired.

47 SECTION 558. IC 31-17-2-12 IS AMENDED TO READ AS  
48 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) In custody  
49 proceedings after evidence is submitted upon the petition, if a parent  
50 or the child's custodian so requests, the court may order an  
51 investigation and report concerning custodial arrangements for the

1 child. The investigation and report may be made by any of the  
2 following:

- 3 (1) The court social service agency.
- 4 (2) The staff of the juvenile court.
- 5 (3) The local probation department or, **if the child is the subject**  
6 **of a child in need of services case under IC 31-34**, the ~~county~~  
7 ~~office of family and children~~; **department of child services**.
- 8 (4) A private agency employed by the court for the purpose.
- 9 (5) A guardian ad litem or court appointed special advocate  
10 appointed for the child by the court under IC 31-17-6 (or  
11 IC 31-1-11.5-28 before its repeal).

12 (b) In preparing a report concerning a child, the investigator may  
13 consult any person who may have information about the child and the  
14 child's potential custodian arrangements. Upon order of the court, the  
15 investigator may refer the child to professional personnel for diagnosis.  
16 The investigator may consult with and obtain information from  
17 medical, psychiatric, or other expert persons who have served the child  
18 in the past without obtaining the consent of the parent or the child's  
19 custodian. However, the child's consent must be obtained if the child  
20 is of sufficient age and capable of forming rational and independent  
21 judgments. If the requirements of subsection (c) are fulfilled, the  
22 investigator's report:

- 23 (1) may be received in evidence at the hearing; and
- 24 (2) may not be excluded on the grounds that the report is hearsay  
25 or otherwise incompetent.

26 (c) The court shall mail the investigator's report to counsel and to  
27 any party not represented by counsel at least ten (10) days before the  
28 hearing. The investigator shall make the following available to counsel  
29 and to any party not represented by counsel:

- 30 (1) The investigator's file of underlying data and reports.
- 31 (2) Complete texts of diagnostic reports made to the investigator  
32 under subsection (b).
- 33 (3) The names and addresses of all persons whom the investigator  
34 has consulted.

35 (d) Any party to the proceeding may call the investigator and any  
36 person whom the investigator has consulted for cross-examination. A  
37 party to the proceeding may not waive the party's right of  
38 cross-examination before the hearing.

39 SECTION 559. IC 31-17-2-18, AS AMENDED BY P.L.68-2005,  
40 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
41 JANUARY 1, 2009]: Sec. 18. If both parents or all contestants agree  
42 to the order or if the court finds that, in the absence of the order, the  
43 child's physical health might be endangered or the child's emotional  
44 development significantly impaired, the court may order:

- 45 (1) the court social service agency;
- 46 (2) the staff of the juvenile court;
- 47 (3) the local probation department;
- 48 ~~(4) the county office of family and children;~~ or
- 49 ~~(5)~~ (4) a private agency employed by the court for that purpose;

50 to exercise continuing supervision over the case to assure that the  
51 custodial or parenting time terms of the decree are carried out.

1 SECTION 560. IC 31-19-11-2 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. If the child is a  
 3 ward of:

- 4 (1) a guardian;
- 5 (2) an agency; or
- 6 ~~(3) an office of family and children;~~
- 7 **(3) the department;**

8 the court shall provide for the custody of the child in the adoption  
 9 decree.

10 SECTION 561. IC 31-19-11-3 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. ~~Upon receipt~~  
 12 ~~of a recommendation from the county office of family and children;~~ (a)  
 13 If the petition for adoption contained a request for aid; ~~regardless of~~  
 14 ~~whether the aid is given;~~ **financial assistance**, the court shall state in  
 15 the adoption decree the:

- 16 ~~(1) nature;~~
- 17 ~~(2) conditions; and~~
- 18 ~~(3) length of time during which aid shall be paid under~~  
 19 ~~IC 31-19-26;~~

20 **refer the petition to the department for a determination of**  
 21 **eligibility for:**

- 22 **(1) adoption assistance under 42 U.S.C. 673, including**  
 23 **applicable federal and state regulations; or**
- 24 **(2) an adoption subsidy under IC 31-19-26.5.**

25 **(b) The department shall determine the eligibility of the**  
 26 **adoptive child for financial assistance and the amount of**  
 27 **assistance, if any, that will be provided.**

28 **(c) The court may not order payment of:**

- 29 **(1) adoption assistance under 42 U.S.C. 673; or**
- 30 **(2) any adoption subsidy under IC 31-19-26.5.**

31 SECTION 562. IC 31-19-26.5 IS ADDED TO THE INDIANA  
 32 CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
 33 [EFFECTIVE JANUARY 1, 2009]:

34 **Chapter 26.5. Adoption Subsidies**

35 **Sec. 1. As used in this chapter, "adoption subsidy" means**  
 36 **payments by the department to an adoptive parent of a child with**  
 37 **special needs to assist with the cost of care of the child:**

- 38 **(1) after a final decree of adoption of the child has been**  
 39 **entered under IC 31-19-11; and**
- 40 **(2) during the time the child is residing with and supported by**  
 41 **the adoptive parent or parents.**

42 **Sec. 2. As used in this chapter, "child with special needs" means**  
 43 **a child who:**

- 44 **(1) is a hard to place child; and**
- 45 **(2) meets the requirements of a special needs child, as**  
 46 **specified in 42 U.S.C. 673(c) and the rules of the department**  
 47 **applicable to those requirements.**

48 **Sec. 3. The department may make payments of adoption subsidy**  
 49 **under this chapter for the benefit of a child with special needs if the**  
 50 **department has:**

- 51 **(1) either:**

- 1 (A) entered into a written agreement with the adoptive  
 2 parent or parents, before or at the time the court enters a  
 3 final decree of adoption under IC 31-19-11-1, that specifies  
 4 the amount, terms, and conditions of the adoption  
 5 assistance payments; or  
 6 (B) received a written final order in an administrative  
 7 appeal in accordance with section 12(4) of this chapter  
 8 concluding that the adoptive parents are eligible for a  
 9 subsidy payable under this chapter and determining the  
 10 appropriate subsidy amount;
- 11 (2) determined that sufficient funds are available in the  
 12 adoption assistance account of the state general fund, and can  
 13 reasonably be anticipated to be available in that account  
 14 during the term of the agreement or order, to make the  
 15 payments as specified in the agreement or order; and  
 16 (3) determined that the child is not eligible for adoption  
 17 assistance under 42 U.S.C. 673.

18 **Sec. 4.** If the department determines that sufficient funds are  
 19 not or will not be available in the adoption assistance account  
 20 established under this chapter to make adoption subsidy payments  
 21 to adoptive parents of all children who may be eligible for a  
 22 subsidy payable under this chapter, the department may, in  
 23 accordance with procedures established by rules:

- 24 (1) approve new adoption subsidy agreements only for the  
 25 benefit of children for whom the department has wardship  
 26 responsibility at the time the adoption petition is filed; or  
 27 (2) give priority to funding new adoption subsidy agreements  
 28 for children for whom the department has had wardship  
 29 responsibility.

30 **Sec. 5.** The amount of adoption subsidy payments under this  
 31 chapter may not exceed the amount that would be payable by the  
 32 department for the monthly cost of care of the adopted child in a  
 33 foster family home at the time:

- 34 (1) the adoption subsidy agreement is made; or  
 35 (2) the subsidy is payable under the terms of the agreement;  
 36 whichever is greater.

37 **Sec. 6. (a)** In addition to the adoption subsidy payments  
 38 determined under section 3 of this chapter, the department may  
 39 make additional payments for medical or psychological care or  
 40 treatment of the adoptive child if all the following conditions exist:

- 41 (1) The child is a child with special needs, based in whole or in  
 42 part on a physical, a mental, an emotional, or a medical  
 43 condition that:  
 44 (A) existed before the filing of the adoption petition; or  
 45 (B) is causally related to specific conditions that existed or  
 46 events that occurred before the filing of the adoption  
 47 petition;  
 48 as determined by a physician or psychologist licensed in  
 49 Indiana.  
 50 (2) The child's adoptive parent has applied to the department,  
 51 in the form and manner specified by the department, for



1 assistance in payment of the cost of special services that the  
2 child needs to remedy or ameliorate the condition or  
3 conditions identified in subdivision (1).

4 (3) The department determines that:

5 (A) the services required are not and will not be covered by  
6 either:

7 (i) private health insurance available to the child or  
8 adoptive parent; or

9 (ii) the Medicaid program in Indiana or the state where  
10 the child currently resides; and

11 (B) payment of the cost of the required services without  
12 assistance will cause a significant financial burden and  
13 hardship to the adoptive family.

14 (4) Sufficient funds are available in the adoption assistance  
15 account to cover the cost of additional assistance provided  
16 under this section.

17 (b) A determination by the department under this section is not  
18 subject to administrative review or appeal, unless specifically  
19 authorized by rule of the department under section 12(4) of this  
20 chapter, but is subject to judicial review as provided in IC 4-21.5-5.

21 Sec. 7. An adoptive child who is:

22 (1) a child with special needs based on a medical, a physical,  
23 a mental, or an emotional condition that existed before the  
24 filing of the adoption petition; and

25 (2) the beneficiary of an agreement for adoption subsidy  
26 under this chapter;

27 is eligible for Medicaid.

28 Sec. 8. (a) As a condition for continuation of subsidy payments  
29 under the agreement, the department may require the adoptive  
30 parents to submit a verified report, annually or at a time or times  
31 specified in the agreement or by rule, stating:

32 (1) the location of the parents;

33 (2) the location and condition of the child; and

34 (3) any additional information required by rule of the  
35 department or the agreement.

36 (b) The department may confirm the accuracy and veracity of  
37 the report from any reliable sources of information concerning the  
38 adoptive family and child, including any governmental or private  
39 agency that serves the area in which the child resides.

40 (c) If the report or information received by the department  
41 indicates a substantial change in the conditions that existed when  
42 the adoption subsidy agreement was signed, the department may,  
43 after notice to the adoptive parent or parents, modify or  
44 discontinue the adoption subsidy payments provided in the  
45 agreement.

46 Sec. 9. (a) Except as provided in this section, the term of any  
47 adoption subsidy agreement under this chapter, including any  
48 extension of the original term, ends when any of the following  
49 events occurs:

50 (1) The child becomes eighteen (18) years of age.

51 (2) The child becomes emancipated.

1           (3) The adoptive parent or parents are no longer providing  
2           financial support to the child.

3           (4) The child dies.

4           (5) The child's adoption is terminated.

5           (b) The department may continue the adoption subsidy  
6           payments, in amounts determined by agreement among the  
7           department, the child, and the adoptive parents, during a time  
8           after the child becomes eighteen (18) years of age and before the  
9           child becomes twenty-one (21) years of age if:

10          (1) either:

11           (A) the child is enrolled in:

12           (i) a secondary school;

13           (ii) a public or private institution of higher education; or

14           (iii) a course of career or technical education leading to  
15           gainful employment; or

16           (B) the child needs continuing support and assistance for  
17           a physical, a medical, a mental, or an emotional condition  
18           that limits or prevents the child from becoming  
19           self-supporting; and

20          (2) the adoptive parent or parents:

21           (A) provide the principal source of financial support for  
22           the child's room, board, medical care, and other necessary  
23           living expenses; and

24           (B) are entitled to claim the child as a dependent on their  
25           federal or state income tax return or returns for the year  
26           in which the continued subsidy payments are made.

27          Sec. 10. An adoption assistance account is established within the  
28          state general fund for the purpose of funding adoption subsidy  
29          payments under this chapter and the state's share of adoption  
30          assistance payments under 42 U.S.C. 673. The account consists of:

31          (1) amounts specifically appropriated to the department by  
32          the general assembly for adoption assistance;

33          (2) amounts allocated by the department to the adoption  
34          assistance account from the funds available to the  
35          department; and

36          (3) any other amounts contributed or paid to the department  
37          for adoption assistance under this chapter.

38          Sec. 11. (a) In determining the availability of funds in the  
39          adoption assistance account for payments of adoption subsidies  
40          under this chapter, the department shall give priority to payments  
41          required by court orders for county adoption subsidies entered  
42          under IC 31-19-26 (before its repeal).

43          (b) The provisions of this chapter applicable to continuation,  
44          modification, or termination of adoption subsidy payments shall  
45          apply after January 1, 2009, to county adoption subsidy orders  
46          entered under IC 31-19-26 (before its repeal).

47          Sec. 12. The department shall adopt rules under IC 4-22-2, as  
48          needed, to carry out this chapter. The rules must include at least  
49          the following subjects:

50          (1) The application and determination process for subsidies or  
51          other assistance provided under this chapter.

- 1           **(2) The standards for determination of a child with special**  
 2           **needs.**  
 3           **(3) The process for determining the duration, extension,**  
 4           **modification, and termination of agreements, as provided in**  
 5           **sections 8 and 9 of this chapter.**  
 6           **(4) The procedure for administrative review and appeal of**  
 7           **determinations made by the department under this chapter.**  
 8           **(5) The procedure for determining availability of funds for**  
 9           **new subsidy agreements and continuation of existing**  
 10           **agreements or orders under this chapter and IC 31-19-26**  
 11           **(before its repeal), including any funding limitations or**  
 12           **priorities as provided in sections 4 and 11 of this chapter.**

13           **Sec. 13. This chapter does not affect:**

- 14           **(1) the legal status of an adoptive child;**  
 15           **(2) the rights and responsibilities of the adoptive parents as**  
 16           **provided by law; or**  
 17           **(3) the eligibility of an adoptive child or adoptive parents for**  
 18           **adoption assistance under Title IV-E of the Social Security**  
 19           **Act (42 U.S.C. 673), federal and state regulations applicable**  
 20           **to the Title IV-E adoption assistance program, or**  
 21           **determination of the amount of any assistance provided by the**  
 22           **department through the Title IV-E adoption assistance**  
 23           **program.**

24           SECTION 563. IC 31-25-2-2.5 IS ADDED TO THE INDIANA  
 25           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 26           [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. The following are not**  
 27           **personally liable, except to the state, for an official act done or**  
 28           **omitted in connection with performance of duties under this title:**

- 29           **(1) The director of the department.**  
 30           **(2) Other officers and employees of the department.**

31           SECTION 564. IC 31-25-2-5, AS ADDED BY P.L.145-2006,  
 32           SECTION 271, IS AMENDED TO READ AS FOLLOWS  
 33           [EFFECTIVE JULY 1, 2008]: **Sec. 5. (a) This section applies after**  
 34           **June 30, 2008:**

- 35           **(b) A child protection caseworker or a child welfare caseworker may**  
 36           **not be assigned work that exceeds the following maximum caseload**  
 37           **levels at any time: The department shall ensure that the department**  
 38           **maintains staffing levels of family case managers so that each**  
 39           **county has enough family case managers to allow caseloads to be**  
 40           **at not more than:**

- 41           **(1) For caseworkers assigned only initial assessments, including**  
 42           **investigations of an allegation of child abuse or neglect, twelve**  
 43           **(12) active cases per month per caseworker: relating to initial**  
 44           **assessments, including investigations of an allegation of child**  
 45           **abuse or neglect; or**  
 46           **(2) For caseworkers assigned only ongoing cases, seventeen (17)**  
 47           **active children per caseworker: monitored and supervised in**  
 48           **active cases relating to ongoing services.**  
 49           **(3) For caseworkers assigned a combination of initial**  
 50           **assessments, including investigations of an allegation of child**  
 51           **abuse or neglect, and ongoing cases under subdivisions (1) and**

1           ~~(2); four (4) investigations and ten (10) active ongoing cases per~~  
2           ~~caseworker.~~

3           ~~(c)~~ **(b)** The department shall comply with the maximum caseload  
4 ratios described in subsection ~~(b)~~: **(a)**.

5           SECTION 565. IC 31-25-2-7, AS ADDED BY P.L.145-2006,  
6 SECTION 271, IS AMENDED TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2008]: Sec. 7. **(a)** The department is responsible  
8 for the following:

- 9           (1) Providing child protection services under this article.  
10           (2) Providing and administering child abuse and neglect  
11 prevention services.  
12           (3) Providing and administering child services. ~~(as defined in~~  
13 ~~IC 12-19-7-1)~~.  
14           (4) Providing and administering family services.  
15           (5) Providing family preservation services under IC 31-26-5.  
16           (6) Regulating and licensing the following under IC 31-27:  
17           (A) Child caring institutions.  
18           (B) Foster family homes.  
19           (C) Group homes.  
20           (D) Child placing agencies.  
21           (7) Administering the state's plan for the administration of Title  
22 IV-D of the federal Social Security Act (42 U.S.C. 651 et seq.).  
23           (8) Administering foster care services.  
24           (9) Administering independent living services (as described in 42  
25 U.S.C. 677 et seq.).  
26           (10) Administering adoption services.  
27           **(11) Certifying and providing grants to the youth services**  
28 **bureaus under IC 31-26-1.**  
29           **(12) Administering the project safe program.**  
30           **(13) Paying for programs and services as provided under**  
31 **IC 31-40.**

32           **(b) This chapter does not authorize or require the department**  
33 **to:**

- 34           **(1) investigate or report on proceedings under IC 31-17-2**  
35 **relating to a child who is not the subject of an open child in**  
36 **need of services case under IC 31-34; or**  
37           **(2) otherwise monitor child custody or visitation in dissolution**  
38 **of marriage proceedings.**

39           **(c) This chapter does not authorize or require the department**  
40 **to:**

- 41           **(1) conduct home studies; or**  
42           **(2) otherwise participate in guardianship proceedings under**  
43 **IC 29-3;**

44           **other than those over which the juvenile court has jurisdiction**  
45 **under IC 29-3-2-1(c) or IC 31-30-1-1(10).**

46           SECTION 566. IC 31-25-2-19, AS ADDED BY P.L.145-2006,  
47 SECTION 271, IS AMENDED TO READ AS FOLLOWS  
48 [EFFECTIVE JANUARY 1, 2009]: Sec. 19. **(a)** The department may  
49 charge the following adoption fees:

- 50           (1) An adoption placement fee that may not exceed the actual  
51 costs incurred by the ~~county office~~ **department** for medical

1 expenses of children and mothers.

2 (2) A fee that does not exceed the time and travel costs incurred  
3 by the ~~county office~~ **department** for home study and investigation  
4 concerning a contemplated adoption.

5 (b) Fees charged under this section shall be deposited in ~~a separate~~  
6 ~~account~~ in the ~~county family and children~~ **child** trust clearance ~~fund~~  
7 **account** established under ~~IC 12-19-1-16~~. **IC 31-25-2-20.2**. Money  
8 deposited under this subsection shall be expended by the department  
9 for the following purposes without further appropriation:

10 (1) The care of children whose adoption is contemplated.

11 (2) The improvement of adoption services provided by the  
12 department.

13 (c) The director may adopt rules governing the expenditure of  
14 money under this section.

15 (d) The department may ~~provide written authorization allowing a~~  
16 ~~county office~~ to reduce or waive charges authorized under this section  
17 in hardship cases or for other good cause after investigation. The  
18 department may adopt forms on which the written authorization is  
19 provided.

20 SECTION 567. IC 31-25-2-20.1 IS ADDED TO THE INDIANA  
21 CODE AS A NEW SECTION TO READ AS FOLLOWS  
22 [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.1. (a) The department**  
23 **may receive and administer a gift, devise, or bequest of personal**  
24 **property, including the income from real property, that is:**

25 (1) **to or for the benefit of a home or an institution in which**  
26 **formerly abused or neglected children are cared for under the**  
27 **supervision of the department; or**

28 (2) **for the benefit of children who are committed to the care**  
29 **or supervision of the department.**

30 (b) **The department may invest or reinvest money received**  
31 **under this section in the same types of securities in which life**  
32 **insurance companies are authorized by law to invest the money of**  
33 **the life insurance companies.**

34 (c) **The following shall be kept in the child trust clearance**  
35 **account established under section 20.2 of this chapter and may not**  
36 **be commingled with any other fund or account or with money**  
37 **received from taxation:**

38 (1) **All money received by the department under this section.**

39 (2) **All money, proceeds, or income realized from real**  
40 **property or other investments.**

41 (d) **Subject to the approval of the director, money described in**  
42 **subsection (c)(1) or (c)(2) may be expended by the department in**  
43 **any manner consistent with the purposes of the child trust**  
44 **clearance account and with the intention of the donor.**

45 SECTION 568. IC 31-25-2-20.2 IS ADDED TO THE INDIANA  
46 CODE AS A NEW SECTION TO READ AS FOLLOWS  
47 [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.2. (a) This section does**  
48 **not apply to:**

49 (1) **money received before January 1, 2009, to reimburse the**  
50 **county family and children's fund for expenditures made**  
51 **from the appropriations of the counties; or**

1           **(2) money received after December 31, 2008, to reimburse the**  
 2           **department for expenditures made by the department for**  
 3           **child services.**

4           **(b) The department may receive and administer money**  
 5           **available to or for the benefit of a person receiving payments or**  
 6           **services from the department. The following apply to all money**  
 7           **received under this section:**

8                   **(1) The money shall be kept in a special account known as the**  
 9                   **child trust clearance account and may not be commingled**  
 10                   **with any other money.**

11                   **(2) The money may be expended by the department in any**  
 12                   **manner consistent with the following:**

13                           **(A) The purpose of the child trust clearance account or**  
 14                           **with the intention of the donor of the money.**

15                           **(B) Indiana law.**

16           SECTION 569. IC 31-26-2-10, AS ADDED BY P.L.145-2006,  
 17           SECTION 272, IS AMENDED TO READ AS FOLLOWS  
 18           [EFFECTIVE JANUARY 1, 2009]: Sec. 10. (a) Upon the completion  
 19           of an investigation under section 9 of this chapter, the ~~county office~~  
 20           **department** shall do the following:

21                   (1) Determine whether the child is eligible for assistance under  
 22                   this chapter and the department's rules.

23                   (2) Determine the amount of the assistance and the date on which  
 24                   the assistance is to begin.

25                   (3) Make an award, including any subsequent modification of the  
 26                   award, with which the department shall comply until the award or  
 27                   modified award is vacated.

28                   (4) Notify the applicant and the department of the county office's  
 29                   decision in writing.

30           (b) The ~~county office~~ **department** shall provide assistance to the  
 31           recipient at least monthly upon warrant of the ~~county~~ **auditor of state**.  
 32           The assistance must be:

33                   ~~(1) made from the county family and children's fund and~~

34                   ~~(2) based on a verified schedule of the recipients.~~

35           ~~(c) The director of the county office shall prepare and verify the~~  
 36           ~~amount payable to the recipient; in relation to the awards made by the~~  
 37           ~~county office. The department shall prescribe the form on which the~~  
 38           ~~schedule under subsection (b)(2) must be filed.~~

39           SECTION 570. IC 31-26-3.5 IS ADDED TO THE INDIANA  
 40           CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
 41           [EFFECTIVE JULY 1, 2008]:

42           **Chapter 3.5. Child Welfare Programs**

43           **Sec. 1. As used in this chapter, "child welfare program" means**  
 44           **a program or an activity that is:**

45                   (1) not a component of child services provided to or for the  
 46                   benefit of a particular child or family; and

47                   (2) designed to serve groups or categories of children or  
 48                   families in a community for the purposes described in section  
 49                   2 of this chapter.

50           **Sec. 2. A child welfare program may be established and funded**  
 51           **by the department for any of the following purposes:**

1 (1) Protecting and promoting the welfare of children in a  
2 community who are, or are likely to be, at risk of becoming  
3 homeless, neglected, or abused due to lack of adequate or  
4 appropriate parental support or supervision, in order to  
5 reduce the likelihood that the children will become wards of  
6 a juvenile court or the department.

7 (2) Preventing, remedying, or assisting in the solution of  
8 problems that may result in the neglect, abuse, exploitation,  
9 or delinquency of children.

10 (3) Preventing unnecessary separation of children from their  
11 families by identifying family problems, assisting in the  
12 resolution of family problems, and preventing the breakup of  
13 families whenever prevention of child removal is possible and  
14 desirable.

15 (4) Providing services targeted to the assistance of children  
16 who are developmentally or physically disabled and their  
17 families, for the purposes of prevention of potential abuse,  
18 neglect, or abandonment of those children, and enabling the  
19 children to receive adequate family support and preparation  
20 to become self-supporting to the extent feasible.

21 (5) Providing family preservation services or family support  
22 services (both as defined in 42 U.S.C. 629a) for families and  
23 children who are not currently receiving individually designed  
24 services provided or funded by the department through an  
25 open juvenile court child in need of services or delinquency  
26 case.

27 **Sec. 3. (a) An application to establish a new child welfare**  
28 **program, or to continue or modify an existing child welfare**  
29 **program, may be submitted by a court, county executive, private**  
30 **nonprofit agency or organization, or an interested person based on**  
31 **guidelines and instructions issued by the department. Except as**  
32 **provided in subsection (b), the application shall be transmitted to**  
33 **the regional services council or councils for the county, region, or**  
34 **geographic area of Indiana that the applicant proposes to serve.**  
35 **Each regional services council must review and submit its**  
36 **recommendations to the director in conformity with procedures**  
37 **established by the department.**

38 **(b) An application to establish, continue, or modify a program**  
39 **that will operate on a statewide basis shall be submitted directly to**  
40 **the director of the department for review and evaluation.**

41 **Sec. 4. A child welfare program must be approved by the**  
42 **director of the department or the director's designee. The**  
43 **director's approval shall specify the period for which operation of**  
44 **the program is approved and the procedure for submission of any**  
45 **request for continuation, extension, or modification of the**  
46 **approved program. The department may not pay for the costs of**  
47 **any programs that have not been approved by the director.**

48 **Sec. 5. The department shall establish policies and procedures**  
49 **for periodic review and evaluation of approved child welfare**  
50 **programs, including evaluation of the effectiveness and results of**  
51 **the program activities, as part of the consideration of any**

1 application to continue or modify the program.

2 Sec. 6. (a) A child welfare program account is established in the  
3 state general fund to receive money for establishment, operation,  
4 or support of child welfare programs. Receipts credited to the child  
5 welfare program account may be derived from the following  
6 sources:

7 (1) Any appropriation made by the general assembly that is  
8 specifically designated for child welfare programs.

9 (2) Any part of the appropriation to the department that is set  
10 aside and allocated by the department for child welfare  
11 programs, at the discretion of the director.

12 (3) Any part of federal grant funds received by the  
13 department through Title IV-B Parts 1 and 2 of the Social  
14 Security Act (42 U.S.C. 620 et seq.) that is allocated by the  
15 department for child welfare programs under this chapter at  
16 the discretion of the director, subject to the terms and  
17 conditions of the grant.

18 (4) Any gifts received by the department from individuals or  
19 nongovernmental organizations, for purposes of child welfare  
20 programs. The department may receive and administer any  
21 gifts earmarked for specifically designated child welfare  
22 programs, in accordance with the terms of the gift.

23 (b) Any appropriation made by the general assembly for the  
24 child welfare program account remains in the child welfare  
25 program account until expended and does not revert to the state  
26 general fund at the expiration of the state fiscal year for which the  
27 appropriation was made.

28 Sec. 7. The department may adopt rules under IC 4-22-2 that  
29 are necessary or appropriate to implement this chapter.

30 SECTION 571. IC 31-26-6 IS ADDED TO THE INDIANA CODE  
31 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2008]:

33 **Chapter 6. Regional Service Strategic Plans**

34 Sec. 1. As used in this chapter, "plan" includes a regional  
35 services strategic plan to achieve the purposes described in section  
36 5 of this chapter and any implementation strategy, revision,  
37 addition, or update of the plan, as described in section 12(a) of this  
38 chapter.

39 Sec. 2. As used in this chapter, "regional services council"  
40 means a council appointed as provided in section 7 of this chapter.

41 Sec. 3. As used in this chapter, "service region" means an area  
42 of Indiana consisting of one (1) or more counties.

43 Sec. 4. (a) Each county shall participate in a regional services  
44 council established under this chapter for the service region in  
45 which the county is located.

46 (b) The department shall determine the county or counties that  
47 comprise each service region. A county may not be divided when  
48 establishing a service region.

49 Sec. 5. Each regional services council shall develop a biennial  
50 regional services strategic plan that is tailored to provide services  
51 targeted to the individual needs of children who:



- 1           **(1) have been either:**  
 2           **(A) adjudicated as, or alleged in a proceeding initiated**  
 3           **under IC 31-34 or IC 31-37 to be, children in need of**  
 4           **services or delinquent children; or**  
 5           **(B) identified by the department, based on information**  
 6           **received from:**  
 7           **(i) a school;**  
 8           **(ii) a social service agency;**  
 9           **(iii) a court;**  
 10           **(iv) a probation department;**  
 11           **(v) the child's parent or guardian; or**  
 12           **(vi) an interested person in the community having**  
 13           **knowledge of the child's environment and family**  
 14           **circumstances;**  
 15           **and after an informal investigation, as substantially at risk**  
 16           **of becoming children in need of services or delinquent**  
 17           **children; and**  
 18           **(2) have been referred to the department by, or with the**  
 19           **consent of, the child's parent, guardian, or custodian for**  
 20           **services to be provided through the plan based on an**  
 21           **individual case plan for the child.**
- 22           **Sec. 6. (a) Each regional services council shall, according to**  
 23           **guidelines and policies established by the department, include in its**  
 24           **plan an evaluation of local child welfare service needs and a**  
 25           **determination of appropriate delivery mechanisms. The policies**  
 26           **shall provide an opportunity for local services providers to be**  
 27           **represented in the evaluation of local child welfare service needs.**  
 28           **In addition, the regional services council shall take public**  
 29           **testimony regarding local service needs and system changes.**
- 30           **(b) The council shall also recommend in the plan, or any**  
 31           **revision, addition, or update relating to implementation of a plan**  
 32           **under section 12(a) of this chapter, the allocation and distribution**  
 33           **among service providers of funds that:**  
 34           **(1) the department allocates to the service region; and**  
 35           **(2) are used to pay for the expenses of child welfare programs**  
 36           **and child services administered by the department within the**  
 37           **region.**
- 38           **Sec. 7. (a) If the service region consists of at least three (3)**  
 39           **counties, the regional services council is composed of the following**  
 40           **members appointed from the service region:**  
 41           **(1) The regional manager, who must be an employee of the**  
 42           **department.**  
 43           **(2) Three (3) members who are juvenile court judges or their**  
 44           **designees.**  
 45           **(3) Three (3) local office directors.**  
 46           **(4) Two (2) family case manager supervisors.**  
 47           **(5) Two (2) family case managers.**  
 48           **(6) Two (2) licensed foster parents.**  
 49           **(7) One (1) guardian ad litem or court appointed special**  
 50           **advocate.**  
 51           **(8) One (1) member who is a prosecuting attorney or the**

1 prosecuting attorney's designee.

2 (9) One (1) individual who:

3 (A) is at least sixteen (16) and less than twenty-five (25)  
4 years of age;

5 (B) is a resident of the service region;

6 (C) has received or is receiving services through funds  
7 provided, directly or indirectly, through the department;

8 and

9 (D) will serve in a nonvoting capacity.

10 (b) If the service region consists of one (1) or two (2) counties,  
11 the regional services council must include at least the following  
12 members from the service region:

13 (1) Three (3) employees of the department, including the  
14 regional manager.

15 (2) One (1) juvenile court judge or judicial hearing officer.

16 (3) Two (2) members who are designees of a juvenile court  
17 judge.

18 (4) Two (2) family case manager supervisors.

19 (5) Two (2) family case managers.

20 (6) One (1) licensed foster parent.

21 (7) One (1) person from each category described in subsection  
22 (a)(7), (a)(8), and (a)(9).

23 (c) The director shall appoint the members of the regional  
24 services council with the exception of judges or judicial hearing  
25 officers and prosecuting attorneys or their respective designees.

26 (d) The members of the regional services council described in  
27 subsections (a)(2), (b)(2), and (b)(3) shall be selected by the juvenile  
28 court judge or judges in the service region.

29 (e) The member of the regional services council described in  
30 subsection (a)(8) shall be selected by the prosecuting attorneys in  
31 the counties comprising the service region.

32 (f) Each member of the regional services council shall serve at  
33 the pleasure of the member's appointing authority.

34 **Sec. 8. (a)** The regional manager shall convene an organizational  
35 meeting of the members of a regional services council appointed  
36 under section 7 of this chapter.

37 (b) The regional manager shall serve as the chairperson of the  
38 council. The council shall select one (1) of its members as vice  
39 chairperson.

40 **Sec. 9.** In preparing the plan under section 5 of this chapter, a  
41 regional services council shall review and consider existing publicly  
42 and privately funded programs that are available or that could be  
43 made available in the regional services council's service region to  
44 provide supportive services to or for the benefit of children  
45 described in section 5 of this chapter without removing the child  
46 from the family home, including programs funded through the  
47 following:

48 (1) Title IV-B of the Social Security Act (42 U.S.C. 620 et  
49 seq.).

50 (2) Title IV-E of the Social Security Act (42 U.S.C. 670 et  
51 seq.).

- 1 (3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).  
 2 (4) The Child Abuse Prevention and Treatment Act (42 U.S.C.  
 3 5106 et seq.).  
 4 (5) Special education programs under IC 20-35-6-2.  
 5 (6) All programs designed to prevent child abuse, neglect, or  
 6 delinquency, or to enhance child welfare and family  
 7 preservation administered by, or through funding provided  
 8 by, the department, county offices, prosecuting attorneys, or  
 9 juvenile courts, including programs funded under  
 10 IC 31-26-3.5 and IC 31-40.  
 11 (7) A child advocacy fund under IC 12-17-17.

12 **Sec. 10.** A regional services council may include in its plan a  
 13 program for provision of family preservation services that:

- 14 (1) is or will be in effect in the regional services council's  
 15 service region;  
 16 (2) includes services for a child less than eighteen (18) years  
 17 of age who reasonably may be expected to be considered for  
 18 out-of-home placement under IC 31-34 or IC 31-37 as a result  
 19 of:  
 20 (A) abuse or neglect;  
 21 (B) emotional disturbance; or  
 22 (C) delinquency adjudication; and  
 23 (3) addresses all the objectives of family preservation services.

24 **Sec. 11. (a)** Each regional services council shall transmit to the  
 25 director each plan it develops and approves. The council shall  
 26 transmit its biennial plan described in section 5 of this chapter to  
 27 the director not later than February 2 of each even-numbered year.

28 (b) Not later than sixty (60) days after receiving the plan, the  
 29 director of the department or the director's designee shall do one  
 30 (1) of the following:

- 31 (1) Approve the plan as submitted by the council.  
 32 (2) Approve the plan with amendments, modifications, or  
 33 revisions.  
 34 (3) Return the plan to the council with directions concerning:  
 35 (A) subjects for further study and reconsideration; and  
 36 (B) resubmission of a revised plan.

37 **Sec. 12. (a)** A regional services council shall meet at least  
 38 quarterly to do the following:

- 39 (1) Develop, review, or revise a strategy for implementation  
 40 of an approved plan that identifies:  
 41 (A) the manner in which prevention and early intervention  
 42 services will be provided or improved;  
 43 (B) how local collaboration will improve children's  
 44 services; and  
 45 (C) how different funds can be used to serve children and  
 46 families more effectively.  
 47 (2) Reorganize as needed and select its vice chairperson for  
 48 the ensuing year.  
 49 (3) Review the implementation of the plan and prepare  
 50 revisions, additions, or updates of the plan that the regional  
 51 services council considers necessary or appropriate to

1           **improve the quality and efficiency of early intervention child**  
 2           **welfare services provided in accordance with the plan.**

3           **(b) The chairperson or vice chairperson of a regional services**  
 4           **council may convene any additional meetings of the regional**  
 5           **services council that are, in the chairperson's or vice chairperson's**  
 6           **opinion, necessary or appropriate.**

7           **(c) A majority of the voting members of the regional services**  
 8           **council appointed under section 7 of this chapter constitutes a**  
 9           **quorum for the transaction of official business that includes taking**  
 10           **final action (as defined in IC 5-14-1.5-2(g)). The regional services**  
 11           **council may hold a meeting in the absence of a quorum to discuss**  
 12           **any items of public business related to its responsibilities and**  
 13           **functions as described in this chapter, without taking final action.**

14           **(d) A judicial officer or prosecuting attorney who is a member**  
 15           **of the regional services council under section 7 of this chapter may**  
 16           **designate in writing a person as the member's representative or**  
 17           **proxy to attend any meeting of the council specified in the**  
 18           **designation. Any designee under this subsection shall be a voting**  
 19           **member of the council and be included for purposes of a quorum**  
 20           **under subsection (c).**

21           **(e) Any department employee who is a member of the regional**  
 22           **services council under section 7 of this chapter may designate in**  
 23           **writing a person as the member's representative or proxy to attend**  
 24           **any meeting of the council specified in the designation. Any**  
 25           **designee under this subsection shall be a voting member of the**  
 26           **council and be included for purposes of a quorum under subsection**  
 27           **(c).**

28           **(f) All meetings of a regional services council under this chapter**  
 29           **are subject to applicable provisions of IC 5-14-1.5.**

30           **Sec. 13. (a) This section applies to a meeting of a regional**  
 31           **services council at which at least four (4) voting members of the**  
 32           **council are physically present at the place where the meeting is**  
 33           **conducted.**

34           **(b) A member of the regional services council may participate**  
 35           **in a meeting of the council by using a means of communication that**  
 36           **allows:**

- 37                   **(1) all other members participating in the meeting; and**  
 38                   **(2) all members of the public physically present at the place**  
 39                   **where the meeting is conducted;**

40           **to communicate simultaneously with each other during the**  
 41           **meeting.**

42           **(c) A member who participates in a meeting under subsection**  
 43           **(b) is considered to be present at the meeting.**

44           **(d) The memoranda of the meeting prepared under**  
 45           **IC 5-14-1.5-4 must state the name of each member who:**

- 46                   **(1) was physically present at the place where the meeting was**  
 47                   **conducted;**  
 48                   **(2) participated in the meeting by using a means of**  
 49                   **communication described in subsection (b); or**  
 50                   **(3) was absent.**

51           **Sec. 14. (a) A regional services council or the regional manager**

1 shall transmit copies of the plan, each annual report, each revised  
 2 plan, and any other report or document described by rule adopted  
 3 under section 16 of this chapter, to the following:

- 4 (1) The director.
- 5 (2) Each department office in the service region.
- 6 (3) Each juvenile court in the service region.

7 (b) A regional services council shall provide to the department  
 8 a copy of each plan, annual report, or revised plan transmitted  
 9 under subsection (a) to be posted to the department's Internet web  
 10 site.

11 **Sec. 15. A regional services council shall publicize to residents**  
 12 **of each county in the service region the existence and availability**  
 13 **of the plan, including information concerning access to the plan on**  
 14 **the department web site.**

15 **Sec. 16. The department may adopt rules under IC 4-22-2 to**  
 16 **administer this chapter.**

17 SECTION 572. IC 31-31-8-3 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The  
 19 juvenile court may establish juvenile detention and shelter care  
 20 facilities for children, except as provided by IC 31-31-9.

21 (b) The court may contract with other agencies to provide juvenile  
 22 detention and shelter care facilities.

23 (c) If the juvenile court operates the juvenile detention and shelter  
 24 care facilities, the judge shall appoint staff and determine the budgets.

25 (d) The county shall pay all expenses. The expenses for the juvenile  
 26 detention facility shall be paid from the county general fund. ~~Payment~~  
 27 ~~of the expenses for the juvenile detention facility may not be paid from~~  
 28 ~~the county family and children's fund established by IC 12-19-7-3.~~

29 SECTION 573. IC 31-31-8-4 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) This section  
 31 applies to a county having a population of more than one hundred ten  
 32 thousand (110,000) but less than one hundred fifteen thousand  
 33 (115,000).

34 (b) Notwithstanding section 3 of this chapter, the juvenile court  
 35 shall operate a juvenile detention facility or juvenile shelter care  
 36 facility established in the county. However, the county legislative body  
 37 shall determine the budget for the juvenile detention facility or juvenile  
 38 shelter care facility. The expenses for the juvenile detention facility  
 39 shall be paid from the county general fund. ~~Payment of the expenses for~~  
 40 ~~the juvenile detention facility may not be paid from the county family~~  
 41 ~~and children's fund established by IC 12-19-7-3.~~

42 SECTION 574. IC 31-33-3-1, AS AMENDED BY P.L.234-2005,  
 43 SECTION 102, IS AMENDED TO READ AS FOLLOWS  
 44 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) **A community child**  
 45 **protection team is established in each county.** The community child  
 46 protection team is a ~~communitywide~~, **countywide**, multidisciplinary  
 47 child protection team. The team must include the following ~~eleven (11)~~  
 48 **thirteen (13) members who reside in, or provide services to**  
 49 **residents of, the county in which the team is to be formed:**

- 50 (1) The director of the ~~county local~~ office of family and children  
 51 **that provides child welfare services in the county** or the ~~county~~

- 1           **local** office director's designee.
- 2           (2) Two (2) designees of the juvenile court judge.
- 3           (3) The county prosecuting attorney or the prosecuting attorney's
- 4           designee.
- 5           (4) The county sheriff or the sheriff's designee.
- 6           (5) Either:
- 7                 (A) the president of the county executive in a county not
- 8                 containing a consolidated city or the president's designee; or
- 9                 (B) the executive of a consolidated city in a county containing
- 10                a consolidated city or the executive's designee.
- 11           (6) A director of a court appointed special advocate or guardian
- 12           ad litem program or the director's designee in the county in which
- 13           the team is to be formed.
- 14           (7) Either:
- 15                 (A) a public school superintendent or the superintendent's
- 16                 designee; or
- 17                 (B) a director of a local special education cooperative or the
- 18                 director's designee.
- 19           (8) Two (2) persons, each of whom is a physician or nurse, with
- 20           experience in pediatrics or family practice.
- 21           (9) ~~One (1) citizen~~ **Two (2) residents of the community: county.**
- 22           **(10) The chief law enforcement officer of the largest law**
- 23           **enforcement agency in the county (other than the county**
- 24           **sheriff) or the chief law enforcement officer's designee.**

25           (b) The director of the ~~county local office of family and children~~

26           **servng the county** shall appoint, subject to the approval of the director

27           of the department, the members of the team under subsection (a)(7),

28           (a)(8), and (a)(9).

29           SECTION 575. IC 31-33-3-7 IS AMENDED TO READ AS

30           FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The community

31           child protection ~~team's duties may include preparing team shall~~

32           **prepare** a periodic report regarding the child abuse and neglect reports

33           and complaints that the team reviews under this chapter.

- 34           (b) The periodic report may include the following information:
- 35                 (1) The number of complaints under section 6 of this chapter that
- 36                 the team receives and reviews each month.
- 37                 (2) A description of the child abuse and neglect reports that the
- 38                 team reviews each month, including the following information:
- 39                         (A) The scope and manner of the interviewing process during
- 40                         the child abuse or neglect investigation.
- 41                         (B) The timeliness of the investigation.
- 42                         (C) The number of children removed from the home.
- 43                         (D) The types of services offered.
- 44                         (E) The number of child abuse and neglect cases filed with a
- 45                         court.
- 46                         (F) The reasons that certain child abuse and neglect cases are
- 47                         not filed with a court.

48           SECTION 576. IC 31-33-4-1 IS AMENDED TO READ AS

49           FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. Before February 2

50           of each ~~odd-numbered even-numbered~~ year, each ~~county office of~~

51           **family and children, regional services council**, after a public hearing,

- 1 shall:
- 2 (1) prepare a local plan for the provision of child protection
- 3 services; and
- 4 (2) submit the plan to:
- 5 (A) the director; ~~after consultation with local law enforcement~~
- 6 ~~agencies;~~
- 7 (B) ~~a~~ **each** juvenile court **within the region;**
- 8 (C) the community child protection team as provided for in
- 9 IC 31-33-3-1; and
- 10 (D) appropriate public or voluntary agencies, including
- 11 organizations for the prevention of child abuse or neglect.

12 SECTION 577. IC 31-33-4-2, AS AMENDED BY P.L.145-2006,  
 13 SECTION 279, IS AMENDED TO READ AS FOLLOWS  
 14 [EFFECTIVE JULY 1, 2008]: Sec. 2. The local plan must describe the  
 15 implementation of this article in the ~~county~~ **region** by the department,  
 16 ~~and the county office;~~ including the following:

- 17 (1) Organization.
- 18 (2) Staffing.
- 19 (3) Mode of operations.
- 20 (4) Financing of the child protection services.
- 21 (5) The provisions made for the purchase of service and
- 22 interagency relations.

23 SECTION 578. IC 31-34-4-2, AS AMENDED BY P.L.52-2007,  
 24 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JANUARY 1, 2009]: Sec. 2. (a) If a child alleged to be a child in need  
 26 of services is taken into custody under an order of the court under this  
 27 chapter ~~and the court orders out-of-home placement,~~ **the court shall**  
 28 **department is responsible for that placement and care and must**  
 29 consider placing the child with a:

- 30 (1) suitable and willing blood or an adoptive relative caretaker,  
 31 including a grandparent, an aunt, an uncle, or an adult sibling;
- 32 (2) de facto custodian; or
- 33 (3) stepparent;

34 before considering any other out-of-home placement.

35 (b) Before ~~placing~~ **the department places** a child in need of  
 36 services with a blood relative or an adoptive relative caretaker, a de  
 37 facto custodian, or a stepparent, ~~the court may order~~ the department ~~to~~  
 38 ~~(+) shall~~ **complete a an evaluation based on a home study visit**  
 39 ~~of the relative's home. and~~

40 ~~(2) provide the court with a placement recommendation.~~

41 (c) Except as provided in subsection (e), before placing a child in  
 42 need of services in an out-of-home placement, including placement  
 43 with a blood or an adoptive relative caretaker, a de facto custodian, or  
 44 a stepparent, ~~the court shall order~~ the department ~~to~~ **shall** conduct a  
 45 criminal history check of each person who is currently residing in the  
 46 location designated as the out-of-home placement.

47 (d) Except as provided in subsection (f), ~~a court~~ **the department**  
 48 ~~may not order make~~ an out-of-home placement if a person described  
 49 in subsection (c) has:

- 50 (1) committed an act resulting in a substantiated report of child  
 51 abuse or neglect; or

1 (2) been convicted of a felony listed in IC 31-27-4-13 or had a  
 2 juvenile adjudication for an act that would be a felony listed in  
 3 IC 31-27-4-13 if committed by an adult.

4 (e) ~~The court is not required to order the~~ department is **not required**  
 5 to conduct a criminal history check under subsection (c) if the ~~court~~  
 6 ~~orders~~ **department makes** an out-of-home placement to an entity or a  
 7 facility that is not a residence (as defined in IC 3-5-2-42.5) or that is  
 8 licensed by the state.

9 (f) A court may order **or the department may approve** an  
 10 out-of-home placement if:

- 11 (1) a person described in subsection (c) has:
- 12 (A) committed an act resulting in a substantiated report of  
 13 child abuse or neglect; or
- 14 (B) been convicted or had a juvenile adjudication for:
- 15 (i) reckless homicide (IC 35-42-1-5);  
 16 (ii) battery (IC 35-42-2-1) as a Class C or D felony;  
 17 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D  
 18 felony;  
 19 (iv) arson (IC 35-43-1-1) as a Class C or D felony;  
 20 (v) a felony involving a weapon under IC 35-47 or  
 21 IC 35-47.5 as a Class C or D felony;  
 22 (vi) a felony relating to controlled substances under  
 23 IC 35-48-4 as a Class C or D felony; or  
 24 (vii) a felony that is substantially equivalent to a felony  
 25 listed in items (i) through (vi) for which the conviction was  
 26 entered in another state; and
- 27 (2) the court makes a written finding that the person's commission  
 28 of the offense, delinquent act, or act of abuse or neglect described  
 29 in subdivision (1) is not relevant to the person's present ability to  
 30 care for a child, and that the placement is in the best interest of  
 31 the child.

32 However, a court **or the department** may not ~~order make~~ an  
 33 out-of-home placement if the person has been convicted of a felony  
 34 listed in IC 31-27-4-13 that is not specifically excluded under  
 35 subdivision (1)(B), or has a juvenile adjudication for an act that would  
 36 be a felony listed in IC 31-27-4-13 if committed by an adult that is not  
 37 specifically excluded under subdivision (1)(B).

38 (g) In making its written finding under subsection (f), the court shall  
 39 consider the following:

- 40 (1) The length of time since the person committed the offense,  
 41 delinquent act, or abuse or neglect.  
 42 (2) The severity of the offense, delinquent act, or abuse or neglect.  
 43 (3) Evidence of the person's rehabilitation, including the person's  
 44 cooperation with a treatment plan, if applicable.

45 SECTION 579. IC 31-34-4-7 IS ADDED TO THE INDIANA  
 46 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 47 [EFFECTIVE JANUARY 1, 2009]: **Sec. 7. (a) This section applies to**  
 48 **services and programs provided to or on behalf of a child alleged**  
 49 **to be a child in need of services at any time before:**

- 50 (1) **entry of a dispositional decree under IC 31-34-20; or**  
 51 (2) **approval of a program of informal adjustment under**



1           **IC 31-34-8.**

2           **(b) Before a juvenile court orders or approves a service, a**  
3 **program, or an out-of-home placement for a child that has not**  
4 **been recommended by the department, the court shall submit the**  
5 **proposed service, program, or placement to the department for**  
6 **consideration. The department shall, within three (3) business days**  
7 **after receipt of the court's proposal, submit to the court a report**  
8 **stating whether the department approves or disapproves the**  
9 **proposed service, program, or placement.**

10           **(c) If the department approves the service, program, or**  
11 **placement recommended by the juvenile court, the court may enter**  
12 **an appropriate order to implement the approved proposal. If the**  
13 **department does not approve a service, program, or placement**  
14 **proposed by the juvenile court, the department may recommend an**  
15 **alternative service, program, or placement for the child.**

16           **(d) The juvenile court shall accept the recommendations of the**  
17 **department regarding any predispositional services, programs, or**  
18 **placement for the child, unless the juvenile court finds a**  
19 **recommendation is:**

20               **(1) unreasonable, based on the facts and circumstances of the**  
21 **case; or**

22               **(2) contrary to the welfare and best interests of the child.**

23           **(e) If the juvenile court does not accept the recommendations of**  
24 **the department in the report submitted under subsection (b), the**  
25 **court may enter an order that:**

26               **(1) requires the department to provide a specified service,**  
27 **program, or placement until entry of a dispositional decree or**  
28 **until the order is otherwise modified or terminated; and**

29               **(2) specifically states the reasons why the juvenile court is not**  
30 **accepting the recommendations of the department, including**  
31 **the court's findings under subsection (d).**

32           **(f) If the juvenile court enters its findings and order under**  
33 **subsection (e), the department may appeal the juvenile court's**  
34 **order under any available procedure provided by the Indiana**  
35 **Rules of Trial Procedure or the Indiana Rules of Appellate**  
36 **Procedure to allow any disputes arising under this section to be**  
37 **decided in an expeditious manner.**

38           **(g) If the department prevails on appeal, the department shall**  
39 **pay the following costs and expenses incurred by or on behalf of**  
40 **the child before the date of the final decision:**

41               **(1) Any programs or services implemented during the appeal**  
42 **initiated under subsection (f), other than the cost of an**  
43 **out-of-home placement ordered by the juvenile court.**

44               **(2) Any out-of-home placement ordered by the juvenile court**  
45 **and implemented after entry of the court order of placement,**  
46 **if the juvenile court order includes written findings that the**  
47 **placement is an emergency required to protect the health and**  
48 **welfare of the child.**

49 **If the court has not made written findings that the placement is an**  
50 **emergency, the county in which the juvenile court is located is**  
51 **responsible for payment of all costs of the placement, including the**

1 **cost of services and programs provided by the home or facility**  
 2 **where the child was placed.**

3 SECTION 580. IC 31-34-5-3 IS AMENDED TO READ AS  
 4 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The  
 5 juvenile court shall release the child to the child's parent, guardian, or  
 6 custodian. However, the court may order the child detained if the court  
 7 makes written findings of fact upon the record of probable cause to  
 8 believe that the child is a child in need of services and that:

- 9 (1) detention is necessary to protect the child;  
 10 (2) the child is unlikely to appear before the juvenile court for  
 11 subsequent proceedings;  
 12 (3) the child has a reasonable basis for requesting that the child  
 13 not be released;  
 14 (4) the parent, guardian, or custodian:  
 15 (A) cannot be located; or  
 16 (B) is unable or unwilling to take custody of the child; or  
 17 (5) consideration for the safety of the child precludes the use of  
 18 family services to prevent removal of the child.

19 **(b) The juvenile court shall include in any order approving or**  
 20 **requiring detention of a child all findings and conclusions required**  
 21 **under:**

- 22 (1) **applicable provisions of Title IV-E of the federal Social**  
 23 **Security Act (42 U.S.C. 670 et seq.); or**  
 24 (2) **any applicable federal regulation, including 45 CFR**  
 25 **1356.21;**

26 **as a condition of eligibility of a child in need of services for**  
 27 **assistance under Title IV-E or any other federal law.**

28 **(c) Inclusion in a juvenile court order of language approved and**  
 29 **recommended by the judicial conference of Indiana, in relation to:**

- 30 (1) **removal from the child's home; or**  
 31 (2) **detention;**

32 **of a child who is alleged to be, or adjudicated as, a child in need of**  
 33 **services constitutes compliance with subsection (b).**

34 SECTION 581. IC 31-34-6-2 IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. A **juvenile**  
 36 **court or the department** shall consider placing a child alleged to be a  
 37 child in need of services with an appropriate family member of the  
 38 child before considering any other placement for the child.

39 SECTION 582. IC 31-34-6-3 IS AMENDED TO READ AS  
 40 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. A **juvenile**  
 41 **court or the department** may not place a child in:

- 42 (1) a community based correctional facility for children;  
 43 (2) a juvenile detention facility;  
 44 (3) a secure facility;  
 45 (4) a secure private facility; or  
 46 (5) a shelter care facility;

47 that is located outside the child's county of residence unless placement  
 48 of the child in a comparable facility with adequate services located in  
 49 the child's county of residence is unavailable or the child's county of  
 50 residence does not have an appropriate comparable facility with  
 51 adequate services.

1 SECTION 583. IC 31-34-7-2, AS AMENDED BY P.L.145-2006,  
 2 SECTION 293, IS AMENDED TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2008]: Sec. 2. The intake officer shall send to  
 4 ~~the prosecuting attorney or~~ the attorney for the department a copy of  
 5 the preliminary inquiry. The intake officer shall recommend whether  
 6 to:

- 7 (1) file a petition;
- 8 (2) informally adjust the case;
- 9 (3) refer the child to another agency; or
- 10 (4) dismiss the case.

11 SECTION 584. IC 31-34-8-1 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) After the  
 13 preliminary inquiry and upon approval by the juvenile court, the intake  
 14 officer may implement a program of informal adjustment if the officer  
 15 has probable cause to believe that the child is a child in need of  
 16 services.

17 **(b) If the juvenile court denies a program of informal**  
 18 **adjustment, the court shall state its reasons for the denial. The**  
 19 **reasons may include that:**

- 20 **(1) the juvenile court finds no probable cause to believe that**  
 21 **the child is a child in need of services; or**
- 22 **(2) the juvenile court finds that the coercive intervention of**  
 23 **the juvenile court is required.**

24 **(c) If the juvenile court does not act to either:**

- 25 **(1) approve or deny a program of informal adjustment; or**
- 26 **(2) set a hearing date;**

27 **within ten (10) days of its submission to the juvenile court, the**  
 28 **program of informal adjustment is considered approved.**

29 **(d) If:**

- 30 **(1) the juvenile court sets a hearing under subsection (c); and**
- 31 **(2) the hearing is not concluded and action taken to approve**  
 32 **or deny the program of informal adjustment within thirty (30)**  
 33 **days of the submission of the program to the juvenile court;**  
 34 **the program of informal adjustment is considered approved.**

35 SECTION 585. IC 31-34-8-3 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Upon the filing  
 37 of a petition for compliance and after notice and a hearing on the  
 38 petition for compliance, the juvenile court may order the parent,  
 39 guardian, or custodian of a child to participate in a program of informal  
 40 adjustment ~~approved by the court~~ **implemented** under section 1 of this  
 41 chapter.

42 (b) A parent, guardian, or custodian who fails to participate in a  
 43 program of informal adjustment ~~ordered by the court after being~~  
 44 **ordered under subsection (a) to participate** may be found in  
 45 contempt of court.

46 SECTION 586. IC 31-34-8-6 IS AMENDED TO READ AS  
 47 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. A program of  
 48 informal adjustment may not exceed six (6) months, except by approval  
 49 of the juvenile court. The juvenile court may extend a program of  
 50 informal adjustment an additional ~~six (6)~~ **three (3)** months.

51 SECTION 587. IC 31-34-8-7, AS AMENDED BY P.L.234-2005,

1 SECTION 179, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) Not later than five (5) months  
 3 after a court approves the department implements a program of  
 4 informal adjustment under this chapter, the department of child  
 5 services shall file with the court a report indicating the extent of  
 6 compliance with the program.

7 (b) If the court extends approves an extension of the period of the  
 8 informal adjustment under section 6 of this chapter, the department of  
 9 child services shall file a supplemental report not later than ~~eleven (11)~~  
 10 **eight (8)** months after the court initially approves department  
 11 implements the program of informal adjustment updating the court on  
 12 the status of a person's compliance with the program.

13 SECTION 588. IC 31-34-9-1, AS AMENDED BY P.L.145-2006,  
 14 SECTION 294, IS AMENDED TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~The prosecuting attorney or~~ The  
 16 attorney for the department:

- 17 (1) may request the juvenile court to authorize the filing of a  
 18 petition alleging that a child is a child in need of services; and
- 19 (2) shall represent the interests of the state at this proceeding and  
 20 at all subsequent proceedings on the petition.

21 SECTION 589. IC 31-34-13-4, AS AMENDED BY P.L.145-2006,  
 22 SECTION 296, IS AMENDED TO READ AS FOLLOWS  
 23 [EFFECTIVE JULY 1, 2008]: Sec. 4. A statement or videotape may not  
 24 be admitted in evidence under this chapter unless ~~the prosecuting~~  
 25 ~~attorney or~~ the attorney for the department informs the parties of:

- 26 (1) an intention to introduce the statement or videotape in  
 27 evidence; and
- 28 (2) the content of the statement or videotape;

29 at least ~~twenty (20)~~ **seven (7)** days before the proceedings to give the  
 30 parties a fair opportunity to prepare a response to the statement or  
 31 videotape before the proceeding.

32 SECTION 590. IC 31-34-14-2, AS AMENDED BY P.L.145-2006,  
 33 SECTION 297, IS AMENDED TO READ AS FOLLOWS  
 34 [EFFECTIVE JULY 1, 2008]: Sec. 2. On the motion of ~~the prosecuting~~  
 35 ~~attorney or~~ the attorney for the department, the court may order that:

- 36 (1) the testimony of a child be taken in a room other than the  
 37 courtroom and be transmitted to the courtroom by closed circuit  
 38 television; and
- 39 (2) the questioning of the child by the parties be transmitted to the  
 40 child by closed circuit television.

41 SECTION 591. IC 31-34-14-3, AS AMENDED BY P.L.145-2006,  
 42 SECTION 298, IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE JULY 1, 2008]: Sec. 3. On the motion of ~~the prosecuting~~  
 44 ~~attorney or~~ the attorney for the department, the court may order that the  
 45 testimony of a child be videotaped for use at proceedings to determine  
 46 whether a child or a whole or half blood sibling of the child is a child  
 47 in need of services.

48 SECTION 592. IC 31-34-14-4, AS AMENDED BY P.L.145-2006,  
 49 SECTION 299, IS AMENDED TO READ AS FOLLOWS  
 50 [EFFECTIVE JULY 1, 2008]: Sec. 4. The court may not make an order  
 51 under section 2 or 3 of this chapter unless:

- 1 (1) the testimony to be taken is the testimony of a child who at the  
 2 time of the trial is:
- 3 (A) less than fourteen (14) years of age; or  
 4 (B) at least fourteen (14) years of age but less than eighteen  
 5 (18) years of age and has a disability attributable to an  
 6 impairment of general intellectual functioning or adaptive  
 7 behavior that:
- 8 (i) is likely to continue indefinitely;  
 9 (ii) constitutes a substantial impairment of the child's ability  
 10 to function normally in society; and  
 11 (iii) reflects the child's need for a combination and sequence  
 12 of special, interdisciplinary, or generic care, treatment, or  
 13 other services that are of lifelong or extended duration and  
 14 are individually planned and coordinated; and
- 15 (C) found by the court to be a child who should be permitted  
 16 to testify outside the courtroom because:
- 17 (i) a psychiatrist, physician, or psychologist has certified that  
 18 the child's testifying in the courtroom creates a substantial  
 19 likelihood of emotional or mental harm to the child;  
 20 (ii) a physician has certified that the child cannot be present  
 21 in the courtroom for medical reasons; or  
 22 (iii) evidence has been introduced concerning the effect of  
 23 the child's testifying in the courtroom and the court finds  
 24 that it is more likely than not that the child's testifying in the  
 25 courtroom creates a substantial likelihood of emotional or  
 26 mental harm to the child;
- 27 (2) ~~the prosecuting attorney~~ or the attorney for the department has  
 28 informed the parties and their attorneys by written notice of the  
 29 intention to have the child testify outside the courtroom; and
- 30 (3) ~~the prosecuting attorney~~ or the attorney for the department  
 31 informed the parties and their attorneys under subdivision (2) at  
 32 least ~~twenty (20)~~ **seven (7)** days before the proceedings to give  
 33 the parties and their attorneys a fair opportunity to prepare a  
 34 response before the proceedings to ~~the motion of the prosecuting~~  
 35 ~~attorney~~ or the motion of the attorney for the department to permit  
 36 the child to testify outside the courtroom.
- 37 SECTION 593. IC 31-34-14-6, AS AMENDED BY P.L.145-2006,  
 38 SECTION 300, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE JULY 1, 2008]: Sec. 6. If the court makes an order under  
 40 section 3 of this chapter, only the following persons may be in the same  
 41 room as the child during the child's videotaped testimony:
- 42 (1) The judge.  
 43 (2) The ~~prosecuting attorney~~ or the attorney for the department.  
 44 (3) The attorney for each party.  
 45 (4) Persons necessary to operate the electronic equipment.  
 46 (5) The court reporter.  
 47 (6) Persons whose presence the court finds will contribute to the  
 48 child's well-being.  
 49 (7) The parties, who can observe and hear the testimony of the  
 50 child without the child being able to observe or hear the parties.  
 51 However, if a party is not represented by an attorney, the party

1 may question the child.

2 SECTION 594. IC 31-34-14-7, AS AMENDED BY P.L.145-2006,  
3 SECTION 301, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2008]: Sec. 7. If the court makes an order under  
5 section 2 or 3 of this chapter, only the following persons may question  
6 the child:

- 7 (1) The ~~prosecuting attorney or the~~ attorney for the department.  
8 (2) The attorneys for the parties.  
9 (3) The judge.

10 SECTION 595. IC 31-34-15-3 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. A copy of the  
12 completed case plan shall be sent to the child's parent, guardian, or  
13 custodian **and to an agency having the legal responsibility or**  
14 **authorization to care for, treat, or supervise the child** not later than  
15 ten (10) days after the plan's completion.

16 SECTION 596. IC 31-34-16-1, AS AMENDED BY P.L.145-2006,  
17 SECTION 306, IS AMENDED TO READ AS FOLLOWS  
18 [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign  
19 and file a petition for the juvenile court to require the participation of  
20 a parent, guardian, or custodian in a program of care, treatment, or  
21 rehabilitation for a child:

- 22 ~~(1) The prosecuting attorney:~~  
23 ~~(2) (1) The attorney for the department.~~  
24 ~~(3) A probation officer:~~  
25 ~~(4) A caseworker:~~  
26 ~~(5) The department of correction:~~  
27 ~~(6) (2) The guardian ad litem or court appointed special advocate.~~

28 SECTION 597. IC 31-34-18-1 IS AMENDED TO READ AS  
29 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Upon finding that  
30 a child is a child in need of services, the juvenile court shall order ~~a~~  
31 ~~probation officer the department~~ or a caseworker to prepare a  
32 predispositional report that contains a:

- 33 (1) statement of the needs of the child for care, treatment,  
34 rehabilitation, or placement; and  
35 (2) recommendation for the care, treatment, rehabilitation, or  
36 placement of the child.

37 (b) Any of the following may prepare an alternative report for  
38 consideration by the court:

- 39 (1) The child.  
40 (2) The child's:  
41 (A) parent;  
42 (B) guardian;  
43 (C) guardian ad litem;  
44 (D) court appointed special advocate; or  
45 (E) custodian.

46 SECTION 598. IC 31-34-18-2 IS AMENDED TO READ AS  
47 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In addition to  
48 providing the court with a recommendation for the care, treatment, or  
49 rehabilitation of the child, the person preparing the report shall  
50 consider the necessity, nature, and extent of the participation by a  
51 parent, guardian, or custodian in a program of care, treatment, or

1 rehabilitation for the child.

2 (b) If a ~~probation officer~~ **the department** or caseworker believes  
3 that an out-of-home placement would be appropriate for a child in need  
4 of services, the ~~probation officer~~ **department** or caseworker shall  
5 consider whether the child should be placed with the child's suitable  
6 and willing blood or adoptive relative caretaker, including a  
7 grandparent, an aunt, an uncle, or an adult sibling, before considering  
8 other out-of-home placements for the child.

9 SECTION 599. IC 31-34-18-3 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. The ~~probation officer~~  
11 **department** or caseworker shall also prepare a financial report on the  
12 parent or the estate of the child to assist the juvenile court in  
13 determining the person's financial responsibility for services provided  
14 for the child or the person.

15 SECTION 600. IC 31-34-18-6.1, AS AMENDED BY P.L.145-2006,  
16 SECTION 308, IS AMENDED TO READ AS FOLLOWS  
17 [EFFECTIVE JULY 1, 2008]: Sec. 6.1. (a) The predispositional report  
18 prepared by a ~~probation officer the department~~ or caseworker ~~shall~~  
19 **must** include the following information:

20 (1) A description of all dispositional options considered in  
21 preparing the report.

22 (2) An evaluation of each of the options considered in relation to  
23 the plan of care, treatment, rehabilitation, or placement  
24 recommended under the guidelines described in section 4 of this  
25 chapter.

26 (3) The name, occupation and position, and any relationship to the  
27 child of each person with whom the preparer of the report  
28 conferred as provided in section 1.1 of this chapter.

29 (b) If a ~~probation officer~~ **the department** or a caseworker is  
30 considering an out-of-home placement, including placement with a  
31 blood or an adoptive relative caretaker, the ~~probation officer~~  
32 **department** or caseworker shall conduct a criminal history check (as  
33 defined in IC 31-9-2-22.5) for each person who is currently residing in  
34 the location designated as the out-of-home placement. The results of  
35 the criminal history check must be included in the predispositional  
36 report.

37 (c) ~~A probation officer~~ **The department** or caseworker is not  
38 required to conduct a criminal history check under this section if:

39 (1) the ~~probation officer department~~ or caseworker is considering  
40 only an out-of-home placement to an entity or a facility that:

41 (A) is not a residence (as defined in IC 3-5-2-42.5); or

42 (B) is licensed by the state; or

43 (2) placement under this section is undetermined at the time the  
44 predispositional report is prepared.

45 SECTION 601. IC 31-34-19-6.1 IS ADDED TO THE INDIANA  
46 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
47 [EFFECTIVE JANUARY 1, 2009]: **Sec 6.1. (a) Before entering its**  
48 **dispositional decree, the juvenile court shall do the following:**

49 (1) **Consider the recommendations for the needs of the child**  
50 **for care, treatment, rehabilitation, or placement made by the**  
51 **department in the department's predispositional report.**

1 (2) Consider the recommendations for the needs of the child  
2 for care, treatment, rehabilitation, or placement made by the  
3 parent, guardian or custodian, guardian ad litem or court  
4 appointed special advocate, foster parent, other caretaker of  
5 the child, or other party to the proceeding.

6 (3) If the juvenile court determines that the best interests of  
7 the child require consideration of other dispositional options,  
8 submit the juvenile court's own recommendations for care,  
9 treatment, rehabilitation, or placement of the child.

10 (b) If the juvenile court accepts the recommendations in the  
11 department's predispositional report, the juvenile court shall enter  
12 its dispositional decree with its findings and conclusions under  
13 section 10 of this chapter.

14 (c) If during or after conclusion of the dispositional hearing, the  
15 juvenile court does not accept the recommendations of the  
16 department as set out under subsection (a) in the predispositional  
17 report and states that the juvenile court wants the department to  
18 consider the recommendations made under subsection (a)(2) or  
19 (a)(3), the dispositional hearing shall be continued for not more  
20 than seven (7) business days after service of notice of the juvenile  
21 court's determination. The department shall consider the  
22 recommendations that the juvenile court requested the department  
23 to consider and submit to the juvenile court a supplemental  
24 predispositional report stating the department's final  
25 recommendations and reasons for accepting or rejecting the  
26 recommendations that were not included in the department's  
27 original predispositional report. If the juvenile court accepts the  
28 recommendations in the department's supplemental report, the  
29 juvenile court may adopt the recommendations as its findings and  
30 enter its dispositional decree.

31 (d) The juvenile court shall accept each final recommendation  
32 of the department contained in a supplemental predispositional  
33 report submitted under subsection (c), unless the juvenile court  
34 finds that a recommendation is:

35 (1) unreasonable, based on the facts and circumstances of the  
36 case; or

37 (2) contrary to the welfare and best interests of the child.

38 (e) If the juvenile court does not accept one (1) or more of the  
39 department's final recommendations contained in the department's  
40 supplemental predispositional report, the juvenile court shall:

41 (1) enter its dispositional decree with its written findings and  
42 conclusions under sections 6 and 10 of this chapter; and

43 (2) specifically state why the juvenile court is not accepting  
44 the final recommendations of the department.

45 (f) If the juvenile court enters its findings and decree under  
46 subsections (d) and (e), the department may appeal the juvenile  
47 court's decree under any available procedure provided by the  
48 Indiana Rules of Trial Procedure or the Indiana Rules of Appellate  
49 Procedure to allow any disputes arising under this section to be  
50 decided in an expeditious manner.

51 (g) If the department prevails on appeal, the department shall



1 pay the following costs and expenses incurred by or on behalf of  
2 the child before the date of the final decision:

3 (1) Any programs or services implemented during the appeal  
4 initiated under subsection (f), other than the cost of an  
5 out-of-home placement ordered by the juvenile court.

6 (2) Any out-of-home placement ordered by the juvenile court  
7 and implemented after entry of the dispositional decree or  
8 modification order, if the court has made written findings that  
9 the placement is an emergency required to protect the health  
10 and welfare of the child.

11 If the court has not made written findings that the placement is an  
12 emergency, the county in which the juvenile court is located is  
13 responsible for payment of all costs of the placement, including the  
14 cost of services and programs provided by the home or facility  
15 where the child was placed.

16 SECTION 602. IC 31-34-20-1, AS AMENDED BY P.L.52-2007,  
17 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 JANUARY 1, 2009]: Sec. 1. (a) Subject to **this section and** section 1.5  
19 of this chapter, if a child is a child in need of services, the juvenile  
20 court may enter one (1) or more of the following dispositional decrees:

21 (1) Order supervision of the child by ~~the probation department or~~  
22 ~~the county office or~~ the department.

23 (2) Order the child to receive outpatient treatment:

24 (A) at a social service agency or a psychological, a psychiatric,  
25 a medical, or an educational facility; or

26 (B) from an individual practitioner.

27 (3) Remove the child from the child's home and **authorize the**  
28 **department to** place the child in another home or shelter care  
29 facility. Placement under this subdivision includes authorization  
30 to control and discipline the child.

31 (4) Award wardship to a person or shelter care facility: **of the**  
32 **child to the department for supervision, care, and placement.**

33 (5) Partially or completely emancipate the child under section 6  
34 of this chapter.

35 (6) Order

36 ~~(A) the child; or~~

37 ~~(B) the child's parent, guardian, or custodian~~

38 to receive family **complete** services **recommended by the**  
39 **department and approved by the court under IC 31-34-16,**  
40 **IC 31-34-18, and IC 31-34-19.**

41 (7) Order a person who is a party to refrain from direct or indirect  
42 contact with the child.

43 (8) Order a perpetrator of child abuse or neglect to refrain from  
44 returning to the child's residence.

45 (b) A juvenile court may not place a child in a home or facility  
46 that is located outside Indiana unless:

47 (1) the placement is recommended or approved by the  
48 director of the department or the director's designee; or

49 (2) the juvenile court makes written findings based on clear  
50 and convincing evidence that:

51 (A) the out-of-state placement is appropriate because there

1           **is not a comparable facility with adequate services located**  
 2           **in Indiana; or**  
 3           **(B) the location of the home or facility is within a distance**  
 4           **not greater than fifty (50) miles from the county of**  
 5           **residence of the child.**

6           **(c) If a dispositional decree under this section:**  
 7           **(1) orders or approves removal of a child from the child's**  
 8           **home or awards wardship of the child to the department; and**  
 9           **(2) is the first juvenile court order in the child in need of**  
 10           **services proceeding that authorizes or approves removal of**  
 11           **the child from the child's parent, guardian, or custodian;**  
 12           **the juvenile court shall include in the decree the appropriate**  
 13           **findings and conclusions described in IC 31-34-5-3(b) and**  
 14           **IC 31-34-5-3(c).**

15           SECTION 603. IC 31-34-20-1.5, AS AMENDED BY P.L.1-2007,  
 16           SECTION 207, IS AMENDED TO READ AS FOLLOWS  
 17           [EFFECTIVE JULY 1, 2008]: Sec. 1.5. (a) Except as provided in  
 18           subsection (d), the juvenile court may not enter a dispositional decree  
 19           ~~placing approving or ordering placement of~~ a child in another home  
 20           under section ~~†(3) 1(a)(3)~~ of this chapter or awarding wardship to a  
 21           ~~county office or~~ the department that will place the child with a person  
 22           **in another home** under section ~~†(4) 1(a)(4)~~ of this chapter if a person  
 23           who is currently residing in the home in which the child would be  
 24           placed under section ~~†(3) 1(a)(3)~~ or ~~†(4) 1(a)(4)~~ of this chapter has  
 25           committed an act resulting in a substantiated report of child abuse or  
 26           neglect, has a juvenile adjudication for an act that would be a felony  
 27           listed in IC 31-27-4-13 if committed by an adult, or has a conviction for  
 28           a felony listed in IC 31-27-4-13.

29           (b) ~~The juvenile court shall order the probation officer~~ **department**  
 30           or caseworker who prepared the predispositional report ~~to~~ **shall**  
 31           conduct a criminal history check (as defined in IC 31-9-2-22.5) to  
 32           determine if a person described in subsection (a) has committed an act  
 33           resulting in a substantiated report of child abuse or neglect, has a  
 34           juvenile adjudication for an act that would be a felony listed in  
 35           IC 31-27-4-13 if committed by an adult, or has a conviction for a felony  
 36           listed in IC 31-27-4-13. However, the ~~juvenile court~~ **department or**  
 37           **caseworker** is not required to ~~order conduct~~ a criminal history check  
 38           under this section if criminal history information under IC 31-34-4-2  
 39           or IC 31-34-18-6.1 establishes whether a person described in  
 40           subsection (a) has committed an act resulting in a substantiated report  
 41           of child abuse or neglect, has a juvenile adjudication for an act that  
 42           would be a felony listed in IC 31-27-4-13 if committed by an adult, or  
 43           has a conviction for a felony listed in IC 31-27-4-13.

44           (c) ~~A probation officer or~~ **The department or** caseworker is not  
 45           required to conduct a criminal history check under this section if:  
 46           (1) the ~~probation officer or department or~~ caseworker is  
 47           considering only an out-of-home placement to an entity or a  
 48           facility that:  
 49           (A) is not a residence (as defined in IC 3-5-2-42.5); or  
 50           (B) is licensed by the state; or  
 51           (2) placement under this section is undetermined at the time the

1 predispositional report is prepared.

2 (d) A **juvenile** court may enter a dispositional decree ~~placing that~~  
 3 **approves placement of** a child in another home or award wardship to  
 4 ~~a county office the department that will place the child in a home~~  
 5 **with a person described in subsection (a)** if:

6 (1) ~~a~~ the person described in subsection (a) has:

7 (A) committed an act resulting in a substantiated report of  
 8 child abuse or neglect; or

9 (B) been convicted or had a juvenile adjudication for:

10 (i) reckless homicide (IC 35-42-1-5);

11 (ii) battery (IC 35-42-2-1) as a Class C or D felony;

12 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D  
 13 felony;

14 (iv) arson (IC 35-43-1-1) as a Class C or D felony;

15 (v) a felony involving a weapon under IC 35-47 or  
 16 IC 35-47.5 as a Class C or D felony;

17 (vi) a felony relating to controlled substances under  
 18 IC 35-48-4 as a Class C or D felony; or

19 (vii) a felony that is substantially equivalent to a felony  
 20 listed in items (i) through (vi) for which the conviction was  
 21 entered in another state; and

22 (2) the court makes a written finding that the person's commission  
 23 of the offense, delinquent act, or act of abuse or neglect described  
 24 in subdivision (1) is not relevant to the person's present ability to  
 25 care for a child, and that the dispositional decree placing a child  
 26 in another home or awarding wardship to a county office is in the  
 27 best interest of the child.

28 However, a court may not enter a dispositional decree ~~placing that~~  
 29 **approves placement of** a child in another home or ~~award awards~~  
 30 wardship to ~~a county office or~~ the department if the person has been  
 31 convicted of a felony listed in IC 31-27-4-13 that is not specifically  
 32 excluded under subdivision (1)(B), or has a juvenile adjudication for  
 33 an act that would be a felony listed in IC 31-27-4-13 if committed by  
 34 an adult that is not specifically excluded under subdivision (1)(B).

35 (e) In making its written finding under subsection (d), the court shall  
 36 consider the following:

37 (1) The length of time since the person committed the offense,  
 38 delinquent act, or act that resulted in the substantiated report of  
 39 abuse or neglect.

40 (2) The severity of the offense, delinquent act, or abuse or neglect.

41 (3) Evidence of the person's rehabilitation, including the person's  
 42 cooperation with a treatment plan, if applicable.

43 SECTION 604. IC 31-34-20-5, AS AMENDED BY P.L.159-2007,  
 44 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 45 JULY 1, 2008]: Sec. 5. (a) This section applies if **the department or**  
 46 a juvenile court:

47 (1) places a child;

48 (2) changes the placement of a child; or

49 (3) reviews the implementation of a decree under IC 31-34-21 of  
 50 a child placed;

51 in a state licensed private or public health care facility, child care

1 facility, foster family home, or the home of a relative or other  
2 unlicensed caretaker.

3 (b) The juvenile court shall do the following:

4 (1) Make findings of fact concerning the legal settlement of the  
5 child.

6 (2) Apply IC 20-26-11-2(1) through IC 20-26-11-2(8) to  
7 determine where the child has legal settlement.

8 (3) Include the findings of fact required by this section in:

9 (A) the dispositional order;

10 (B) the modification order; or

11 (C) the other decree;

12 making or changing the placement of the child.

13 (c) The juvenile court may determine that the legal settlement of the  
14 child is in the school corporation in which the child will attend school  
15 under IC 20-26-11-8(d).

16 (d) The juvenile court shall comply with the reporting requirements  
17 under IC 20-26-11-9 concerning the legal settlement of the child.

18 (e) The **department or a** juvenile court may place a child in a  
19 public school, regardless of whether the public school has a waiting list  
20 for admissions, if the **department or juvenile** court determines that the  
21 school's program meets the child's educational needs and the school  
22 agrees to the placement. A placement under this subsection does not  
23 affect the legal settlement of the child.

24 SECTION 605. IC 31-34-21-2, AS AMENDED BY P.L.146-2006,  
25 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JULY 1, 2008]: Sec. 2. (a) The case of each child in need of services  
27 under the supervision of ~~the county office~~ or the department must be  
28 reviewed at least once every six (6) months, or more often, if ordered  
29 by the court.

30 (b) The first of these periodic case reviews must occur:

31 (1) at least six (6) months after the date of the child's removal  
32 from the child's parent, guardian, or custodian; or

33 (2) at least six (6) months after the date of the dispositional  
34 decree;

35 whichever comes first.

36 (c) Each periodic case review must be conducted by the juvenile  
37 court in a formal court hearing.

38 (d) The court may perform a periodic case review any time after a  
39 progress report is filed as described in section 1 of this chapter.

40 SECTION 606. IC 31-34-21-3, AS AMENDED BY P.L.145-2006,  
41 SECTION 315, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. Before a case review under  
42 section 2 of this chapter, ~~the probation department~~ or the department  
43 shall prepare a report in accordance with IC 31-34-22 on the progress  
44 made in implementing the dispositional decree.

45 SECTION 607. IC 31-34-21-5, AS AMENDED BY P.L.145-2006,  
46 SECTION 318, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The court shall determine:

47 (1) whether the child's case plan, services, and placement meet  
48 the special needs and best interests of the child;

49 (2) whether ~~the county office~~ or the department has made  
50  
51

1 reasonable efforts to provide family services; and  
 2 (3) a projected date for the child's return home, the child's  
 3 adoption placement, the child's emancipation, or the appointment  
 4 of a legal guardian for the child under ~~section 7.5(1)(E)~~ **section**  
 5 **7.5(c)(1)(E)** of this chapter.

6 (b) The determination of the court under subsection (a) must be  
 7 based on findings written after consideration of the following:

8 (1) Whether the department, the child, or the child's parent,  
 9 guardian, or custodian has complied with the child's case plan.

10 (2) Written documentation containing descriptions of:

11 (A) the family services that have been offered or provided to  
 12 the child or the child's parent, guardian, or custodian;

13 (B) the dates during which the family services were offered or  
 14 provided; and

15 (C) the outcome arising from offering or providing the family  
 16 services.

17 (3) The extent of the efforts made by the department to offer and  
 18 provide family services.

19 (4) The extent to which the parent, guardian, or custodian has  
 20 enhanced the ability to fulfill parental obligations.

21 (5) The extent to which the parent, guardian, or custodian has  
 22 visited the child, including the reasons for infrequent visitation.

23 (6) The extent to which the parent, guardian, or custodian has  
 24 cooperated with the department. ~~or probation department.~~

25 (7) The child's recovery from any injuries suffered before  
 26 removal.

27 (8) Whether any additional services are required for the child or  
 28 the child's parent, guardian, or custodian and, if so, the nature of  
 29 those services.

30 (9) The extent to which the child has been rehabilitated.

31 (10) If the child is placed out-of-home, whether the child is in the  
 32 least restrictive, most family-like setting, and whether the child is  
 33 placed close to the home of the child's parent, guardian, or  
 34 custodian.

35 (11) The extent to which the causes for the child's out-of-home  
 36 placement or supervision have been alleviated.

37 (12) Whether current placement or supervision by the department  
 38 should be continued.

39 (13) The extent to which the child's parent, guardian, or custodian  
 40 has participated or has been given the opportunity to participate  
 41 in case planning, periodic case reviews, dispositional reviews,  
 42 placement of the child, and visitation.

43 (14) Whether the department has made reasonable efforts to  
 44 reunify or preserve a child's family unless reasonable efforts are  
 45 not required under section 5.6 of this chapter.

46 (15) Whether it is an appropriate time to prepare or implement a  
 47 permanency plan for the child under section 7.5 of this chapter.

48 SECTION 608. IC 31-34-21-7.5, AS AMENDED BY P.L.145-2006,  
 49 SECTION 324, IS AMENDED TO READ AS FOLLOWS  
 50 [EFFECTIVE JULY 1, 2008]: Sec. 7.5. (a) Except as provided in  
 51 subsection (d), the juvenile court may not approve a permanency plan

1 under subsection (c)(1)(D), (c)(1)(E), or (c)(1)(F) if a person who is  
 2 currently residing with a person described in subsection (c)(1)(D) or  
 3 (c)(1)(E) or in a residence in which the child would be placed under  
 4 subsection (c)(1)(F) has committed an act resulting in a substantiated  
 5 report of child abuse or neglect, has a juvenile adjudication for an act  
 6 that would be a felony listed in IC 31-27-4-13 if committed by an adult,  
 7 or has a conviction for a felony listed in IC 31-27-4-13.

8 (b) ~~The Before requesting~~ juvenile court ~~shall order the probation~~  
 9 ~~officer or caseworker who prepared the predispositional report to~~  
 10 **approval of a permanency plan, the department shall** conduct a  
 11 criminal history check (as defined in IC 31-9-2-22.5) to determine if a  
 12 person described in subsection (a) has committed an act resulting in a  
 13 substantiated report of child abuse or neglect, has a juvenile  
 14 adjudication for an act that would be a felony listed in IC 31-27-4-13  
 15 if committed by an adult, or has a conviction for a felony listed in  
 16 IC 31-27-4-13. However, the ~~juvenile court department~~ is not required  
 17 to ~~order conduct~~ a criminal history check under this section if criminal  
 18 history information under IC 31-34-4-2, IC 31-34-18-6.1, or  
 19 IC 31-34-20-1.5 establishes whether a person described in subsection  
 20 (a) has committed an act resulting in a substantiated report of child  
 21 abuse or neglect, has a juvenile adjudication for an act that would be  
 22 a felony listed in IC 31-27-4-13 if committed by an adult, or has a  
 23 conviction for a felony listed in IC 31-27-4-13.

24 (c) A permanency plan under this chapter includes the following:

25 (1) The intended permanent or long term arrangements for care  
 26 and custody of the child that may include any of the following  
 27 arrangements that the **department or the** court considers most  
 28 appropriate and consistent with the best interests of the child:

29 (A) Return to or continuation of existing custodial care within  
 30 the home of the child's parent, guardian, or custodian or  
 31 placement of the child with the child's noncustodial parent.

32 (B) Initiation of a proceeding ~~by the agency or appropriate~~  
 33 ~~person~~ for termination of the parent-child relationship under  
 34 IC 31-35.

35 (C) Placement of the child for adoption.

36 (D) Placement of the child with a responsible person,  
 37 including:

38 (i) an adult sibling;

39 (ii) a grandparent;

40 (iii) an aunt;

41 (iv) an uncle; or

42 (v) another relative;

43 who is able and willing to act as the child's permanent  
 44 custodian and carry out the responsibilities required by the  
 45 permanency plan.

46 (E) Appointment of a legal guardian. The legal guardian  
 47 appointed under this section is a caretaker in a judicially  
 48 created relationship between the child and caretaker that is  
 49 intended to be permanent and self-sustaining as evidenced by  
 50 the transfer to the caretaker of the following parental rights  
 51 with respect to the child:

- 1 (i) Care, custody, and control of the child.  
 2 (ii) Decision making concerning the child's upbringing.  
 3 (F) Placement of the child in another planned, permanent  
 4 living arrangement.  
 5 (2) A time schedule for implementing the applicable provisions  
 6 of the permanency plan.  
 7 (3) Provisions for temporary or interim arrangements for care and  
 8 custody of the child, pending completion of implementation of the  
 9 permanency plan.  
 10 (4) Other items required to be included in a case plan under  
 11 IC 31-34-15 or federal law, consistent with the permanent or long  
 12 term arrangements described by the permanency plan.  
 13 (d) A juvenile court may approve a permanency plan if:  
 14 (1) a person described in subsection (a) has:  
 15 (A) committed an act resulting in a substantiated report of  
 16 child abuse or neglect; or  
 17 (B) been convicted or had a juvenile adjudication for:  
 18 (i) reckless homicide (IC 35-42-1-5);  
 19 (ii) battery (IC 35-42-2-1) as a Class C or D felony;  
 20 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D  
 21 felony;  
 22 (iv) arson (IC 35-43-1-1) as a Class C or D felony;  
 23 (v) a felony involving a weapon under IC 35-47 or  
 24 IC 35-47.5 as a Class C or D felony;  
 25 (vi) a felony relating to controlled substances under  
 26 IC 35-48-4 as a Class C or D felony; or  
 27 (vii) a felony that is substantially equivalent to a felony  
 28 listed in items (i) through (vi) for which the conviction was  
 29 entered in another state; and  
 30 (2) the court makes a written finding that the person's commission  
 31 of the offense, delinquent act, or act of abuse or neglect described  
 32 in subdivision (1) is not relevant to the person's present ability to  
 33 care for a child, and that approval of the permanency plan is in the  
 34 best interest of the child.

35 However, a court may not approve a permanency plan if the person has  
 36 been convicted of a felony listed in IC 31-27-4-13 that is not  
 37 specifically excluded under subdivision (1)(B), or has a juvenile  
 38 adjudication for an act that would be a felony listed in IC 31-27-4-13  
 39 if committed by an adult that is not specifically excluded under  
 40 subdivision (1)(B).

41 (e) In making its written finding under subsection (d), the court shall  
 42 consider the following:

- 43 (1) The length of time since the person committed the offense,  
 44 delinquent act, or act that resulted in the substantiated report of  
 45 abuse or neglect.  
 46 (2) The severity of the offense, delinquent act, or abuse or neglect.  
 47 (3) Evidence of the person's rehabilitation, including the person's  
 48 cooperation with a treatment plan, if applicable.

49 SECTION 609. IC 31-34-21-8, AS AMENDED BY P.L.145-2006,  
 50 SECTION 325, IS AMENDED TO READ AS FOLLOWS  
 51 [EFFECTIVE JULY 1, 2008]: Sec. 8. Before a hearing under section

1 7 of this chapter, ~~the probation department~~ or the department shall  
 2 prepare a report in accordance with IC 31-34-22 on the progress made  
 3 in implementing the dispositional decree.

4 SECTION 610. IC 31-34-22-1, AS AMENDED BY P.L.138-2007,  
 5 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2008]: Sec. 1. (a) Before a case review under IC 31-34-21-2  
 7 or hearing under IC 31-34-21-7, the ~~probation department~~ or the  
 8 department shall prepare a report on the progress made in  
 9 implementing the dispositional decree, including the progress made in  
 10 rehabilitating the child, preventing placement out-of-home, or reuniting  
 11 the family.

12 (b) Before preparing the report required by subsection (a), the  
 13 ~~probation department~~ or the department shall consult a foster parent of  
 14 the child about the child's progress made while in the foster parent's  
 15 care.

16 (c) If modification of the dispositional decree is recommended, the  
 17 ~~probation department~~ or the department shall prepare a modification  
 18 report containing the information required by IC 31-34-18 and request  
 19 a formal court hearing.

20 SECTION 611. IC 31-34-23-1, AS AMENDED BY P.L.129-2005,  
 21 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2008]: Sec. 1. While the juvenile court retains jurisdiction  
 23 under IC 31-30-2, the juvenile court may modify any dispositional  
 24 decree:

25 (1) upon the juvenile court's own motion;

26 (2) upon the motion of:

27 (A) the child;

28 (B) the child's:

29 (i) parent;

30 (ii) guardian;

31 (iii) custodian;

32 (iv) court appointed special advocate; or

33 (v) guardian ad litem;

34 ~~(C) the probation officer;~~

35 ~~(D) the caseworker;~~

36 ~~(E) the prosecuting attorney;~~ or

37 ~~(F) (C) the attorney for the county office of family and~~  
 38 ~~children; department; or~~

39 (3) upon the motion of any person providing services to the child  
 40 or to the child's parent, guardian, or custodian under a decree of  
 41 the court.

42 SECTION 612. IC 31-34-23-3 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) If the ~~petitioner~~  
 44 **motion** requests an emergency change in the child's residence, the  
 45 court may issue a temporary order. However, the ~~court~~ **department**  
 46 shall then give notice to the persons affected and ~~the juvenile court~~  
 47 shall hold a hearing on the question if requested.

48 (b) If the ~~petition~~ **motion** requests any other modification, the ~~court~~  
 49 **department** shall give notice to the persons affected, and ~~may~~ **the**  
 50 **juvenile court shall** hold a hearing on the question.

51 SECTION 613. IC 31-34-23-4, AS AMENDED BY P.L.138-2007,



1 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 2 JANUARY 1, 2009]: Sec. 4. If a hearing is required, IC 31-34-18  
 3 ~~governs and IC 31-34-19 apply to~~ the preparation and use of a  
 4 modification report. The report shall be prepared if the ~~state~~  
 5 **department** or any person other than the child or the child's parent,  
 6 guardian, guardian ad litem, court appointed special advocate, or  
 7 custodian is requesting the modification. Notice of any hearing under  
 8 this chapter shall be given in accordance with IC 31-34-19-1.3.

9 SECTION 614. IC 31-34-25-1 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following  
 11 may sign and file a petition for the juvenile court to require a person to  
 12 refrain from direct or indirect contact with a child:

13 ~~(1) The prosecuting attorney.~~

14 ~~(2) (1) The attorney for the county office of family and children:~~  
 15 **department.**

16 ~~(3) A probation officer.~~

17 ~~(4) A caseworker.~~

18 ~~(5) The department of correction.~~

19 ~~(6) (2) The guardian ad litem or court appointed special advocate.~~

20 SECTION 615. IC 31-35-2-4 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) A petition to  
 22 terminate the parent-child relationship involving a delinquent child or  
 23 a child in need of services may be signed and filed with the juvenile or  
 24 probate court by any of the following:

25 (1) The attorney for the ~~county office of family and children:~~  
 26 **department.**

27 ~~(2) The prosecuting attorney.~~

28 ~~(3) (2) The child's court appointed special advocate.~~

29 ~~(4) (3) The child's guardian ad litem.~~

30 (b) The petition must:

31 (1) be entitled "In the Matter of the Termination of the  
 32 Parent-Child Relationship of \_\_\_\_\_, a child, and  
 33 \_\_\_\_\_, the child's parent (or parents)"; and

34 (2) allege that:

35 (A) one (1) of the following exists:

36 (i) the child has been removed from the parent for at least  
 37 six (6) months under a dispositional decree;

38 (ii) a court has entered a finding under IC 31-34-21-5.6 that  
 39 reasonable efforts for family preservation or reunification  
 40 are not required, including a description of the court's  
 41 finding, the date of the finding, and the manner in which the  
 42 finding was made; or

43 (iii) ~~after July 1, 1999~~, the child has been removed from the  
 44 parent and has been under the supervision of a county office  
 45 of family and children for at least fifteen (15) months of the  
 46 most recent twenty-two (22) months;

47 (B) there is a reasonable probability that:

48 (i) the conditions that resulted in the child's removal or the  
 49 reasons for placement outside the home of the parents will  
 50 not be remedied; or

51 (ii) the continuation of the parent-child relationship poses a

- 1 threat to the well-being of the child;  
 2 (C) termination is in the best interests of the child; and  
 3 (D) there is a satisfactory plan for the care and treatment of the  
 4 child.

5 (3) Indicate whether at least one (1) of the factors listed in section  
 6 4.5(d)(1) through 4.5(d)(3) of this chapter applies and specify  
 7 each factor that would apply as the basis for filing a motion to  
 8 dismiss the petition.

9 SECTION 616. IC 31-35-2-4.5 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4.5. (a) This section  
 11 applies if:

12 (1) a court has made a finding under IC 31-34-21-5.6 that  
 13 reasonable efforts for family preservation or reunification with  
 14 respect to a child in need of services are not required; or

15 (2) a child in need of services:

16 (A) has been placed in:

17 (i) a foster family home, child caring institution, or group  
 18 home licensed under ~~IC 12-17-4;~~ **IC 31-27**; or

19 (ii) the home of a person related **(as defined in**  
 20 **IC 31-9-2-106.5)** to the child; ~~(as defined in~~  
 21 ~~IC 12-7-2-162.5);~~

22 as directed by a court in a child in need of services proceeding  
 23 under IC 31-34; and

24 (B) has been removed from a parent and has been under the  
 25 supervision of ~~a county office of family and children~~ **the**  
 26 **department** for not less than fifteen (15) months of the most  
 27 recent twenty-two (22) months, excluding any period not  
 28 exceeding sixty (60) days before the court has entered a  
 29 finding and judgment under IC 31-34 that the child is a child  
 30 in need of services.

31 (b) A person described in section 4(a) of this chapter shall:

32 (1) file a petition to terminate the parent-child relationship under  
 33 section 4 of this chapter; and

34 (2) request that the petition be set for hearing.

35 (c) If a petition under subsection (b) is filed by the child's court  
 36 appointed special advocate or guardian ad litem, the ~~prosecuting~~  
 37 ~~attorney or the county office of family and children~~ **department**  
 38 **entitled to shall** be joined as a party to the petition. ~~upon application to~~  
 39 ~~the court.~~

40 (d) A party shall file a motion to dismiss the petition to terminate  
 41 the parent-child relationship if any of the following circumstances  
 42 apply:

43 (1) That the current case plan prepared by or under the  
 44 supervision of the ~~county office of family and children~~  
 45 **department** under IC 31-34-15 has documented a compelling  
 46 reason, based on facts and circumstances stated in the petition or  
 47 motion, for concluding that filing, or proceeding to a final  
 48 determination of, a petition to terminate the parent-child  
 49 relationship is not in the best interests of the child. A compelling  
 50 reason may include the fact that the child is being cared for by a  
 51 custodian who is a parent, stepparent, grandparent, or responsible

1 adult who is the child's sibling, aunt, or uncle or a **relative person**  
 2 **related (as defined in IC 31-9-2-106.5) to the child** who is  
 3 caring for the child as a **legal guardian**.

4 (2) That:

5 (A) IC 31-34-21-5.6 is not applicable to the child;

6 (B) the ~~county office of family and children~~ **department** has  
 7 not provided family services to the child, parent, or family of  
 8 the child in accordance with a currently effective case plan  
 9 prepared under IC 31-34-15 or a permanency plan or  
 10 dispositional decree approved under IC 31-34, for the purpose  
 11 of permitting and facilitating safe return of the child to the  
 12 child's home; and

13 (C) the period for completion of the program of family  
 14 services, as specified in the current case plan, permanency  
 15 plan, or decree, has not expired.

16 (3) That:

17 (A) IC 31-34-21-5.6 is not applicable to the child;

18 (B) the ~~county office of family and children~~ **department** has  
 19 not provided family services to the child, parent, or family of  
 20 the child, in accordance with applicable provisions of a  
 21 currently effective case plan prepared under IC 31-34-15, or a  
 22 permanency plan or dispositional decree approved under  
 23 IC 31-34; and

24 (C) the services that the ~~county office of family and children~~  
 25 **department** has not provided are substantial and material in  
 26 relation to implementation of a plan to permit safe return of  
 27 the child to the child's home.

28 The motion to dismiss shall specify which of the allegations described  
 29 in subdivisions (1) through (3) apply to the motion. If the court finds  
 30 that any of the allegations described in subdivisions (1) through (3) are  
 31 true, as established by a preponderance of the evidence, the court shall  
 32 dismiss the petition to terminate the parent-child relationship.

33 SECTION 617. IC 31-35-2-5 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. Upon the filing of a  
 35 petition under section 4 of this chapter,

36 ~~(1) the attorney for the county office of family and children; or~~

37 ~~(2) the prosecuting attorney; department~~

38 shall represent the interests of the state in all subsequent proceedings  
 39 on the petition.

40 SECTION 618. IC 31-35-3-4, AS AMENDED BY P.L.145-2006,  
 41 SECTION 329, IS AMENDED TO READ AS FOLLOWS  
 42 [EFFECTIVE JULY 1, 2008]: Sec. 4. If:

43 (1) an individual is convicted of the offense of:

44 (A) murder (IC 35-42-1-1);

45 (B) causing suicide (IC 35-42-1-2);

46 (C) voluntary manslaughter (IC 35-42-1-3);

47 (D) involuntary manslaughter (IC 35-42-1-4);

48 (E) rape (IC 35-42-4-1);

49 (F) criminal deviate conduct (IC 35-42-4-2);

50 (G) child molesting (IC 35-42-4-3);

51 (H) child exploitation (IC 35-42-4-4);

- 1 (I) sexual misconduct with a minor (IC 35-42-4-9); or  
 2 (J) incest (IC 35-46-1-3); and  
 3 (2) the victim of the offense:  
 4 (A) was less than sixteen (16) years of age at the time of the  
 5 offense; and  
 6 (B) is:  
 7 (i) the individual's biological or adoptive child; or  
 8 (ii) the child of a spouse of the individual who has  
 9 committed the offense;

10 ~~the prosecuting attorney~~; the attorney for the department, the child's  
 11 guardian ad litem, or the court appointed special advocate may file a  
 12 petition with the juvenile or probate court to terminate the parent-child  
 13 relationship of the individual who has committed the offense with the  
 14 victim of the offense, the victim's siblings, or any biological or adoptive  
 15 child of that individual.

16 SECTION 619. IC 31-35-3-6, AS AMENDED BY P.L.145-2006,  
 17 SECTION 330, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The ~~person filing the petition~~  
 19 **attorney for the department** shall represent the interests of the state  
 20 in all subsequent proceedings on the petition.

21 (b) Upon the filing of a petition under section 4 of this chapter, the  
 22 attorney for the department ~~or the prosecuting attorney~~ shall represent  
 23 the interests of the state in all subsequent proceedings.

24 SECTION 620. IC 31-35-4-4, AS AMENDED BY P.L.145-2006,  
 25 SECTION 331, IS AMENDED TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2008]: Sec. 4. A statement or videotape may not  
 27 be admitted in evidence under this chapter unless ~~the prosecuting~~  
 28 ~~attorney~~ ~~or~~ the attorney for the department informs the parties of:

- 29 (1) an intention to introduce the statement or videotape in  
 30 evidence; and  
 31 (2) the content of the statement or videotape;  
 32 at least ~~twenty (20)~~ **seven (7)** days before the proceedings to give the  
 33 parties a fair opportunity to prepare a response to the statement or  
 34 videotape before the proceeding.

35 SECTION 621. IC 31-35-5-2, AS AMENDED BY P.L.145-2006,  
 36 SECTION 332, IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2008]: Sec. 2. On the motion of ~~the prosecuting~~  
 38 ~~attorney~~ ~~or~~ the attorney for the department, the court may order that:

- 39 (1) the testimony of a child be taken in a room other than the  
 40 courtroom and be transmitted to the courtroom by closed circuit  
 41 television; and  
 42 (2) the questioning of the child by the parties be transmitted to the  
 43 child by closed circuit television.

44 SECTION 622. IC 31-35-5-3, AS AMENDED BY P.L.145-2006,  
 45 SECTION 333, IS AMENDED TO READ AS FOLLOWS  
 46 [EFFECTIVE JULY 1, 2008]: Sec. 3. On the motion of ~~the prosecuting~~  
 47 ~~attorney~~ ~~or~~ the attorney for the department, the court may order that the  
 48 testimony of a child be videotaped for use at proceedings to determine  
 49 whether the parent-child relationship should be terminated.

50 SECTION 623. IC 31-37-5-8 IS ADDED TO THE INDIANA  
 51 CODE AS A **NEW SECTION** TO READ AS FOLLOWS

1 [EFFECTIVE JANUARY 1, 2009]: **Sec. 8. (a) This section applies to**  
2 **services and programs provided to or on behalf of a child alleged**  
3 **to be a delinquent child at any time before:**

- 4 (1) **entry of a dispositional decree under IC 31-37-19; or**  
5 (2) **approval of a program of informal adjustment under**  
6 **IC 31-37-9.**

7 (b) **Except as provided in subsection (c), before a juvenile court**  
8 **orders or approves a service, a program, or an out-of-home**  
9 **placement for a child:**

- 10 (1) **that is recommended by a probation officer or proposed**  
11 **by the juvenile court;**  
12 (2) **for which the costs would be payable by the department**  
13 **under IC 31-40-1-2; and**  
14 (3) **that has not been approved by the department;**

15 **the juvenile court shall submit the proposed service, program, or**  
16 **placement to the department for consideration. The department**  
17 **shall, not later than three (3) business days after receipt of the**  
18 **recommendation or proposal, submit to the court a report stating**  
19 **whether the department approves or disapproves the proposed**  
20 **service, program, or placement.**

21 (c) **If the juvenile court makes written findings and concludes**  
22 **that an emergency exists requiring an immediate out-of-home**  
23 **placement to protect the health and welfare of the child, the**  
24 **juvenile court may order or authorize implementation of the**  
25 **placement without first complying with the procedure specified in**  
26 **this section. After entry of an order under this subsection, the**  
27 **juvenile court shall submit a copy of the order to the department**  
28 **for consideration under this section of possible modification or**  
29 **alternatives to the placement and any related services or programs**  
30 **included in the order.**

31 (d) **If the department approves the service, program, or**  
32 **placement recommended by the probation officer or juvenile court,**  
33 **the juvenile court may enter an appropriate order to implement**  
34 **the approved proposal. If the department does not approve a**  
35 **service, program, or placement recommended by the probation**  
36 **officer or proposed by the juvenile court, the department may**  
37 **recommend an alternative service, program, or placement for the**  
38 **child.**

39 (e) **The juvenile court shall accept the recommendations of the**  
40 **department regarding any predispositional services, programs, or**  
41 **placement for the child unless the juvenile court finds a**  
42 **recommendation is:**

- 43 (1) **unreasonable, based on the facts and circumstances of the**  
44 **case; or**  
45 (2) **contrary to the welfare and best interests of the child.**

46 (f) **If the juvenile court does not accept the recommendations of**  
47 **the department in the report submitted under subsection (b), the**  
48 **court may enter an order that:**

- 49 (1) **requires the department to provide a specified service,**  
50 **program, or placement, until entry of a dispositional decree**  
51 **or until the order is otherwise modified or terminated; and**

1           **(2) specifically states the reasons why the juvenile court is not**  
 2           **accepting the recommendations of the department, including**  
 3           **the juvenile court's findings under subsection (e).**

4           **(g) If the juvenile court enters its findings and order under**  
 5           **subsections (e) and (f), the department may appeal the juvenile**  
 6           **court's order under any available procedure provided by the**  
 7           **Indiana Rules of Trial Procedure or the Indiana Rules of Appellate**  
 8           **Procedure to allow any disputes arising under this section to be**  
 9           **decided in an expeditious manner.**

10          **(h) If the department prevails on an appeal initiated under**  
 11          **subsection (g), the department shall pay the following costs and**  
 12          **expenses incurred by or on behalf of the child before the date of the**  
 13          **final decision:**

14               **(1) Any programs or services implemented during the appeal,**  
 15               **other than the cost of an out-of-home placement ordered by**  
 16               **the juvenile court.**

17               **(2) Any out-of-home placement ordered by the juvenile court**  
 18               **and implemented after entry of the court order of placement,**  
 19               **if the court has made written findings that the placement is an**  
 20               **emergency required to protect the health and welfare of the**  
 21               **child.**

22          **If the court has not made written findings that the placement is an**  
 23          **emergency, the county in which the juvenile court is located is**  
 24          **responsible for payment of all costs of the placement, including the**  
 25          **cost of services and programs provided by the home or facility**  
 26          **where the child was placed.**

27          SECTION 624. IC 31-37-6-6, AS AMENDED BY P.L.146-2006,  
 28          SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29          JANUARY 1, 2009]: Sec. 6. (a) The juvenile court shall release the  
 30          child on the child's own recognizance or to the child's parent, guardian,  
 31          or custodian upon the person's written promise to bring the child before  
 32          the court at a time specified. However, the court may order the child  
 33          detained if the court finds probable cause to believe the child is a  
 34          delinquent child and that:

- 35               (1) the child is unlikely to appear for subsequent proceedings;  
 36               (2) detention is essential to protect the child or the community;  
 37               (3) the parent, guardian, or custodian:  
 38                       (A) cannot be located; or  
 39                       (B) is unable or unwilling to take custody of the child;  
 40               (4) return of the child to the child's home is or would be:  
 41                       (A) contrary to the best interests and welfare of the child; and  
 42                       (B) harmful to the safety or health of the child; or  
 43               (5) the child has a reasonable basis for requesting that the child  
 44               not be released.

45          However, the findings under this subsection are not required if the  
 46          child is ordered to be detained in the home of the child's parent,  
 47          guardian, or custodian or is released subject to any condition listed in  
 48          subsection (d).

49               (b) If a child is detained for a reason specified in subsection (a)(3),  
 50               (a)(4), or (a)(5), the child shall be detained under IC 31-37-7-1.

51               (c) If a child is detained for a reason specified in subsection (a)(4),

1 the court shall make written findings and conclusions that include the  
2 following:

- 3 (1) The factual basis for the finding specified in subsection (a)(4).  
4 (2) A description of the family services available and efforts made  
5 to provide family services before removal of the child.  
6 (3) The reasons why efforts made to provide family services did  
7 not prevent removal of the child.  
8 (4) Whether efforts made to prevent removal of the child were  
9 reasonable.

10 (d) Whenever the court releases a child under this section, the court  
11 may impose conditions upon the child, including:

- 12 (1) home detention;  
13 (2) electronic monitoring;  
14 (3) a curfew restriction;  
15 (4) a protective order;  
16 (5) a no contact order;  
17 (6) an order to comply with Indiana law; or  
18 (7) an order placing any other reasonable conditions on the child's  
19 actions or behavior.

20 (e) If the juvenile court releases a child to the child's parent,  
21 guardian, or custodian under this section, the court may impose  
22 conditions on the child's parent, guardian, or custodian to ensure:

- 23 (1) the safety of the child's physical or mental health;  
24 (2) the public's physical safety; or  
25 (3) that any combination of subdivisions (1) and (2) is satisfied.

26 **(f) The juvenile court shall include in any order approving or**  
27 **requiring detention of a child or approving temporary detention of**  
28 **a child taken into custody under IC 31-37-5 all findings and**  
29 **conclusions required under:**

- 30 (1) the applicable provisions of Title IV-E of the federal Social  
31 Security Act (42 U.S.C. 670 et seq.); or  
32 (2) any applicable federal regulation, including 45 CFR  
33 1356.21;

34 **as a condition of eligibility of a delinquent child for assistance**  
35 **under Title IV-E or any other federal law.**

36 **(g) Inclusion in a juvenile court order of language approved and**  
37 **recommended by the judicial conference of Indiana, in relation to:**

- 38 (1) removal from the child's home; or  
39 (2) detention;

40 **of a child who is alleged to be, or adjudicated as, a delinquent child**  
41 **constitutes compliance with subsection (f).**

42 SECTION 625. IC 31-37-7-1 IS AMENDED TO READ AS  
43 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. A child alleged to be  
44 a delinquent child under IC 31-37-2, except as provided in section 3 of  
45 this chapter, may not be held in:

- 46 (1) a secure facility; or  
47 (2) a shelter care facility, **a forestry camp, or a training school**  
48 **that houses persons charged with, imprisoned for, or incarcerated**  
49 **for crimes.**

50 SECTION 626. IC 31-37-8-2 IS AMENDED TO READ AS  
51 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. A preliminary

1 inquiry is an informal investigation into the facts and circumstances  
 2 reported to the court. Whenever practicable, the preliminary inquiry  
 3 should include **the following** information: ~~on the child's:~~

- 4 (1) **The child's** background.
- 5 (2) **The child's** current status. ~~and~~
- 6 (3) **The child's** school performance.
- 7 (4) **If the child has been detained:**
  - 8 (A) **efforts made to prevent removal of the child from the**
  - 9 **child's home, including the identification of any emergency**
  - 10 **situation that prevented reasonable efforts to avoid**
  - 11 **removal;**
  - 12 (B) **whether it is in the best interests of the child to be**
  - 13 **removed from the home environment; and**
  - 14 (C) **whether remaining in the home would be contrary to**
  - 15 **the health and welfare of the child.**

16 SECTION 627. IC 31-37-8-5, AS AMENDED BY P.L.145-2006,  
 17 SECTION 337, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The intake officer shall do the  
 19 following:

- 20 (1) Send the prosecuting attorney a copy of the preliminary  
 21 inquiry. ~~if the case involves an allegation that the child committed~~  
 22 ~~an act that would be a crime if committed by an adult.~~
- 23 ~~(2) Send to:~~
  - 24 ~~(A) the prosecuting attorney; or~~
  - 25 ~~(B) the attorney for the department;~~
 26 a copy of the preliminary inquiry if the case involves an allegation  
 27 that the child committed a delinquent act that would not be a  
 28 crime if committed by an adult.
- 29 ~~(3) (2) Recommend whether to:~~
  - 30 (A) file a petition;
  - 31 (B) informally adjust the case;
  - 32 (C) refer the child to another agency; or
  - 33 (D) dismiss the case.

34 (b) The prosecuting attorney and the court may agree to alter the  
 35 procedure described in subsection (a).

36 SECTION 628. IC 31-37-8-6 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. The ~~person who~~  
 38 ~~represents the interests of the state and who receives the preliminary~~  
 39 ~~inquiry and recommendations~~ **prosecuting attorney** shall decide  
 40 whether to file a petition. ~~This decision is final only for the office of the~~  
 41 ~~person making the decision.~~

42 SECTION 629. IC 31-37-9-1 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) After the  
 44 preliminary inquiry and upon approval by the juvenile court, the intake  
 45 officer may implement a program of informal adjustment if the officer  
 46 has probable cause to believe that the child is a delinquent child **and**  
 47 **the child is not removed from the child's home.**

48 (b) **If the program of informal adjustment includes services**  
 49 **requiring payment by the department under IC 31-40-1, the intake**  
 50 **officer shall submit a copy of the proposed program to the**  
 51 **department before submitting it to the juvenile court for approval.**



1 **Upon receipt of the proposed program, the department may submit**  
 2 **its comments and recommendations, if any, to the intake officer**  
 3 **and the juvenile court.**

4 SECTION 630. IC 31-37-9-2 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. The child and  
 6 the child's parent, guardian, custodian, or attorney must consent to the  
 7 program of informal adjustment. **Before payment for services to the**  
 8 **family may be paid, written consent must also be obtained from the**  
 9 **department.**

10 SECTION 631. IC 31-37-9-4 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) Upon the filing  
 12 of a petition for compliance and after notice and a hearing on the  
 13 petition for compliance, the juvenile court may order the parent,  
 14 guardian, or custodian of a child to participate in a program of informal  
 15 adjustment **approved by the court implemented** under section 1 of this  
 16 chapter.

17 (b) A parent, guardian, or custodian who fails to participate in a  
 18 program of informal adjustment ordered by the court may be found in  
 19 contempt of court.

20 SECTION 632. IC 31-37-9-7 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. A program of  
 22 informal adjustment may not exceed six (6) months, except by approval  
 23 of the juvenile court. The juvenile court may extend a program of  
 24 informal adjustment an additional ~~six (6)~~ **three (3)** months.

25 SECTION 633. IC 31-37-10-1 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~(a)~~ The prosecuting  
 27 attorney may file a petition alleging that a child is a delinquent child.

28 ~~(b) The attorney for the county office of family and children may~~  
 29 ~~file a petition alleging that a child is a delinquent child under~~  
 30 ~~IC 31-37-2.~~

31 SECTION 634. IC 31-37-10-5 IS AMENDED TO READ AS  
 32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) If the filing of a  
 33 petition is approved by the court under section 2 of this chapter, the  
 34 ~~person filing~~ **prosecuting attorney** may request in writing that the  
 35 child be taken into custody. The person must support this request with  
 36 sworn testimony or affidavit.

37 (b) The court may grant the request if the court makes written  
 38 findings of fact upon the record that a ground for detention exists under  
 39 IC 31-37-6-6.

40 SECTION 635. IC 31-37-13-2 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. If the court finds that  
 42 a child is a delinquent child, the court shall do the following:

- 43 (1) Enter judgment accordingly.
- 44 (2) Order a ~~predisposition~~ **predispositional** report.
- 45 (3) Schedule a dispositional hearing.

46 SECTION 636. IC 31-37-15-1, AS AMENDED BY P.L.145-2006,  
 47 SECTION 339, IS AMENDED TO READ AS FOLLOWS  
 48 [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign  
 49 and file a petition for the juvenile court to require the participation of  
 50 a parent, guardian, or custodian in a program of care, treatment, or  
 51 rehabilitation for the child:

- 1 (1) The prosecuting attorney.  
 2 ~~(2) The attorney for the department.~~  
 3 ~~(3) (2) A probation officer.~~  
 4 ~~(4) A caseworker.~~  
 5 ~~(5) (3) The department of correction.~~  
 6 ~~(6) (4) The guardian ad litem or court appointed special advocate.~~

7 SECTION 637. IC 31-37-17-1 IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Upon  
 9 finding that a child is a delinquent child, the juvenile court shall order  
 10 a probation officer ~~or a caseworker~~ to prepare a predispositional report  
 11 that contains: ~~æ~~

- 12 (1) **a statement of the needs of the child for care, treatment,**  
 13 **rehabilitation, or placement; ~~and~~**  
 14 **(2) a recommendation for the care, treatment, rehabilitation, or**  
 15 **placement of the child;**  
 16 **(3) if the recommendation includes:**  
 17 **(A) an out-of-home placement other than a secure**  
 18 **detention facility; or**  
 19 **(B) services payable by the department under**  
 20 **IC 31-40-1-2;**  
 21 **information that the department requires to determine**  
 22 **whether the child is eligible for assistance under Title IV-E of**  
 23 **the federal Social Security Act (42 U.S.C. 670 et seq.); and**  
 24 **(4) a statement of the department's concurrence with or its**  
 25 **alternative proposal to the probation officer's predispositional**  
 26 **report, as provided in section 1.4 of this chapter.**

27 (b) Any of the following may prepare an alternative report for  
 28 consideration by the court:

- 29 (1) The child.  
 30 (2) The child's:  
 31 (A) parent;  
 32 (B) guardian;  
 33 (C) guardian ad litem;  
 34 (D) court appointed special advocate; or  
 35 (E) custodian.

36 SECTION 638. IC 31-37-17-1.3 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1.3. (a) The  
 38 individuals participating in a meeting described in section 1.1 of this  
 39 chapter shall assist the person preparing the report in recommending  
 40 the care, treatment, rehabilitation, or placement of the child.

41 (b) The individuals shall inform the person preparing the report of  
 42 resources and programs that are available for the child.

- 43 (c) The probation officer ~~or caseworker~~ shall:  
 44 **(1) collect and maintain all information relevant to a**  
 45 **determination of eligibility under Title IV-E of the federal**  
 46 **Social Security Act (42 U.S.C. 670 et seq.); and**  
 47 **(2) complete financial eligibility forms designated by the director**  
 48 **to assist in obtaining federal reimbursement and other**  
 49 **reimbursement.**

50 SECTION 639. IC 31-37-17-1.4 IS ADDED TO THE INDIANA  
 51 CODE AS A **NEW SECTION** TO READ AS FOLLOWS

1 [EFFECTIVE JANUARY 1, 2009]: **Sec. 1.4. (a) If the**  
 2 **predispositional report includes a recommended placement,**  
 3 **program, or services that would be payable by the department**  
 4 **under IC 31-40-1-2, a probation officer shall refer the officer's**  
 5 **completed predispositional report, except for the statement**  
 6 **required under section 1(a)(4) of this chapter, to the department**  
 7 **within a reasonable time before its required disclosure under**  
 8 **section 6 of this chapter to allow the department time to:**

9 (1) review; and

10 (2) either concur with or offer an alternative proposal to the  
 11 recommendations in;  
 12 the predispositional report.

13 (b) The department shall, after review of the predispositional  
 14 report and any attachments necessary to verify the predispositional  
 15 report, and within a reasonable time before the dispositional  
 16 hearing, either:

17 (1) concur with the predispositional report; or

18 (2) communicate to the probation officer an alternative  
 19 proposal regarding programs and services.

20 SECTION 640. IC 31-37-17-2 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In addition to  
 22 providing the court with a recommendation for the care, treatment, or  
 23 rehabilitation of the child, the person preparing the report shall  
 24 consider the necessity, nature, and extent of the participation by a  
 25 parent, guardian, or custodian in a program of care, treatment, or  
 26 rehabilitation for the child.

27 (b) If a probation officer ~~or caseworker~~ believes that an out-of-home  
 28 placement would be appropriate for a delinquent child, the probation  
 29 officer ~~or caseworker~~ shall consider whether the child should be placed  
 30 with the child's suitable and willing blood or adoptive relative  
 31 caretaker, including a grandparent, an aunt, an uncle, or an adult  
 32 sibling, before considering other out-of-home placements for the child.

33 SECTION 641. IC 31-37-17-3, AS AMENDED BY P.L.145-2006,  
 34 SECTION 341, IS AMENDED TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2008]: Sec. 3. The probation officer ~~or~~  
 36 ~~caseworker~~ shall collect information and prepare a financial report, in  
 37 the form prescribed by the department, on the parent or the estate of the  
 38 child to assist the juvenile court and the department in:

39 (1) determining the person's financial responsibility; and

40 (2) obtaining federal reimbursement;

41 for services provided for the child or the person.

42 SECTION 642. IC 31-37-17-4 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) If consistent  
 44 with the safety and best interest of the child and the community, the  
 45 ~~person~~ **probation officer** preparing the report shall recommend care,  
 46 treatment, rehabilitation, or placement that:

47 (1) is:

48 (A) in the least restrictive (most family like) and most  
 49 appropriate setting available; and

50 (B) close to the parents' home, consistent with the best interest  
 51 and special needs of the child;

- 1 (2) least interferes with family autonomy;  
 2 (3) is least disruptive of family life;  
 3 (4) imposes the least restraint on the freedom of the child and the  
 4 child's parent, guardian, or custodian; and  
 5 (5) provides a reasonable opportunity for participation by the  
 6 child's parent, guardian, or custodian.

7 **(b) If the report recommends a placement or services for which**  
 8 **the department will be responsible for payment under IC 31-40-1,**  
 9 **the report must include a risk assessment and needs assessment for**  
 10 **the child. The probation officer shall submit to the department a**  
 11 **copy of the report and the financial report prepared by the**  
 12 **probation officer.**

13 **(c) If the report does not include the:**

- 14 (1) risk assessment and needs assessment required in  
 15 subsection (b); or  
 16 (2) information required to be provided under section 1(a)(3)  
 17 of this chapter;

18 **the department is not responsible to pay for programs, services, or**  
 19 **placement for or on behalf of the child.**

20 SECTION 643. IC 31-37-17-6.1, AS AMENDED BY P.L.145-2006,  
 21 SECTION 342, IS AMENDED TO READ AS FOLLOWS  
 22 [EFFECTIVE JULY 1, 2008]: Sec. 6.1. (a) The predispositional report  
 23 prepared by a probation officer ~~or caseworker~~ **shall must** include the  
 24 following information:

- 25 (1) A description of all dispositional options considered in  
 26 preparing the report.  
 27 (2) An evaluation of each of the options considered in relation to  
 28 the plan of care, treatment, rehabilitation, or placement  
 29 recommended under the guidelines described in section 4 of this  
 30 chapter.  
 31 (3) The name, occupation and position, and any relationship to the  
 32 child of each person with whom the preparer of the report  
 33 conferred as provided in section 1.1 of this chapter.

34 **(4) The items required under section 1 of this chapter.**

35 (b) If a probation officer ~~or a caseworker~~ is considering an  
 36 out-of-home placement, including placement with a blood or an  
 37 adoptive relative caretaker, the probation officer ~~or caseworker~~ must  
 38 conduct a criminal history check (as defined in IC 31-9-2-22.5) for  
 39 each person who is currently residing in the location designated as the  
 40 out-of-home placement. The results of the criminal history check must  
 41 be included in the predispositional report.

42 (c) A probation officer ~~or caseworker~~ is not required to conduct a  
 43 criminal history check under this section if:

- 44 (1) the probation officer ~~or caseworker~~ is considering only an  
 45 out-of-home placement to an entity or a facility that:  
 46 (A) is not a residence (as defined in IC 3-5-2-42.5); or  
 47 (B) is licensed by the state; or  
 48 (2) placement under this section is undetermined at the time the  
 49 predispositional report is prepared.

50 SECTION 644. IC 31-37-18-4, AS AMENDED BY P.L.145-2006,  
 51 SECTION 343, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: Sec. 4. If:

- 2 (1) a child is referred to a probate court;  
 3 (2) the juvenile court initiates a commitment proceeding; or  
 4 (3) the court transfers a commitment proceeding under  
 5 IC 12-26-1-4;

6 the juvenile court shall discharge the child or continue the court's  
 7 proceedings under the juvenile law. However, if the child is under the  
 8 custody or supervision of a ~~county office~~ or the department, the  
 9 juvenile court may not release the department from the obligations of  
 10 the department to the child pending the outcome of the proceeding  
 11 under IC 12-26.

12 SECTION 645. IC 31-37-18-5, AS AMENDED BY P.L.145-2006,  
 13 SECTION 344, IS AMENDED TO READ AS FOLLOWS  
 14 [EFFECTIVE JULY 1, 2008]: Sec. 5. If the court authorizes a child  
 15 who is under the custody or supervision of the department to be placed  
 16 in a state institution (as defined in IC 12-7-2-184) for voluntary  
 17 treatment in accordance with IC 12-26-3, the court may not release the  
 18 department from obligations of the department to the child until **the**  
 19 **earlier of:**

- 20 (1) **the date the child is discharged; or**  
 21 (2) **the date that** a parent, guardian, or other responsible person  
 22 approved by the court assumes the obligations.

23 SECTION 646. IC 31-37-18-9, AS AMENDED BY P.L.146-2006,  
 24 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JANUARY 1, 2009]: Sec. 9. (a) The juvenile court shall accompany  
 26 the court's dispositional decree with written findings and conclusions  
 27 upon the record concerning **approval, modification, or rejection of**  
 28 **the dispositional recommendations submitted in the**  
 29 **predispositional report, including the following specific findings:**

- 30 (1) The needs of the child for care, treatment, rehabilitation, or  
 31 placement.  
 32 (2) The need for participation by the parent, guardian, or  
 33 custodian in the plan of care for the child.  
 34 (3) **Efforts made, if the child is removed from the child's**  
 35 **parent, guardian, or custodian, to:**  
 36 (A) **prevent the child's removal from; or**  
 37 (B) **reunite the child with;**  
 38 **the child's parent, guardian, or custodian.**  
 39 (4) **Family services that were offered and provided to:**  
 40 (A) **the child; or**  
 41 (B) **the child's parent, guardian, or custodian.**  
 42 ~~(5)~~ (5) The court's reasons for the disposition.

43 (b) **If the department does not concur with the probation**  
 44 **officer's recommendations in the predispositional report and the**  
 45 **juvenile court does not follow the department's alternative**  
 46 **recommendations, the juvenile court shall accompany the court's**  
 47 **dispositional decree with written findings that the department's**  
 48 **recommendations contained in the predispositional report are:**

- 49 (1) **unreasonable based on the facts and circumstances of the**  
 50 **case; or**  
 51 (2) **contrary to the welfare and best interests of the child.**

1           **(b) (c)** The juvenile court may incorporate a finding or conclusion  
 2 from a predispositional report as a written finding or conclusion upon  
 3 the record in the court's dispositional decree.

4           **(d) If the juvenile court enters findings and a decree under**  
 5 **subsection (b), the department may appeal the juvenile court's**  
 6 **decree under any available procedure provided by the Indiana**  
 7 **Rules of Trial Procedure or Indiana Rules of Appellate Procedure**  
 8 **to allow any disputes arising under this section to be decided in an**  
 9 **expeditious manner.**

10           **(e) If the department prevails on appeal, the department shall**  
 11 **pay the following costs and expenses incurred by or on behalf of**  
 12 **the child before the date of the final decision:**

13           **(1) any programs or services implemented during the appeal**  
 14 **initiated under subsection (d), other than the cost of an**  
 15 **out-of-home placement ordered by the juvenile court; and**

16           **(2) any out-of-home placement ordered by the juvenile court**  
 17 **and implemented after entry of the dispositional decree or**  
 18 **modification order, if the juvenile court has made written**  
 19 **findings that the placement is an emergency required to**  
 20 **protect the health and welfare of the child.**

21 **If the court has not made written findings that the placement is an**  
 22 **emergency, the county in which the juvenile court is located is**  
 23 **responsible for payment of all costs of the placement, including the**  
 24 **cost of services and programs provided by the home or facility**  
 25 **where the child was placed.**

26           SECTION 647. IC 31-37-19-1, AS AMENDED BY P.L.146-2006,  
 27 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JANUARY 1, 2009]: Sec. 1. **(a)** Subject to section 6.5 of this chapter,  
 29 if a child is a delinquent child under IC 31-37-2, the juvenile court may  
 30 enter one (1) or more of the following dispositional decrees:

31           (1) Order supervision of the child by the probation department. ~~or~~  
 32 ~~the county office or the department.~~

33           (2) Order the child to receive outpatient treatment:

34           (A) at a social service agency or a psychological, a psychiatric,  
 35           a medical, or an educational facility; or

36           (B) from an individual practitioner.

37           (3) Remove the child from the child's home and place the child in  
 38 another home or shelter care facility. Placement under this  
 39 subdivision includes authorization to control and discipline the  
 40 child.

41           (4) Award wardship to a:

42           (A) person, **other than the department;** or

43           (B) shelter care facility.

44           (5) Partially or completely emancipate the child under section 27  
 45 of this chapter.

46           (6) Order:

47           (A) the child; or

48           (B) the child's parent, guardian, or custodian;

49 to receive family services.

50           (7) Order a person who is a party to refrain from direct or indirect  
 51 contact with the child.

1 (b) If the child is removed from the child's home and placed in  
2 a foster family home or another facility, the juvenile court shall:

3 (A) approve a permanency plan for the child;

4 (B) find whether or not reasonable efforts were made to  
5 prevent or eliminate the need for the removal;

6 (C) designate responsibility for the placement and care of the  
7 child with the probation department; and

8 (D) find whether it:

9 (i) serves the best interests of the child to be removed; and

10 (ii) would be contrary to the health and welfare of the child  
11 for the child to remain in the home.

12 (c) If a dispositional decree under this section:

13 (1) orders or approves removal of a child from the child's  
14 home or awards wardship of the child to a:

15 (A) person other than the department; or

16 (B) shelter care facility; and

17 (2) is the first court order in the delinquent child proceeding  
18 that authorizes or approves removal of the child from the  
19 child's parent, guardian, or custodian;

20 the court shall include in the decree the appropriate findings and  
21 conclusions described in IC 31-37-6-6(f) and IC 31-37-6-6(g).

22 SECTION 648. IC 31-37-19-1.5 IS ADDED TO THE INDIANA  
23 CODE AS A NEW SECTION TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2008]: Sec. 1.5. (a) This section applies to a  
25 delinquent child if the child is placed in an out-of-home residence  
26 or facility that is not a secure detention facility.

27 (b) The probation department, after negotiating with the child's  
28 parent, guardian, or custodian, shall complete the child's case plan  
29 not later than sixty (60) days after the earlier of:

30 (1) the date of the child's first placement; or

31 (2) the date of a dispositional decree.

32 (c) A copy of the completed case plan shall be sent to the  
33 department, to the child's parent, guardian, or custodian, and to an  
34 agency having the legal responsibility or authorization to care for,  
35 treat, or supervise the child not later than ten (10) days after the  
36 plan's completion.

37 (d) A child's case plan must be in a form prescribed by the  
38 department that meets the specifications set by 45 CFR 1356.21, as  
39 amended. The case plan must include a description and discussion  
40 of the following:

41 (1) A permanency plan for the child and an estimated date for  
42 achieving the goal of the plan.

43 (2) The appropriate placement for the child based on the  
44 child's special needs and best interests.

45 (3) The least restrictive family-like setting that is close to the  
46 home of the child's parent, custodian, or guardian if  
47 out-of-home placement is implemented or recommended,  
48 including consideration of possible placement with any  
49 suitable and willing relative caretaker, before considering  
50 other out-of-home placements for the child.

51 (4) Family services recommended for the child, parent,

- 1           **guardian, or custodian.**
- 2           **(5) Efforts already made to provide family services to the**
- 3           **child, parent, guardian, or custodian.**
- 4           **(6) Efforts that will be made to provide family services that**
- 5           **are ordered by the court.**
- 6           **(e) Each caretaker of a child and the probation department shall**
- 7           **cooperate in the development of the case plan for the child. The**
- 8           **probation department shall discuss with at least one (1) foster**
- 9           **parent or other caretaker of a child the role of the substitute**
- 10           **caretaker or facility regarding the following:**
- 11           **(1) Rehabilitation of the child and the child's parents,**
- 12           **guardians, and custodians.**
- 13           **(2) Visitation arrangements.**
- 14           **(3) Services required to meet the special needs of the child.**
- 15           **(f) The case plan must be reviewed and updated by the**
- 16           **probation department at least once every one hundred eighty (180)**
- 17           **days.**
- 18           SECTION 649. IC 31-37-19-3 IS AMENDED TO READ AS
- 19           FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. **(a) A juvenile**
- 20           **court may not place a child who is a delinquent child under IC 31-37-2**
- 21           **in a shelter care facility that is located outside the child's county of**
- 22           **residence unless:**
- 23           (1) placement of the child in a shelter care facility with adequate
- 24           services located in the child's county of residence is unavailable;
- 25           or
- 26           (2) the child's county of residence does not have an appropriate
- 27           shelter care facility with adequate services.
- 28           **(b) A juvenile court may not place a child in a home or facility**
- 29           **that is not a secure detention facility and that is located outside**
- 30           **Indiana unless:**
- 31           **(1) the placement is recommended or approved by the**
- 32           **director of the department or the director's designee; or**
- 33           **(2) the court makes written findings based on clear and**
- 34           **convincing evidence that:**
- 35           **(A) the out-of-state placement is appropriate because there**
- 36           **is not a comparable facility with adequate services located**
- 37           **in Indiana; or**
- 38           **(B) the location of the home or facility is within a distance**
- 39           **not more than fifty (50) miles from the county of residence**
- 40           **of the child.**
- 41           SECTION 650. IC 31-37-19-5, AS AMENDED BY P.L.1-2007,
- 42           SECTION 208, IS AMENDED TO READ AS FOLLOWS
- 43           [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) This section applies if a child
- 44           is a delinquent child under IC 31-37-1.
- 45           (b) The juvenile court may, in addition to an order under section 6
- 46           of this chapter, enter at least one (1) of the following dispositional
- 47           decrees:
- 48           (1) Order supervision of the child by
- 49            ~~(A)~~ the probation department
- 50            ~~(B)~~ the county office; or
- 51            ~~(C)~~ the department.



1 as a condition of probation under this subdivision. The juvenile  
 2 court shall after a determination under IC 11-8-8-5 require a child  
 3 who is adjudicated a delinquent child for an act that would be an  
 4 offense described in IC 11-8-8-5 if committed by an adult to  
 5 register with the local law enforcement authority under IC 11-8-8.

6 (2) Order the child to receive outpatient treatment:

7 (A) at a social service agency or a psychological, a psychiatric,  
 8 a medical, or an educational facility; or

9 (B) from an individual practitioner.

10 (3) Order the child to surrender the child's driver's license to the  
 11 court for a specified period of time.

12 (4) Order the child to pay restitution if the victim provides  
 13 reasonable evidence of the victim's loss, which the child may  
 14 challenge at the dispositional hearing.

15 (5) Partially or completely emancipate the child under section 27  
 16 of this chapter.

17 (6) Order the child to attend an alcohol and drug services program  
 18 established under IC 12-23-14.

19 (7) Order the child to perform community restitution or service  
 20 for a specified period of time.

21 (8) Order wardship of the child as provided in section 9 of this  
 22 chapter.

23 SECTION 651. IC 31-37-19-6 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) This section  
 25 applies if a child is a delinquent child under IC 31-37-1.

26 (b) Except as provided in section 10 of this chapter and subject to  
 27 section 6.5 of this chapter, the juvenile court may:

28 (1) enter any dispositional decree specified in section 5 of this  
 29 chapter; and

30 (2) take any of the following actions:

31 (A) Award wardship to:

32 (i) the department of correction for housing in a correctional  
 33 facility for children; or

34 (ii) a community based correctional facility for children.

35 Wardship under this subdivision does not include the right to  
 36 consent to the child's adoption.

37 (B) If the child is less than seventeen (17) years of age, order  
 38 confinement in a juvenile detention facility for not more than  
 39 the lesser of:

40 (i) ninety (90) days; or

41 (ii) the maximum term of imprisonment that could have  
 42 been imposed on the child if the child had been convicted as  
 43 an adult offender for the act that the child committed under  
 44 IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).

45 (C) If the child is at least seventeen (17) years of age, order  
 46 confinement in a juvenile detention facility for not more than  
 47 the lesser of:

48 (i) one hundred twenty (120) days; or

49 (ii) the maximum term of imprisonment that could have  
 50 been imposed on the child if the child had been convicted as  
 51 an adult offender for the act that the child committed under

- 1 IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).
- 2 (D) Remove the child from the child's home and place the
- 3 child in another home or shelter care facility. Placement under
- 4 this subdivision includes authorization to control and
- 5 discipline the child.
- 6 (E) Award wardship to a:
- 7 (i) person, **other than the department;** or
- 8 (ii) shelter care facility.
- 9 Wardship under this subdivision does not include the right to
- 10 consent to the child's adoption.
- 11 (F) Place the child in a secure private facility for children
- 12 licensed under the laws of a state. Placement under this
- 13 subdivision includes authorization to control and discipline the
- 14 child.
- 15 (G) Order a person who is a respondent in a proceeding under
- 16 IC 31-37-16 (before its repeal) or IC 34-26-5 to refrain from
- 17 direct or indirect contact with the child.
- 18 **(c) If a dispositional decree under this section:**
- 19 **(1) orders or approves removal of a child from the child's**
- 20 **home, or awards wardship of the child to a:**
- 21 **(A) person, other than the department; or**
- 22 **(B) shelter care facility; and**
- 23 **(2) is the first court order in the delinquent child proceeding**
- 24 **that authorizes or approves removal of the child from the**
- 25 **child's parent, guardian, or custodian;**
- 26 **the juvenile court shall include in the decree the appropriate**
- 27 **findings and conclusions described in IC 31-37-6-6(f) and**
- 28 **IC 31-37-6-6(g).**
- 29 SECTION 652. IC 31-37-19-6.5, AS AMENDED BY P.L.1-2007,
- 30 SECTION 209, IS AMENDED TO READ AS FOLLOWS
- 31 [EFFECTIVE JULY 1, 2008]: Sec. 6.5. (a) Except as provided in
- 32 subsection ~~(c)~~; **(d)**, the juvenile court may not enter a dispositional
- 33 decree ~~placing~~ **approving placement of** a child in another home under
- 34 section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to ~~the~~
- 35 ~~county office or the department~~ **a person or facility** that results in a
- 36 placement with a person under section 1(4) or 6(b)(2)(E) of this chapter
- 37 if a person who is currently residing in the home in which the child
- 38 would be placed under section 1(3), 1(4), 6(b)(2)(D), or 6(b)(2)(E) of
- 39 this chapter has committed an act resulting in a substantiated report of
- 40 child abuse or neglect, has a juvenile adjudication for an act that would
- 41 be a felony listed in IC 31-27-4-13 if committed by an adult, or has a
- 42 conviction for a felony listed in IC 31-27-4-13.
- 43 (b) The juvenile ~~court shall order the~~ probation officer ~~or~~
- 44 ~~caseworker~~ who prepared the predispositional report ~~to shall~~ conduct
- 45 a criminal history check (as defined in IC 31-9-2-22.5) to determine if
- 46 a person described in subsection (a) has committed an act resulting in
- 47 a substantiated report of child abuse or neglect, has a juvenile
- 48 adjudication for an act that would be a felony listed in IC 31-27-4-13
- 49 if committed by an adult, or has a conviction for a felony listed in
- 50 IC 31-27-4-13. However, the ~~juvenile court~~ **probation officer** is not
- 51 required to ~~order~~ **conduct** a criminal history check under this section

1 if criminal history information **obtained** under IC 31-37-17-6.1  
 2 establishes whether a person described in subsection (a) has committed  
 3 an act resulting in a substantiated report of child abuse or neglect, has  
 4 a juvenile adjudication for an act that would be a felony listed in  
 5 IC 31-27-4-13 if committed by an adult, or has a conviction for a felony  
 6 listed in IC 31-27-4-13.

7 **(c) The juvenile probation officer is not required to conduct a**  
 8 **criminal history check under this section if:**

9 **(1) the probation officer is considering only an out-of-home**  
 10 **placement to an entity or a facility that:**

11 **(A) is not a residence (as defined in IC 3-5-2-42.5); or**

12 **(B) is licensed by the state; or**

13 **(2) placement under this section is undetermined at the time**  
 14 **the predispositional report is prepared.**

15 ~~(c)~~ **(d)** The juvenile court may enter a dispositional decree ~~placing~~  
 16 **approving placement of** a child in another home under section 1(3) or  
 17 6(b)(2)(D) of this chapter or awarding wardship to ~~the county office or~~  
 18 ~~the department~~ **a person or facility** that results in a placement with a  
 19 person under section 1(4) or 6(b)(2)(E) of this chapter if:

20 (1) a person described in subsection (a) has:

21 (A) committed an act resulting in a substantiated report of  
 22 child abuse or neglect; or

23 (B) been convicted or had a juvenile adjudication for:

24 (i) reckless homicide (IC 35-42-1-5);

25 (ii) battery (IC 35-42-2-1) as a Class C or D felony;

26 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D  
 27 felony;

28 (iv) arson (IC 35-43-1-1) as a Class C or D felony;

29 (v) a felony involving a weapon under IC 35-47 or  
 30 IC 35-47.5 as a Class C or D felony;

31 (vi) a felony relating to controlled substances under  
 32 IC 35-48-4 as a Class C or D felony; or

33 (vii) a felony that is substantially equivalent to a felony  
 34 listed in items (i) through (vi) for which the conviction was  
 35 entered in another state; and

36 (2) the court makes a written finding that the person's commission  
 37 of the offense, delinquent act, or act of abuse or neglect described  
 38 in subdivision (1) is not relevant to the person's present ability to  
 39 care for a child, and that entry of a dispositional decree placing  
 40 the child in another home is in the best interest of the child.

41 However, a court may not enter a dispositional decree placing a child  
 42 in another home under section 1(3) or 6(b)(2)(D) of this chapter or  
 43 awarding wardship to ~~the county office or the department~~ **a person or**  
 44 **facility under this subsection** if ~~the~~ **a person with whom the child is**  
 45 **or will be placed** has been convicted of a felony listed in  
 46 IC 31-27-4-13 that is not specifically excluded under subdivision  
 47 (1)(B), or has a juvenile adjudication for an act that would be a felony  
 48 listed in IC 31-27-4-13 if committed by an adult that is not specifically  
 49 excluded under subdivision (1)(B).

50 ~~(d)~~ **(e)** In making its written finding under subsection ~~(c)~~; **(d)**, the  
 51 court shall consider the following:

1 (1) The length of time since the person committed the offense,  
2 delinquent act, or act that resulted in the substantiated report of  
3 abuse or neglect.

4 (2) The severity of the offense, delinquent act, or abuse or neglect.

5 (3) Evidence of the person's rehabilitation, including the person's  
6 cooperation with a treatment plan, if applicable.

7 SECTION 653. IC 31-37-19-17.4, AS AMENDED BY  
8 P.L.125-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS  
9 [EFFECTIVE JANUARY 1, 2009]: Sec. 17.4. (a) This section applies  
10 if a child is a delinquent child under IC 31-37-1 due to the commission  
11 of a delinquent act that, if committed by an adult, would be an offense  
12 relating to a criminal sexual act (as defined in IC 35-41-1-19.3).

13 (b) The juvenile court may, in addition to any other order or decree  
14 the court makes under this chapter, order:

15 (1) the child; and

16 (2) the child's parent or guardian;

17 to receive psychological counseling as directed by the court, **subject to**  
18 **the applicable provisions of IC 31-37-17-1.4 and IC 31-37-18-9.**

19 SECTION 654. IC 31-37-20-1, AS AMENDED BY P.L.145-2006,  
20 SECTION 348, IS AMENDED TO READ AS FOLLOWS  
21 [EFFECTIVE JULY 1, 2008]: Sec. 1. At any time after the date of an  
22 original dispositional decree, the juvenile court may order ~~the~~  
23 ~~department~~ or the probation department to file a report on the progress  
24 made in implementing the decree. If, after reviewing the report, the  
25 juvenile court seeks to consider modification of the dispositional  
26 decree, the court shall proceed under IC 31-37-22.

27 SECTION 655. IC 31-37-20-2, AS AMENDED BY P.L.145-2006,  
28 SECTION 349, IS AMENDED TO READ AS FOLLOWS  
29 [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) The court shall hold a formal  
30 hearing:

31 (1) every twelve (12) months after:

32 (A) the date of the original dispositional decree; or

33 (B) a delinquent child was removed from the child's parent,  
34 guardian, or custodian;

35 whichever occurs first; or

36 (2) more often if ordered by the juvenile court.

37 (b) The court shall determine whether the dispositional decree  
38 should be modified and whether the present placement is in the best  
39 interest of the child. The court, in making the court's determination,  
40 may consider the following:

41 (1) The services that have been provided or offered to a parent,  
42 guardian, or custodian to facilitate a reunion.

43 (2) The extent to which the parent, guardian, or custodian has  
44 enhanced the ability to fulfill parental obligations.

45 (3) The extent to which the parent, guardian, or custodian has  
46 visited the child, including the reasons for infrequent visitation.

47 (4) The extent to which the parent, guardian, or custodian has  
48 cooperated with the ~~department~~ or probation department.

49 (5) The child's recovery from any injuries suffered before  
50 removal.

51 (6) Whether additional services are required for the child or the

1 child's parent, guardian, or custodian and, if so, the nature of the  
2 services.

3 (7) The extent to which the child has been rehabilitated.

4 **(c) A review of the dispositional decree will be held at least once**  
5 **every six (6) months, or more often, if ordered by the court. At the**  
6 **review, the court shall determine whether or not the probation**  
7 **department has made reasonable efforts to finalize a permanency**  
8 **plan for the child, if required under IC 31-37-19-1.5.**

9 SECTION 656. IC 31-37-20-3 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The court shall  
11 hold a formal hearing on the question of continued jurisdiction:

12 (1) every eighteen (18) months after:

13 (A) the date of the original dispositional decree; or

14 (B) a delinquent child was removed from the child's parent,  
15 guardian, or custodian;

16 whichever comes first; or

17 (2) more often if ordered by the juvenile court.

18 (b) The state must show that jurisdiction should continue by proving  
19 that the objectives of the dispositional decree have not been  
20 accomplished and that a continuation of the decree with or without  
21 modifications has a probability of success.

22 (c) If the state does not sustain the state's burden for continued  
23 jurisdiction, the court may:

24 (1) authorize a petition for termination of the parent-child  
25 relationship; or

26 (2) discharge the child or the child's parent, guardian, or  
27 custodian.

28 **(d) A jurisdictional review of the dispositional decree, including**  
29 **a review of the child's permanency plan, if required under**  
30 **IC 31-37-19-1.5, shall be held at least once every twelve (12)**  
31 **months.**

32 SECTION 657. IC 31-37-20-4, AS AMENDED BY P.L.145-2006,  
33 SECTION 350, IS AMENDED TO READ AS FOLLOWS  
34 [EFFECTIVE JULY 1, 2008]: Sec. 4. Before a hearing under section  
35 2 or 3 of this chapter, the probation department ~~or the department~~ shall  
36 prepare a report in accordance with IC 31-37-21 on the progress made  
37 in implementing the dispositional decree.

38 SECTION 658. IC 31-37-21-1, AS AMENDED BY P.L.145-2006,  
39 SECTION 351, IS AMENDED TO READ AS FOLLOWS  
40 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Before a hearing under  
41 IC 31-37-20-2 or IC 31-37-20-3, the probation department ~~or the~~  
42 ~~department~~ shall prepare a report on the progress made in  
43 implementing the dispositional decree, including the progress made in  
44 rehabilitating the child, preventing placement out-of-home, ~~or~~reuniting  
45 the family, **or finalizing another permanency plan as approved by**  
46 **the court.**

47 (b) Before preparing the report required by subsection (a), the  
48 probation department ~~or the department~~ shall consult a foster parent of  
49 the child about the child's progress made while in the foster parent's  
50 care.

51 (c) If modification of the dispositional decree is recommended, the

1 probation department ~~or the department~~ shall prepare a modification  
 2 report containing the information required by IC 31-37-17 and request  
 3 a formal court hearing.

4 SECTION 659. IC 31-37-22-1, AS AMENDED BY P.L.145-2006,  
 5 SECTION 352, IS AMENDED TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2008]: Sec. 1. While the juvenile court retains  
 7 jurisdiction under IC 31-30-2, the juvenile court may modify any  
 8 dispositional decree:

- 9 (1) upon the juvenile court's own motion;  
 10 (2) upon the motion of:  
 11 (A) the child;  
 12 (B) the child's parent, guardian, custodian, or guardian ad  
 13 litem;  
 14 (C) the probation officer; **or**  
 15 ~~(D) the caseworker;~~  
 16 ~~(E) (D) the prosecuting attorney;~~ **or**  
 17 ~~(F) the attorney for the department;~~ **or**  
 18 (3) upon the motion of any person providing services to the child  
 19 or to the child's parent, guardian, or custodian under a decree of  
 20 the court.

21 SECTION 660. IC 31-37-22-3 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) If the  
 23 **petitioner motion** requests an emergency change in the child's  
 24 residence, the **juvenile** court may issue a temporary order. However,  
 25 the ~~court~~ **probation officer** shall then give notice to the persons  
 26 affected and **the juvenile court** shall hold a hearing on the question if  
 27 requested.

28 (b) If the **petition motion** requests any other modification, the ~~court~~  
 29 **probation officer** shall give notice to the persons affected and ~~may~~ **the**  
 30 **juvenile court shall** hold a hearing on the question.

31 (c) **The procedures specified in IC 31-37-17-1.4 and**  
 32 **IC 31-37-18-9 apply to any modification of a dispositional decree**  
 33 **under this chapter that requires or would require payment by the**  
 34 **department, under IC 31-40-1, for any of the costs of programs,**  
 35 **placements, or services for or on behalf of the child.**

36 SECTION 661. IC 31-37-22-5 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. If:

- 38 (1) a child is placed in a shelter care facility or other place of  
 39 residence as part of a court order with respect to a delinquent act  
 40 under IC 31-37-2-2;  
 41 (2) the child received a written warning of the consequences of a  
 42 violation of the placement at the hearing during which the  
 43 placement was ordered;  
 44 (3) the issuance of the warning was reflected in the records of the  
 45 hearing;  
 46 (4) the child is not held in a juvenile detention facility for more  
 47 than twenty-four (24) hours, excluding Saturdays, Sundays, and  
 48 legal holidays, before the hearing at which it is determined that  
 49 the child violated that part of the order concerning the child's  
 50 placement in a shelter care facility or other place of residence;  
 51 and

1 (5) the child's mental and physical condition may be endangered  
 2 if the child is not placed in a secure facility;  
 3 the juvenile court may modify its disposition order with respect to the  
 4 delinquent act and place the child in a public or private facility for  
 5 children **under section 7 of this chapter.**

6 SECTION 662. IC 31-37-25-1, AS AMENDED BY P.L.145-2006,  
 7 SECTION 356, IS AMENDED TO READ AS FOLLOWS  
 8 [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign  
 9 and file a petition for the juvenile court to require a person to refrain  
 10 from direct or indirect contact with a child:

11 (1) The prosecuting attorney.

12 ~~(2) The attorney for the department.~~

13 ~~(3) (2) A probation officer.~~

14 ~~(4) A caseworker.~~

15 ~~(5) (3) The department of correction.~~

16 ~~(6) (4) The guardian ad litem or court appointed special advocate.~~

17 SECTION 663. IC 31-40-1-1 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. This article  
 19 applies to a financial burden sustained by a county as the result of costs  
 20 paid by the county department under section 2 of this chapter,  
 21 including costs resulting from the institutional placement of a child  
 22 adjudicated a delinquent child or a child in need of services.

23 SECTION 664. IC 31-40-1-1.5 IS ADDED TO THE INDIANA  
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 25 [EFFECTIVE JANUARY 1, 2009]: Sec. 1.5. (a) As used in this  
 26 chapter, "costs of secure detention" includes all expenses relating  
 27 to any of the following items:

28 (1) Construction, repair, operation, maintenance, and  
 29 administration of a secure detention facility.

30 (2) Room, board, supervision, and support services for  
 31 housing at a secure detention facility of a child who has been:

32 (A) taken into custody under IC 31-37-5 and placed in a  
 33 secure detention facility for purposes of court proceedings  
 34 under IC 31-37; or

35 (B) placed in a secure detention facility under  
 36 IC 31-37-19-6 or IC 31-37-19-10.

37 (3) Services provided by the department, a county probation  
 38 office, or any service provider contracted by the department  
 39 or county probation office if the services are provided:

40 (A) to or for the benefit of the child;

41 (B) under or consistent with the terms of a dispositional  
 42 decree entered in accordance with IC 31-37-19-6 or  
 43 IC 31-37-19-10; and

44 (C) during the time the child is housed in a secure  
 45 detention facility.

46 (b) As used in this chapter, "secure detention facility" includes:

47 (1) a juvenile detention center described in IC 31-31-8 or  
 48 IC 31-31-9; or

49 (2) a secure facility, including any separate unit or structure,  
 50 that is:

51 (A) not licensed by the department under IC 31-27; or

1 (B) located outside Indiana.

2 (c) As used in this chapter, "services" includes education,  
3 provision of necessary clothing and supplies, medical and dental  
4 care, counseling and remediation, or any other services or  
5 programs included in a dispositional decree or case plan ordered  
6 or approved by the juvenile court for the benefit of a delinquent  
7 child under IC 31-37.

8 SECTION 665. IC 31-40-1-2 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) **Except as  
10 otherwise provided in this section and subject to:**

11 (1) **this chapter; and**

12 (2) **any other provisions of IC 31-34, IC 31-37, or other  
13 applicable law relating to the particular program, activity, or  
14 service for which payment is made by or through the  
15 department;**

16 the county department shall pay from the county family and children's  
17 fund the cost of ~~(1)~~ any child services ordered by the juvenile court  
18 **provided by or through the department** for any child or the child's  
19 parent, guardian, or custodian. ~~other than secure detention; and~~

20 ~~(2)~~ **(b) The department shall pay the cost of** returning a child  
21 under IC 31-37-23.

22 ~~(b) The county fiscal body shall provide sufficient money to meet  
23 the court's requirements.~~

24 (c) **Except as provided under section 2.5 of this chapter, the  
25 department is not responsible for payment of any costs of secure  
26 detention.**

27 (d) **The department is not responsible for payment of any costs  
28 or expenses for child services for a child if:**

29 (1) **the juvenile court has not entered the required findings  
30 and conclusions in accordance with IC 31-34-5-3,  
31 IC 31-34-20-1, IC 31-37-6-6, IC 31-37-19-1, or IC 31-37-19-6  
32 (whichever is applicable); and**

33 (2) **the department has determined that the child otherwise  
34 meets the eligibility requirements for assistance under Title  
35 IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.).**

36 (e) **In all cases under this title, if the juvenile court orders  
37 services, programs, or placements that:**

38 (1) **are not eligible for federal assistance under either Title  
39 IV-B of the federal Social Security Act (42 U.S.C. 620 et seq.)  
40 or Title IV-E of the federal Social Security Act (42 U.S.C. 670  
41 et seq.); and**

42 (2) **have not been recommended or approved by the  
43 department;**

44 **the department is not responsible for payment of the costs of those  
45 services, programs, or placements.**

46 (f) **The department is not responsible for payment of any costs  
47 or expenses for housing or services provided to or for the benefit  
48 of a child placed by a juvenile court in a home or facility located  
49 outside Indiana, if the placement does not comply with the  
50 conditions stated in IC 31-34-20-1(b) or IC 31-37-19-3(b).**

51 (g) **The department is not responsible for payment of any costs**



1 or expenses of child services for a delinquent child under a  
 2 dispositional decree entered under IC 31-37-19, if the probation  
 3 officer who prepared the predispositional report did not submit to  
 4 the department the information relating to determination of  
 5 eligibility of the child for assistance under Title IV-E of the Social  
 6 Security Act (42 U.S.C. 670 et seq.), as required by  
 7 IC 31-37-17-1(a)(3).

8 (h) If:

9 (1) the department is not responsible for payment of costs or  
 10 expenses of services, programs, or placements ordered by a  
 11 court for a child or the child's parent, guardian, or custodian,  
 12 as provided in this section; and

13 (2) another source of payment for those costs or expenses is  
 14 not specified in this section or other applicable law;

15 the county in which the child in need of services case or  
 16 delinquency case was filed is responsible for payment of those costs  
 17 and expenses.

18 SECTION 666. IC 31-40-1-2.5 IS ADDED TO THE INDIANA  
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 20 [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.5. (a) This section applies**  
 21 **to a child who is:**

22 (1) adjudicated a child in need of services under IC 31-34;

23 (2) a party in a pending child in need of services proceeding  
 24 under the jurisdiction of a juvenile court;

25 (3) receiving services for which payment has been made by  
 26 the department under a case plan and a dispositional decree  
 27 in the child in need of services proceeding; and

28 (4) placed in a secure detention facility by order of a juvenile  
 29 court, based on a determination by the juvenile court that the  
 30 child committed, or that probable cause exists to believe that  
 31 the child committed, a delinquent act described in  
 32 IC 31-37-1-2 at a time after adjudication in the child in need  
 33 of services case.

34 (b) The department may, by agreement with the probation  
 35 office of the juvenile court in which the delinquency case is  
 36 pending, pay the cost of specified services for a child described in  
 37 subsection (a), during the time the child is placed in a secure  
 38 detention facility.

39 (c) An agreement under this section must specify:

40 (1) the particular services that will be paid by the department  
 41 during the time the child is placed in a secure detention  
 42 facility;

43 (2) the term of the agreement;

44 (3) any procedure or limitations relating to amendment or  
 45 extension of the agreement; and

46 (4) any other provision that the parties consider necessary or  
 47 appropriate.

48 (d) The child's case plan in a child in need of services case, as  
 49 prepared and approved by the department under IC 31-34-15,  
 50 shall be attached to and made a part of the agreement.

51 (e) An agreement under this section:

1 (1) shall be signed by:

2 (A) the director of the department; and

3 (B) the judge of the juvenile court that ordered or  
4 approved placement of the child in the secure detention  
5 facility; and

6 (2) may not be considered to be a contract for purposes of  
7 IC 4-13-2.

8 SECTION 667. IC 31-40-1-3 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) A parent or  
10 guardian of the estate of:

11 (1) a child adjudicated a delinquent child or a child in need of  
12 services; or

13 (2) a participant in a program of informal adjustment  
14 approved by a juvenile court under IC 31-34-8 or IC 31-37-9;  
15 is financially responsible as provided in this chapter (or  
16 IC 31-6-4-18(e) before its repeal) for any services ~~ordered by the court.~~  
17 **provided by or through the department.**

18 (b) Each parent of a child alleged to be a child in need of services  
19 or alleged to be a delinquent child **person described in subsection (a)**  
20 shall, before a ~~dispositional~~ hearing **under subsection (c) concerning**  
21 **payment or reimbursement of costs**, furnish the court **and the**  
22 **department** with an accurately completed and current child support  
23 obligation worksheet on the same form that is prescribed by the Indiana  
24 supreme court for child support orders.

25 (c) At:

26 (1) a detention hearing;

27 (2) a hearing that is held after the payment of costs by a ~~county~~  
28 **the department** under section 2 of this chapter (or  
29 IC 31-6-4-18(b) before its repeal);

30 (3) the dispositional hearing; or

31 (4) any other hearing to consider modification of a dispositional  
32 decree;

33 the juvenile court shall order the child's parents or the guardian of the  
34 child's estate to pay for, or reimburse the ~~county~~ **department** for the  
35 cost of services provided to the child or the parent or guardian unless  
36 the court ~~finds~~ **makes a specific finding** that the parent or guardian is  
37 unable to pay or that justice would not be served by ordering payment  
38 from the parent or guardian.

39 SECTION 668. IC 31-40-1-4 IS AMENDED TO READ AS  
40 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. The parent or  
41 guardian of the estate of any child returned to Indiana under the  
42 interstate compact on juveniles under IC 31-37-23 shall reimburse the  
43 ~~county~~ **department** for all costs involved in returning the child that the  
44 court orders the parent or guardian to pay under section 3 of this  
45 chapter (or IC 31-6-4-18(e) before its repeal) whether or not the child  
46 has been adjudicated a delinquent child or a child in need of services.

47 SECTION 669. IC 31-40-1-5, AS AMENDED BY P.L.145-2006,  
48 SECTION 362, IS AMENDED TO READ AS FOLLOWS  
49 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) This section applies  
50 whenever the court ~~orders or~~ approves removal of a child from the  
51 home of a child's parent or guardian and ~~placement of the department~~

1 **places** the child in a child caring institution, (~~as defined in~~  
 2 ~~IC 31-9-2-16.7~~); a foster family home, (~~as defined in IC 31-9-2-46.9~~);  
 3 **a group home**, or the home of a relative of the child that is not a foster  
 4 family home.

5 (b) If an existing support order is in effect, the **juvenile** court shall  
 6 order the support payments to be assigned to the ~~county office~~  
 7 **department** for the duration of the placement out of the home of the  
 8 child's parent or guardian. The **juvenile** court shall notify the court that:

9 (1) entered the existing support order; or

10 (2) had jurisdiction, immediately before the placement, to modify  
 11 or enforce the existing support order;  
 12 of the assignment and assumption of jurisdiction by the juvenile court  
 13 under this section.

14 (c) If an existing support order is not in effect, the court shall do the  
 15 following:

16 (1) Include in the order for ~~removal or out-of-home~~ placement of  
 17 the child an assignment to the ~~county office~~; **department** or  
 18 confirmation of an assignment that occurs or is required under  
 19 applicable federal law, of any rights to support, including support  
 20 for the cost of any medical care payable by the state under  
 21 IC 12-15, from any parent or guardian who has a legal obligation  
 22 to support the child.

23 (2) Order support paid to the ~~county office~~ **department** by each  
 24 of the child's parents or the guardians of the child's estate to be  
 25 based on child support guidelines adopted by the Indiana supreme  
 26 court and for the duration of the placement of the child out of the  
 27 home of the child's parent or guardian, unless:

28 (A) the court finds that entry of an order based on the child  
 29 support guidelines would be unjust or inappropriate  
 30 considering the best interests of the child and other necessary  
 31 obligations of the child's family; or

32 (B) the ~~county office~~ **department** does not make foster care  
 33 maintenance payments to the custodian of the child. For  
 34 purposes of this clause, "foster care maintenance payments"  
 35 means any payments for the cost of (in whole or in part) ~~and~~  
 36 ~~the cost of~~ providing food, clothing, shelter, daily supervision,  
 37 school supplies, a child's personal incidentals, liability  
 38 insurance with respect to a child, and reasonable amounts for  
 39 travel to the child's home for visitation. In the case of a child  
 40 caring institution, the term also includes the reasonable costs  
 41 of administration and operation of the institution as are  
 42 necessary to provide the items described in this clause.

43 (3) If the court:

44 (A) does not enter a support order; or

45 (B) enters an order that is not based on the child support  
 46 guidelines;

47 the court shall make findings as required by 45 CFR 302.56(g).

48 (d) Payments in accordance with a support order assigned under  
 49 subsection (b) or entered under subsection (c) (or IC 31-6-4-18(f)  
 50 before its repeal) shall be paid through the clerk of the circuit court as

1 trustee for remittance to the ~~county office~~ **department**.

2 (e) The Title IV-D agency shall establish, modify, or enforce a  
3 support order assigned or entered by a court under this section in  
4 accordance with IC 31-25-3, IC 31-25-4, and 42 U.S.C. 654. The  
5 ~~county office~~ **department** shall, if requested, assist the Title IV-D  
6 agency in performing its duties under this subsection.

7 (f) If the juvenile court terminates placement of a child out of the  
8 home of the child's parent or guardian, the court shall:

9 (1) notify the court that:

10 (A) entered a support order assigned to the ~~county office~~  
11 **department** under subsection (b); or

12 (B) had jurisdiction, immediately before the placement, to  
13 modify or enforce the existing support order;

14 of the termination of jurisdiction of the juvenile court with respect  
15 to the support order;

16 (2) terminate a support order entered under subsection (c) that  
17 requires payment of support by a custodial parent or guardian of  
18 the child, with respect to support obligations that accrue after  
19 termination of the placement; or

20 (3) continue in effect, subject to modification or enforcement by  
21 a court having jurisdiction over the obligor, a support order  
22 entered under subsection (c) that requires payment of support by  
23 a noncustodial parent or guardian of the estate of the child.

24 (g) The court may at or after a hearing described in section 3 of this  
25 chapter order the child's parent or the guardian of the child's estate to  
26 reimburse the ~~county office~~ **department** for all or any portion of the  
27 expenses for services provided to or for the benefit of the child that are  
28 paid from the ~~county family and children's fund~~ **by the department**  
29 during the placement of the child out of the home of the parent or  
30 guardian, in addition to amounts reimbursed through payments in  
31 accordance with a support order assigned or entered as provided in this  
32 section, subject to applicable federal law.

33 SECTION 670. IC 31-40-1-6, AS AMENDED BY P.L.145-2006,  
34 SECTION 363, IS AMENDED TO READ AS FOLLOWS  
35 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) The department ~~with the~~  
36 ~~approval of the county fiscal body~~, may contract with any of the  
37 following, on terms and conditions with respect to compensation and  
38 payment or reimbursement of expenses as the department may  
39 determine, for the enforcement and collection of any parental  
40 reimbursement obligation established by order entered by the court  
41 under section 3 or 5(g) of this chapter:

42 (1) The prosecuting attorney of the county ~~that paid the cost of the~~  
43 ~~services ordered by the court~~, as provided in section 2 of this  
44 ~~chapter: in which the juvenile court that ordered or approved~~  
45 **the services is located or in which the obligor resides.**

46 (2) An attorney for the department on behalf of the county office  
47 ~~that paid the cost of services ordered by the court~~, **licensed to**  
48 **practice law in Indiana**, if the attorney is not an employee of the  
49 ~~county office or the department.~~

50 (3) ~~An attorney licensed to practice law in Indiana:~~

51 (b) A contract entered into under this section is subject to approval

1 under IC 4-13-2-14.1.

2 (c) Any fee payable to a prosecuting attorney under a contract under  
3 subsection (a)(1) shall be deposited in the county general fund and  
4 credited to a separate account identified as the prosecuting attorney's  
5 child services collections account. The prosecuting attorney may  
6 expend funds credited to the prosecuting attorney's child services  
7 collections account, without appropriation, only for the purpose of  
8 supporting and enhancing the functions of the prosecuting attorney in  
9 enforcement and collection of parental obligations to reimburse the  
10 ~~county family and children's fund~~; **department**.

11 SECTION 671. IC 31-40-1-7, AS AMENDED BY P.L.145-2006,  
12 SECTION 364, IS AMENDED TO READ AS FOLLOWS  
13 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. ~~(a)~~ Amounts received as  
14 payment of support or reimbursement of the cost of services paid as  
15 provided in this chapter shall be distributed in the following manner:

16 (1) If any part of the cost of services was paid from federal funds  
17 under Title IV Part E of the Social Security Act (42 U.S.C. 671 et  
18 seq.), the amounts received shall first be applied as provided in 42  
19 U.S.C. 657 and 45 CFR 302.52.

20 (2) All amounts remaining after the distributions required by  
21 subdivision (1) shall be deposited in the ~~family and children's~~  
22 **state general** fund. ~~(established by IC 12-19-7-3)~~ of the county  
23 that paid the cost of the services:

24 ~~(b) Any money deposited in a county family and children's fund~~  
25 ~~under this section shall be reported to the department; in the form and~~  
26 ~~manner prescribed by the department; and shall be applied to the child~~  
27 ~~services budget compiled and adopted by the county director for the~~  
28 ~~next state fiscal year; in accordance with IC 12-19-7-6.~~

29 SECTION 672. IC 31-40-4-1 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. If the parent or  
31 guardian of the estate:

32 (1) defaults in reimbursing the county ~~or department~~, **as**  
33 **ordered by the juvenile court**; or

34 (2) fails to pay a fee authorized by this article;

35 the juvenile court may find the parent or guardian in contempt and  
36 enter judgment for the amount due.

37 SECTION 673. IC 32-21-2-13, AS AMENDED BY P.L.219-2007,  
38 SECTION 100, IS AMENDED TO READ AS FOLLOWS  
39 [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) Except as provided in  
40 subsection (c), if the auditor of the county or the township assessor (**if**  
41 **any**) under IC 6-1.1-5-9 and IC 6-1.1-5-9.1 determines it necessary, an  
42 instrument transferring fee simple title to less than the whole of a tract  
43 that will result in the division of the tract into at least two (2) parcels  
44 for property tax purposes may not be recorded unless the auditor or  
45 township assessor is furnished a drawing or other reliable evidence of  
46 the following:

47 (1) The number of acres in each new tax parcel being created.

48 (2) The existence or absence of improvements on each new tax  
49 parcel being created.

50 (3) The location within the original tract of each new tax parcel  
51 being created.

1 (b) Any instrument that is accepted for recording and placed of  
 2 record that bears the endorsement required by IC 36-2-11-14 is  
 3 presumed to comply with this section.

4 (c) If the duties of the township assessor have been transferred to the  
 5 county assessor as described in IC 6-1.1-1-24, a reference to the  
 6 township assessor in this section is considered to be a reference to the  
 7 county assessor.

8 SECTION 674. IC 32-28-3-1, AS AMENDED BY P.L.219-2007,  
 9 SECTION 101, IS AMENDED TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) A contractor, a subcontractor,  
 11 a mechanic, a lessor leasing construction and other equipment and  
 12 tools, whether or not an operator is also provided by the lessor, a  
 13 journeyman, a laborer, or any other person performing labor or  
 14 furnishing materials or machinery, including the leasing of equipment  
 15 or tools, for:

16 (1) the erection, alteration, repair, or removal of:

17 (A) a house, mill, manufactory, or other building; or

18 (B) a bridge, reservoir, system of waterworks, or other  
 19 structure;

20 (2) the construction, alteration, repair, or removal of a walk or  
 21 sidewalk located on the land or bordering the land, a stile, a well,  
 22 a drain, a drainage ditch, a sewer, or a cistern; or

23 (3) any other earth moving operation;

24 may have a lien as set forth in this section.

25 (b) A person described in subsection (a) may have a lien separately  
 26 or jointly:

27 (1) upon the house, mill, manufactory, or other building, bridge,  
 28 reservoir, system of waterworks, or other structure, sidewalk,  
 29 walk, stile, well, drain, drainage ditch, sewer, cistern, or earth:

30 (A) that the person erected, altered, repaired, moved, or  
 31 removed; or

32 (B) for which the person furnished materials or machinery of  
 33 any description; and

34 (2) on the interest of the owner of the lot or parcel of land:

35 (A) on which the structure or improvement stands; or

36 (B) with which the structure or improvement is connected;

37 to the extent of the value of any labor done or the material furnished,  
 38 or both, including any use of the leased equipment and tools.

39 (c) All claims for wages of mechanics and laborers employed in or  
 40 about a shop, mill, wareroom, storeroom, manufactory or structure,  
 41 bridge, reservoir, system of waterworks or other structure, sidewalk,  
 42 walk, stile, well, drain, drainage ditch, cistern, or any other earth  
 43 moving operation shall be a lien on all the:

44 (1) machinery;

45 (2) tools;

46 (3) stock;

47 (4) material; or

48 (5) finished or unfinished work;

49 located in or about the shop, mill, wareroom, storeroom, manufactory  
 50 or other building, bridge, reservoir, system of waterworks, or other  
 51 structure, sidewalk, walk, stile, well, drain, drainage ditch, sewer,

- 1 cistern, or earth used in a business.
- 2 (d) If the person, firm, limited liability company, or corporation
- 3 described in subsection (a) or (c) is in failing circumstances, the claims
- 4 described in this section shall be preferred debts whether a claim or
- 5 notice of lien has been filed.
- 6 (e) Subject to subsection (f), a contract:
- 7 (1) for the construction, alteration, or repair of a Class 2 structure
- 8 (as defined in IC 22-12-1-5);
- 9 (2) for the construction, alteration, or repair of an improvement on
- 10 the same real estate auxiliary to a Class 2 structure (as defined in
- 11 IC 22-12-1-5);
- 12 (3) for the construction, alteration, or repair of property that is:
- 13 (A) owned, operated, managed, or controlled by a:
- 14 (i) public utility (as defined in IC 8-1-2-1);
- 15 (ii) municipally owned utility (as defined in IC 8-1-2-1);
- 16 (iii) joint agency (as defined in IC 8-1-2.2-2);
- 17 (iv) rural electric membership corporation formed under
- 18 IC 8-1-13-4;
- 19 (v) rural telephone cooperative corporation formed under
- 20 IC 8-1-17; or
- 21 (vi) not-for-profit utility (as defined in IC 8-1-2-125);
- 22 regulated under IC 8; and
- 23 (B) intended to be used and useful for the production,
- 24 transmission, delivery, or furnishing of heat, light, water,
- 25 telecommunications services, or power to the public; or
- 26 (4) to prepare property for Class 2 residential construction;
- 27 may include a provision or stipulation in the contract of the owner and
- 28 principal contractor that a lien may not attach to the real estate,
- 29 building, structure or any other improvement of the owner.
- 30 (f) A contract containing a provision or stipulation described in
- 31 subsection (e) must meet the requirements of this subsection to be valid
- 32 against subcontractors, mechanics, journeymen, laborers, or persons
- 33 performing labor upon or furnishing materials or machinery for the
- 34 property or improvement of the owner. The contract must:
- 35 (1) be in writing;
- 36 (2) contain specific reference by legal description of the real
- 37 estate to be improved;
- 38 (3) be acknowledged as provided in the case of deeds; and
- 39 (4) be filed and recorded in the recorder's office of the county in
- 40 which the real estate, building, structure, or other improvement is
- 41 situated not more than five (5) days after the date of execution of
- 42 the contract.
- 43 A contract containing a provision or stipulation described in subsection
- 44 (e) does not affect a lien for labor, material, or machinery supplied
- 45 before the filing of the contract with the recorder.
- 46 (g) Upon the filing of a contract under subsection (f), the recorder
- 47 shall:
- 48 (1) record the contract at length in the order of the time it was
- 49 received in books provided by the recorder for that purpose;
- 50 (2) index the contract in the name of the:
- 51 (A) contractor; and

1 (B) owner;  
 2 in books kept for that purpose; and  
 3 (3) collect a fee for recording the contract as is provided for the  
 4 recording of deeds and mortgages.

5 (h) A person, firm, partnership, limited liability company, or  
 6 corporation that sells or furnishes on credit any material, labor, or  
 7 machinery for the alteration or repair of an owner occupied single or  
 8 double family dwelling or the appurtenances or additions to the  
 9 dwelling to:

10 (1) a contractor, subcontractor, mechanic; or  
 11 (2) anyone other than the occupying owner or the owner's legal  
 12 representative;

13 must furnish to the occupying owner of the parcel of land where the  
 14 material, labor, or machinery is delivered a written notice of the  
 15 delivery or work and of the existence of lien rights not later than thirty  
 16 (30) days after the date of first delivery or labor performed. The  
 17 furnishing of the notice is a condition precedent to the right of  
 18 acquiring a lien upon the lot or parcel of land or the improvement on  
 19 the lot or parcel of land.

20 (i) A person, firm, partnership, limited liability company, or  
 21 corporation that sells or furnishes on credit material, labor, or  
 22 machinery for the original construction of a single or double family  
 23 dwelling for the intended occupancy of the owner upon whose real  
 24 estate the construction takes place to a contractor, subcontractor,  
 25 mechanic, or anyone other than the owner or the owner's legal  
 26 representatives must:

27 (1) furnish the owner of the real estate:  
 28 (A) as named in the latest entry in the transfer books described  
 29 in IC 6-1.1-5-4 of the county auditor; or  
 30 (B) if IC 6-1.1-5-9 applies, as named in the transfer books of  
 31 the township assessor (**if any**) or the county assessor;  
 32 with a written notice of the delivery or labor and the existence of  
 33 lien rights not later than sixty (60) days after the date of the first  
 34 delivery or labor performed; and  
 35 (2) file a copy of the written notice in the recorder's office of the  
 36 county not later than sixty (60) days after the date of the first  
 37 delivery or labor performed.

38 The furnishing and filing of the notice is a condition precedent to the  
 39 right of acquiring a lien upon the real estate or upon the improvement  
 40 constructed on the real estate.

41 (j) A lien for material or labor in original construction does not  
 42 attach to real estate purchased by an innocent purchaser for value  
 43 without notice of a single or double family dwelling for occupancy by  
 44 the purchaser unless notice of intention to hold the lien is recorded  
 45 under section 3 of this chapter before recording the deed by which the  
 46 purchaser takes title.

47 SECTION 675. IC 32-28-3-3, AS AMENDED BY P.L.219-2007,  
 48 SECTION 102, IS AMENDED TO READ AS FOLLOWS  
 49 [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Except as provided in  
 50 subsection (b), a person who wishes to acquire a lien upon property,  
 51 whether the claim is due or not, must file in duplicate a sworn



1 statement and notice of the person's intention to hold a lien upon the  
2 property for the amount of the claim:

- 3 (1) in the recorder's office of the county; and
- 4 (2) not later than ninety (90) days after performing labor or  
5 furnishing materials or machinery described in section 1 of this  
6 chapter.

7 The statement and notice of intention to hold a lien may be verified and  
8 filed on behalf of a client by an attorney registered with the clerk of the  
9 supreme court as an attorney in good standing under the requirements  
10 of the supreme court.

11 (b) This subsection applies to a person that performs labor or  
12 furnishes materials or machinery described in section 1 of this chapter  
13 related to a Class 2 structure (as defined in IC 22-12-1-5) or an  
14 improvement on the same real estate auxiliary to a Class 2 structure (as  
15 defined in IC 22-12-1-5). A person who wishes to acquire a lien upon  
16 property, whether the claim is due or not, must file in duplicate a sworn  
17 statement and notice of the person's intention to hold a lien upon the  
18 property for the amount of the claim:

- 19 (1) in the recorder's office of the county; and
- 20 (2) not later than sixty (60) days after performing labor or  
21 furnishing materials or machinery described in section 1 of this  
22 chapter.

23 The statement and notice of intention to hold a lien may be verified and  
24 filed on behalf of a client by an attorney registered with the clerk of the  
25 supreme court as an attorney in good standing under the requirements  
26 of the supreme court.

27 (c) A statement and notice of intention to hold a lien filed under this  
28 section must specifically set forth:

- 29 (1) the amount claimed;
- 30 (2) the name and address of the claimant;
- 31 (3) the owner's:
  - 32 (A) name; and
  - 33 (B) latest address as shown on the property tax records of the  
34 county; and
- 35 (4) the:
  - 36 (A) legal description; and
  - 37 (B) street and number, if any;

38 of the lot or land on which the house, mill, manufactory or other  
39 buildings, bridge, reservoir, system of waterworks, or other  
40 structure may stand or be connected with or to which it may be  
41 removed.

42 The name of the owner and legal description of the lot or land will be  
43 sufficient if they are substantially as set forth in the latest entry in the  
44 transfer books described in IC 6-1.1-5-4 of the county auditor or, if  
45 IC 6-1.1-5-9 applies, the transfer books of the township assessor (**if**  
46 **any**) or the county assessor at the time of filing of the notice of  
47 intention to hold a lien.

48 (d) The recorder shall:

- 49 (1) mail, first class, one (1) of the duplicates of the statement and  
50 notice of intention to hold a lien to the owner named in the  
51 statement and notice not later than three (3) business days after

- 1 recordation;  
 2 (2) post records as to the date of the mailing; and  
 3 (3) collect a fee of two dollars (\$2) from the lien claimant for each  
 4 statement and notice that is mailed.

5 The statement and notice shall be addressed to the latest address of the  
 6 owner as specifically set out in the sworn statement and notice of the  
 7 person intending to hold a lien upon the property.

8 SECTION 676. IC 33-37-8-5, AS AMENDED BY P.L.60-2006,  
 9 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10 JANUARY 1, 2009]: Sec. 5. (a) A county user fee fund is established  
 11 in each county to finance various program services. The county fund is  
 12 administered by the county auditor.

13 (b) The county fund consists of the following fees collected by a  
 14 clerk under this article and by the probation department for the juvenile  
 15 court under ~~IC 31-34-8-8~~ or IC 31-37-9-9:

- 16 (1) The pretrial diversion program fee.  
 17 (2) The informal adjustment program fee.  
 18 (3) The marijuana eradication program fee.  
 19 (4) The alcohol and drug services program fee.  
 20 (5) The law enforcement continuing education program fee.  
 21 (6) The deferral program fee.  
 22 (7) The jury fee.  
 23 (8) The drug court fee.  
 24 (9) The reentry court fee.

25 (c) All of the jury fee and two dollars (\$2) of a deferral program fee  
 26 collected under IC 33-37-4-2(e) shall be deposited by the county  
 27 auditor in the jury pay fund established under IC 33-37-11.

28 SECTION 677. IC 33-38-9-8 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) The Indiana  
 30 judicial center shall maintain a roster of in-state facilities that have the  
 31 expertise to provide child services (as defined in ~~IC 12-19-7-1~~)  
 32 **IC 31-9-2-17.8**) in a residential setting to:

- 33 (1) children in need of services (as described in IC 31-34-1); or  
 34 (2) delinquent children (as described in IC 31-37-1 and  
 35 IC 31-37-2).

36 (b) The roster under subsection (a) must include the information  
 37 necessary to allow a court having juvenile jurisdiction to select an  
 38 in-state placement of a child instead of placing the child in an  
 39 out-of-state facility under IC 31-34 or IC 31-37. The roster must  
 40 include at least the following information:

- 41 (1) Name, address, and telephone number of each facility.  
 42 (2) Owner and contact person for each facility.  
 43 (3) Description of the child services that each facility provides  
 44 and any limitations that the facility imposes on acceptance of a  
 45 child placed by a juvenile court.  
 46 (4) Number of children that each facility can serve on a  
 47 residential basis.  
 48 (5) Number of residential openings at each facility.

49 (c) The Indiana judicial center shall revise the information in the  
 50 roster at least monthly.

51 (d) The Indiana judicial center shall make the information in the

1 roster readily available to courts with juvenile jurisdiction.

2 SECTION 678. IC 34-17-2-1 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) An information  
4 described in IC 34-17-1-1 may be filed:

5 (1) by the prosecuting attorney in the circuit court of the proper  
6 county, upon the prosecuting attorney's own relation, whenever  
7 the prosecuting attorney:

8 (A) determines it to be the prosecuting attorney's duty to do so;  
9 or

10 (B) is directed by the court or other competent authority; or

11 (2) by any other person on the person's own relation, whenever  
12 the person claims an interest in the office, franchise, or  
13 corporation that is the subject of the information.

14 **(b) The prosecuting attorney shall file an information in the**  
15 **circuit court of the county against the county assessor or a**  
16 **township assessor under IC 34-17-1-1(2) if:**

17 **(1) the board of county commissioners adopts an ordinance**  
18 **under IC 6-1.1-4-31(f); or**

19 **(2) the city-county council adopts an ordinance under**  
20 **IC 6-1.1-4-31(g).**

21 SECTION 679. IC 34-30-2-46 IS AMENDED TO READ AS  
22 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 46. IC 12-19-2-2  
23 (Concerning ~~members of the state board, officers and other~~ employees  
24 of the ~~state and county departments of public welfare~~). **division of**  
25 **family resources, including the local offices of the division of family**  
26 **resources.)**

27 SECTION 680. IC 34-30-2-133.6 IS ADDED TO THE INDIANA  
28 CODE AS A NEW SECTION TO READ AS FOLLOWS  
29 [EFFECTIVE UPON PASSAGE]: **Sec. 133.6. IC 31-25-2-2.5**  
30 **(Concerning the officers and other employees of the department of**  
31 **child services).**

32 SECTION 681. IC 35-41-1-3.1 IS ADDED TO THE INDIANA  
33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
34 [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.1. "Apartment complex"**  
35 **means real property consisting of at least five (5) units that are**  
36 **regularly used to rent or otherwise furnish residential**  
37 **accommodations for periods of at least thirty (30) days.**

38 SECTION 682. IC 35-41-1-10.5, AS AMENDED BY P.L.26-2006,  
39 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JANUARY 1, 2009]: Sec. 10.5. "Family housing complex" means a  
41 building or series of buildings:

42 (1) that contains at least twelve (12) dwelling units:

43 (A) where children are domiciled or are likely to be domiciled;  
44 and

45 (B) that are owned by a governmental unit or political  
46 subdivision;

47 (2) that is operated as a hotel or motel (as described in  
48 IC 22-11-18-1);

49 (3) that is operated as an apartment complex; ~~(as defined in~~  
50 ~~IC 6-1.1-20.6-1); or~~

51 (4) that contains subsidized housing.

1 SECTION 683. IC 35-46-1-9, AS AMENDED BY P.L.146-2007,  
 2 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 UPON PASSAGE]: Sec. 9. (a) Except as provided in subsection (b), a  
 4 person who, with respect to an adoption, transfers or receives any  
 5 property in connection with the waiver of parental rights, the  
 6 termination of parental rights, the consent to adoption, or the petition  
 7 for adoption commits profiting from an adoption, a Class D felony.

8 (b) This section does not apply to the transfer or receipt of:

- 9 (1) reasonable attorney's fees;
- 10 (2) hospital and medical expenses concerning childbirth and
- 11 pregnancy incurred by the adopted person's birth mother;
- 12 (3) reasonable charges and fees levied by a child placing agency
- 13 licensed under IC 31-27 or by a county office or the department
- 14 of child services;
- 15 (4) reasonable expenses for psychological counseling relating to
- 16 adoption incurred by the adopted person's birth parents;
- 17 (5) reasonable costs of housing, utilities, and phone service for the
- 18 adopted person's birth mother during the second or third trimester
- 19 of pregnancy and not more than six (6) weeks after childbirth;
- 20 (6) reasonable costs of maternity clothing for the adopted person's
- 21 birth mother;
- 22 (7) reasonable travel expenses incurred by the adopted person's
- 23 birth mother that relate to the pregnancy or adoption;
- 24 (8) any additional itemized necessary living expenses for the
- 25 adopted person's birth mother during the second or third trimester
- 26 of pregnancy and not more than six (6) weeks after childbirth, not
- 27 listed in subdivisions (5) through (7) in an amount not to exceed
- 28 one thousand dollars (\$1,000); or
- 29 (9) other charges and fees approved by the court supervising the
- 30 adoption, including reimbursement of not more than actual wages
- 31 lost as a result of the inability of the adopted person's birth mother
- 32 to work at her regular, existing employment due to a medical
- 33 condition, excluding a psychological condition, if:

34 (A) the attending physician of the adopted person's birth  
 35 mother has ordered or recommended that the adopted person's  
 36 birth mother discontinue her employment; and

37 (B) the medical condition and its direct relationship to the  
 38 pregnancy of the adopted person's birth mother are  
 39 documented by her attending physician.

40 In determining the amount of reimbursable lost wages, if any, that are  
 41 reasonably payable to the adopted person's birth mother under  
 42 subdivision (9), the court shall offset against the reimbursable lost  
 43 wages any amounts paid to the adopted person's birth mother under  
 44 subdivisions (5) and (8) and any unemployment compensation received  
 45 by or owed to the adopted person's birth mother.

46 (c) Except as provided in this subsection, payments made under  
 47 subsection (b)(5) through (b)(9) may not exceed three thousand dollars  
 48 (\$3,000) and must be disclosed to the court supervising the adoption.  
 49 The amounts paid under subsection (b)(5) through (b)(9) may exceed  
 50 three thousand dollars (\$3,000) to the extent that a court in Indiana  
 51 with jurisdiction over the child who is the subject of the adoption

1 approves the expenses after determining that:

- 2 (1) the expenses are not being offered as an inducement to  
 3 proceed with an adoption; and  
 4 (2) failure to make the payments may seriously jeopardize the  
 5 health of either the child or the mother of the child and the direct  
 6 relationship is documented by a licensed social worker or the  
 7 attending physician.

8 (d) The payment limitation under subsection (c) applies to the total  
 9 amount paid under subsection (b)(5) through (b)(9) in connection with  
 10 an adoption from all prospective adoptive parents, attorneys, and  
 11 licensed child placing agencies.

12 (e) An attorney or licensed child placing agency shall inform a birth  
 13 mother of the penalties for committing adoption deception under  
 14 section 9.5 of this chapter before the attorney or agency transfers a  
 15 payment for adoption related expenses under subsection (b) in relation  
 16 to the birth mother.

17 (f) The limitations in this section apply regardless of the state or  
 18 country in which the adoption is finalized.

19 SECTION 684. IC 35-46-1-12, AS AMENDED BY P.L.145-2006,  
 20 SECTION 372, IS AMENDED TO READ AS FOLLOWS  
 21 [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in  
 22 subsection (b), a person who recklessly, knowingly, or intentionally  
 23 exerts unauthorized use of the personal services or the property of:

- 24 (1) an endangered adult; or  
 25 (2) a dependent eighteen (18) years of age or older;

26 for the person's own profit or advantage or for the profit or advantage  
 27 of another person commits exploitation of a dependent or an  
 28 endangered adult, a Class A misdemeanor.

29 (b) The offense described in subsection (a) is a Class D felony if:

- 30 (1) the fair market value of the personal services or property is  
 31 more than ten thousand dollars (\$10,000); or  
 32 (2) the endangered adult or dependent is at least sixty (60) years  
 33 of age.

34 (c) Except as provided in subsection (d), a person who recklessly,  
 35 knowingly, or intentionally deprives an endangered adult or a  
 36 dependent of the proceeds of the endangered adult's or the dependent's  
 37 benefits under the Social Security Act or other retirement program that  
 38 the division of family resources ~~or county office of family and children~~  
 39 has budgeted for the endangered adult's or dependent's health care  
 40 commits financial exploitation of an endangered adult or a dependent,  
 41 a Class A misdemeanor.

42 (d) The offense described in subsection (c) is a Class D felony if:

- 43 (1) the amount of the proceeds is more than ten thousand dollars  
 44 (\$10,000); or  
 45 (2) the endangered adult or dependent is at least sixty (60) years  
 46 of age.

47 (e) It is not a defense to an offense committed under subsection  
 48 (b)(2) or (d)(2) that the accused person reasonably believed that the  
 49 endangered adult or dependent was less than sixty (60) years of age at  
 50 the time of the offense.

51 (f) It is a defense to an offense committed under subsection (a), (b),

- 1 or (c) if the accused person:
- 2 (1) has been granted a durable power of attorney or has been
- 3 appointed a legal guardian to manage the affairs of an endangered
- 4 adult or a dependent; and
- 5 (2) was acting within the scope of the accused person's fiduciary
- 6 responsibility.
- 7 SECTION 685. IC 35-46-1-22, AS ADDED BY P.L.146-2007,
- 8 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 9 UPON PASSAGE]: Sec. 22. (a) As used in this section, "adoption
- 10 services" means at least one (1) of the following services that is
- 11 provided for compensation, an item of value, or reimbursement, either
- 12 directly or indirectly, and provided either before or after the services
- 13 are rendered:
- 14 (1) Arranging for the placement of a child.
- 15 (2) Identifying a child for adoption.
- 16 (3) Matching adoptive parents with biological parents.
- 17 (4) Arranging or facilitating an adoption.
- 18 (5) Taking or acknowledging consents or surrenders for
- 19 termination of parental rights for adoption purposes.
- 20 (6) Performing background studies on:
- 21 (A) a child who is going to be adopted; or
- 22 (B) adoptive parents.
- 23 (7) Making determinations concerning the best interests of a child
- 24 and the appropriateness in placing the child for adoption.
- 25 (8) Postplacement monitoring of a child before the child is
- 26 adopted.
- 27 (b) As used in this section, the term "adoption services" does not
- 28 include the following:
- 29 (1) Legal services provided by an attorney licensed in Indiana.
- 30 (2) Adoption related services provided by a governmental entity
- 31 or a person appointed to perform an investigation by the court.
- 32 (3) General education and training on adoption issues.
- 33 (4) Postadoption services, including supportive services to
- 34 families to promote the well-being of members of adoptive
- 35 families or birth families.
- 36 (c) This section does not apply to the following persons:
- 37 (1) The department of child services, an agency or person
- 38 authorized to act on behalf of the department of child services, or
- 39 a similar agency **or county office with similar responsibilities**
- 40 in another state.
- 41 (2) The division of family resources, an agency or person
- 42 authorized to act on behalf of the division of family resources, or
- 43 a similar agency **or county office with similar responsibilities**
- 44 in another state.
- 45 ~~(3) A county office of family and children in Indiana or a similar~~
- 46 ~~county office in another state.~~
- 47 ~~(4)~~ **(3)** A child placing agency licensed under the laws of Indiana
- 48 or another state.
- 49 ~~(5)~~ **(4)** An attorney licensed to practice law in Indiana or another
- 50 state.
- 51 ~~(6)~~ **(5)** A prospective biological parent or adoptive parent acting

1 on the individual's own behalf.

2 (d) A person who knowingly or intentionally provides, engages in,  
3 or facilitates adoption services to a birth parent or prospective adoptive  
4 parent who resides in Indiana commits unauthorized adoption  
5 facilitation, a Class A misdemeanor.

6 SECTION 686. IC 36-1-8-14.2, AS AMENDED BY P.L.219-2007,  
7 SECTION 105, IS AMENDED TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2008]: Sec. 14.2. (a) As used in this section, the  
9 following terms have the meanings set forth in IC 6-1.1-1:

10 (1) Assessed value.

11 (2) Exemption.

12 (3) Owner.

13 (4) Person.

14 (5) Property taxation.

15 (6) Real property.

16 (7) Township assessor.

17 (b) As used in this section, "PILOTS" means payments in lieu of  
18 taxes.

19 (c) As used in this section, "property owner" means the owner of  
20 real property described in IC 6-1.1-10-16.7.

21 (d) Subject to the approval of a property owner, the governing body  
22 of a political subdivision may adopt an ordinance to require the  
23 property owner to pay PILOTS at times set forth in the ordinance with  
24 respect to real property that is subject to an exemption under  
25 IC 6-1.1-10-16.7, if the improvements that qualify the real property for  
26 an exemption were begun or acquired after December 31, 2001. The  
27 ordinance remains in full force and effect until repealed or modified by  
28 the governing body, subject to the approval of the property owner.

29 (e) The PILOTS must be calculated so that the PILOTS are in an  
30 amount equal to the amount of property taxes that would have been  
31 levied by the governing body for the political subdivision upon the real  
32 property described in subsection (d) if the property were not subject to  
33 an exemption from property taxation.

34 (f) PILOTS shall be imposed as are property taxes and shall be  
35 based on the assessed value of the real property described in subsection  
36 (d). Except as provided in subsection (j), the township ~~assessors~~  
37 **assessor, or the county assessor if there is no township assessor for**  
38 **the township**, shall assess the real property described in subsection (d)  
39 as though the property were not subject to an exemption.

40 (g) PILOTS collected under this section shall be deposited in the  
41 unit's affordable housing fund established under IC 5-20-5-15.5 and  
42 used for any purpose for which the affordable housing fund may be  
43 used.

44 (h) PILOTS shall be due as set forth in the ordinance and bear  
45 interest, if unpaid, as in the case of other taxes on property. PILOTS  
46 shall be treated in the same manner as taxes for purposes of all  
47 procedural and substantive provisions of law.

48 (i) This section does not apply to a county that contains a  
49 consolidated city or to a political subdivision of the county.

50 (j) If the duties of the township assessor have been transferred to the  
51 county assessor as described in IC 6-1.1-1-24, a reference to the

1 township assessor in this section is considered to be a reference to the  
2 county assessor.

3 SECTION 687. IC 36-2-5-5 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) Before the  
5 Thursday after the first Monday in August of each year, each county  
6 officer and township assessor (**if any**) shall prepare an itemized  
7 estimate of the amount of money required for ~~his~~ **the officer's or**  
8 **assessor's** office for the next calendar year. Each budget estimate  
9 under this section must include:

- 10 (1) the compensation of the officer;
- 11 (2) the expense of employing deputies;
- 12 (3) the expense of office supplies, itemized by the quantity and  
13 probable cost of each kind of supplies;
- 14 (4) the expense of litigation for the office; and
- 15 (5) other expenses of the office, specifically itemized;

16 that are payable out of the county treasury.

17 (b) If all or part of the expenses of a county office may be paid out  
18 of the county treasury, but only under an order of the county executive  
19 to that effect, the expenses of the office shall be included in the  
20 officer's budget estimate and may not be included in the county  
21 executive's budget estimate.

22 SECTION 688. IC 36-2-6-4.5, AS AMENDED BY P.L.145-2006,  
23 SECTION 373, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE JANUARY 1, 2009]: Sec. 4.5. (a) A county executive  
25 may adopt an ordinance allowing money to be disbursed for lawful  
26 county purposes under this section.

27 (b) Notwithstanding IC 5-11-10, with the prior written approval of  
28 the board having jurisdiction over the allowance of claims, the county  
29 auditor may make claim payments in advance of board allowance for  
30 the following kinds of expenses if the county executive has adopted an  
31 ordinance under subsection (a):

- 32 (1) Property or services purchased or leased from the United  
33 States government, its agencies, or its political subdivisions.
- 34 (2) License or permit fees.
- 35 (3) Insurance premiums.
- 36 (4) Utility payments or utility connection charges.
- 37 (5) General grant programs where advance funding is not  
38 prohibited and the contracting party posts sufficient security to  
39 cover the amount advanced.
- 40 (6) Grants of state funds authorized by statute.
- 41 (7) Maintenance or service agreements.
- 42 (8) Leases or rental agreements.
- 43 (9) Bond or coupon payments.
- 44 (10) Payroll.
- 45 (11) State or federal taxes.
- 46 (12) Expenses that must be paid because of emergency  
47 circumstances.
- 48 (13) Expenses described in an ordinance.

49 ~~(14) Expenses incurred under a procurement contract under~~  
50 ~~IC 31-25-2-17.~~

51 (c) Each payment of expenses under this section must be supported



1 by a fully itemized invoice or bill and certification by the county  
2 auditor.

3 (d) The county executive or the county board having jurisdiction  
4 over the allowance of the claim shall review and allow the claim at its  
5 next regular or special meeting following the preapproved payment of  
6 the expense.

7 (e) A payment of expenses under this section must be published in  
8 the manner provided under section 3 of this chapter.

9 SECTION 689. IC 36-2-6-8 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) The county  
11 executive or a court may not make an allowance to a county officer for:

- 12 (1) services rendered in a criminal action;  
13 (2) services rendered in a civil action; or  
14 (3) extra services rendered in ~~his~~ **the county officer's** capacity as  
15 a county officer.

16 (b) The county executive may make an allowance to the clerk of the  
17 circuit court, county auditor, county treasurer, county sheriff, township  
18 assessor (**if any**), or county assessor, or to any of those officers'  
19 employees, only if:

- 20 (1) the allowance is specifically required by law; or  
21 (2) the county executive finds, on the record, that the allowance  
22 is necessary in the public interest.

23 (c) A member of the county executive who recklessly violates  
24 subsection (b) commits a Class C misdemeanor and forfeits ~~his~~ **the**  
25 **member's** office.

26 SECTION 690. IC 36-2-6-22, AS AMENDED BY P.L.219-2007,  
27 SECTION 107, IS AMENDED TO READ AS FOLLOWS  
28 [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) As used in this section, the  
29 following terms have the meanings set forth in IC 6-1.1-1:

- 30 (1) Assessed value.  
31 (2) Exemption.  
32 (3) Owner.  
33 (4) Person.  
34 (5) Property taxation.  
35 (6) Real property.  
36 (7) Township assessor.

37 (b) As used in this section, "PILOTS" means payments in lieu of  
38 taxes.

39 (c) As used in this section, "property owner" means the owner of  
40 real property described in IC 6-1.1-10-16.7 that is not located in a  
41 county containing a consolidated city.

42 (d) Subject to the approval of a property owner, the fiscal body of  
43 a county may adopt an ordinance to require the property owner to pay  
44 PILOTS at times set forth in the ordinance with respect to real property  
45 that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance  
46 remains in full force and effect until repealed or modified by the  
47 legislative body, subject to the approval of the property owner.

48 (e) The PILOTS must be calculated so that the PILOTS are in an  
49 amount equal to the amount of property taxes that would have been  
50 levied upon the real property described in subsection (d) if the property  
51 were not subject to an exemption from property taxation.

1 (f) PILOTS shall be imposed in the same manner as property taxes  
 2 and shall be based on the assessed value of the real property described  
 3 in subsection (d). Except as provided in subsection (i), the township  
 4 ~~assessors~~ **assessor, or the county assessor if there is no township**  
 5 **assessor for the township**, shall assess the real property described in  
 6 subsection (d) as though the property were not subject to an exemption.

7 (g) PILOTS collected under this section shall be distributed in the  
 8 same manner as if they were property taxes being distributed to taxing  
 9 units in the county.

10 (h) PILOTS shall be due as set forth in the ordinance and bear  
 11 interest, if unpaid, as in the case of other taxes on property. PILOTS  
 12 shall be treated in the same manner as taxes for purposes of all  
 13 procedural and substantive provisions of law.

14 (i) If the duties of the township assessor have been transferred to the  
 15 county assessor as described in IC 6-1.1-1-24, a reference to the  
 16 township assessor in this section is considered to be a reference to the  
 17 county assessor.

18 SECTION 691. IC 36-2-7-13 IS AMENDED TO READ AS  
 19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. The county fiscal  
 20 body may grant to the county assessor, in addition to the compensation  
 21 fixed under IC 36-2-5, a per diem for each day that the assessor is  
 22 engaged in general reassessment activities. ~~including service on the~~  
 23 ~~county land valuation commission~~. This section applies regardless of  
 24 whether professional assessing services are provided under a contract  
 25 to one (1) or more townships in the county.

26 SECTION 692. IC 36-2-15-3 IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) **Subject to**  
 28 **subsection (b)**, the assessor shall keep ~~his~~ **the assessor's** office in a  
 29 building provided at the county seat by the county executive. ~~He~~ **The**  
 30 **assessor** shall keep ~~his~~ **the** office open for business during regular  
 31 business hours on every day of the year except Sundays and legal  
 32 holidays. However, ~~he~~ **the assessor** may close ~~his~~ **the** office on days  
 33 specified by the county executive according to custom and practice of  
 34 the county.

35 (b) **After June 30, 2008, the county assessor may establish one**  
 36 **(1) or more satellite offices in the county.**

37 SECTION 693. IC 36-2-15-5, AS AMENDED BY HEA1137-2008  
 38 SECTION 261, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The county assessor shall  
 40 perform the functions assigned by statute to the county assessor,  
 41 including the following:

- 42 (1) Countywide equalization.
- 43 (2) Selection and maintenance of a countywide computer system.
- 44 (3) Certification of gross assessments to the county auditor.
- 45 (4) Discovery of omitted property.

46 (5) In:

47 (A) a ~~county~~ **township** in which the transfer of duties **of the**  
 48 **elected township assessor** is required by subsection ~~(e)~~; (c);

49 **or**

50 (B) a **township in which the duties relating to the**  
 51 **assessment of tangible property are not required to be**

- 1                   **performed by a township assessor elected under IC 36-6-5;**  
 2                   performance of the assessment duties prescribed by IC 6-1.1.
- 3                   (b) ~~The county assessor shall perform the functions of an assessing~~  
 4                   official under ~~IC 36-6-5-2~~ in a township with a township  
 5                   assessor-trustee if the township assessor-trustee:  
 6                   (1) fails to make a report that is required by law;  
 7                   (2) fails to deliver a property tax record to the appropriate officer  
 8                   or board;  
 9                   (3) fails to deliver an assessment to the county assessor; or  
 10                   (4) fails to perform any other assessing duty as required by statute  
 11                   or rule of the department of local government finance;  
 12                   within the time period prescribed by statute or rule of the department  
 13                   or within a later time that is necessitated by reason of another official  
 14                   failing to perform the official's functions in a timely manner.
- 15                   (c) ~~A township with a township trustee-assessor may, with the~~  
 16                   consent of the township board, enter into an agreement with:  
 17                   (1) the county assessor; or  
 18                   (2) another township assessor in the county;  
 19                   to perform any of the functions of an assessing official. ~~A township~~  
 20                   trustee-assessor may not contract for the performance of any function  
 21                   for a period of time that extends beyond the completion of the township  
 22                   trustee-assessor's term of office.
- 23                   ~~(d)~~ (b) A transfer of duties between assessors under subsection (e)  
 24                   does not affect:  
 25                   (1) any assessment, assessment appeal, or other official action  
 26                   made by an assessor before the transfer; or  
 27                   (2) any pending action against, or the rights of any party that may  
 28                   possess a legal claim against, an assessor that is not described in  
 29                   subdivision (1).
- 30                   Any assessment, assessment appeal, or other official action of an  
 31                   assessor made by the assessor within the scope of the assessor's official  
 32                   duties before the transfer is considered as having been made by the  
 33                   assessor to whom the duties are transferred.
- 34                   ~~(e)~~ (c) If:  
 35                   (1) for a particular general election after June 30, 2008, the person  
 36                   elected to the office of township assessor ~~or the office of township~~  
 37                   trustee-assessor has not attained the certification of a level two  
 38                   assessor-appraiser; or  
 39                   (2) **for a particular general election after January 1, 2012, the**  
 40                   **person elected to the office of township assessor has not**  
 41                   **attained the certification of a level three assessor-appraiser;**  
 42                   as provided in IC 3-8-1-23.6 before the date the term of office begins,  
 43                   the assessment duties prescribed by IC 6-1.1 that would otherwise be  
 44                   performed in the township by the township assessor ~~or township~~  
 45                   trustee-assessor are transferred to the county assessor on that date. If  
 46                   assessment duties in a township are transferred to the county assessor  
 47                   under this subsection, those assessment duties are transferred back to  
 48                   the township assessor ~~or township trustee-assessor~~ (as appropriate) if  
 49                   at a later election a person who has attained the **required level of**  
 50                   certification ~~of a level two assessor-appraiser as provided in~~  
 51                   ~~IC 3-8-1-23.6~~ **referred to in subdivision (1) or (2)** is elected to the

1 office of township assessor. ~~or the office of township trustee-assessor.~~

2 ~~(f)~~ **(d)** If assessment duties in a township are transferred to the  
3 county assessor under subsection ~~(e)~~: **(c)**,

4 ~~(1)~~ the office of elected township assessor remains vacant for the  
5 period during which the assessment duties prescribed by IC 6-1.1  
6 are transferred to the county assessor. ~~and~~

7 ~~(2)~~ the office of township trustee remains in place for the purpose  
8 of carrying out all functions of the office other than assessment  
9 duties prescribed by IC 6-1.1.

10 **(e)** A referendum shall be held under sections 7.4 through 11 of  
11 this chapter in each township in which the number of parcels of  
12 real property on January 1, 2008, is at least fifteen thousand  
13 **(15,000)** to determine whether to transfer to the county assessor the  
14 assessment duties prescribed by IC 6-1.1 that would otherwise be  
15 performed by the elected township assessor of the township.

16 SECTION 694. IC 36-2-15-7.4 IS ADDED TO THE INDIANA  
17 CODE AS A NEW SECTION TO READ AS FOLLOWS  
18 [EFFECTIVE JULY 1, 2008]: **Sec. 7.4.** **(a)** Assessment duties are  
19 transferred to the county assessor as described in section 5(e) of  
20 this chapter only if a majority of the individuals in the township  
21 who vote in a referendum that is conducted in accordance with this  
22 section and sections 8 through 11 of this chapter approves the  
23 transfer.

24 **(b)** The question to be submitted to the voters in the referendum  
25 must read as follows:

26 "Should the assessing duties of the elected township assessor  
27 in the township be transferred to the county assessor?"

28 SECTION 695. IC 36-2-15-8 IS ADDED TO THE INDIANA  
29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2008]: **Sec. 8.** **(a)** The county legislative body  
31 shall act under IC 3-10-9-3 to certify the question to be voted on at  
32 the referendum under this chapter to the county election board.

33 **(b)** Each county clerk shall, upon receiving the question certified  
34 by the county legislative body under subsection (a), call a meeting  
35 of the county election board to make arrangements for the  
36 referendum.

37 **(c)** The referendum shall be held in the general election in 2008.

38 **(d)** The referendum shall be held under the direction of the  
39 county election board, which shall take all steps necessary to carry  
40 out the referendum.

41 **(e)** Not less than ten (10) days before the date on which the  
42 referendum is to be held, the county election board shall cause  
43 notice of the question that is to be voted upon at the referendum to  
44 be published in accordance with IC 5-3-1.

45 SECTION 696. IC 36-2-15-9 IS ADDED TO THE INDIANA  
46 CODE AS A NEW SECTION TO READ AS FOLLOWS  
47 [EFFECTIVE JULY 1, 2008]: **Sec. 9.** Each county election board  
48 shall cause:

49 **(1)** the question certified to the circuit court clerk by the  
50 county legislative body to be placed on the ballot in the form  
51 prescribed by IC 3-10-9-4; and

1           **(2) an adequate supply of ballots and voting equipment to be**  
 2           **delivered to the precinct election board of each precinct in**  
 3           **which the referendum under this chapter is to be held.**

4           SECTION 697. IC 36-2-15-10 IS ADDED TO THE INDIANA  
 5           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6           [EFFECTIVE JULY 1, 2008]: **Sec. 10. The individuals entitled to**  
 7           **vote in a referendum under this chapter are all the registered**  
 8           **voters resident in the township in which the referendum is held.**

9           SECTION 698. IC 36-2-15-11 IS ADDED TO THE INDIANA  
 10          CODE AS A NEW SECTION TO READ AS FOLLOWS  
 11          [EFFECTIVE JULY 1, 2008]: **Sec. 11. (a) Each precinct election**  
 12          **board shall count the affirmative votes and the negative votes cast**  
 13          **in the referendum under this chapter and shall certify those two (2)**  
 14          **totals to the county election board of the county. The circuit court**  
 15          **clerk of the county shall, immediately after the votes cast in the**  
 16          **referendum have been counted, certify the results of the**  
 17          **referendum to the county legislative body. Upon receiving the**  
 18          **certification of all the votes cast in the referendum, the county**  
 19          **legislative body shall promptly notify the department of local**  
 20          **government finance of the result of the referendum. If a majority**  
 21          **of the individuals who voted in the referendum voted "yes" on the**  
 22          **referendum question:**

23           **(1) the county legislative body shall promptly notify:**

24           **(A) the county assessor;**

25           **(B) the elected township assessor in the township; and**

26           **(C) each candidate in an election described in subsection**  
 27           **(b);**

28           **of the results of the referendum; and**

29           **(2) with respect to a particular elected township assessor in**  
 30           **the county, the assessment duties prescribed by IC 6-1.1 are**  
 31           **transferred to the county assessor on January 1, 2009.**

32           **(b) If:**

33           **(1) an election is held in the general election in 2008 of an**  
 34           **elected township assessor; and**

35           **(2) a majority of the individuals who voted in the referendum**  
 36           **held under this chapter voted "yes" on the referendum**  
 37           **question;**

38           **the results of the election of the elected township assessor are**  
 39           **nullified.**

40          SECTION 699. IC 36-2-16-8 IS AMENDED TO READ AS  
 41          FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 8. (a) The county**  
 42          **assessor may appoint the number of full-time or part-time deputies and**  
 43          **employees authorized by the county fiscal body.**

44          **(b) After June 30, 2009, an employee of the county assessor who**  
 45          **performs real property assessing duties must have attained the**  
 46          **level of certification under IC 6-1.1-35.5 that the county assessor**  
 47          **is required to attain under IC 3-8-1-23.**

48          SECTION 700. IC 36-2-19-7, AS AMENDED BY P.L.219-2007,  
 49          SECTION 110, IS AMENDED TO READ AS FOLLOWS  
 50          [EFFECTIVE JULY 1, 2008]: **Sec. 7. (a) Except as provided in**  
 51          **subsection (b), in a township county in which IC 6-1.1-5-9 or**

1 IC 6-1.1-5-9.1 applies, the county surveyor shall file a duplicate copy  
 2 of any plat described in section 4 of this chapter with the township  
 3 assessor **(if any)**.

4 (b) If the duties of the township assessor have been transferred to  
 5 the county assessor as described in IC 6-1.1-1-24, a reference to the  
 6 township assessor in this section is considered to be a reference to the  
 7 county assessor.

8 SECTION 701. IC 36-3-2-10, AS AMENDED BY P.L.219-2007,  
 9 SECTION 111, IS AMENDED TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) The general assembly finds  
 11 the following:

12 (1) That the tax base of the consolidated city and the county have  
 13 been significantly eroded through the ownership of tangible  
 14 property by separate municipal corporations and other public  
 15 entities that operate as private enterprises yet are exempt or whose  
 16 property is exempt from property taxation.

17 (2) That to restore this tax base and provide a proper allocation of  
 18 the cost of providing governmental services the legislative body  
 19 of the consolidated city and county should be authorized to collect  
 20 payments in lieu of taxes from these public entities.

21 (3) That the appropriate maximum payments in lieu of taxes  
 22 would be the amount of the property taxes that would be paid if  
 23 the tangible property were not subject to an exemption.

24 (b) As used in this section, the following terms have the meanings  
 25 set forth in IC 6-1.1-1:

26 (1) Assessed value.

27 (2) Exemption.

28 (3) Owner.

29 (4) Person.

30 (5) Personal property.

31 (6) Property taxation.

32 (7) Tangible property.

33 (8) Township assessor.

34 (c) As used in this section, "PILOTS" means payments in lieu of  
 35 taxes.

36 (d) As used in this section, "public entity" means any of the  
 37 following government entities in the county:

38 (1) An airport authority operating under IC 8-22-3.

39 (2) A capital improvement board of managers under IC 36-10-9.

40 (3) A building authority operating under IC 36-9-13.

41 (4) A wastewater treatment facility.

42 (e) The legislative body of the consolidated city may adopt an  
 43 ordinance to require a public entity to pay PILOTS at times set forth in  
 44 the ordinance with respect to:

45 (1) tangible property of which the public entity is the owner or the  
 46 lessee and that is subject to an exemption;

47 (2) tangible property of which the owner is a person other than a  
 48 public entity and that is subject to an exemption under IC 8-22-3;

49 or

50 (3) both.

51 The ordinance remains in full force and effect until repealed or

1 modified by the legislative body.

2 (f) The PILOTS must be calculated so that the PILOTS may be in  
3 any amount that does not exceed the amount of property taxes that  
4 would have been levied by the legislative body for the consolidated city  
5 and county upon the tangible property described in subsection (e) if the  
6 property were not subject to an exemption from property taxation.

7 (g) PILOTS shall be imposed as are property taxes and shall be  
8 based on the assessed value of the tangible property described in  
9 subsection (e). Except as provided in subsection (l), the township  
10 ~~assessors~~ **assessor, or the county assessor if there is no township**  
11 **assessor for the township**, shall assess the tangible property described  
12 in subsection (e) as though the property were not subject to an  
13 exemption. The public entity shall report the value of personal property  
14 in a manner consistent with IC 6-1.1-3.

15 (h) Notwithstanding any law to the contrary, a public entity is  
16 authorized to pay PILOTS imposed under this section from any legally  
17 available source of revenues. The public entity may consider these  
18 payments to be operating expenses for all purposes.

19 (i) PILOTS shall be deposited in the consolidated county fund and  
20 used for any purpose for which the consolidated county fund may be  
21 used.

22 (j) PILOTS shall be due as set forth in the ordinance and bear  
23 interest, if unpaid, as in the case of other taxes on property. PILOTS  
24 shall be treated in the same manner as taxes for purposes of all  
25 procedural and substantive provisions of law.

26 (k) PILOTS imposed on a wastewater treatment facility may be paid  
27 only from the cash earnings of the facility remaining after provisions  
28 have been made to pay for current obligations, including:

- 29 (1) operating and maintenance expenses;
- 30 (2) payment of principal and interest on any bonded indebtedness;
- 31 (3) depreciation or replacement fund expenses;
- 32 (4) bond and interest sinking fund expenses; and
- 33 (5) any other priority fund requirements required by law or by any  
34 bond ordinance, resolution, indenture, contract, or similar  
35 instrument binding on the facility.

36 (l) If the duties of the township assessor have been transferred to the  
37 county assessor as described in IC 6-1.1-1-24, a reference to the  
38 township assessor in this section is considered to be a reference to the  
39 county assessor.

40 SECTION 702. IC 36-3-2-11, AS AMENDED BY P.L.219-2007,  
41 SECTION 112, IS AMENDED TO READ AS FOLLOWS  
42 [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) As used in this section, the  
43 following terms have the meanings set forth in IC 6-1.1-1:

- 44 (1) Assessed value.
- 45 (2) Exemption.
- 46 (3) Owner.
- 47 (4) Person.
- 48 (5) Property taxation.
- 49 (6) Real property.
- 50 (7) Township assessor.

51 (b) As used in this section, "PILOTS" means payments in lieu of

1 taxes.

2 (c) As used in this section, "property owner" means the owner of  
3 real property described in IC 6-1.1-10-16.7 that is located in a county  
4 with a consolidated city.

5 (d) Subject to the approval of a property owner, the legislative body  
6 of the consolidated city may adopt an ordinance to require the property  
7 owner to pay PILOTS at times set forth in the ordinance with respect  
8 to real property that is subject to an exemption under IC 6-1.1-10-16.7.  
9 The ordinance remains in full force and effect until repealed or  
10 modified by the legislative body, subject to the approval of the property  
11 owner.

12 (e) The PILOTS must be calculated so that the PILOTS are in an  
13 amount that is:

14 (1) agreed upon by the property owner and the legislative body of  
15 the consolidated city;

16 (2) a percentage of the property taxes that would have been levied  
17 by the legislative body for the consolidated city and the county  
18 upon the real property described in subsection (d) if the property  
19 were not subject to an exemption from property taxation; and

20 (3) not more than the amount of property taxes that would have  
21 been levied by the legislative body for the consolidated city and  
22 county upon the real property described in subsection (d) if the  
23 property were not subject to an exemption from property taxation.

24 (f) PILOTS shall be imposed as are property taxes and shall be  
25 based on the assessed value of the real property described in subsection  
26 (d). Except as provided in subsection (i), the township ~~assessors~~  
27 **assessor, or the county assessor if there is no township assessor for**  
28 **the township**, shall assess the real property described in subsection (d)  
29 as though the property were not subject to an exemption.

30 (g) PILOTS collected under this section shall be deposited in the  
31 housing trust fund established under IC 36-7-15.1-35.5 and used for  
32 any purpose for which the housing trust fund may be used.

33 (h) PILOTS shall be due as set forth in the ordinance and bear  
34 interest, if unpaid, as in the case of other taxes on property. PILOTS  
35 shall be treated in the same manner as taxes for purposes of all  
36 procedural and substantive provisions of law.

37 (i) If the duties of the township assessor have been transferred to the  
38 county assessor as described in IC 6-1.1-1-24, a reference to the  
39 township assessor in this section is considered to be a reference to the  
40 county assessor.

41 SECTION 703. IC 36-3-5-8, AS AMENDED BY P.L.219-2007,  
42 SECTION 113, IS AMENDED TO READ AS FOLLOWS  
43 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) This section applies whenever  
44 a special taxing district of the consolidated city has the power to issue  
45 bonds, notes, or warrants.

46 (b) Before any bonds, notes, or warrants of a special taxing district  
47 may be issued, the issue must be approved by resolution of the  
48 legislative body of the consolidated city.

49 (c) Any bonds of a special taxing district must be issued in the  
50 manner prescribed by statute for that district, and the board of the  
51 department having jurisdiction over the district shall:



- 1 (1) hold all required hearings;  
 2 (2) adopt all necessary resolutions; and  
 3 (3) appropriate the proceeds of the bonds;  
 4 in that manner. However, the legislative body shall levy each year the  
 5 special tax required to pay the principal of and interest on the bonds  
 6 and any bank paying charges.

7 (d) Notwithstanding any other statute, bonds of a special taxing  
 8 district may:

- 9 (1) be dated;  
 10 (2) be issued in any denomination;  
 11 (3) **except as otherwise provided by IC 5-1-14-10**, mature at any  
 12 time or times not exceeding fifty (50) years after their date; and  
 13 (4) be payable at any bank or banks;

14 as determined by the board. The interest rate or rates that the bonds will  
 15 bear must be determined by bidding, notwithstanding IC 5-1-11-3.

16 (e) Bonds of a special taxing district are subject to the provisions of  
 17 IC 5-1 and IC 6-1.1-20 relating to **the following**:

18 (1) The filing of a petition requesting the issuance of bonds and  
 19 giving notice of the petition.

20 (2) The giving of notice of a hearing on the appropriation of the  
 21 proceeds of bonds.

22 (3) The right of taxpayers to appear and be heard on the proposed  
 23 appropriation.

24 (4) The approval of the appropriation by the department of local  
 25 government finance.

26 (5) The right of:

27 (A) taxpayers and voters to remonstrate against the issuance of  
 28 bonds ~~and~~ **in the case of a proposed bond issue described by**  
 29 **IC 6-1.1-20-3.1(a); or**

30 (B) **voters to vote on the issuance of bonds in the case of a**  
 31 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

32 (6) The sale of bonds at public sale.

33 (7) **The maximum term or repayment period provided by**  
 34 **IC 5-1-14-10.**

35 SECTION 704. IC 36-3-6-4, AS AMENDED BY P.L.227-2005,  
 36 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JULY 1, 2008]: Sec. 4. (a) Before the Wednesday after the first  
 38 Monday in July each year, the consolidated city and county shall  
 39 prepare budget estimates for the ensuing budget year under this section.

40 (b) The following officers shall prepare for their respective  
 41 departments, offices, agencies, or courts an estimate of the amount of  
 42 money required for the ensuing budget year, stating in detail each  
 43 category and item of expenditure they anticipate:

44 (1) The director of each department of the consolidated city.

45 (2) Each township assessor (**if any**), elected county officer, or  
 46 head of a county agency.

47 (3) The county clerk, for each court ~~of which he is the clerk~~  
 48 **serves.**

49 (c) In addition to the estimates required by subsection (b), the  
 50 county clerk shall prepare an estimate of the amount of money that is,  
 51 under law, taxable against the county for the expenses of cases tried in

1 other counties on changes of venue.

2 (d) Each officer listed in subsection (b)(2) or (b)(3) shall append a  
3 certificate to each estimate the officer prepares stating that in the  
4 officer's opinion the amount fixed in each item will be required for the  
5 purpose indicated. The certificate must be verified by the oath of the  
6 officer.

7 (e) An estimate for a court or division of a court is subject to  
8 modification and approval by the judge of the court or division.

9 (f) All of the estimates prepared by city officers and county officers  
10 shall be submitted to the controller.

11 (g) The controller shall also prepare an itemized estimate of city and  
12 county expenditures for other purposes above the money proposed to  
13 be used by the city departments and county officers and agencies.

14 SECTION 705. IC 36-3-6-9, AS AMENDED BY P.L.1-2006,  
15 SECTION 561, IS AMENDED TO READ AS FOLLOWS  
16 [EFFECTIVE JULY 1, 2008]: Sec. 9. (a) The city-county legislative  
17 body shall review the proposed operating and maintenance budgets and  
18 tax levies and adopt final operating and maintenance budgets and tax  
19 levies for each of the following entities in the county:

- 20 (1) An airport authority operating under IC 8-22-3.  
21 (2) A public library operating under IC 36-12.  
22 (3) A capital improvement board of managers operating under  
23 IC 36-10.  
24 (4) A public transportation corporation operating under IC 36-9-4.  
25 **(5) A health and hospital corporation established under**  
26 **IC 16-22-8.**  
27 **(6) Any other taxing unit ( as defined in IC 6-1.1-1-21) that is**  
28 **located in the county and has a governing body that is not**  
29 **comprised of a majority of officials who are elected to serve**  
30 **on the governing body.**

31 Except as provided in subsection (c), the city-county legislative body  
32 may reduce or modify but not increase a proposed operating and  
33 maintenance budget or tax levy under this section.

34 (b) The board of each entity listed in subsection (a) shall, after  
35 adoption of its proposed budget and tax levies, submit them, along with  
36 detailed accounts, to the city clerk before the first day of September of  
37 each year.

38 (c) The city-county legislative body ~~may~~ **shall** review the issuance  
39 of bonds of an entity listed in subsection (a). ~~but~~ Approval of the  
40 city-county legislative body is ~~not~~ required for the issuance of bonds.  
41 The city-county legislative body may not reduce or modify a budget or  
42 tax levy of an entity listed in subsection (a) in a manner that would:

- 43 (1) limit or restrict the rights vested in the entity to fulfill the  
44 terms of any agreement made with the holders of the entity's  
45 bonds; or  
46 (2) in any way impair the rights or remedies of the holders of the  
47 entity's bonds.

48 (d) If the assessed valuation of a taxing unit is entirely contained  
49 within an excluded city or town (as described in IC 36-3-1-7) that is  
50 located in a county having a consolidated city, the governing body of  
51 the taxing unit shall submit its proposed operating and maintenance

1 budget and tax levies to the city or town fiscal body for approval.

2 (e) The city-county legislative body may review and modify the  
3 operating and maintenance budgets and the tax levies of a health and  
4 hospital corporation operating under IC 16-22-8. If the total of all  
5 proposed property tax levies for the health and hospital corporation for  
6 the ensuing calendar year is more than five percent (5%) greater than  
7 the total of all property tax levies for the health and hospital  
8 corporation for the current calendar year, the city-county legislative  
9 body shall review the proposed budget and the tax levies of the health  
10 and hospital corporation and shall adopt the final budget and tax levies  
11 for the health and hospital corporation. Except as provided in  
12 subsection (c), the city-county legislative body may reduce or modify  
13 but not increase the health and hospital corporation's proposed  
14 operating and maintenance budget or tax levy under this section. The  
15 board of the health and hospital corporation shall, after adoption of its  
16 proposed budget and tax levies, submit them, along with detailed  
17 accounts, to the city clerk before the first day of September of each  
18 year.

19 SECTION 706. IC 36-3-7-5, AS AMENDED BY P.L.219-2007,  
20 SECTION 114, IS AMENDED TO READ AS FOLLOWS  
21 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) Liens for taxes levied  
22 by the consolidated city are perfected when evidenced on the tax  
23 duplicate in the office of the treasurer of the county.

24 (b) Liens created when the city enters upon property to make  
25 improvements to bring it into compliance with a city ordinance, and  
26 liens created upon failure to pay charges assessed by the city for  
27 services shall be certified to the auditor, after the adoption of a  
28 resolution confirming the incurred expense by the appropriate city  
29 department, board, or other agency. In addition, the resolution must  
30 state the name of the owner as it appears on the township assessor's or  
31 county assessor's record and a description of the property.

32 (c) The amount of a lien shall be placed on the tax duplicate by the  
33 auditor in the nature of a delinquent tax subject to enforcement and  
34 collection as otherwise provided under IC 6-1.1-22, IC 6-1.1-24, and  
35 IC 6-1.1-25. However, the amount of the lien is not considered a tax  
36 within the meaning of IC 6-1.1-21-2(b) and shall not be included as a  
37 part of either a total county tax levy under IC 6-1.1-21-2(g) or the tax  
38 liability of a taxpayer under IC 6-1.1-21-5 for purposes of the tax credit  
39 computations under IC 6-1.1-21-4 and IC 6-1.1-21-5.

40 SECTION 707. IC 36-5-1-3, AS AMENDED BY P.L.219-2007,  
41 SECTION 115, IS AMENDED TO READ AS FOLLOWS  
42 [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) A petition for incorporation  
43 must be accompanied by the following items, to be supplied at the  
44 expense of the petitioners:

- 45 (1) A survey, certified by a surveyor registered under IC 25-21.5,  
46 showing the boundaries of and quantity of land contained in the  
47 territory sought to be incorporated.
- 48 (2) An enumeration of the territory's residents and landowners and  
49 their mailing addresses, completed not more than thirty (30) days  
50 before the time of filing of the petition and verified by the persons  
51 supplying it.

1 (3) ~~Except as provided in subsection (b)~~; A statement of the  
 2 assessed valuation of all real property within the territory,  
 3 certified by the ~~assessors township assessor~~ of the ~~townships~~  
 4 **township** in which the territory is located, **or the county assessor**  
 5 **if there is no township assessor for the township.**

6 (4) A statement of the services to be provided to the residents of  
 7 the proposed town and the approximate times at which they are to  
 8 be established.

9 (5) A statement of the estimated cost of the services to be  
 10 provided and the proposed tax rate for the town.

11 (6) The name to be given to the proposed town.

12 ~~(b) If the duties of the township assessor have been transferred to~~  
 13 ~~the county assessor as described in IC 6-1.1-1-24, a reference to the~~  
 14 ~~township assessor in this section is considered to be a reference to the~~  
 15 ~~county assessor.~~

16 SECTION 708. IC 36-5-2-11, AS AMENDED BY P.L.219-2007,  
 17 SECTION 116, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) The legislative body may  
 19 issue bonds for the purpose of procuring money to be used in the  
 20 exercise of the powers of the town and for the payment of town debts.  
 21 However, a town may not issue bonds to procure money to pay current  
 22 expenses.

23 (b) Bonds issued under this section are payable in the amounts and  
 24 at the times determined by the legislative body.

25 (c) Bonds issued under this section are subject to the provisions of  
 26 IC 5-1 and IC 6-1.1-20 relating to **the following**:

27 (1) The filing of a petition requesting the issuance of bonds and  
 28 giving notice of the petition.

29 (2) The giving of notice of a hearing on the appropriation of the  
 30 proceeds of bonds.

31 (3) The right of taxpayers to appear and be heard on the proposed  
 32 appropriation.

33 (4) The approval of the appropriation by the department of local  
 34 government finance.

35 (5) The right of:

36 (A) taxpayers and voters to remonstrate against the issuance of  
 37 bonds ~~and in the case of a proposed bond issue described by~~  
 38 **IC 6-1.1-20-3.1(a); or**

39 **(B) voters to vote on the issuance of bonds in the case of a**  
 40 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

41 (6) The sale of bonds at public sale for not less than their par  
 42 value.

43 (d) The legislative body may, by ordinance, make loans of money  
 44 for not more than five (5) years and issue notes for the purpose of  
 45 refunding those loans. The loans may be made only for the purpose of  
 46 procuring money to be used in the exercise of the powers of the town,  
 47 and the total amount of outstanding loans under this subsection may not  
 48 exceed five percent (5%) of the town's total tax levy in the current year  
 49 (excluding amounts levied to pay debt service and lease rentals). Loans  
 50 under this subsection shall be made as follows:

51 (1) The ordinance authorizing the loans must pledge to their

1 payment a sufficient amount of tax revenues over the ensuing five  
2 (5) years to provide for refunding the loans.

3 (2) The loans must be evidenced by notes of the town in terms  
4 designating the nature of the consideration, the time and place  
5 payable, and the revenues out of which they will be payable.

6 (3) The interest accruing on the notes to the date of maturity may  
7 be added to and included in their face value or be made payable  
8 periodically, as provided in the ordinance.

9 Notes issued under this subsection are not bonded indebtedness for  
10 purposes of IC 6-1.1-18.5.

11 SECTION 709. IC 36-6-4-3, AS AMENDED BY P.L.1-2006,  
12 SECTION 562, IS AMENDED TO READ AS FOLLOWS  
13 [EFFECTIVE JULY 1, 2008]: Sec. 3. The executive shall do the  
14 following:

15 (1) Keep a written record of official proceedings.

16 (2) Manage all township property interests.

17 (3) Keep township records open for public inspection.

18 (4) Attend all meetings of the township legislative body.

19 (5) Receive and pay out township funds.

20 (6) Examine and settle all accounts and demands chargeable  
21 against the township.

22 (7) Administer township assistance under IC 12-20 and  
23 IC 12-30-4.

24 (8) Perform the duties of fence viewer under IC 32-26.

25 ~~(9) Act as township assessor when required by IC 36-6-5.~~

26 ~~(10)~~ (9) Provide and maintain cemeteries under IC 23-14.

27 ~~(11)~~ (10) Provide fire protection under IC 36-8, except in a  
28 township that:

29 (A) is located in a county having a consolidated city; and

30 (B) consolidated the township's fire department under  
31 IC 36-3-1-6.1.

32 ~~(12)~~ (11) File an annual personnel report under IC 5-11-13.

33 ~~(13)~~ (12) Provide and maintain township parks and community  
34 centers under IC 36-10.

35 ~~(14)~~ (13) Destroy detrimental plants, noxious weeds, and rank  
36 vegetation under IC 15-3-4.

37 ~~(15)~~ (14) Provide insulin to the poor under IC 12-20-16.

38 ~~(16)~~ (15) Perform other duties prescribed by statute.

39 SECTION 710. IC 36-6-5-1, AS AMENDED BY HEA 1137-2008,  
40 SECTION 262, IS AMENDED TO READ AS FOLLOWS  
41 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) ~~Except as provided in~~  
42 ~~subsection (f),~~ **Subject to subsection (g), before 2009,** a township  
43 assessor shall be elected under IC 3-10-2-13 by the voters of each  
44 township:

45 (1) having:

46 ~~(1)~~ (A) a population of more than eight thousand (8,000); or

47 ~~(2)~~ (B) an elected township assessor or the authority to elect a  
48 township assessor before January 1, 1979; **and**

49 (2) **in which the number of parcels of real property on**  
50 **January 1, 2008, is at least fifteen thousand (15,000).**

1           (b) ~~Except as provided in subsection (f),~~ **Subject to subsection (g),**  
 2 **before 2009,** a township assessor shall be elected under IC 3-10-2-14  
 3 in each township:

4           (1) having a population of more than five thousand (5,000) but  
 5 not more than eight thousand (8,000), if the legislative body of the  
 6 township:

7           ~~(1) (A)~~ **(A)** by resolution, declares that the office of township  
 8 assessor is necessary; and

9           ~~(2) (B)~~ **(B)** the resolution is filed with the county election board  
 10 not later than the first date that a declaration of candidacy may  
 11 be filed under IC 3-8-2; **and**

12           **(2) in which the number of parcels of real property on**  
 13 **January 1, 2008, is at least fifteen thousand (15,000)**

14           (c) ~~Except as provided in subsection (f),~~ **Subject to subsection (g),**  
 15 a township government that is created by merger under IC 36-6-1.5  
 16 shall elect only one (1) township assessor under this section.

17           **(d) Subject to subsection (g), after 2008 a township assessor**  
 18 **shall be elected under IC 3-10-2-13 only by the voters of each**  
 19 **township in which:**

20           **(1) the number of parcels of real property on January 1, 2008,**  
 21 **is at least fifteen thousand (15,000); and**

22           **(2) the transfer to the county assessor of the assessment duties**  
 23 **prescribed by IC 6-1.1 is disapproved in the referendum**  
 24 **under IC 36-2-15.**

25           ~~(d)~~ (e) The township assessor must reside within the township as  
 26 provided in Article 6, Section 6 of the Constitution of the State of  
 27 Indiana. The assessor forfeits office if the assessor ceases to be a  
 28 resident of the township.

29           ~~(e)~~ (f) The term of office of a township assessor is four (4) years,  
 30 beginning January 1 after election and continuing until a successor is  
 31 elected and qualified. However, the term of office of a township  
 32 assessor elected at a general election in which no other township  
 33 officer is elected ends on December 31 after the next election in which  
 34 any other township officer is elected.

35           ~~(f)~~ (g) A person who runs for the office of township assessor in an  
 36 election after June 30, 2008, is subject to IC 3-8-1-23.6.

37           **(h) After June 30, 2008, the county assessor shall perform the**  
 38 **assessment duties prescribed by IC 6-1.1 in a township in which the**  
 39 **number of parcels of real property on January 1, 2008, is less than**  
 40 **fifteen thousand (15,000).**

41           SECTION 711. IC 36-6-5-3, AS AMENDED BY P.L.219-2007,  
 42 SECTION 119, IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) Except as provided in  
 44 subsection (b), the assessor shall perform the duties prescribed by  
 45 statute, including assessment duties prescribed by IC 6-1.1.

46           (b) Subsection (a) does not apply if the duties of the township  
 47 assessor have been transferred to the county assessor as described in  
 48 IC 6-1.1-1-24 **or IC 36-2-15.**

49           SECTION 712. IC 36-6-5-4 IS ADDED TO THE INDIANA CODE  
 50 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY

1 1, 2008]: **Sec. 4. After June 30, 2009, an employee of a township**  
 2 **assessor who performs real property assessing duties must have**  
 3 **attained the level of certification under IC 6-1.1-35.5 that the**  
 4 **township assessor is required to attain under IC 3-8-1-23.6.**

5 SECTION 713. IC 36-6-6-10, AS AMENDED BY P.L.169-2006,  
 6 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2008]: Sec. 10. (a) This section does not apply to the  
 8 appropriation of money to pay a deputy ~~or~~ an employee ~~or a technical~~  
 9 ~~adviser that assists of~~ a township assessor with assessment duties or to  
 10 an elected township assessor.

11 (b) The township legislative body shall fix the:

12 (1) salaries;

13 (2) wages;

14 (3) rates of hourly pay; and

15 (4) remuneration other than statutory allowances;

16 of all officers and employees of the township.

17 (c) Subject to subsection (d), the township legislative body may  
 18 reduce the salary of an elected or appointed official. However, except  
 19 as provided in subsection ~~(i)~~, **(h)**, the official is entitled to a salary that  
 20 is not less than the salary fixed for the first year of the term of office  
 21 that immediately preceded the current term of office.

22 (d) Except as provided in ~~subsections (e) and (i)~~, **subsection (h)**, the  
 23 township legislative body may not alter the salaries of elected or  
 24 appointed officers during the fiscal year for which they are fixed, but  
 25 it may add or eliminate any other position and change the salary of any  
 26 other employee, if the necessary funds and appropriations are available.

27 ~~(e) In a township that does not elect a township assessor under~~  
 28 ~~IC 36-6-5-1, the township legislative body may appropriate available~~  
 29 ~~township funds to supplement the salaries of elected or appointed~~  
 30 ~~officers to compensate them for performing assessing duties. However,~~  
 31 ~~in any calendar year no officer or employee may receive a salary and~~  
 32 ~~additional salary supplements which exceed the salary fixed for that~~  
 33 ~~officer or employee under subsection (b):~~

34 ~~(f) (e)~~ If a change in the mileage allowance paid to state officers and  
 35 employees is established by July 1 of any year, that change shall be  
 36 included in the compensation fixed for the township executive and  
 37 assessor under this section, to take effect January 1 of the next year.  
 38 However, the township legislative body may by ordinance provide for  
 39 the change in the sum per mile to take effect before January 1 of the  
 40 next year.

41 ~~(g) (f)~~ The township legislative body may not reduce the salary of  
 42 the township executive without the consent of the township executive  
 43 during the term of office of the township executive as set forth in  
 44 IC 36-6-4-2.

45 ~~(h) (g)~~ This subsection applies when a township executive dies or  
 46 resigns from office. The person filling the vacancy of the township  
 47 executive shall receive at least the same salary the previous township  
 48 executive received for the remainder of the unexpired term of office of  
 49 the township executive (as set forth in IC 36-6-4-2), unless the person  
 50 consents to a reduction in salary.

51 ~~(i) (h)~~ In a year in which there is not an election of members to the

1 township legislative body, the township legislative body may by  
 2 unanimous vote reduce the salaries of the members of the township  
 3 legislative body by any amount.

4 SECTION 714. IC 36-6-6-13.5 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE UPON PASSAGE]: **Sec. 13.5. (a) A special meeting**  
 7 **may be held by the legislative body if the executive, the chairman**  
 8 **of the legislative body, or a majority of the members of the**  
 9 **legislative body issue a written notice of the meeting to each**  
 10 **member of the legislative body. The notice must state the time,**  
 11 **place, and purpose of the meeting.**

12 **(b) The legislative body may consider any matter at a special**  
 13 **meeting. However, the only matters that may be acted on at the**  
 14 **special meeting are the matters set forth in the notice.**

15 SECTION 715. IC 36-6-6-14 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE UPON PASSAGE]: ~~Sec. 14. (a) A special~~  
 17 ~~meeting may be held by the legislative body if the executive, the~~  
 18 ~~chairman of the legislative body, or a majority of the members of the~~  
 19 ~~legislative body issue a written notice of the meeting to each member~~  
 20 ~~of the legislative body. The notice must state the time, place, and~~  
 21 ~~purpose of the meeting.~~

22 ~~(b) At the any special meeting, if two (2) or more members give~~  
 23 ~~their consent, the legislative body may determine whether there is an~~  
 24 **a need for fire and emergency services or other** emergency requiring  
 25 the expenditure of money not included in the township's budget  
 26 estimates and levy.

27 **(b) Subject to section 14.5 of this chapter, if the legislative body**  
 28 **finds that such an a need for fire and emergency services or other**  
 29 **emergency exists, it may issue a special order, entered and signed on**  
 30 **the record, authorizing the executive to borrow a specified amount of**  
 31 **money sufficient to meet the emergency.**

32 **(c) Notwithstanding IC 36-8-13-4(a), the legislative body may**  
 33 **authorize the executive to borrow a specified sum from a township**  
 34 **fund other than the township firefighting fund if the legislative body**  
 35 **finds that the emergency requiring the expenditure of money is related**  
 36 **to paying the operating expenses of a township fire department or a**  
 37 **volunteer fire department. At its next annual session, the legislative**  
 38 **body shall cover the debt created by making a levy to the credit of the**  
 39 **fund for which the amount was borrowed under this subsection.**

40 **(d) In determining whether a fire and emergency services need**  
 41 **exists requiring the expenditure of money not included in the**  
 42 **township's budget estimates and levy, the legislative body and any**  
 43 **reviewing authority considering the approval of the additional**  
 44 **borrowing shall consider the following factors:**

45 **(1) The current and projected certified and noncertified**  
 46 **public safety payroll needs of the township.**

47 **(2) The current and projected need for fire and emergency**  
 48 **services within the jurisdiction served by the township.**

49 **(3) Any applicable national standards or recommendations**  
 50 **for the provision of fire protection and emergency services.**

51 **(4) Current and projected growth in the number of residents**



1           **and other citizens served by the township, emergency service**  
 2           **runs, certified and noncertified personnel, and other**  
 3           **appropriate measures of public safety needs in the**  
 4           **jurisdiction served by the township.**

5           **(5) Salary comparisons for certified and noncertified public**  
 6           **safety personnel in the township and other surrounding or**  
 7           **comparable jurisdictions.**

8           **(6) Prior annual expenditures for fire and emergency services,**  
 9           **including all amounts budgeted under this chapter.**

10          **(7) Current and projected growth in the assessed value of**  
 11          **property requiring protection in the jurisdiction served by the**  
 12          **township.**

13          **(8) Other factors directly related to the provision of public**  
 14          **safety within the jurisdiction served by the township.**

15          **(e) In the event the township received additional funds under**  
 16          **this chapter in the immediately preceding budget year for an**  
 17          **approved expenditure, any reviewing authority shall take into**  
 18          **consideration the use of the funds in the immediately preceding**  
 19          **budget year and the continued need for funding the services and**  
 20          **operations to be funded with the proceeds of the loan.**

21          SECTION 716. IC 36-6-6-15 IS AMENDED TO READ AS  
 22          FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) If the  
 23          legislative body finds that an emergency requires the borrowing of  
 24          money to meet the township's current expenses, it may take out  
 25          temporary loans in an amount not more than ~~fifty eighty~~ percent ~~(50%)~~  
 26          **(80%)** of the total anticipated revenue for the remainder of the year in  
 27          which the loans are taken out.

28          (b) The legislative body must authorize the temporary loans by a  
 29          resolution:

- 30           (1) stating the nature of the consideration for the loans;
- 31           (2) stating the time the loans are payable;
- 32           (3) stating the place the loans are payable;
- 33           (4) stating a rate of interest;
- 34           (5) stating the anticipated revenues on which the loans are based  
 35           and out of which they are payable; and
- 36           (6) appropriating a sufficient amount of the anticipated revenues  
 37           on which the loans are based and out of which they are payable  
 38           for the payment of the loans.

39          (c) The loans must be evidenced by time warrants of the township  
 40          stating:

- 41           (1) the nature of the consideration;
- 42           (2) the time payable;
- 43           (3) the place payable; and
- 44           (4) the anticipated revenues on which they are based and out of  
 45           which they are payable.

46          SECTION 717. IC 36-6-8-5 IS AMENDED TO READ AS  
 47          FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) When performing  
 48          the real property reassessment duties prescribed by IC 6-1.1-4, a  
 49          township assessor may receive per diem compensation, in addition to  
 50          salary, at a rate fixed by the county fiscal body, for each day that ~~he~~ **the**  
 51          **assessor** is engaged in reassessment activities. ~~including service on the~~

1 ~~county land valuation commission.~~

2 (b) Subsection (a) applies regardless of whether professional  
3 assessing services are provided to a township under contract.

4 SECTION 718. IC 36-7-4-207 IS AMENDED TO READ AS  
5 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 207. (a) ADVISORY.  
6 In a city having a park board and a city civil engineer, the city plan  
7 commission consists of nine (9) members, as follows:

8 (1) One (1) member appointed by the city legislative body from  
9 its membership.

10 (2) One (1) member appointed by the park board from its  
11 membership.

12 (3) One (1) member or designated representative appointed by the  
13 city works board.

14 (4) The city civil engineer or a qualified assistant appointed by the  
15 city civil engineer.

16 (5) Five (5) citizen members, of whom no more than three (3)  
17 may be of the same political party, appointed by the city  
18 executive.

19 (b) ADVISORY. If a city lacks either a park board or a city civil  
20 engineer, or both, subsection (a) does not apply. In such a city or in any  
21 town, the municipal plan commission consists of seven (7) members,  
22 as follows:

23 (1) The municipal legislative body shall appoint three (3) persons,  
24 who must be elected or appointed municipal officials or  
25 employees in the municipal government, as members.

26 (2) The municipal executive shall appoint four (4) citizen  
27 members, of whom no more than two (2) may be of the same  
28 political party.

29 (c) AREA. To provide equitable representation of rural and urban  
30 populations, representation on the area plan commission is determined  
31 as follows:

32 (1) Seven (7) representatives from each city having a population  
33 of more than one hundred five thousand (105,000).

34 (2) Six (6) representatives from each city having a population of  
35 not less than seventy thousand (70,000) nor more than one  
36 hundred five thousand (105,000).

37 (3) Five (5) representatives from each city having a population of  
38 not less than thirty-five thousand (35,000) but less than seventy  
39 thousand (70,000).

40 (4) Four (4) representatives from each city having a population of  
41 not less than twenty thousand (20,000) but less than thirty-five  
42 thousand (35,000).

43 (5) Three (3) representatives from each city having a population  
44 of not less than ten thousand (10,000) but less than twenty  
45 thousand (20,000).

46 (6) Two (2) representatives from each city having a population of  
47 less than ten thousand (10,000).

48 (7) One (1) representative from each town having a population of  
49 more than two thousand one hundred (2,100), and one (1)  
50 representative from each town having a population of two  
51 thousand one hundred (2,100) or less that had a representative

1 before January 1, 1979.

2 (8) Such representatives from towns having a population of not  
3 more than two thousand one hundred (2,100) as are provided for  
4 in section 210 of this chapter.

5 (9) Six (6) county representatives if the total number of municipal  
6 representatives in the county is an odd number, or five (5) county  
7 representatives if the total number of municipal representatives is  
8 an even number.

9 (d) METRO. The metropolitan development commission consists  
10 of nine (9) citizen members, as follows:

11 (1) Four (4) members, of whom no more than two (2) may be of  
12 the same political party, appointed by the executive of the  
13 consolidated city.

14 (2) Three (3) members, of whom no more than two (2) may be of  
15 the same political party, appointed by the legislative body of the  
16 consolidated city.

17 (3) Two (2) members, who must be of different political parties,  
18 appointed by the board of commissioners of the county.

19 (e) **METRO. The legislative body of the consolidated city shall**  
20 **appoint an individual to serve as a nonvoting adviser to the**  
21 **metropolitan development commission when the commission is**  
22 **acting as the redevelopment commission of the consolidated city**  
23 **under IC 36-7-15.1. If the duties of the metropolitan development**  
24 **commission under IC 36-7-15.1 are transferred to another entity**  
25 **under IC 36-3-4-23, the individual appointed under this subsection**  
26 **shall serve as a nonvoting adviser to that entity. A nonvoting**  
27 **adviser appointed under this subsection:**

28 (1) **must also be a member of the school board of a school**  
29 **corporation that includes all or part of the territory of the**  
30 **consolidated city;**

31 (2) **is not considered a member of the metropolitan**  
32 **development commission for purposes of IC 36-7-15.1 but is**  
33 **entitled to attend and participate in the proceedings of all**  
34 **meetings of the metropolitan development commission (or any**  
35 **successor entity designated under IC 36-3-4-23) when it is**  
36 **acting as a redevelopment commission under IC 36-7-15.1;**

37 (3) **is not entitled to a salary, per diem, or reimbursement of**  
38 **expenses;**

39 (4) **serves for a term of two (2) years and until a successor is**  
40 **appointed; and**

41 (5) **serves at the pleasure of the legislative body of the**  
42 **consolidated city.**

43 SECTION 719. IC 36-7-11.2-58, AS AMENDED BY P.L.219-2007,  
44 SECTION 122, IS AMENDED TO READ AS FOLLOWS  
45 [EFFECTIVE JULY 1, 2008]: Sec. 58. (a) A person who has filed a  
46 petition under section 56 or 57 of this chapter shall, not later than ten  
47 (10) days after the filing, serve notice upon all interested parties. The  
48 notice must state the following:

49 (1) The full name and address of the following:

50 (A) The petitioner.

51 (B) Each attorney acting for and on behalf of the petitioner.

- 1 (2) The street address of the Meridian Street and bordering  
 2 property for which the petition was filed.
- 3 (3) The name of the owner of the property.
- 4 (4) The full name and address of, and the type of business, if any,  
 5 conducted by:
- 6 (A) each person who at the time of the filing is a party to; and  
 7 (B) each person who is a disclosed or an undisclosed principal  
 8 for whom the party was acting as agent in entering into;  
 9 a contract of sale, lease, option to purchase or lease, agreement to  
 10 build or develop, or other written agreement of any kind or nature  
 11 concerning the subject property or the present or future  
 12 ownership, use, occupancy, possession, or development of the  
 13 subject property.
- 14 (5) A description of the contract of sale, lease, option to purchase  
 15 or lease, agreement to build or develop, or other written  
 16 agreement sufficient to disclose the full nature of the interest of  
 17 the party or of the party's principal in the subject property or in  
 18 the present or future ownership, use, occupancy, possession, or  
 19 development of the subject property.
- 20 (6) A description of the proposed use for which the rezoning or  
 21 zoning variance is sought, sufficiently detailed to appraise the  
 22 notice recipient of the true character, nature, extent, and physical  
 23 properties of the proposed use.
- 24 (7) The date of the filing of the petition.
- 25 (8) The date, time, and place of the next regular meeting of the  
 26 commission if a petition is for approval of a zoning variance. If a  
 27 petition is filed with the development commission, the notice does  
 28 not have to specify the date of a hearing before the commission or  
 29 the development commission. However, the person filing the  
 30 petition shall give ten (10) days notice of the date, time, and place  
 31 of a hearing before the commission on the petition after the  
 32 referral of the petition to the commission by the development  
 33 commission.
- 34 (b) For purposes of giving notice to the interested parties who are  
 35 owners, the records in the bound volumes of the recent real estate tax  
 36 assessment records as the records appear in:
- 37 (1) the offices of the township assessors (**if any**); or  
 38 (2) the office of the county assessor;
- 39 as of the date of filing are considered determinative of the persons who  
 40 are owners.
- 41 SECTION 720. IC 36-7-11.3-6, AS AMENDED BY P.L.219-2007,  
 42 SECTION 123, IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE JULY 1, 2008]: Sec. 6. As used in this chapter, "notice"  
 44 means written notice:
- 45 (1) served personally upon the person, official, or office entitled  
 46 to the notice; or  
 47 (2) served upon the person, official, or office by placing the notice  
 48 in the United States mail, first class postage prepaid, properly  
 49 addressed to the person, official, or office. Notice is considered  
 50 served if mailed in the manner prescribed by this subdivision  
 51 properly addressed to the following:

- 1 (A) The governor, both to the address of the governor's official  
 2 residence and to the governor's executive office in  
 3 Indianapolis.
- 4 (B) The Indiana department of transportation, to the  
 5 commissioner.
- 6 (C) The department of natural resources, both to the director  
 7 of the department and to the director of the department's  
 8 division of historic preservation and archeology.
- 9 (D) The municipal plan commission.
- 10 (E) An occupant, to:  
 11 (i) the person by name; or  
 12 (ii) if the name is unknown, the "Occupant" at the address of  
 13 the primary or secondary property occupied by the person.
- 14 (F) An owner, to the person by the name shown to be the name  
 15 of the owner, and at the person's address, as appears in the  
 16 records in the bound volumes of the most recent real estate tax  
 17 assessment records as the records appear in:  
 18 (i) the offices of the township assessors (**if any**); or  
 19 (ii) the office of the county assessor.
- 20 (G) The society, to the organization at the latest address as  
 21 shown in the records of the commission.
- 22 SECTION 721. IC 36-7-11.3-52, AS AMENDED BY P.L.219-2007,  
 23 SECTION 124, IS AMENDED TO READ AS FOLLOWS  
 24 [EFFECTIVE JULY 1, 2008]: Sec. 52. (a) A person who has filed a  
 25 petition under section 50 or 51 of this chapter shall, not later than ten  
 26 (10) days after the filing, serve notice upon all interested parties. The  
 27 notice must state the following:
- 28 (1) The full name and address of the following:  
 29 (A) The petitioner.  
 30 (B) Each attorney acting for and on behalf of the petitioner.
- 31 (2) The street address of the primary and secondary property for  
 32 which the petition was filed.
- 33 (3) The name of the owner of the property.
- 34 (4) The full name and address of and the type of business, if any,  
 35 conducted by:  
 36 (A) each person who at the time of the filing is a party to; and  
 37 (B) each person who is a disclosed or an undisclosed principal  
 38 for whom the party was acting as agent in entering into;  
 39 a contract of sale, lease, option to purchase or lease, agreement to  
 40 build or develop, or other written agreement of any kind or nature  
 41 concerning the subject property or the present or future  
 42 ownership, use, occupancy, possession, or development of the  
 43 subject property.
- 44 (5) A description of the contract of sale, lease, option to purchase  
 45 or lease, agreement to build or develop, or other written  
 46 agreement sufficient to disclose the full nature of the interest of  
 47 the party or of the party's principal in the subject property or in  
 48 the present or future ownership, use, occupancy, possession, or  
 49 development of the subject property.
- 50 (6) A description of the proposed use for which the rezoning or  
 51 zoning variance is sought, sufficiently detailed to appraise the

1 notice recipient of the true character, nature, extent, and physical  
2 properties of the proposed use.

3 (7) The date of the filing of the petition.

4 (8) The date, time, and place of the next regular meeting of the  
5 commission if a petition is for approval of a zoning variance. If a  
6 petition is filed with the development commission, the notice does  
7 not have to specify the date of a hearing before the commission or  
8 the development commission. However, the person filing the  
9 petition shall give ten (10) days notice of the date, time, and place  
10 of a hearing before the commission on the petition after the  
11 referral of the petition to the commission by the development  
12 commission.

13 (b) For purposes of giving notice to the interested parties who are  
14 owners, the records in the bound volumes of the recent real estate tax  
15 assessment records as the records appear in:

16 (1) the offices of the township assessors (**if any**); or

17 (2) the office of the county assessor;

18 as of the date of filing are considered determinative of the persons who  
19 are owners.

20 SECTION 722. IC 36-7-12-27 IS AMENDED TO READ AS  
21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 27. (a) Bonds issued by  
22 a unit under section 25 of this chapter may be issued as serial bonds,  
23 term bonds, or a combination of both types. The ordinance of the fiscal  
24 body authorizing bonds, notes, or warrants, or the financing agreement  
25 or the trust indenture approved by the ordinance, must provide:

26 (1) the manner of their execution, either by the manual or  
27 facsimile signatures of the executive of the unit and the clerk of  
28 the fiscal body;

29 (2) their date;

30 (3) their term or terms, which may not exceed forty (40) years,  
31 **except as otherwise provided by subsection (e);**

32 (4) their maximum interest rate if fixed rates are used or the  
33 manner in which the interest rate will be determined if variable or  
34 adjustable rates are used;

35 (5) their denominations;

36 (6) their form, either coupon or registered;

37 (7) their registration privileges;

38 (8) the medium of their payment;

39 (9) the place or places of their payment;

40 (10) the terms of their redemption; and

41 (11) any other provisions not inconsistent with this chapter.

42 (b) Bonds, notes, or warrants issued under section 25 of this chapter  
43 may be sold at public or private sale for the price or prices, in the  
44 manner, and at the time or times determined by the unit. The unit may  
45 advance all expenses, premiums, and commissions that it considers  
46 necessary or advantageous in connection with their issuance.

47 (c) The bonds, notes, or warrants and their authorization, issuance,  
48 sale, and delivery are not subject to any general statute concerning  
49 bonds, notes, or warrants of units.

50 (d) An action to contest the validity of bonds, notes, or warrants  
51 issued under section 25 of this chapter may not be commenced more

1 than thirty (30) days after the adoption of the ordinance approving them  
2 under section 25 of this chapter.

3 (e) **This subsection applies only to bonds, notes, or warrants**  
4 **issued under this chapter after June 30, 2008, that are wholly or**  
5 **partially payable from tax increment revenues derived from**  
6 **property taxes. The maximum term or repayment period for the**  
7 **bonds, notes, or warrants may not exceed:**

8 (1) **twenty-five (25) years, unless the bonds, notes, or warrants**  
9 **were:**

10 (A) **issued or entered into before July 1, 2008;**

11 (B) **issued or entered into after June 30, 2008, but**  
12 **authorized by a resolution adopted before July 1, 2008; or**

13 (C) **issued or entered into after June 30, 2008, in order to**  
14 **fulfill the terms of agreements or pledges entered into**  
15 **before July 1, 2008, with the holders of the bonds, notes,**  
16 **warrants, or other contractual obligations by or with**  
17 **developers, lenders, or units, or otherwise prevent an**  
18 **impairment of the rights or remedies of the holders of the**  
19 **bonds, notes, warrants, or other contractual obligations; or**

20 (2) **thirty (30) years, if the bonds, notes, or warrants were**  
21 **issued after June 30, 2008, to finance:**

22 (A) **an integrated coal gasification powerplant (as defined**  
23 **by IC 6-3.1-29-6);**

24 (B) **a part of an integrated coal gasification powerplant (as**  
25 **defined by IC 6-3.1-29-6); or**

26 (C) **property used in the operation or maintenance of an**  
27 **integrated coal gasification powerplant (as defined by**  
28 **IC 6-3.1-29-6);**

29 **that received a certificate of public convenience and necessity**  
30 **from the Indiana utility regulatory commission under**  
31 **IC 8-1-8.5 et seq. before July 1, 2008.**

32 (f) **The general assembly makes the following findings of fact**  
33 **with respect to an integrated coal gasification powerplant (as**  
34 **defined in IC 6-3.1-29-6) that received a certificate of public**  
35 **convenience and necessity from the Indiana utility regulatory**  
36 **commission under IC 8-1-8.5 et seq. before July 1, 2008:**

37 (1) **The health, safety, general welfare, and economic and**  
38 **energy security of the people of the state of Indiana require as**  
39 **a public purpose of the state the promotion of clean energy,**  
40 **including clean coal, technologies in Indiana.**

41 (2) **These technologies include the integrated coal gasification**  
42 **powerplant contemplated by this chapter, IC 6-1.1-20-1.1, and**  
43 **IC 36-7-14.**

44 (3) **Investment in the integrated coal gasification powerplant**  
45 **contemplated by this chapter, IC 6-1.1-20-1.1, and IC 36-7-14**  
46 **will result in substantial financial and other benefits to the**  
47 **state and its political subdivisions and the people of Indiana,**  
48 **including increased employment, tax revenue, and use of**  
49 **Indiana coal.**

50 (4) **It is in the best interest of the state and its citizens to**  
51 **promote and preserve financial and other incentives for the**

1 **integrated coal gasification powerplant.**

2 SECTION 723. IC 36-7-14-6.1, AS AMENDED BY P.L.190-2005,  
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2008]: Sec. 6.1. (a) The five (5) commissioners for a  
5 municipal redevelopment commission shall be appointed as follows:

6 (1) Three (3) shall be appointed by the municipal executive.

7 (2) Two (2) shall be appointed by the municipal legislative body.

8 **The municipal executive shall also appoint an individual to serve**  
9 **as a nonvoting adviser to the redevelopment commission beginning**  
10 **July 1, 2008.**

11 (b) The commissioners for a county redevelopment commission **that**  
12 **has five (5) members** shall be appointed by ~~the county executive.~~ as  
13 follows:

14 (1) **The county executive shall appoint all the members whose**  
15 **terms of office begin before January 1, 2008.**

16 (2) **For terms of office beginning after December 31, 2007, the**  
17 **county executive shall appoint three (3) members, and the**  
18 **county fiscal body shall appoint two (2) members.**

19 **The county executive shall also appoint an individual to serve as a**  
20 **nonvoting adviser to the redevelopment commission beginning July**  
21 **1, 2008.**

22 (c) The commissioners for a county redevelopment commission  
23 **that has seven (7) members** shall be appointed as follows:

24 (1) **The county executive shall appoint all the members whose**  
25 **terms of office begin before January 1, 2008.**

26 (2) **For terms of office beginning after December 31, 2007, the**  
27 **county executive shall appoint four (4) members, and the**  
28 **county fiscal body shall appoint three (3) members.**

29 **The county executive shall also appoint an individual to serve as a**  
30 **nonvoting adviser to the redevelopment commission beginning July**  
31 **1, 2008.**

32 (d) **A nonvoting adviser appointed under this section:**

33 (1) **must also be a member of the school board of a school**  
34 **corporation that includes all or part of the territory served by**  
35 **the redevelopment commission;**

36 (2) **is not considered a member of the redevelopment**  
37 **commission for purposes of this chapter but is entitled to**  
38 **attend and participate in the proceedings of all meetings of**  
39 **the redevelopment commission;**

40 (3) **is not entitled to a salary, per diem, or reimbursement of**  
41 **expenses;**

42 (4) **serves for a term of two (2) years and until a successor is**  
43 **appointed; and**

44 (5) **serves at the pleasure of the entity that appointed the**  
45 **nonvoting adviser.**

46 SECTION 724. IC 36-7-14-10 IS AMENDED TO READ AS  
47 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) A  
48 redevelopment commissioner **or a nonvoting adviser appointed**  
49 **under section 6.1 of this chapter** may not have a pecuniary interest in  
50 any contract, employment, purchase, or sale made under this chapter.  
51 However, any property required for redevelopment purposes in which



1 a commissioner **or nonvoting adviser** has a pecuniary interest may be  
2 acquired, but only by gift or condemnation.

3 (b) A transaction made in violation of this section is void.

4 SECTION 725. IC 36-7-14-15, AS AMENDED BY P.L.221-2007,  
5 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 JULY 1, 2008]: Sec. 15. (a) Whenever the redevelopment commission  
7 finds that:

8 (1) an area in the territory under ~~their~~ **its** jurisdiction is an area  
9 needing redevelopment;

10 (2) the conditions described in IC 36-7-1-3 cannot be corrected in  
11 the area by regulatory processes or the ordinary operations of  
12 private enterprise without resort to this chapter; ~~and~~

13 (3) the public health and welfare will be benefited by:

14 (A) the acquisition and redevelopment of the area under this  
15 chapter **as a redevelopment project area; or**

16 (B) **the amendment of the resolution or plan, or both, for**  
17 **an existing redevelopment project area; and**

18 (4) **in the case of an amendment to the resolution or plan for**  
19 **an existing redevelopment project area:**

20 (A) **the amendment is reasonable and appropriate when**  
21 **considered in relation to the original resolution or plan and**  
22 **the purposes of this chapter;**

23 (B) **the resolution or plan, with the proposed amendment,**  
24 **conforms to the comprehensive plan for the unit; and**

25 (C) **except as provided by subsection (f), if the amendment**  
26 **enlarges the boundaries of the area, the existing area does**  
27 **not generate sufficient revenue to meet the financial**  
28 **obligations of the original project;**

29 the commission shall cause to be prepared the data described in  
30 subsection (b).

31 (b) After making a finding under subsection (a), the commission  
32 shall cause to be prepared:

33 (1) maps and plats showing:

34 (A) the boundaries of the area ~~needing redevelopment; in~~  
35 **which property would be acquired for, or otherwise**  
36 **affected by, the establishment of a redevelopment project**  
37 **area or the amendment of the resolution or plan for an**  
38 **existing area;**

39 (B) the location of the various parcels of property, streets,  
40 alleys, and other features affecting the acquisition, clearance,  
41 remediation, replatting, replanning, rezoning, or  
42 redevelopment of the area, indicating any parcels of property  
43 to be excluded from the acquisition **or otherwise excluded**  
44 **from the effects of the establishment of the redevelopment**  
45 **project area or the amendment of the resolution or plan**  
46 **for an existing area; and**

47 ~~(B)~~ (C) the parts of the area acquired, **if any**, that are to be  
48 devoted to public ways, levees, sewerage, parks, playgrounds,  
49 and other public purposes under the redevelopment plan;

50 (2) lists of the owners of the various parcels of property proposed  
51 to be acquired **for, or otherwise affected by, the establishment**

1           **of an area or the amendment of the resolution or plan for an**  
 2           **existing area; and**

3           (3) an estimate of the ~~cost~~ **of costs, if any, to be incurred for the**  
 4           **acquisition and redevelopment of property.**

5           **(c) This subsection applies to the initial establishment of a**  
 6           **redevelopment project area.** After completion of the data required by  
 7           subsection (b), the redevelopment commission shall adopt a resolution  
 8           declaring that:

9           (1) the area needing redevelopment is a menace to the social and  
 10           economic interest of the unit and its inhabitants;

11           (2) it will be of public utility and benefit to acquire the area and  
 12           redevelop it under this chapter; and

13           (3) the area is designated as a redevelopment project area for  
 14           purposes of this chapter.

15           The resolution must state the general boundaries of the redevelopment  
 16           project area, and that the department of redevelopment proposes to  
 17           acquire all of the interests in the land within the boundaries, with  
 18           certain designated exceptions, if there are any.

19           **(d) This subsection applies to the amendment of the resolution**  
 20           **or plan for an existing redevelopment project area. After**  
 21           **completion of the data required by subsection (b), the**  
 22           **redevelopment commission shall adopt a resolution declaring that:**

23           (1) **except as provided by subsection (f), if the amendment**  
 24           **enlarges the boundaries of the area, the existing area does not**  
 25           **generate sufficient revenue to meet the financial obligations**  
 26           **of the original project;**

27           (2) **it will be of public utility and benefit to amend the**  
 28           **resolution or plan for the area; and**

29           (3) **any additional area to be acquired under the amendment**  
 30           **is designated as part of the existing redevelopment project**  
 31           **area for purposes of this chapter.**

32           **The resolution must state the general boundaries of the**  
 33           **redevelopment project area, including any changes made to those**  
 34           **boundaries by the amendment, and describe the activities that the**  
 35           **department of redevelopment is permitted to take under the**  
 36           **amendment, with any designated exceptions.**

37           ~~(d)~~ **(e)** For the purpose of adopting a resolution under subsection (c)  
 38           **or (d),** it is sufficient to describe the boundaries of the redevelopment  
 39           project area by its location in relation to public ways or streams, or  
 40           otherwise, as determined by the commissioners. Property excepted  
 41           from the ~~acquisition~~ **application of a resolution** may be described by  
 42           street numbers or location.

43           **(f) The redevelopment commission is not required to make the**  
 44           **finding and declaration described in subsections (a)(4)(C) and**  
 45           **(d)(1) concerning the enlargement of the boundaries of an existing**  
 46           **redevelopment project area if, before the adoption of the resolution**  
 47           **under subsection (d), the Indiana economic development**  
 48           **corporation issues a finding approving the enlargement of the**  
 49           **boundaries. Before issuing a finding under this subsection, the**  
 50           **Indiana economic development corporation must consider whether**  
 51           **the enlargement of the boundaries will:**

- 1           **(1) lead to increased investment in Indiana;**  
 2           **(2) foster job creation or job retention in Indiana;**  
 3           **(3) have a positive impact on the unit in which the**  
 4           **redevelopment project area is located; or**  
 5           **(4) otherwise benefit the people of Indiana by increasing**  
 6           **opportunities for employment in Indiana and strengthening**  
 7           **the economy of Indiana.**

8           SECTION 726.IC 36-7-14-15.5, AS AMENDED BY P.L.185-2005,  
 9           SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10          JULY 1, 2008]: Sec. 15.5. (a) This section applies to a county having  
 11          a population of more than two hundred thousand (200,000) but less  
 12          than three hundred thousand (300,000).

13          (b) In adopting a declaratory resolution under section 15 of this  
 14          chapter, a redevelopment commission may include a provision stating  
 15          that the redevelopment project area is considered to include one (1) or  
 16          more additional areas outside the boundaries of the redevelopment  
 17          project area if the redevelopment commission makes the following  
 18          findings and the requirements of subsection (c) are met:

19               (1) One (1) or more taxpayers presently located within the  
 20               boundaries of the redevelopment project area are expected within  
 21               one (1) year to relocate all or part of their operations outside the  
 22               boundaries of the redevelopment project area and have expressed  
 23               an interest in relocating all or part of their operations within the  
 24               boundaries of an additional area.

25               (2) The relocation described in subdivision (1) will contribute to  
 26               the continuation of the conditions described in IC 36-7-1-3 in the  
 27               redevelopment project area.

28               (3) For purposes of this section, it will be of public utility and  
 29               benefit to include the additional areas as part of the  
 30               redevelopment project area.

31          (c) Each additional area must be designated by the redevelopment  
 32          commission as a redevelopment project area or an economic  
 33          development area under this chapter.

34          (d) Notwithstanding section 3 of this chapter, the additional areas  
 35          shall be considered to be a part of the redevelopment special taxing  
 36          district under the jurisdiction of the redevelopment commission. Any  
 37          excess property taxes that the commission has determined may be paid  
 38          to taxing units under section 39(b)(3) of this chapter shall be paid to  
 39          the taxing units from which the excess property taxes were derived. All  
 40          powers of the redevelopment commission authorized under this chapter  
 41          may be exercised by the redevelopment commission in additional areas  
 42          under its jurisdiction.

43          (e) The declaratory resolution must include a statement of the  
 44          general boundaries of each additional area. However, it is sufficient to  
 45          describe those boundaries by location in relation to public ways,  
 46          streams, or otherwise, as determined by the commissioners.

47          (f) The declaratory resolution may include a provision with respect  
 48          to the allocation and distribution of property taxes with respect to one  
 49          (1) or more of the additional areas in the manner provided in section 39  
 50          of this chapter. If the redevelopment commission includes such a  
 51          provision in the resolution, allocation areas in the redevelopment

1 project area and in the additional areas considered to be part of the  
 2 redevelopment project area shall be considered a single allocation area  
 3 for purposes of this chapter.

4 (g) The additional areas must be located within the same county as  
 5 the redevelopment project area but are not otherwise required to be  
 6 within the jurisdiction of the redevelopment commission, if the  
 7 redevelopment commission obtains the consent by ordinance of:

- 8 (1) the county legislative body, for each additional area located
- 9 within the unincorporated part of the county; or
- 10 (2) the legislative body of the city or town affected, for each
- 11 additional area located within a city or town.

12 In granting its consent, the legislative body shall approve the plan of  
 13 development or redevelopment relating to the additional area.

14 (h) A declaratory resolution previously adopted may be amended to  
 15 include a provision to include additional areas as set forth in this  
 16 section and an allocation provision under section 39 of this chapter  
 17 with respect to one (1) or more of the additional areas in accordance  
 18 with ~~section 17.5~~ **sections 15, 16, and 17** of this chapter.

19 (i) The redevelopment commission may amend the allocation  
 20 provision of a declaratory resolution in accordance with ~~section 17.5~~  
 21 **sections 15, 16, and 17** of this chapter to change the assessment date  
 22 that determines the base assessed value of property in the allocation  
 23 area to any assessment date following the effective date of the  
 24 allocation provision of the declaratory resolution. Such a change may  
 25 relate to the assessment date that determines the base assessed value of  
 26 that portion of the allocation area that is located in the redevelopment  
 27 project area alone, that portion of the allocation area that is located in  
 28 an additional area alone, or the entire allocation area.

29 SECTION 727. IC 36-7-14-16, AS AMENDED BY P.L.1-2006,  
 30 SECTION 565, IS AMENDED TO READ AS FOLLOWS  
 31 [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) This subsection does not  
 32 apply to the redevelopment commission of an excluded city described  
 33 in section 1(b) of this chapter. After adoption ~~of a resolution~~  
 34 **of a resolution that designates a**  
 35 **redevelopment project area or amends the resolution or plan for**  
 36 **an existing area**, the redevelopment commission shall submit the  
 37 resolution and supporting data to the plan commission of the unit, or if  
 38 there is no plan commission, then to the body charged with the duty of  
 39 developing a general plan for the unit, if there is such a body. The plan  
 40 commission may determine whether the resolution and the  
 41 redevelopment plan conform to the plan of development for the unit  
 42 and approve or disapprove the resolution and plan proposed. The  
 43 redevelopment commission may amend or modify the resolution and  
 44 proposed plan in order to conform them to the requirements of the plan  
 45 commission. The plan commission shall issue its written order  
 46 approving or disapproving the resolution and redevelopment plan, and  
 47 may, with the consent of the redevelopment commission, rescind or  
 48 modify that order.

49 (b) This subsection does not apply to the redevelopment  
 50 commission of an excluded city described in section 1(b) of this  
 51 chapter. The redevelopment commission may not proceed with:

- 1           (1) the acquisition of a redevelopment project area; **or**  
 2           (2) **the implementation of an amendment to the resolution or**  
 3           **plan for an existing redevelopment project area;**

4 until the approving order of the plan commission is issued and  
 5 approved by the municipal legislative body or county executive.

6           (c) In determining the location and extent of a redevelopment  
 7 project area proposed to be acquired for redevelopment, the  
 8 redevelopment commission and the plan commission of the unit shall  
 9 give consideration to transitional and permanent provisions for  
 10 adequate housing for the residents of the area who will be displaced by  
 11 the redevelopment project.

12           (d) **After adoption under section 15 of this chapter of a**  
 13 **resolution that designates a redevelopment project area or amends**  
 14 **the resolution or plan for an existing area,** a redevelopment  
 15 commission in an excluded city that is exempt from the requirements  
 16 of subsections (a) and (b) shall submit the resolution and supporting  
 17 data to the municipal legislative body of the excluded city. The  
 18 municipal legislative body may:

- 19           (1) determine if the resolution and the redevelopment plan  
 20 conform to the plan of development for the unit; and  
 21           (2) approve or disapprove the resolution and plan proposed.

22           SECTION 728. IC 36-7-14-17 IS AMENDED TO READ AS  
 23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) After receipt of  
 24 the written order of approval of the plan commission and approval of  
 25 the municipal legislative body or county executive, the redevelopment  
 26 commission shall publish notice of the adoption and substance of the  
 27 resolution in accordance with IC 5-3-1. The notice must:

- 28           (1) state that maps and plats have been prepared and can be  
 29 inspected at the office of the department; ~~The notice must also~~  
 30 **and**

- 31           (2) name a date when the commission will:

32           (A) receive and hear remonstrances and objections from  
 33 persons interested in or affected by the proceedings pertaining  
 34 to the proposed project **or other actions to be taken under**  
 35 **the resolution;** and ~~with~~

36           (B) determine the public utility and benefit of the proposed  
 37 project **or other actions.**

38 All persons affected in any manner by the hearing, including all  
 39 taxpayers of the special taxing district, shall be considered notified of  
 40 the pendency of the hearing and of subsequent acts, hearings,  
 41 adjournments, and orders of the commission by the notice given under  
 42 this section.

43           (b) A copy of the notice of the hearing on the ~~proposed project~~  
 44 **resolution** shall be filed in the office of the unit's plan commission,  
 45 board of zoning appeals, works board, park board, and building  
 46 commissioner, and any other departments, bodies, or officers of the  
 47 unit having to do with unit planning, variances from zoning ordinances,  
 48 land use, or the issuance of building permits. These agencies and  
 49 officers shall take notice of the pendency of the hearing and, until the  
 50 commission confirms, modifies and confirms, or rescinds the  
 51 resolution, or the confirmation of the resolution is set aside on appeal,

1 may not:

- 2 (1) authorize any construction on property or sewers in the area  
 3 described in the resolution, including substantial modifications,  
 4 rebuilding, conversion, enlargement, additions, and major  
 5 structural improvements; or  
 6 (2) take any action regarding the zoning or rezoning of property,  
 7 or the opening, closing, or improvement of streets, alleys, or  
 8 boulevards in the area described in the resolution.

9 This subsection does not prohibit the granting of permits for ordinary  
 10 maintenance or minor remodeling, or for changes necessary for the  
 11 continued occupancy of buildings in the area.

12 (c) If the resolution to be considered at the hearing includes a  
 13 provision establishing or amending an allocation provision under  
 14 section 39 of this chapter, the redevelopment commission shall file the  
 15 following information with each taxing unit that is wholly or partly  
 16 located within the allocation area:

- 17 (1) A copy of the notice required by subsection (a).  
 18 (2) A statement disclosing the impact of the allocation area,  
 19 including the following:  
 20 (A) The estimated economic benefits and costs incurred by the  
 21 allocation area, as measured by increased employment and  
 22 anticipated growth of real property assessed values.  
 23 (B) The anticipated impact on tax revenues of each taxing unit.

24 The redevelopment commission shall file the information required by  
 25 this subsection with the officers of the taxing unit who are authorized  
 26 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten  
 27 (10) days before the date of the hearing.

28 (d) At the hearing, which may be adjourned from time to time, the  
 29 redevelopment commission shall hear all persons interested in the  
 30 proceedings and shall consider all written remonstrances and  
 31 objections that have been filed. After considering the evidence  
 32 presented, the commission shall take final action determining the  
 33 public utility and benefit of the proposed project **or other actions to**  
 34 **be taken under the resolution**, and confirming, modifying and  
 35 confirming, or rescinding the resolution. The final action taken by the  
 36 commission shall be recorded and is final and conclusive, except that  
 37 an appeal may be taken in the manner prescribed by section 18 of this  
 38 chapter.

39 SECTION 729. IC 36-7-14-17.5, AS AMENDED BY P.L.185-2005,  
 40 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2008]: Sec. 17.5. ~~(a) The commission must conduct a public~~  
 42 ~~hearing before amending a resolution or plan for a redevelopment~~  
 43 ~~project area, an urban renewal project area, or an economic~~  
 44 ~~development area; the commission shall give notice of the hearing in~~  
 45 ~~accordance with IC 5-3-1. The notice must:~~

- 46 ~~(1) set forth the substance of the proposed amendment;~~  
 47 ~~(2) state the time and place where written remonstrances against~~  
 48 ~~the proposed amendment may be filed;~~  
 49 ~~(3) set forth the time and place of the hearing; and~~  
 50 ~~(4) state that the commission will hear any person who has filed~~  
 51 ~~a written remonstrance during the filing period set forth under~~

- 1 subdivision (2):
- 2 (b) For the purposes of this section, the consolidation of areas is not  
3 considered the enlargement of the boundaries of an area.
- 4 (c) When the commission proposes to amend a resolution or plan;  
5 the commission is not required to have evidence or make findings that  
6 were required for the establishment of the original redevelopment  
7 project area, urban renewal area, or economic development area.  
8 However, the commission must make the following findings before  
9 approving the amendment:
- 10 (1) The amendment is reasonable and appropriate when  
11 considered in relation to the original resolution or plan and the  
12 purposes of this chapter.
- 13 (2) The resolution or plan, with the proposed amendment,  
14 conforms to the comprehensive plan for the unit.
- 15 (d) (a) In addition to the requirements of ~~subsection (a)~~, **section 17**  
16 **of this chapter**, if the resolution or plan **for an existing**  
17 **redevelopment project area** is proposed to be amended in a way that  
18 changes:
- 19 (1) parts of the area that are to be devoted to a public way, levee,  
20 sewerage, park, playground, or other public purposes;
- 21 (2) the proposed use of the land in the area; or
- 22 (3) requirements for rehabilitation, building requirements,  
23 proposed zoning, maximum densities, or similar requirements;
- 24 the commission must, at least ten (10) days before the public hearing  
25 **under section 17 of this chapter**, send the notice required by  
26 ~~subsection (a)~~ **section 17 of this chapter** by first class mail to affected  
27 neighborhood associations.
- 28 (e) (b) In addition to the requirements of ~~subsection (a)~~, **section 17**  
29 **of this chapter**, if the resolution or plan **for an existing**  
30 **redevelopment project area** is proposed to be amended in a way that:
- 31 (1) enlarges the boundaries of the area; **by not more than twenty**  
32 **percent (20%) of the original area**; or
- 33 (2) adds one (1) or more parcels to the list of parcels to be  
34 acquired;
- 35 the commission must, at least ten (10) days before the public hearing  
36 **under section 17 of this chapter**, send the notice required by  
37 ~~subsection (a)~~ **section 17 of this chapter** by first class mail to affected  
38 neighborhood associations and to persons owning property that is in the  
39 proposed enlargement of the area or that is proposed to be added to the  
40 acquisition list. If the enlargement of an area is proposed, notice must  
41 also be filed in accordance with section 17(b) of this chapter, and  
42 agencies and officers may not take actions prohibited by section 17(b)  
43 of this chapter in the proposed enlarged area.
- 44 (f) Notwithstanding subsections (a) and (c), if the resolution or plan  
45 is proposed to be amended in a way that enlarges the original  
46 boundaries of the area by more than twenty percent (20%), the  
47 commission must use the procedure provided for the original  
48 establishment of areas and must comply with sections 15 through 17 of  
49 this chapter.
- 50 (g) At the hearing on the amendments, the commission shall

1 consider written remonstrances that are filed. The action of the  
 2 commission on the amendment shall be recorded and is final and  
 3 conclusive; except that an appeal of the commission's action may be  
 4 taken under section 18 of this chapter.

5 ~~(b)~~ (c) The commission may require that neighborhood associations  
 6 register with the commission. The commission may adopt a rule that  
 7 requires that a neighborhood association encompass a part of the  
 8 geographic area included in or proposed to be included in a  
 9 redevelopment project area, urban renewal area, or economic  
 10 development area to qualify as an affected neighborhood association.

11 SECTION 730. IC 36-7-14-20, AS AMENDED BY P.L.185-2005,  
 12 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2008]: Sec. 20. (a) **Subject to the approval of the legislative**  
 14 **body of the unit that established the department of redevelopment,**  
 15 if the redevelopment commission considers it necessary to acquire real  
 16 property in a redevelopment project area by the exercise of the power  
 17 of eminent domain, ~~they~~ **the commission** shall adopt a resolution  
 18 setting out ~~their~~ **its** determination to exercise that power and directing  
 19 ~~their~~ **its** attorney to file a petition in the name of the unit on behalf of  
 20 the department of redevelopment, in the circuit or superior court of the  
 21 county in which the property is situated.

22 (b) Eminent domain proceedings under this section are governed by  
 23 IC 32-24 and other applicable statutory provisions for the exercise of  
 24 the power of eminent domain. Property already devoted to a public use  
 25 may be acquired under this section, but property belonging to the state  
 26 or any political subdivision may not be acquired without its consent.

27 (c) The court having jurisdiction shall direct the clerk of the circuit  
 28 court to execute a deed conveying the title of real property acquired  
 29 under this section to the unit for the use and benefit of its department  
 30 of redevelopment.

31 SECTION 731. IC 36-7-14-24 IS AMENDED TO READ AS  
 32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) All expenses  
 33 incurred by the department of redevelopment that must be paid before  
 34 the collection of taxes levied under this chapter shall be paid in the  
 35 manner prescribed by this section. The commission shall certify the  
 36 items of expense to the fiscal officer of the unit ~~directing him to pay~~  
 37 **requesting payment of** the amounts certified. ~~and~~ **Subject to**  
 38 **appropriation by the fiscal body of the unit,** the fiscal officer shall  
 39 then draw ~~his a~~ **warrant** ~~The warrant shall in the requested amount to~~  
 40 be paid out of the general fund of the unit. ~~without appropriation by the~~  
 41 ~~fiscal body or approval by any other body.~~ If the unit has no  
 42 unappropriated monies in its general fund, the fiscal officer of the unit  
 43 ~~shall~~ **may** recommend to the fiscal body the temporary transfer from  
 44 other funds of the unit of a sufficient amount to meet the items of  
 45 expense, or the making of a temporary loan for that purpose. The fiscal  
 46 body ~~shall immediately~~ **may** make the transfer or authorize the  
 47 temporary loan in the same manner that other transfers and temporary  
 48 loans are made by the unit.

49 (b) The amount advanced by the unit under this section may not  
 50 exceed fifty thousand dollars (\$50,000), and the fund or funds of the  
 51 unit from which the advancement is made shall be fully reimbursed and



1 repaid by the redevelopment commission out of ~~the first proceeds of~~  
 2 ~~the special taxes levied under this chapter.~~ **legally available revenues.**

3 (c) The redevelopment commission may not use any part of the  
 4 amount advanced by the unit under this section in the acquisition of  
 5 real property.

6 SECTION 732. IC 36-7-14-25.1, AS AMENDED BY P.L.219-2007,  
 7 SECTION 125, IS AMENDED TO READ AS FOLLOWS  
 8 [EFFECTIVE JULY 1, 2008]: Sec. 25.1. (a) In addition to other  
 9 methods of raising money for property acquisition or redevelopment in  
 10 a redevelopment project area, and in anticipation of the special tax to  
 11 be levied under section 27 of this chapter, the taxes allocated under  
 12 section 39 of this chapter, or other revenues of the district, or any  
 13 combination of these sources, the redevelopment commission may, by  
 14 resolution and subject to subsection (p), issue the bonds of the special  
 15 taxing district in the name of the unit. The amount of the bonds may  
 16 not exceed the total, as estimated by the commission, of all expenses  
 17 reasonably incurred in connection with the acquisition and  
 18 redevelopment of the property, including:

- 19 (1) the total cost of all land, rights-of-way, and other property to  
 20 be acquired and redeveloped;
- 21 (2) all reasonable and necessary architectural, engineering, legal,  
 22 financing, accounting, advertising, bond discount, and  
 23 supervisory expenses related to the acquisition and redevelopment  
 24 of the property or the issuance of bonds;
- 25 (3) capitalized interest permitted by this chapter and a debt  
 26 service reserve for the bonds to the extent the redevelopment  
 27 commission determines that a reserve is reasonably required; and
- 28 (4) expenses that the redevelopment commission is required or  
 29 permitted to pay under IC 8-23-17.

30 (b) If the redevelopment commission plans to acquire different  
 31 parcels of land or let different contracts for redevelopment work at  
 32 approximately the same time, whether under one (1) or more  
 33 resolutions, the commission may provide for the total cost in one (1)  
 34 issue of bonds.

35 (c) The bonds must be dated as set forth in the bond resolution and  
 36 negotiable, subject to the requirements of the bond resolution for  
 37 registering the bonds. The resolution authorizing the bonds must state:

- 38 (1) the denominations of the bonds;
  - 39 (2) the place or places at which the bonds are payable; and
  - 40 (3) the term of the bonds, which may not exceed:
    - 41 (A) fifty (50) years, **for bonds issued before July 1, 2008;**
    - 42 (B) **thirty (30) years, for bonds issued after June 30, 2008,**
 43 **to finance:**
    - 44 (i) **an integrated coal gasification powerplant (as defined**  
 45 **in IC 6-3.1-29-6);**
    - 46 (ii) **a part of an integrated coal gasification powerplant**  
 47 **(as defined in IC 6-3.1-29-6); or**
    - 48 (iii) **property used in the operation or maintenance of an**  
 49 **integrated coal gasification powerplant (as defined in**  
 50 **IC 6-3.1-29-6);**
- 51 **that received a certificate of public convenience and**

1                   **necessity from the Indiana utility regulatory commission**  
2                   **under IC 8-1-8.5 et seq. before July 1, 2008; or**  
3                   **(C) twenty-five (25) years, for bonds issued after June 30,**  
4                   **2008, that are not described in clause (B).**

5                   The resolution may also state that the bonds are redeemable before  
6                   maturity with or without a premium, as determined by the  
7                   redevelopment commission.

8                   (d) The redevelopment commission shall certify a copy of the  
9                   resolution authorizing the bonds to the municipal or county fiscal  
10                  officer, who shall then prepare the bonds, subject to subsection (p). The  
11                  seal of the unit must be impressed on the bonds, or a facsimile of the  
12                  seal must be printed on the bonds.

13                  (e) The bonds must be executed by the appropriate officer of the  
14                  unit and attested by the municipal or county fiscal officer.

15                  (f) The bonds are exempt from taxation for all purposes.

16                  (g) The municipal or county fiscal officer shall give notice of the  
17                  sale of the bonds by publication in accordance with IC 5-3-1. The  
18                  municipal fiscal officer, or county fiscal officer or executive, shall sell  
19                  the bonds to the highest bidder, but may not sell them for less than  
20                  ninety-seven percent (97%) of their par value. However, bonds payable  
21                  solely or in part from tax proceeds allocated under section 39(b)(2) of  
22                  this chapter, or other revenues of the district may be sold at a private  
23                  negotiated sale.

24                  (h) Except as provided in subsection (i), a redevelopment  
25                  commission may not issue the bonds when the total issue, including  
26                  bonds already issued and to be issued, exceeds two percent (2%) of the  
27                  adjusted value of the taxable property in the special taxing district, as  
28                  determined under IC 36-1-15.

29                  (i) The bonds are not a corporate obligation of the unit but are an  
30                  indebtedness of the taxing district. The bonds and interest are payable,  
31                  as set forth in the bond resolution of the redevelopment commission:

32                         (1) from a special tax levied upon all of the property in the taxing  
33                         district, as provided by section 27 of this chapter;

34                         (2) from the tax proceeds allocated under section 39(b)(2) of this  
35                         chapter;

36                         (3) from other revenues available to the redevelopment  
37                         commission; or

38                         (4) from a combination of the methods stated in subdivisions (1)  
39                         through (3).

40                  If the bonds are payable solely from the tax proceeds allocated under  
41                  section 39(b)(2) of this chapter, other revenues of the redevelopment  
42                  commission, or any combination of these sources, they may be issued  
43                  in any amount without limitation.

44                  (j) Proceeds from the sale of bonds may be used to pay the cost of  
45                  interest on the bonds for a period not to exceed five (5) years from the  
46                  date of issuance.

47                  (k) All laws relating to the giving of notice of the issuance of bonds,  
48                  the giving of notice of a hearing on the appropriation of the proceeds  
49                  of the bonds, the right of taxpayers to appear and be heard on the  
50                  proposed appropriation, and the approval of the appropriation by the  
51                  department of local government finance apply to all bonds issued under

1 this chapter that are payable from the special benefits tax levied  
 2 pursuant to section 27 of this chapter or from taxes allocated under  
 3 section 39 of this chapter.

4 (l) All laws relating to:

5 (1) the filing of petitions requesting the issuance of bonds; and

6 (2) the right of:

7 (A) taxpayers and voters to remonstrate against the issuance of  
 8 bonds **in the case of a proposed bond issue described by**  
 9 **IC 6-1.1-20-3.1(a); or**

10 (B) voters to vote on the issuance of bonds in the case of a  
 11 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

12 apply to bonds issued under this chapter except for bonds payable  
 13 solely from tax proceeds allocated under section 39(b)(2) of this  
 14 chapter, other revenues of the redevelopment commission, or any  
 15 combination of these sources.

16 (m) If a debt service reserve is created from the proceeds of bonds,  
 17 the debt service reserve may be used to pay principal and interest on  
 18 the bonds as provided in the bond resolution.

19 (n) Any amount remaining in the debt service reserve after all of the  
 20 bonds of the issue for which the debt service reserve was established  
 21 have matured shall be:

22 (1) deposited in the allocation fund established under section  
 23 39(b)(2) of this chapter; **and**

24 (2) **to the extent permitted by law, transferred to the county**  
 25 **or municipality that established the department of**  
 26 **redevelopment for use in reducing the county's or**  
 27 **municipality's property tax levies for debt service.**

28 (o) If bonds are issued under this chapter that are payable solely or  
 29 in part from revenues to the redevelopment commission from a project  
 30 or projects, the redevelopment commission may adopt a resolution or  
 31 trust indenture or enter into covenants as is customary in the issuance  
 32 of revenue bonds. The resolution or trust indenture may pledge or  
 33 assign the revenues from the project or projects, but may not convey or  
 34 mortgage any project or parts of a project. The resolution or trust  
 35 indenture may also contain any provisions for protecting and enforcing  
 36 the rights and remedies of the bond owners as may be reasonable and  
 37 proper and not in violation of law, including covenants setting forth the  
 38 duties of the redevelopment commission. The redevelopment  
 39 commission may establish fees and charges for the use of any project  
 40 and covenant with the owners of any bonds to set those fees and  
 41 charges at a rate sufficient to protect the interest of the owners of the  
 42 bonds. Any revenue bonds issued by the redevelopment commission  
 43 that are payable solely from revenues of the commission shall contain  
 44 a statement to that effect in the form of bond.

45 (p) If the total principal amount of bonds authorized by a resolution  
 46 of the redevelopment commission **adopted before July 1, 2008**, is  
 47 equal to or greater than three million dollars (\$3,000,000), the bonds  
 48 may not be issued without the approval, by resolution, of the legislative  
 49 body of the unit. **Bonds authorized in any principal amount by a**  
 50 **resolution of the redevelopment commission adopted after June 30,**  
 51 **2008, may not be issued without the approval of the legislative**

1 **body of the unit.**

2 SECTION 733. IC 36-7-14-25.2 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 25.2. (a) A  
4 redevelopment commission may enter into a lease of any property that  
5 could be financed with the proceeds of bonds issued under this chapter  
6 with a lessor for a term not to exceed:

7 (1) fifty (50) years, ~~and for a lease entered into before July 1,~~  
8 **2008; or**

9 (2) **twenty-five (25) years, for a lease entered into after June**  
10 **30, 2008.**

11 The lease may provide for payments to be made by the redevelopment  
12 commission from special benefits taxes levied under section 27 of this  
13 chapter, taxes allocated under section 39 of this chapter, any other  
14 revenues available to the redevelopment commission, or any  
15 combination of these sources.

16 (b) A lease may provide that payments by the redevelopment  
17 commission to the lessor are required only to the extent and only for the  
18 period that the lessor is able to provide the leased facilities in  
19 accordance with the lease. The terms of each lease must be based upon  
20 the value of the facilities leased and may not create a debt of the unit  
21 or the district for purposes of the Constitution of the State of Indiana.

22 (c) A lease may be entered into by the redevelopment commission  
23 only after a public hearing by the redevelopment commission at which  
24 all interested parties are provided the opportunity to be heard. After the  
25 public hearing, the redevelopment commission may adopt a resolution  
26 authorizing the execution of the lease on behalf of the unit if it finds  
27 that the service to be provided throughout the term of the lease will  
28 serve the public purpose of the unit and is in the best interests of its  
29 residents. Any lease approved by a resolution of the redevelopment  
30 commission must be approved by an ordinance of the fiscal body of the  
31 unit.

32 (d) Upon execution of a lease providing for payments by the  
33 redevelopment commission in whole or in part from the levy of special  
34 benefits taxes under section 27 of this chapter and upon approval of the  
35 lease by the unit's fiscal body, the redevelopment commission shall  
36 publish notice of the execution of the lease and its approval in  
37 accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the  
38 redevelopment district who will be affected by the lease and who may  
39 be of the opinion that no necessity exists for the execution of the lease  
40 or that the payments provided for in the lease are not fair and  
41 reasonable may file a petition in the office of the county auditor within  
42 thirty (30) days after the publication of the notice of execution and  
43 approval. The petition must set forth the petitioners' names, addresses,  
44 and objections to the lease and the facts showing that the execution of  
45 the lease is unnecessary or unwise or that the payments provided for in  
46 the lease are not fair and reasonable, as the case may be.

47 (e) Upon the filing of the petition, the county auditor shall  
48 immediately certify a copy of it, together with such other data as may  
49 be necessary in order to present the questions involved, to the  
50 department of local government finance. Upon receipt of the certified  
51 petition and information, the department of local government finance

1 shall fix a time and place for a hearing in the redevelopment district,  
 2 which must be not less than five (5) or more than thirty (30) days after  
 3 the time is fixed. Notice of the hearing shall be given by the department  
 4 of local government finance to the members of the fiscal body, to the  
 5 redevelopment commission, and to the first fifty (50) petitioners on the  
 6 petition by a letter signed by the commissioner or deputy commissioner  
 7 of the department and enclosed with fully prepaid postage sent to those  
 8 persons at their usual place of residence, at least five (5) days before  
 9 the date of the hearing. The decision of the department of local  
 10 government finance on the appeal, upon the necessity for the execution  
 11 of the lease, and as to whether the payments under it are fair and  
 12 reasonable, is final.

13 (f) A redevelopment commission entering into a lease payable from  
 14 allocated taxes under section 39 of this chapter or other available funds  
 15 of the redevelopment commission may:

16 (1) pledge the revenue to make payments under the lease pursuant  
 17 to IC 5-1-14-4; and

18 (2) establish a special fund to make the payments.

19 (g) Lease rentals may be limited to money in the special fund so that  
 20 the obligations of the redevelopment commission to make the lease  
 21 rental payments are not considered debt of the unit or the district for  
 22 purposes of the Constitution of the State of Indiana.

23 (h) Except as provided in this section, no approvals of any  
 24 governmental body or agency are required before the redevelopment  
 25 commission enters into a lease under this section.

26 (i) An action to contest the validity of the lease or to enjoin the  
 27 performance of any of its terms and conditions must be brought within  
 28 thirty (30) days after the publication of the notice of the execution and  
 29 approval of the lease. However, if the lease is payable in whole or in  
 30 part from tax levies and an appeal has been taken to the department of  
 31 local government finance, an action to contest the validity or enjoin the  
 32 performance must be brought within thirty (30) days after the decision  
 33 of the department.

34 (j) If a redevelopment commission exercises an option to buy a  
 35 leased facility from a lessor, the redevelopment commission may  
 36 subsequently sell the leased facility, without regard to any other statute,  
 37 to the lessor at the end of the lease term at a price set forth in the lease  
 38 or at fair market value established at the time of the sale by the  
 39 redevelopment commission through auction, appraisal, or arms length  
 40 negotiation. If the facility is sold at auction, after appraisal, or through  
 41 negotiation, the redevelopment commission shall conduct a hearing  
 42 after public notice in accordance with IC 5-3-1 before the sale. Any  
 43 action to contest the sale must be brought within fifteen (15) days of  
 44 the hearing.

45 SECTION 734. IC 36-7-14-27 IS AMENDED TO READ AS  
 46 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 27. (a) This section  
 47 applies only to:

48 (1) bonds that are issued under section 25.1 of this chapter; **and**

49 (2) leases entered into under section 25.2 of this chapter;

50 which are payable from a special tax levied upon all of the property in  
 51 the special taxing district. This section does not apply to bonds or

1 leases that are payable solely from tax proceeds allocated under section  
2 39(b)(2) of this chapter, other revenues of the redevelopment  
3 commission, or any combination of these sources.

4 (b) The redevelopment commission shall levy each year a special  
5 tax on all of the property of the redevelopment taxing district, in such  
6 a manner as to meet and pay the principal of the bonds as they mature,  
7 together with all accruing interest on the bonds or lease rental  
8 payments under section 25.2 of this chapter. The commission shall  
9 cause the tax levied to be certified to the proper officers as other tax  
10 levies are certified, and to the auditor of the county in which the  
11 redevelopment district is located, before the second day of October in  
12 each year. The tax shall be estimated and entered on the tax duplicate  
13 by the county auditor and shall be collected and enforced by the county  
14 treasurer in the same manner as other state and county taxes are  
15 estimated, entered, collected, and enforced. The amount of the tax  
16 levied to pay bonds or lease rentals payable from the tax levied under  
17 this section shall be reduced by any amount available in the allocation  
18 fund established under section 39(b)(2) of this chapter or other  
19 revenues of the redevelopment commission to the extent such revenues  
20 have been set aside in the redevelopment bond fund.

21 (c) As the tax is collected, it shall be accumulated in a separate fund  
22 to be known as the redevelopment district bond fund and shall be  
23 applied to the payment of the bonds as they mature and the interest on  
24 the bonds as it accrues, or to make lease payments and to no other  
25 purpose. All accumulations of the fund before their use for the payment  
26 of bonds and interest or to make lease payments shall be deposited with  
27 the depository or depositories for other public funds of the unit in  
28 accordance with IC 5-13, unless they are invested under IC 5-13-9.

29 (d) If there are no outstanding bonds that are payable solely or in  
30 part from tax proceeds allocated under section 39(b)(2) of this chapter  
31 and that were issued to pay costs of redevelopment in an allocation area  
32 that is located wholly or in part in the special taxing district, then all  
33 proceeds from the sale or leasing of property in the allocation area  
34 under section 22 of this chapter shall be paid into the redevelopment  
35 district bond fund and become a part of that fund. In arriving at the tax  
36 levy for any year, the redevelopment commission ~~may~~ **shall** take into  
37 account the amount of the proceeds deposited under this subsection and  
38 remaining on hand.

39 (e) The tax levies provided for in this section are reviewable by  
40 other bodies vested by law with the authority to ascertain that the levies  
41 are sufficient to raise the amount that, with other amounts available, is  
42 sufficient to meet the payments under the lease payable from the levy  
43 of taxes.

44 SECTION 735. IC 36-7-14-27.5, AS AMENDED BY P.L.224-2007,  
45 SECTION 121, IS AMENDED TO READ AS FOLLOWS  
46 [EFFECTIVE UPON PASSAGE]: Sec. 27.5. (a) The redevelopment  
47 commission may borrow money in anticipation of receipt of the  
48 proceeds of taxes levied for the redevelopment district bond fund and  
49 not yet collected, and may evidence this borrowing by issuing warrants  
50 of the redevelopment district. However, the aggregate principal amount  
51 of warrants issued in anticipation of and payable from the same tax

1 levy or levies may not exceed an amount equal to eighty percent (80%)  
2 of that tax levy or levies, as certified by the department of local  
3 government finance, or as determined by multiplying the rate of tax as  
4 finally approved by the total assessed valuation (after deducting all  
5 mortgage deductions) within the redevelopment district, as most  
6 recently certified by the county auditor.

7 (b) The warrants may be authorized and issued at any time after the  
8 tax or taxes in anticipation of which they are issued have been levied  
9 by the redevelopment commission. For purposes of this section, taxes  
10 for any year are considered to be levied upon adoption by the  
11 commission of a resolution prescribing the tax levies for the year.  
12 However, the warrants may not be delivered and paid for before final  
13 approval of the tax levy or levies by the county board of tax adjustment  
14 (~~before January 1, 2009~~); the county board of tax and capital projects  
15 review (~~after December 31, 2008~~); or, if appealed, by the department  
16 of local government finance, unless the issuance of the warrants has  
17 been approved by the department.

18 (c) All action that this section requires or authorizes the  
19 redevelopment commission to take may be taken by resolution, which  
20 need not be published or posted. The resolution takes effect  
21 immediately upon its adoption by the redevelopment commission. An  
22 action to contest the validity of tax anticipation warrants may not be  
23 brought later than ten (10) days after the sale date.

24 (d) In their resolution authorizing the warrants, the redevelopment  
25 commission must provide that the warrants mature at a time or times  
26 not later than December 31 after the year in which the taxes in  
27 anticipation of which the warrants are issued are due and payable.

28 (e) In their resolution authorizing the warrants, the redevelopment  
29 commission may provide:

- 30 (1) the date of the warrants;
- 31 (2) the interest rate of the warrants;
- 32 (3) the time of interest payments on the warrants;
- 33 (4) the denomination of the warrants;
- 34 (5) the form either registered or payable to bearer, of the warrants;
- 35 (6) the place or places of payment of the warrants, either inside or  
36 outside the state;
- 37 (7) the medium of payment of the warrants;
- 38 (8) the terms of redemption, if any, of the warrants, at a price not  
39 exceeding par value and accrued interest;
- 40 (9) the manner of execution of the warrants; and
- 41 (10) that all costs incurred in connection with the issuance of the  
42 warrants may be paid from the proceeds of the warrants.

43 (f) The warrants shall be sold for not less than par value, after notice  
44 inviting bids has been published under IC 5-3-1. The redevelopment  
45 commission may also publish the notice in other newspapers or  
46 financial journals.

47 (g) Warrants and the interest on them are not subject to any  
48 limitation contained in section 25.1 of this chapter, and are payable  
49 solely from the proceeds of the tax levy or levies in anticipation of  
50 which the warrants were issued. The authorizing resolution must  
51 pledge a sufficient amount of the proceeds of the tax levy or levies to

1 the payment of the warrants and the interest.

2 SECTION 736. IC 36-7-14-32.5, AS AMENDED BY P.L.163-2006,  
3 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2008]: Sec. 32.5. (a) **Subject to the approval of the fiscal**  
5 **body of the unit that established the department of redevelopment,**  
6 the commission may acquire a parcel of real property by the exercise  
7 of eminent domain when the real property has all of the following  
8 characteristics:

9 (1) The real property meets at least one (1) of the conditions  
10 described in IC 32-24-4.5-7(1).

11 (2) The real property is capable of being developed or  
12 rehabilitated to provide affordable housing for low or moderate  
13 income families or to provide other development that will benefit  
14 or serve low or moderate income families.

15 (3) The condition of the real property has a negative impact on the  
16 use or value of the neighboring properties or other properties in  
17 the community.

18 (b) The commission or the commission's designated hearing  
19 examiner shall conduct a public meeting to determine whether a parcel  
20 of real property has the characteristics set forth in subsection (a). Each  
21 person holding a fee or life estate interest of record in the property must  
22 be given notice by first class mail of the time and date of the hearing at  
23 least ten (10) days before the hearing and is entitled to present evidence  
24 and make arguments at the hearing.

25 (c) If the commission considers it necessary to acquire real property  
26 under this section, the commission shall adopt a resolution setting out  
27 the commission's determination to exercise that power and directing the  
28 commission's attorney to file a petition in the name of the city on behalf  
29 of the department in the circuit or superior court with jurisdiction in the  
30 county.

31 (d) Eminent domain proceedings under this section are governed by  
32 IC 32-24.

33 (e) The commission shall use real property acquired under this  
34 section for one (1) of the following purposes:

35 (1) Sale in an urban homestead program under IC 36-7-17.

36 (2) Sale to a family whose income is at or below the county's  
37 median income for families.

38 (3) Sale or grant to a neighborhood development corporation with  
39 a condition in the granting clause of the deed requiring the  
40 nonprofit development corporation to lease or sell the property to  
41 a family whose income is at or below the county's median income  
42 for families or to cause development that will serve or benefit  
43 families whose income is at or below the unit's median income for  
44 families.

45 (4) Any other purpose appropriate under this chapter so long as  
46 it will serve or benefit families whose income is at or below the  
47 unit's median income for families.

48 (f) A neighborhood development corporation or nonprofit  
49 corporation that receives property under this section must agree to  
50 rehabilitate or otherwise develop the property in a manner that is  
51 similar to and consistent with the use of the other properties in the area



1 served by the corporation.

2 SECTION 737. IC 36-7-14-35, AS AMENDED BY P.L.154-2006,  
3 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2008]: Sec. 35. (a) **Subject to the approval of the fiscal  
5 body of the unit that established the department of redevelopment,  
6 and** in order to:

- 7 (1) undertake survey and planning activities under this chapter;
- 8 (2) undertake and carry out any redevelopment project, urban  
9 renewal project, or housing program;
- 10 (3) pay principal and interest on any advances;
- 11 (4) pay or retire any bonds and interest on them; or
- 12 (5) refund loans previously made under this section;

13 the redevelopment commission may apply for and accept advances,  
14 short term and long term loans, grants, contributions, and any other  
15 form of financial assistance from the federal government, or from any  
16 of its agencies. The commission may also enter into and carry out  
17 contracts and agreements in connection with that financial assistance  
18 upon the terms and conditions that the commission considers  
19 reasonable and appropriate, as long as those terms and conditions are  
20 not inconsistent with the purposes of this chapter. The provisions of  
21 such a contract or agreement in regard to the handling, deposit, and  
22 application of project funds, as well as all other provisions, are valid  
23 and binding on the unit or its executive departments and officers, as  
24 well as the commission, notwithstanding any other provision of this  
25 chapter.

26 (b) **Subject to the approval of the fiscal body of the unit that  
27 established the department of redevelopment,** the redevelopment  
28 commission may issue and sell bonds, notes, or warrants to the federal  
29 government to evidence short term or long term loans made under this  
30 section, without notice of sale being given or a public offering being  
31 made.

32 (c) Notwithstanding the provisions of this or any other chapter,  
33 bonds, notes, or warrants issued by the redevelopment commission  
34 under this section may:

- 35 (1) be in the amounts, form, or denomination;
- 36 (2) be either coupon or registered;
- 37 (3) carry conversion or other privileges;
- 38 (4) have a rank or priority;
- 39 (5) be of such description;
- 40 (6) be secured (subject to other provisions of this section) in such  
41 manner;
- 42 (7) bear interest at a rate or rates;
- 43 (8) be payable as to both principal and interest in a medium of  
44 payment, at a time or times (which may be upon demand) and at  
45 a place or places;
- 46 (9) be subject to terms of redemption (with or without premium);
- 47 (10) contain or be subject to any covenants, conditions, and  
48 provisions; and
- 49 (11) have any other characteristics;

50 that the commission considers reasonable and appropriate.

51 (d) Bonds, notes, or warrants issued under this section are not an

1 indebtedness of the unit or taxing district within the meaning of any  
2 constitutional or statutory limitation of indebtedness. The bonds, notes,  
3 or warrants are not payable from or secured by a levy of taxes, but are  
4 payable only from and secured only by income, funds, and properties  
5 of the project becoming available to the redevelopment commission  
6 under this chapter, as the commission specifies in the resolution  
7 authorizing their issuance.

8 (e) Bonds, notes, or warrants issued under this section are exempt  
9 from taxation for all purposes.

10 (f) Bonds, notes, or warrants issued under this section must be  
11 executed by the appropriate officers of the unit in the name of the "City  
12 (or Town or County) of \_\_\_\_\_, Department of  
13 Redevelopment", and must be attested by the appropriate officers of the  
14 unit.

15 (g) Following the adoption of the resolution authorizing the issuance  
16 of bonds, notes, or warrants under this section, the redevelopment  
17 commission shall certify a copy of that resolution to the officers of the  
18 unit who have duties with respect to bonds, notes, or warrants of the  
19 unit. At the proper time, the commission shall deliver to the officers the  
20 unexecuted bonds, notes, or warrants prepared for execution in  
21 accordance with the resolution.

22 (h) All bonds, notes, or warrants issued under this section shall be  
23 sold by the officers of the unit who have duties with respect to the sale  
24 of bonds, notes, or warrants of the unit. If an officer whose signature  
25 appears on any bonds, notes, or warrants issued under this section  
26 leaves office before their delivery, the signature remains valid and  
27 sufficient for all purposes as if the officer had remained in office until  
28 the delivery.

29 (i) If at any time during the life of a loan contract or agreement  
30 under this section the redevelopment commission can obtain loans for  
31 the purposes of this section from sources other than the federal  
32 government at interest rates not less favorable than provided in the loan  
33 contract or agreement, and if the loan contract or agreement so permits,  
34 the commission may do so and may pledge the loan contract and any  
35 rights under that contract as security for the repayment of the loans  
36 obtained from other sources. Any loan under this subsection may be  
37 evidenced by bonds, notes, or warrants issued and secured in the same  
38 manner as provided in this section for loans from the federal  
39 government. These bonds, notes, or warrants may be sold at either  
40 public or private sale, as the commission considers appropriate.

41 (j) Money obtained from the federal government or from other  
42 sources under this section, and money that is required by a contract or  
43 agreement under this section to be used for project expenditure  
44 purposes, repayment of survey and planning advances, or repayment of  
45 temporary or definitive loans, may be expended by the redevelopment  
46 commission without regard to any law pertaining to the making and  
47 approval of budgets, appropriations, and expenditures.

48 (k) Bonds, notes, or warrants issued under this section are declared  
49 to be issued for an essential public and governmental purpose.

50 SECTION 738. IC 36-7-14-39, AS AMENDED BY P.L.154-2006,  
51 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

- 1 JULY 1, 2008]: Sec. 39. (a) As used in this section:  
2 "Allocation area" means that part of a redevelopment project area  
3 to which an allocation provision of a declaratory resolution adopted  
4 under section 15 of this chapter refers for purposes of distribution and  
5 allocation of property taxes.  
6 "Base assessed value" means the following:  
7 (1) If an allocation provision is adopted after June 30, 1995, in a  
8 declaratory resolution or an amendment to a declaratory  
9 resolution establishing an economic development area:  
10 (A) the net assessed value of all the property as finally  
11 determined for the assessment date immediately preceding the  
12 effective date of the allocation provision of the declaratory  
13 resolution, as adjusted under subsection (h); plus  
14 (B) to the extent that it is not included in clause (A), the net  
15 assessed value of property that is assessed as residential  
16 property under the rules of the department of local government  
17 finance, as finally determined for any assessment date after the  
18 effective date of the allocation provision.  
19 (2) If an allocation provision is adopted after June 30, 1997, in a  
20 declaratory resolution or an amendment to a declaratory  
21 resolution establishing a redevelopment project area:  
22 (A) the net assessed value of all the property as finally  
23 determined for the assessment date immediately preceding the  
24 effective date of the allocation provision of the declaratory  
25 resolution, as adjusted under subsection (h); plus  
26 (B) to the extent that it is not included in clause (A), the net  
27 assessed value of property that is assessed as residential  
28 property under the rules of the department of local government  
29 finance, as finally determined for any assessment date after the  
30 effective date of the allocation provision.  
31 (3) If:  
32 (A) an allocation provision adopted before June 30, 1995, in  
33 a declaratory resolution or an amendment to a declaratory  
34 resolution establishing a redevelopment project area expires  
35 after June 30, 1997; and  
36 (B) after June 30, 1997, a new allocation provision is included  
37 in an amendment to the declaratory resolution;  
38 the net assessed value of all the property as finally determined for  
39 the assessment date immediately preceding the effective date of  
40 the allocation provision adopted after June 30, 1997, as adjusted  
41 under subsection (h).  
42 (4) Except as provided in subdivision (5), for all other allocation  
43 areas, the net assessed value of all the property as finally  
44 determined for the assessment date immediately preceding the  
45 effective date of the allocation provision of the declaratory  
46 resolution, as adjusted under subsection (h).  
47 (5) If an allocation area established in an economic development  
48 area before July 1, 1995, is expanded after June 30, 1995, the  
49 definition in subdivision (1) applies to the expanded part of the  
50 area added after June 30, 1995.  
51 (6) If an allocation area established in a redevelopment project

1 area before July 1, 1997, is expanded after June 30, 1997, the  
 2 definition in subdivision (2) applies to the expanded part of the  
 3 area added after June 30, 1997.

4 Except as provided in section 39.3 of this chapter, "property taxes"  
 5 means taxes imposed under IC 6-1.1 on real property. However, upon  
 6 approval by a resolution of the redevelopment commission adopted  
 7 before June 1, 1987, "property taxes" also includes taxes imposed  
 8 under IC 6-1.1 on depreciable personal property. If a redevelopment  
 9 commission adopted before June 1, 1987, a resolution to include within  
 10 the definition of property taxes taxes imposed under IC 6-1.1 on  
 11 depreciable personal property that has a useful life in excess of eight  
 12 (8) years, the commission may by resolution determine the percentage  
 13 of taxes imposed under IC 6-1.1 on all depreciable personal property  
 14 that will be included within the definition of property taxes. However,  
 15 the percentage included must not exceed twenty-five percent (25%) of  
 16 the taxes imposed under IC 6-1.1 on all depreciable personal property.

17 (b) A declaratory resolution adopted under section 15 of this chapter  
 18 on or before the allocation deadline determined under subsection (i)  
 19 may include a provision with respect to the allocation and distribution  
 20 of property taxes for the purposes and in the manner provided in this  
 21 section. A declaratory resolution previously adopted may include an  
 22 allocation provision by the amendment of that declaratory resolution on  
 23 or before the allocation deadline determined under subsection (i) in  
 24 accordance with the procedures required for its original adoption. A  
 25 declaratory resolution or an amendment that establishes an allocation  
 26 provision after June 30, 1995, must specify an expiration date for the  
 27 allocation provision. ~~that~~ **For an allocation area established before**  
 28 **July 1, 2008, the expiration date** may not be more than thirty (30)  
 29 years after the date on which the allocation provision is established.  
 30 **For an allocation area established after June 30, 2008, the**  
 31 **expiration date may not be more than twenty-five (25) years after**  
 32 **the date on which the allocation provision is established.** However,  
 33 **with respect to bonds or other obligations that were issued before**  
 34 **July 1, 2008, if any of the** bonds or other obligations that were  
 35 scheduled when issued to mature before the specified expiration date  
 36 and that are payable only from allocated tax proceeds with respect to  
 37 the allocation area remain outstanding as of the expiration date, the  
 38 allocation provision does not expire until all of the bonds or other  
 39 obligations are no longer outstanding. The allocation provision may  
 40 apply to all or part of the redevelopment project area. The allocation  
 41 provision must require that any property taxes subsequently levied by  
 42 or for the benefit of any public body entitled to a distribution of  
 43 property taxes on taxable property in the allocation area be allocated  
 44 and distributed as follows:

45 (1) Except as otherwise provided in this section, the proceeds of  
 46 the taxes attributable to the lesser of:  
 47 (A) the assessed value of the property for the assessment date  
 48 with respect to which the allocation and distribution is made;  
 49 or  
 50 (B) the base assessed value;  
 51 shall be allocated to and, when collected, paid into the funds of

- 1 the respective taxing units.
- 2 (2) Except as otherwise provided in this section, property tax
- 3 proceeds in excess of those described in subdivision (1) shall be
- 4 allocated to the redevelopment district and, when collected, paid
- 5 into an allocation fund for that allocation area that may be used by
- 6 the redevelopment district only to do one (1) or more of the
- 7 following:
- 8 (A) Pay the principal of and interest on any obligations
- 9 payable solely from allocated tax proceeds which are incurred
- 10 by the redevelopment district for the purpose of financing or
- 11 refinancing the redevelopment of that allocation area.
- 12 (B) Establish, augment, or restore the debt service reserve for
- 13 bonds payable solely or in part from allocated tax proceeds in
- 14 that allocation area.
- 15 (C) Pay the principal of and interest on bonds payable from
- 16 allocated tax proceeds in that allocation area and from the
- 17 special tax levied under section 27 of this chapter.
- 18 (D) Pay the principal of and interest on bonds issued by the
- 19 unit to pay for local public improvements ~~in or serving that~~
- 20 **are physically located in or physically connected to** that
- 21 allocation area.
- 22 (E) Pay premiums on the redemption before maturity of bonds
- 23 payable solely or in part from allocated tax proceeds in that
- 24 allocation area.
- 25 (F) Make payments on leases payable from allocated tax
- 26 proceeds in that allocation area under section 25.2 of this
- 27 chapter.
- 28 (G) Reimburse the unit for expenditures made by it for local
- 29 public improvements (which include buildings, parking
- 30 facilities, and other items described in section 25.1(a) of this
- 31 chapter) ~~in or serving that~~ **are physically located in or**
- 32 **physically connected to** that allocation area.
- 33 (H) Reimburse the unit for rentals paid by it for a building or
- 34 parking facility ~~in or serving that~~ **is physically located in or**
- 35 **physically connected to** that allocation area under any lease
- 36 entered into under IC 36-1-10.
- 37 (I) **For property taxes first due and payable before January**
- 38 **1, 2009**, pay all or a part of a property tax replacement credit
- 39 to taxpayers in an allocation area as determined by the
- 40 redevelopment commission. This credit equals the amount
- 41 determined under the following STEPS for each taxpayer in a
- 42 taxing district (as defined in IC 6-1.1-1-20) that contains all or
- 43 part of the allocation area:
- 44 STEP ONE: Determine that part of the sum of the amounts
- 45 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
- 46 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
- 47 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
- 48 STEP TWO: Divide:
- 49 (i) that part of each county's eligible property tax
- 50 replacement amount (as defined in IC 6-1.1-21-2) for that
- 51 year as determined under IC 6-1.1-21-4 that is attributable

- 1 to the taxing district; by  
 2 (ii) the STEP ONE sum.  
 3 STEP THREE: Multiply:  
 4 (i) the STEP TWO quotient; times  
 5 (ii) the total amount of the taxpayer's taxes (as defined in  
 6 IC 6-1.1-21-2) levied in the taxing district that have been  
 7 allocated during that year to an allocation fund under this  
 8 section.

9 If not all the taxpayers in an allocation area receive the credit  
 10 in full, each taxpayer in the allocation area is entitled to  
 11 receive the same proportion of the credit. A taxpayer may not  
 12 receive a credit under this section and a credit under section  
 13 39.5 of this chapter (**before its repeal**) in the same year.

14 (J) Pay expenses incurred by the redevelopment commission  
 15 for local public improvements that are in the allocation area or  
 16 serving the allocation area. Public improvements include  
 17 buildings, parking facilities, and other items described in  
 18 section 25.1(a) of this chapter.

19 (K) Reimburse public and private entities for expenses  
 20 incurred in training employees of industrial facilities that are  
 21 located:

- 22 (i) in the allocation area; and  
 23 (ii) on a parcel of real property that has been classified as  
 24 industrial property under the rules of the department of local  
 25 government finance.

26 However, the total amount of money spent for this purpose in  
 27 any year may not exceed the total amount of money in the  
 28 allocation fund that is attributable to property taxes paid by the  
 29 industrial facilities described in this clause. The  
 30 reimbursements under this clause must be made within three  
 31 (3) years after the date on which the investments that are the  
 32 basis for the increment financing are made.

33 The allocation fund may not be used for operating expenses of the  
 34 commission.

35 (3) Except as provided in subsection (g), before July 15 of each  
 36 year the commission shall do the following:

37 (A) Determine the amount, if any, by which the ~~base~~ assessed  
 38 value **of the taxable property in the allocation area for the**  
 39 **most recent assessment date minus the base assessed value,**  
 40 when multiplied by the estimated tax rate of the allocation  
 41 area, will exceed the amount of assessed value needed to  
 42 produce the property taxes necessary to make, when due,  
 43 principal and interest payments on bonds described in  
 44 subdivision (2) plus the amount necessary for other purposes  
 45 described in subdivision (2).

46 (B) **Notify Provide a written notice to the county auditor, of**  
 47 **the fiscal body of the county or municipality that**  
 48 **established the department of redevelopment, and the**  
 49 **officers who are authorized to fix budgets, tax rates, and**  
 50 **tax levies under IC 6-1.1-17-5 for each of the other taxing**  
 51 **units that is wholly or partly located within the allocation**

1 **area. The notice must:**

2 (i) **state** the amount, if any, of ~~the amount of~~ excess assessed  
3 value that the commission has determined may be allocated  
4 to the respective taxing units in the manner prescribed in  
5 subdivision (1); **or**

6 (ii) **state that the commission has determined that there**  
7 **is no excess assessed value that may be allocated to the**  
8 **respective taxing units in the manner prescribed in**  
9 **subdivision (1).**

10 **The county auditor shall allocate to the respective taxing**  
11 **units the amount, if any, of excess assessed value**  
12 **determined by the commission.** The commission may not  
13 authorize an allocation of assessed value to the respective  
14 taxing units under this subdivision if to do so would endanger  
15 the interests of the holders of bonds described in subdivision  
16 (2) or lessors under section 25.3 of this chapter.

17 (c) For the purpose of allocating taxes levied by or for any taxing  
18 unit or units, the assessed value of taxable property in a territory in the  
19 allocation area that is annexed by any taxing unit after the effective  
20 date of the allocation provision of the declaratory resolution is the  
21 lesser of:

22 (1) the assessed value of the property for the assessment date with  
23 respect to which the allocation and distribution is made; or

24 (2) the base assessed value.

25 (d) Property tax proceeds allocable to the redevelopment district  
26 under subsection (b)(2) may, subject to subsection (b)(3), be  
27 irrevocably pledged by the redevelopment district for payment as set  
28 forth in subsection (b)(2).

29 (e) Notwithstanding any other law, each assessor shall, upon  
30 petition of the redevelopment commission, reassess the taxable  
31 property situated upon or in, or added to, the allocation area, effective  
32 on the next assessment date after the petition.

33 (f) Notwithstanding any other law, the assessed value of all taxable  
34 property in the allocation area, for purposes of tax limitation, property  
35 tax replacement, and formulation of the budget, tax rate, and tax levy  
36 for each political subdivision in which the property is located is the  
37 lesser of:

38 (1) the assessed value of the property as valued without regard to  
39 this section; or

40 (2) the base assessed value.

41 (g) If any part of the allocation area is located in an enterprise zone  
42 created under IC 5-28-15, the unit that designated the allocation area  
43 shall create funds as specified in this subsection. A unit that has  
44 obligations, bonds, or leases payable from allocated tax proceeds under  
45 subsection (b)(2) shall establish an allocation fund for the purposes  
46 specified in subsection (b)(2) and a special zone fund. Such a unit  
47 shall, until the end of the enterprise zone phase out period, deposit each  
48 year in the special zone fund any amount in the allocation fund derived  
49 from property tax proceeds in excess of those described in subsection  
50 (b)(1) from property located in the enterprise zone that exceeds the  
51 amount sufficient for the purposes specified in subsection (b)(2) for the

1 year. The amount sufficient for purposes specified in subsection (b)(2)  
2 for the year shall be determined based on the pro rata portion of such  
3 current property tax proceeds from the part of the enterprise zone that  
4 is within the allocation area as compared to all such current property  
5 tax proceeds derived from the allocation area. A unit that has no  
6 obligations, bonds, or leases payable from allocated tax proceeds under  
7 subsection (b)(2) shall establish a special zone fund and deposit all the  
8 property tax proceeds in excess of those described in subsection (b)(1)  
9 in the fund derived from property tax proceeds in excess of those  
10 described in subsection (b)(1) from property located in the enterprise  
11 zone. The unit that creates the special zone fund shall use the fund  
12 (based on the recommendations of the urban enterprise association) for  
13 programs in job training, job enrichment, and basic skill development  
14 that are designed to benefit residents and employers in the enterprise  
15 zone or other purposes specified in subsection (b)(2), except that where  
16 reference is made in subsection (b)(2) to allocation area it shall refer  
17 for purposes of payments from the special zone fund only to that part  
18 of the allocation area that is also located in the enterprise zone. Those  
19 programs shall reserve at least one-half (1/2) of their enrollment in any  
20 session for residents of the enterprise zone.

21 (h) The state board of accounts and department of local government  
22 finance shall make the rules and prescribe the forms and procedures  
23 that they consider expedient for the implementation of this chapter.  
24 After each general reassessment under IC 6-1.1-4, the department of  
25 local government finance shall adjust the base assessed value one (1)  
26 time to neutralize any effect of the general reassessment on the  
27 property tax proceeds allocated to the redevelopment district under this  
28 section. After each annual adjustment under IC 6-1.1-4-4.5, the  
29 department of local government finance shall adjust the base assessed  
30 value one (1) time to neutralize any effect of the annual adjustment on  
31 the property tax proceeds allocated to the redevelopment district under  
32 this section. However, the adjustments under this subsection may not  
33 include the effect of property tax abatements under IC 6-1.1-12.1, and  
34 these adjustments may not produce less property tax proceeds allocable  
35 to the redevelopment district under subsection (b)(2) than would  
36 otherwise have been received if the general reassessment or annual  
37 adjustment had not occurred. The department of local government  
38 finance may prescribe procedures for county and township officials to  
39 follow to assist the department in making the adjustments.

40 (i) The allocation deadline referred to in subsection (b) is  
41 determined in the following manner:

42 (1) The initial allocation deadline is December 31, 2011.

43 (2) Subject to subdivision (3), the initial allocation deadline and  
44 subsequent allocation deadlines are automatically extended in  
45 increments of five (5) years, so that allocation deadlines  
46 subsequent to the initial allocation deadline fall on December 31,  
47 2016, and December 31 of each fifth year thereafter.

48 (3) At least one (1) year before the date of an allocation deadline  
49 determined under subdivision (2), the general assembly may enact  
50 a law that:

51 (A) terminates the automatic extension of allocation deadlines



1 under subdivision (2); and  
 2 (B) specifically designates a particular date as the final  
 3 allocation deadline.

4 SECTION 739. IC 36-7-14-41 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 41. (a) The commission  
 6 may, by following the procedures set forth in sections 15 through 17 of  
 7 this chapter, approve a plan for and determine that a geographic area  
 8 in the redevelopment district is an economic development area.  
 9 Designation of an economic development area is subject to judicial  
 10 review in the manner prescribed in section 18 of this chapter.

11 (b) The commission may determine that a geographic area is an  
 12 economic development area if it finds that:

13 (1) the plan for the economic development area:  
 14 (A) promotes significant opportunities for the gainful  
 15 employment of its citizens;  
 16 (B) attracts a major new business enterprise to the unit;  
 17 (C) retains or expands a significant business enterprise  
 18 existing in the boundaries of the unit; or  
 19 (D) meets other purposes of this section and sections 2.5 and  
 20 43 of this chapter;

21 (2) the plan for the economic development area cannot be  
 22 achieved by regulatory processes or by the ordinary operation of  
 23 private enterprise without resort to the powers allowed under this  
 24 section and sections 2.5 and 43 of this chapter because of:

25 (A) lack of local public improvement;  
 26 (B) existence of improvements or conditions that lower the  
 27 value of the land below that of nearby land;  
 28 (C) multiple ownership of land; or  
 29 (D) other similar conditions;

30 (3) the public health and welfare will be benefited by  
 31 accomplishment of the plan for the economic development area;

32 (4) the accomplishment of the plan for the economic development  
 33 area will be a public utility and benefit as measured by:

34 (A) the attraction or retention of permanent jobs;  
 35 (B) an increase in the property tax base;  
 36 (C) improved diversity of the economic base; or  
 37 (D) other similar public benefits; and

38 (5) the plan for the economic development area conforms to other  
 39 development and redevelopment plans for the unit.

40 (c) The determination that a geographic area is an economic  
 41 development area must be approved by the unit's legislative body. The  
 42 approval may be given either before or after judicial review is  
 43 requested. The requirement that the unit's legislative body approve  
 44 economic development areas does not prevent the commission from  
 45 amending the plan for the economic development area. However, the  
 46 enlargement of any boundary in the economic development area must  
 47 be approved by the unit's legislative body, **and a boundary may not**  
 48 **be enlarged unless:**

49 (1) **the existing area does not generate sufficient revenue to**  
 50 **meet the financial obligations of the original project; or**

51 (2) **the Indiana economic development corporation has, in the**

1           **manner provided by section 15(f) of this chapter, made a**  
 2           **finding approving the enlargement of the boundary.**

3           SECTION 740. IC 36-7-14-43, AS AMENDED BY P.L.185-2005,  
 4           SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5           JULY 1, 2008]: Sec. 43. (a) All of the rights, powers, privileges, and  
 6           immunities that may be exercised by the commission in a  
 7           redevelopment project area or urban renewal area may be exercised by  
 8           the commission in an economic development area, subject to the  
 9           following:

10           (1) The content and manner of exercise of these rights, powers,  
 11           privileges, and immunities shall be determined by the purposes  
 12           and nature of an economic development area.

13           (2) Real property (or interests in real property) relative to which  
 14           action is taken in an economic development area is not required  
 15           to meet the conditions described in IC 36-7-1-3.

16           (3) The special tax levied in accordance with section 27 of this  
 17           chapter may be used to carry out activities under this chapter in  
 18           economic development areas.

19           (4) Bonds may be issued in accordance with section 25.1 of this  
 20           chapter to defray expenses of carrying out activities under this  
 21           chapter in economic development areas **if no other revenue**  
 22           **sources are available for this purpose.**

23           (5) The tax exemptions set forth in section 37 of this chapter are  
 24           applicable in economic development areas.

25           (6) An economic development area may be an allocation area for  
 26           the purposes of distribution and allocation of property taxes.

27           (7) The commission may not use its power of eminent domain  
 28           under section 20 of this chapter to carry out activities under this  
 29           chapter in an economic development area.

30           (b) The content and manner of discharge of duties set forth in  
 31           section 11 of this chapter shall be determined by the purposes and  
 32           nature of an economic development area.

33           SECTION 741. IC 36-7-14-48, AS AMENDED BY P.L.219-2007,  
 34           SECTION 126, IS AMENDED TO READ AS FOLLOWS  
 35           [EFFECTIVE JULY 1, 2008]: Sec. 48. (a) Notwithstanding section  
 36           39(a) of this chapter, with respect to the allocation and distribution of  
 37           property taxes for the accomplishment of a program adopted under  
 38           section 45 of this chapter, "base assessed value" means the net assessed  
 39           value of all of the property, other than personal property, as finally  
 40           determined for the assessment date immediately preceding the effective  
 41           date of the allocation provision, as adjusted under section 39(h) of this  
 42           chapter.

43           (b) The allocation fund established under section 39(b) of this  
 44           chapter for the allocation area for a program adopted under section 45  
 45           of this chapter may be used only for purposes related to the  
 46           accomplishment of the program, including the following:

47           (1) The construction, rehabilitation, or repair of residential units  
 48           within the allocation area.

49           (2) The construction, reconstruction, or repair of any  
 50           infrastructure (including streets, sidewalks, and sewers) within or  
 51           serving the allocation area.

- 1 (3) The acquisition of real property and interests in real property  
 2 within the allocation area.
- 3 (4) The demolition of real property within the allocation area.
- 4 (5) The provision of financial assistance to enable individuals and  
 5 families to purchase or lease residential units within the allocation  
 6 area. However, financial assistance may be provided only to those  
 7 individuals and families whose income is at or below the county's  
 8 median income for individuals and families, respectively.
- 9 (6) The provision of financial assistance to neighborhood  
 10 development corporations to permit them to provide financial  
 11 assistance for the purposes described in subdivision (5).
- 12 (7) **For property taxes first due and payable before January**  
 13 **1, 2009**, providing each taxpayer in the allocation area a credit for  
 14 property tax replacement as determined under subsections (c) and  
 15 (d). However, the commission may provide this credit only if the  
 16 municipal legislative body (in the case of a redevelopment  
 17 commission established by a municipality) or the county  
 18 executive (in the case of a redevelopment commission established  
 19 by a county) establishes the credit by ordinance adopted in the  
 20 year before the year in which the credit is provided.
- 21 (c) The maximum credit that may be provided under subsection  
 22 (b)(7) to a taxpayer in a taxing district that contains all or part of an  
 23 allocation area established for a program adopted under section 45 of  
 24 this chapter shall be determined as follows:
- 25 STEP ONE: Determine that part of the sum of the amounts  
 26 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)  
 27 through IC 6-1.1-21-2(g)(5) that is attributable to the taxing  
 28 district.
- 29 STEP TWO: Divide:
- 30 (A) that part of each county's eligible property tax replacement  
 31 amount (as defined in IC 6-1.1-21-2) for that year as  
 32 determined under IC 6-1.1-21-4(a)(1) that is attributable to the  
 33 taxing district; by
- 34 (B) the amount determined under STEP ONE.
- 35 STEP THREE: Multiply:
- 36 (A) the STEP TWO quotient; by
- 37 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in  
 38 the taxing district allocated to the allocation fund, including  
 39 the amount that would have been allocated but for the credit.
- 40 (d) The commission may determine to grant to taxpayers in an  
 41 allocation area from its allocation fund a credit under this section, as  
 42 calculated under subsection (c). Except as provided in subsection (g),  
 43 one-half (1/2) of the credit shall be applied to each installment of taxes  
 44 (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and  
 45 payable in a year. The commission must provide for the credit annually  
 46 by a resolution and must find in the resolution the following:
- 47 (1) That the money to be collected and deposited in the allocation  
 48 fund, based upon historical collection rates, after granting the  
 49 credit will equal the amounts payable for contractual obligations  
 50 from the fund, plus ten percent (10%) of those amounts.
- 51 (2) If bonds payable from the fund are outstanding, that there is

1 a debt service reserve for the bonds that at least equals the amount  
2 of the credit to be granted.

3 (3) If bonds of a lessor under section 25.2 of this chapter or under  
4 IC 36-1-10 are outstanding and if lease rentals are payable from  
5 the fund, that there is a debt service reserve for those bonds that  
6 at least equals the amount of the credit to be granted.

7 If the tax increment is insufficient to grant the credit in full, the  
8 commission may grant the credit in part, prorated among all taxpayers.

9 (e) Notwithstanding section 39(b) of this chapter, the allocation  
10 fund established under section 39(b) of this chapter for the allocation  
11 area for a program adopted under section 45 of this chapter may only  
12 be used to do one (1) or more of the following:

13 (1) Accomplish one (1) or more of the actions set forth in section  
14 39(b)(2)(A) through 39(b)(2)(H) and 39(b)(2)(J) of this chapter  
15 for property that is residential in nature.

16 (2) Reimburse the county or municipality for expenditures made  
17 by the county or municipality in order to accomplish the housing  
18 program in that allocation area.

19 The allocation fund may not be used for operating expenses of the  
20 commission.

21 (f) Notwithstanding section 39(b) of this chapter, the commission  
22 shall, relative to the allocation fund established under section 39(b) of  
23 this chapter for an allocation area for a program adopted under section  
24 45 of this chapter, do the following before July 15 of each year:

25 (1) Determine the amount, if any, by which ~~property taxes payable~~  
26 ~~to the allocation fund in the following year~~ **the assessed value of**  
27 **the taxable property in the allocation area for the most recent**  
28 **assessment date minus the base assessed value, when**  
29 **multiplied by the estimated tax rate of the allocation area, will**  
30 **exceed the amount of assessed value needed to produce the**  
31 **property taxes necessary:**

32 (A) to make, when due, principal and interest payments on  
33 bonds described in section 39(b)(2) of this chapter;

34 (B) to pay the amount necessary for other purposes described  
35 in section 39(b)(2) of this chapter; and

36 (C) to reimburse the county or municipality for anticipated  
37 expenditures described in subsection (e)(2).

38 (2) ~~Notify~~ **Provide a written notice to the county auditor, of the**  
39 **fiscal body of the county or municipality that established the**  
40 **department of redevelopment, and the officers who are**  
41 **authorized to fix budgets, tax rates, and tax levies under**  
42 **IC 6-1.1-17-5 for each of the other taxing units that is wholly**  
43 **or partly located within the allocation area. The notice must:**

44 (A) **state the amount, if any, of excess property taxes that the**  
45 **commission has determined may be paid to the respective**  
46 **taxing units in the manner prescribed in section 39(b)(1) of**  
47 **this chapter; or**

48 (B) **state that the commission has determined that there is**  
49 **no excess assessed value that may be allocated to the**  
50 **respective taxing units in the manner prescribed in**  
51 **subdivision (1).**

1           **The county auditor shall allocate to the respective taxing units**  
 2           **the amount, if any, of excess assessed value determined by the**  
 3           **commission.**

4           (g) This subsection applies to an allocation area only to the extent  
 5 that the net assessed value of property that is assessed as residential  
 6 property under the rules of the department of local government finance  
 7 is not included in the base assessed value. If property tax installments  
 8 with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in  
 9 installments established by the department of local government finance  
 10 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an  
 11 allocation area is entitled to an additional credit under subsection (d)  
 12 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The  
 13 credit shall be applied in the same proportion to each installment of  
 14 taxes (as defined in IC 6-1.1-21-2).

15           SECTION 742. IC 36-7-14.5-12.5, AS AMENDED BY  
 16 P.L.219-2007, SECTION 127, IS AMENDED TO READ AS  
 17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.5. (a) This section  
 18 applies only to an authority in a county having a United States  
 19 government military base that is scheduled for closing or is completely  
 20 or partially inactive or closed.

21           (b) In order to accomplish the purposes set forth in section 11 of this  
 22 chapter, an authority may create an economic development area:

- 23           (1) by following the procedures set forth in IC 36-7-14-41 for the  
 24 establishment of an economic development area by a  
 25 redevelopment commission; and  
 26           (2) with the same effect as if the economic development area was  
 27 created by a redevelopment commission.

28           The area established under this section shall be established only in the  
 29 area where a United States government military base that is scheduled  
 30 for closing or is completely or partially inactive or closed is or was  
 31 located.

32           (c) In order to accomplish the purposes set forth in section 11 of this  
 33 chapter, an authority may do the following in a manner that serves an  
 34 economic development area created under this section:

- 35           (1) Acquire by purchase, exchange, gift, grant, condemnation, or  
 36 lease, or any combination of methods, any personal property or  
 37 interest in real property needed for the redevelopment of  
 38 economic development areas located within the corporate  
 39 boundaries of the unit.  
 40           (2) Hold, use, sell (by conveyance by deed, land sale contract, or  
 41 other instrument), exchange, lease, rent, or otherwise dispose of  
 42 property acquired for use in the redevelopment of economic  
 43 development areas on the terms and conditions that the authority  
 44 considers best for the unit and the unit's inhabitants.  
 45           (3) Sell, lease, or grant interests in all or part of the real property  
 46 acquired for redevelopment purposes to any other department of  
 47 the unit or to any other governmental agency for public ways,  
 48 levees, sewerage, parks, playgrounds, schools, and other public  
 49 purposes on any terms that may be agreed on.  
 50           (4) Clear real property acquired for redevelopment purposes.  
 51           (5) Repair and maintain structures acquired for redevelopment

- 1 purposes.
- 2 (6) Remodel, rebuild, enlarge, or make major structural
- 3 improvements on structures acquired for redevelopment purposes.
- 4 (7) Survey or examine any land to determine whether the land
- 5 should be included within an economic development area to be
- 6 acquired for redevelopment purposes and to determine the value
- 7 of that land.
- 8 (8) Appear before any other department or agency of the unit, or
- 9 before any other governmental agency in respect to any matter
- 10 affecting:
- 11 (A) real property acquired or being acquired for
- 12 redevelopment purposes; or
- 13 (B) any economic development area within the jurisdiction of
- 14 the authority.
- 15 (9) Institute or defend in the name of the unit any civil action, but
- 16 all actions against the authority must be brought in the circuit or
- 17 superior court of the county where the authority is located.
- 18 (10) Use any legal or equitable remedy that is necessary or
- 19 considered proper to protect and enforce the rights of and perform
- 20 the duties of the authority.
- 21 (11) Exercise the power of eminent domain in the name of and
- 22 within the corporate boundaries of the unit subject to the same
- 23 conditions and procedures that apply to the exercise of the power
- 24 of eminent domain by a redevelopment commission under
- 25 IC 36-7-14.
- 26 (12) Appoint an executive director, appraisers, real estate experts,
- 27 engineers, architects, surveyors, and attorneys.
- 28 (13) Appoint clerks, guards, laborers, and other employees the
- 29 authority considers advisable, except that those appointments
- 30 must be made in accordance with the merit system of the unit if
- 31 such a system exists.
- 32 (14) Prescribe the duties and regulate the compensation of
- 33 employees of the authority.
- 34 (15) Provide a pension and retirement system for employees of
- 35 the authority by using the public employees' retirement fund or a
- 36 retirement plan approved by the United States Department of
- 37 Housing and Urban Development.
- 38 (16) Discharge and appoint successors to employees of the
- 39 authority subject to subdivision (13).
- 40 (17) Rent offices for use of the department or authority, or accept
- 41 the use of offices furnished by the unit.
- 42 (18) Equip the offices of the authority with the necessary
- 43 furniture, furnishings, equipment, records, and supplies.
- 44 (19) Design, order, contract for, and construct, reconstruct,
- 45 improve, or renovate the following:
- 46 (A) Any local public improvement or structure that is
- 47 necessary for redevelopment purposes or economic
- 48 development within the corporate boundaries of the unit.
- 49 (B) Any structure that enhances development or economic
- 50 development.
- 51 (20) Contract for the construction, extension, or improvement of

- 1 pedestrian skyways (as defined in IC 36-7-14-12.2(c)).
- 2 (21) Accept loans, grants, and other forms of financial assistance
- 3 from, or contract with, the federal government, the state
- 4 government, a municipal corporation, a special taxing district, a
- 5 foundation, or any other source.
- 6 (22) Make and enter into all contracts and agreements necessary
- 7 or incidental to the performance of the duties of the authority and
- 8 the execution of the powers of the authority under this chapter.
- 9 (23) Take any action necessary to implement the purpose of the
- 10 authority.
- 11 (24) Provide financial assistance, in the manner that best serves
- 12 the purposes set forth in section 11 of this chapter, including
- 13 grants and loans, to enable private enterprise to develop,
- 14 redevelop, and reuse military base property or otherwise enable
- 15 private enterprise to provide social and economic benefits to the
- 16 citizens of the unit.
- 17 (d) An authority may designate all or a portion of an economic
- 18 development area created under this section as an allocation area by
- 19 following the procedures set forth in IC 36-7-14-39 for the
- 20 establishment of an allocation area by a redevelopment commission.
- 21 The allocation provision may modify the definition of "property taxes"
- 22 under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the
- 23 depreciable personal property located and taxable on the site of
- 24 operations of designated taxpayers in accordance with the procedures
- 25 applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3
- 26 applies to such a modification. An allocation area established by an
- 27 authority under this section is a special taxing district authorized by the
- 28 general assembly to enable the unit to provide special benefits to
- 29 taxpayers in the allocation area by promoting economic development
- 30 that is of public use and benefit. For allocation areas established for an
- 31 economic development area created under this section after June 30,
- 32 1997, and to the expanded portion of an allocation area for an
- 33 economic development area that was established before June 30, 1997,
- 34 and that is expanded under this section after June 30, 1997, the net
- 35 assessed value of property that is assessed as residential property under
- 36 the rules of the department of local government finance, as finally
- 37 determined for any assessment date, must be allocated. All of the
- 38 provisions of IC 36-7-14-39 ~~IC 36-7-14-39.1, and IC 36-7-14-39.5~~
- 39 apply to an allocation area created under this section, except that the
- 40 authority shall be vested with the rights and duties of a commission as
- 41 referenced in those sections, and except that, notwithstanding
- 42 IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation
- 43 fund may be used by the authority only to do one (1) or more of the
- 44 following:
- 45 (1) Pay the principal of and interest and redemption premium on
- 46 any obligations incurred by the special taxing district or any other
- 47 entity for the purpose of financing or refinancing military base
- 48 reuse activities in or serving or benefiting that allocation area.
- 49 (2) Establish, augment, or restore the debt service reserve for
- 50 obligations payable solely or in part from allocated tax proceeds
- 51 in that allocation area or from other revenues of the authority

- 1 (including lease rental revenues).
- 2 (3) Make payments on leases payable solely or in part from
- 3 allocated tax proceeds in that allocation area.
- 4 (4) Reimburse any other governmental body for expenditures
- 5 made by it for local public improvements or structures in or
- 6 serving or benefiting that allocation area.
- 7 (5) **For property taxes first due and payable before 2009**, pay
- 8 all or a portion of a property tax replacement credit to taxpayers
- 9 in an allocation area as determined by the authority. This credit
- 10 equals the amount determined under the following STEPS for
- 11 each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that
- 12 contains all or part of the allocation area:
- 13 STEP ONE: Determine that part of the sum of the amounts
- 14 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
- 15 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
- 16 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
- 17 STEP TWO: Divide:
- 18 (A) that part of each county's eligible property tax
- 19 replacement amount (as defined in IC 6-1.1-21-2) for that
- 20 year as determined under IC 6-1.1-21-4 that is attributable
- 21 to the taxing district; by
- 22 (B) the STEP ONE sum.
- 23 STEP THREE: Multiply:
- 24 (A) the STEP TWO quotient; by
- 25 (B) the total amount of the taxpayer's taxes (as defined in
- 26 IC 6-1.1-21-2) levied in the taxing district that have been
- 27 allocated during that year to an allocation fund under this
- 28 section.
- 29 If not all the taxpayers in an allocation area receive the credit in
- 30 full, each taxpayer in the allocation area is entitled to receive the
- 31 same proportion of the credit. A taxpayer may not receive a credit
- 32 under this section and a credit under IC 36-7-14-39.5 (**before its**
- 33 **repeal**) in the same year.
- 34 (6) Pay expenses incurred by the authority for local public
- 35 improvements or structures that are in the allocation area or
- 36 serving or benefiting the allocation area.
- 37 (7) Reimburse public and private entities for expenses incurred in
- 38 training employees of industrial facilities that are located:
- 39 (A) in the allocation area; and
- 40 (B) on a parcel of real property that has been classified as
- 41 industrial property under the rules of the department of local
- 42 government finance.
- 43 However, the total amount of money spent for this purpose in any
- 44 year may not exceed the total amount of money in the allocation
- 45 fund that is attributable to property taxes paid by the industrial
- 46 facilities described in clause (B). The reimbursements under this
- 47 subdivision must be made within three (3) years after the date on
- 48 which the investments that are the basis for the increment
- 49 financing are made. The allocation fund may not be used for
- 50 operating expenses of the authority.
- 51 (e) In addition to other methods of raising money for property



1 acquisition, redevelopment, or economic development activities in or  
2 directly serving or benefitting an economic development area created  
3 by an authority under this section, and in anticipation of the taxes  
4 allocated under subsection (d), other revenues of the authority, or any  
5 combination of these sources, the authority may, by resolution, issue  
6 the bonds of the special taxing district in the name of the unit. Bonds  
7 issued under this section may be issued in any amount without  
8 limitation. The following apply if such a resolution is adopted:

9 (1) The authority shall certify a copy of the resolution authorizing  
10 the bonds to the municipal or county fiscal officer, who shall then  
11 prepare the bonds. The seal of the unit must be impressed on the  
12 bonds, or a facsimile of the seal must be printed on the bonds.

13 (2) The bonds must be executed by the appropriate officer of the  
14 unit and attested by the unit's fiscal officer.

15 (3) The bonds are exempt from taxation for all purposes.

16 (4) Bonds issued under this section may be sold at public sale in  
17 accordance with IC 5-1-11 or at a negotiated sale.

18 (5) The bonds are not a corporate obligation of the unit but are an  
19 indebtedness of the taxing district. The bonds and interest are  
20 payable, as set forth in the bond resolution of the authority:

21 (A) from the tax proceeds allocated under subsection (d);

22 (B) from other revenues available to the authority; or

23 (C) from a combination of the methods stated in clauses (A)  
24 and (B).

25 (6) Proceeds from the sale of bonds may be used to pay the cost  
26 of interest on the bonds for a period not to exceed five (5) years  
27 from the date of issuance.

28 (7) Laws relating to the filing of petitions requesting the issuance  
29 of bonds and the right of taxpayers and voters to remonstrate  
30 against the issuance of bonds do not apply to bonds issued under  
31 this section.

32 (8) If a debt service reserve is created from the proceeds of bonds,  
33 the debt service reserve may be used to pay principal and interest  
34 on the bonds as provided in the bond resolution.

35 (9) If bonds are issued under this chapter that are payable solely  
36 or in part from revenues to the authority from a project or  
37 projects, the authority may adopt a resolution or trust indenture or  
38 enter into covenants as is customary in the issuance of revenue  
39 bonds. The resolution or trust indenture may pledge or assign the  
40 revenues from the project or projects. The resolution or trust  
41 indenture may also contain any provisions for protecting and  
42 enforcing the rights and remedies of the bond owners as may be  
43 reasonable and proper and not in violation of law, including  
44 covenants setting forth the duties of the authority. The authority  
45 may establish fees and charges for the use of any project and  
46 covenant with the owners of any bonds to set those fees and  
47 charges at a rate sufficient to protect the interest of the owners of  
48 the bonds. Any revenue bonds issued by the authority that are  
49 payable solely from revenues of the authority shall contain a  
50 statement to that effect in the form of bond.

51 (f) Notwithstanding section 8(a) of this chapter, an ordinance

1 adopted under section 11 of this chapter may provide, or be amended  
 2 to provide, that the board of directors of the authority shall be  
 3 composed of not fewer than three (3) nor more than eleven (11)  
 4 members, who must be residents of the unit appointed by the executive  
 5 of the unit.

6 (g) The acquisition of real and personal property by an authority  
 7 under this section is not subject to the provisions of IC 5-22,  
 8 IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the  
 9 purchase of property by public bodies or their agencies.

10 (h) An authority may negotiate for the sale, lease, or other  
 11 disposition of real and personal property without complying with the  
 12 provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other  
 13 statute governing the disposition of public property.

14 (i) Notwithstanding any other law, utility services provided within  
 15 an economic development area established under this section are  
 16 subject to regulation by the appropriate regulatory agencies unless the  
 17 utility service is provided by a utility that provides utility service solely  
 18 within the geographic boundaries of an existing or a closed military  
 19 installation, in which case the utility service is not subject to regulation  
 20 for purposes of rate making, regulation, service delivery, or issuance of  
 21 bonds or other forms of indebtedness. However, this exemption from  
 22 regulation does not apply to utility service if the service is generated,  
 23 treated, or produced outside the boundaries of the existing or closed  
 24 military installation.

25 SECTION 743. IC 36-7-15.1-5 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. A member of the  
 27 commission **or a nonvoting adviser appointed under IC 36-7-4-207**  
 28 may not have a pecuniary interest in any contract, employment,  
 29 purchase, or sale made under this chapter. However, any property  
 30 required for redevelopment purposes in which a member **or nonvoting**  
 31 **adviser** has a pecuniary interest may be acquired but only by gift or  
 32 condemnation.

33 SECTION 744. IC 36-7-15.1-7, AS AMENDED BY P.L.221-2007,  
 34 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2008]: Sec. 7. (a) In carrying out its duties and purposes under  
 36 this chapter, the commission may do the following:

37 (1) Acquire by purchase, exchange, gift, grant, lease, or  
 38 condemnation, or any combination of methods, any real or  
 39 personal property or interest in property needed for the  
 40 redevelopment of areas needing redevelopment that are located  
 41 within the redevelopment district.

42 (2) Hold, use, sell (by conveyance by deed, land sale contract, or  
 43 other instrument), exchange, lease, rent, invest in, or otherwise  
 44 dispose of, through any combination of methods, property  
 45 acquired for use in the redevelopment of areas needing  
 46 redevelopment on the terms and conditions that the commission  
 47 considers best for the city and its inhabitants.

48 (3) Acquire from and sell, lease, or grant interests in all or part of  
 49 the real property acquired for redevelopment purposes to any  
 50 other department of the city, or to any other governmental agency,  
 51 for public ways, levees, sewerage, parks, playgrounds, schools,

- 1 and other public purposes, on any terms that may be agreed upon.  
2 (4) Clear real property acquired for redevelopment purposes.  
3 (5) Enter on or into, inspect, investigate, and assess real property  
4 and structures acquired or to be acquired for redevelopment  
5 purposes to determine the existence, source, nature, and extent of  
6 any environmental contamination, including the following:  
7 (A) Hazardous substances.  
8 (B) Petroleum.  
9 (C) Other pollutants.  
10 (6) Remediate environmental contamination, including the  
11 following, found on any real property or structures acquired for  
12 redevelopment purposes:  
13 (A) Hazardous substances.  
14 (B) Petroleum.  
15 (C) Other pollutants.  
16 (7) Repair and maintain structures acquired or to be acquired for  
17 redevelopment purposes.  
18 (8) Enter upon, survey, or examine any land, to determine whether  
19 it should be included within an area needing redevelopment to be  
20 acquired for redevelopment purposes, and determine the value of  
21 that land.  
22 (9) Appear before any other department or agency of the city, or  
23 before any other governmental agency in respect to any matter  
24 affecting:  
25 (A) real property acquired or being acquired for  
26 redevelopment purposes; or  
27 (B) any area needing redevelopment within the jurisdiction of  
28 the commission.  
29 (10) **Subject to section 13 of this chapter**, exercise the power of  
30 eminent domain in the name of the city, within the redevelopment  
31 district, in the manner prescribed by this chapter.  
32 (11) Establish a uniform fee schedule whenever appropriate for  
33 the performance of governmental assistance, or for providing  
34 materials and supplies to private persons in project or program  
35 related activities.  
36 (12) Expend, on behalf of the redevelopment district, all or any  
37 part of the money available for the purposes of this chapter.  
38 (13) Contract for the construction, extension, or improvement of  
39 pedestrian skyways.  
40 (14) Accept loans, grants, and other forms of financial assistance  
41 from the federal government, the state government, a municipal  
42 corporation, a special taxing district, a foundation, or any other  
43 source.  
44 (15) Provide financial assistance (including grants and loans) to  
45 enable individuals and families to purchase or lease residential  
46 units within the district. However, financial assistance may be  
47 provided only to those individuals and families whose income is  
48 at or below the county's median income for individuals and  
49 families, respectively.  
50 (16) Provide financial assistance (including grants and loans) to  
51 neighborhood development corporations to permit them to:

- 1 (A) provide financial assistance for the purposes described in  
 2 subdivision (15); or  
 3 (B) construct, rehabilitate, or repair commercial property  
 4 within the district.
- 5 (17) Require as a condition of financial assistance to the owner of  
 6 a multiunit residential structure that any of the units leased by the  
 7 owner must be leased:  
 8 (A) for a period to be determined by the commission, which  
 9 may not be less than five (5) years;  
 10 (B) to families whose income does not exceed eighty percent  
 11 (80%) of the county's median income for families; and  
 12 (C) at an affordable rate.
- 13 Conditions imposed by the commission under this subdivision  
 14 remain in force throughout the period determined under clause  
 15 (A), even if the owner sells, leases, or conveys the property. The  
 16 subsequent owner or lessee is bound by the conditions for the  
 17 remainder of the period.
- 18 (18) Provide programs in job training, job enrichment, and basic  
 19 skill development for residents of an enterprise zone.
- 20 (19) Provide loans and grants for the purpose of stimulating  
 21 business activity in an enterprise zone or providing employment  
 22 for residents of an enterprise zone.
- 23 (20) Contract for the construction, extension, or improvement of:  
 24 (A) public ways, sidewalks, sewers, waterlines, parking  
 25 facilities, park or recreational areas, or other local public  
 26 improvements (as defined in IC 36-7-15.3-6) or structures that  
 27 are necessary for redevelopment of areas needing  
 28 redevelopment or economic development within the  
 29 redevelopment district; or  
 30 (B) any structure that enhances development or economic  
 31 development.
- 32 (b) In addition to its powers under subsection (a), the commission  
 33 may plan and undertake, alone or in cooperation with other agencies,  
 34 projects for the redevelopment of, rehabilitating, preventing the spread  
 35 of, or eliminating slums or areas needing redevelopment, both  
 36 residential and nonresidential, which projects may include any of the  
 37 following:  
 38 (1) The repair or rehabilitation of buildings or other  
 39 improvements by the commission, owners, or tenants.  
 40 (2) The acquisition of real property.  
 41 (3) Either of the following with respect to environmental  
 42 contamination on real property:  
 43 (A) Investigation.  
 44 (B) Remediation.  
 45 (4) The demolition and removal of buildings or improvements on  
 46 buildings acquired by the commission where necessary for any of  
 47 the following:  
 48 (A) To eliminate unhealthful, unsanitary, or unsafe conditions.  
 49 (B) To mitigate or eliminate environmental contamination.  
 50 (C) To lessen density.  
 51 (D) To reduce traffic hazards.

- 1 (E) To eliminate obsolete or other uses detrimental to public  
2 welfare.
- 3 (F) To otherwise remove or prevent the conditions described  
4 in IC 36-7-1-3.
- 5 (G) To provide land for needed public facilities.
- 6 (5) The preparation of sites and the construction of improvements  
7 (such as public ways and utility connections) to facilitate the sale  
8 or lease of property.
- 9 (6) The construction of buildings or facilities for residential,  
10 commercial, industrial, public, or other uses.
- 11 (7) The disposition in accordance with this chapter, for uses in  
12 accordance with the plans for the projects, of any property  
13 acquired in connection with the projects.
- 14 (c) The commission may use its powers under this chapter relative  
15 to real property and interests in real property obtained by voluntary sale  
16 or transfer, even though the real property and interests in real property  
17 are not located in a redevelopment or urban renewal project area  
18 established by the adoption and confirmation of a resolution under  
19 sections 8(c), 9, 10, and 11 of this chapter. In acquiring real property  
20 and interests in real property outside of a redevelopment or urban  
21 renewal project area, the commission shall comply with section 12(b)  
22 through 12(e) of this chapter. The commission shall hold, develop, use,  
23 and dispose of this real property and interests in real property  
24 substantially in accordance with section 15 of this chapter.
- 25 (d) As used in this section, "pedestrian skyway" means a pedestrian  
26 walkway within or outside of the public right-of-way and through and  
27 above public or private property and buildings, including all structural  
28 supports required to connect skyways to buildings or buildings under  
29 construction. Pedestrian skyways constructed, extended, or improved  
30 over or through public or private property constitute public property  
31 and public improvements, constitute a public use and purpose, and do  
32 not require vacation of any public way or other property.
- 33 (e) All powers that may be exercised under this chapter by the  
34 commission may also be exercised by the commission in carrying out  
35 its duties and purposes under IC 36-7-15.3.
- 36 SECTION 745. IC 36-7-15.1-8, AS AMENDED BY P.L.185-2005,  
37 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
38 JULY 1, 2008]: Sec. 8. (a) Whenever the commission finds that:
- 39 (1) an area in the redevelopment district is an area needing  
40 redevelopment;
- 41 (2) the conditions described in IC 36-7-1-3 cannot be corrected in  
42 the area by regulatory processes or by the ordinary operations of  
43 private enterprise without resort to this chapter; and
- 44 (3) the public health and welfare will be benefited by:
- 45 (A) the acquisition and redevelopment of the area under this  
46 chapter **as a redevelopment project area or an urban**  
47 **renewal area; or**
- 48 (B) **the amendment of the resolution or plan, or both, for**  
49 **an existing redevelopment project area or urban renewal**  
50 **area; and**
- 51 (4) **in the case of an amendment to the resolution or plan for**

1           **an existing redevelopment project area or urban renewal**  
 2           **area:**

3           **(A) the amendment is reasonable and appropriate when**  
 4           **considered in relation to the original resolution or plan and**  
 5           **the purposes of this chapter;**

6           **(B) the resolution or plan, with the proposed amendment,**  
 7           **conforms to the comprehensive plan for the unit; and**

8           **(C) except as provided by subsection (f), if the amendment**  
 9           **enlarges the boundaries of the area, the existing area does**  
 10           **not generate sufficient revenue to meet the financial**  
 11           **obligations of the original project;**

12           the commission shall cause to be prepared a redevelopment or urban  
 13           renewal plan.

14           (b) The redevelopment or urban renewal plan must include:

15           (1) maps, plats, or maps and plats, showing:

16           **(A) the boundaries of the area needing redevelopment, in**  
 17           **which property would be acquired for, or otherwise**  
 18           **affected by, the establishment of a redevelopment project**  
 19           **area or urban renewal area, or the amendment of the**  
 20           **resolution or plan for an existing area;**

21           **(B) the location of the various parcels of property, public**  
 22           **ways, and other features affecting the acquisition, clearance,**  
 23           **replatting, replanning, rezoning, or redevelopment of the area**  
 24           **or areas, indicating any parcels of property to be excluded**  
 25           **from the acquisition or otherwise excluded from the effects**  
 26           **of the establishment of the redevelopment project area or**  
 27           **the amendment of the resolution or plan for an existing**  
 28           **area; and**

29           ~~(B)~~ **(C) the parts of the area acquired that are to be devoted to**  
 30           **public ways, levees, sewerage, parks, playgrounds, and other**  
 31           **public purposes;**

32           (2) lists of the owners of the various parcels of property proposed  
 33           to be acquired **for, or otherwise affected by, the establishment**  
 34           **of an area or the amendment of the resolution or plan for an**  
 35           **existing area; and**

36           (3) an estimate of the ~~cost of~~ **costs, if any, to be incurred for the**  
 37           **acquisition and redevelopment of property.**

38           (c) **This subsection applies to the initial establishment of a**  
 39           **redevelopment project area or urban renewal area.** After  
 40           completion of the data required by subsection (b), the commission shall  
 41           adopt a resolution declaring that:

42           (1) the area needing redevelopment is a detriment to the social or  
 43           economic interests of the consolidated city and its inhabitants;

44           (2) it will be of public utility and benefit to acquire the area and  
 45           redevelop it under this chapter; and

46           (3) the area is designated as a redevelopment project area for  
 47           purposes of this chapter.

48           The resolution must state the general boundaries of the redevelopment  
 49           project area and identify the interests in real or personal property, if  
 50           any, that the department proposes to acquire in the area.

51           **(d) This subsection applies to the amendment of the resolution**

1 or plan for an existing redevelopment project area or urban  
 2 renewal area. After completion of the data required by subsection  
 3 (b), the redevelopment commission shall adopt a resolution  
 4 declaring that:

5 (1) except as provided by subsection (f), if the amendment  
 6 enlarges the boundaries of the area, the existing area does not  
 7 generate sufficient revenue to meet the financial obligations  
 8 of the original project;

9 (2) it will be of public utility and benefit to amend the  
 10 resolution or plan for the area; and

11 (3) any additional area to be acquired under the amendment  
 12 is designated as part of the existing redevelopment project  
 13 area or urban renewal area for purposes of this chapter.

14 The resolution must state the general boundaries of the  
 15 redevelopment project area or urban renewal area, including any  
 16 changes made to those boundaries by the amendment, and describe  
 17 the activities that the department is permitted to take under the  
 18 amendment, with any designated exceptions.

19 ~~(d)~~ (e) For the purpose of adopting a resolution under subsection (c)  
 20 or (d), it is sufficient to describe the boundaries of the redevelopment  
 21 project area by its location in relation to public ways or streams, or  
 22 otherwise, as determined by the commission. Property proposed for  
 23 acquisition may be described by street numbers or location.

24 (f) The commission is not required to make the finding and  
 25 declaration described in subsections (a)(4)(C) and (d)(1)  
 26 concerning the enlargement of the boundaries of an existing  
 27 redevelopment project area or urban renewal area if, before the  
 28 adoption of the resolution under subsection (d), the Indiana  
 29 economic development corporation issues a finding approving the  
 30 enlargement of the boundaries. Before issuing a finding under this  
 31 subsection, the Indiana economic development corporation must  
 32 consider whether the enlargement of the boundaries will:

33 (1) lead to increased investment in Indiana;

34 (2) foster job creation or job retention in Indiana;

35 (3) have a positive impact on the unit in which the area is  
 36 located; or

37 (4) otherwise benefit the people of Indiana by increasing  
 38 opportunities for employment in Indiana and strengthening  
 39 the economy of Indiana.

40 SECTION 746. IC 36-7-15.1-9, AS AMENDED BY P.L.185-2005,  
 41 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2008]: Sec. 9. (a) After or concurrent with adoption of a  
 43 resolution under section 8 of this chapter, the commission shall  
 44 determine whether the resolution and the redevelopment plan conform  
 45 to the comprehensive plan of development for the consolidated city and  
 46 approve or disapprove the resolution and plan proposed. **If the  
 47 commission approves the resolution and plan, it shall submit the  
 48 resolution and plan to the legislative body of the consolidated city,  
 49 which may approve or disapprove the resolution and plan.**

50 (b) In determining the location and extent of a redevelopment  
 51 project area proposed to be acquired for redevelopment, the

1 commission shall give consideration to transitional and permanent  
 2 provisions for adequate housing for the residents of the area who will  
 3 be displaced by the redevelopment project.

4 SECTION 747. IC 36-7-15.1-10 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) After approval  
 6 **by the commission and the legislative body of the consolidated city**  
 7 under section 9 of this chapter, the commission shall publish notice of  
 8 the adoption and substance of the resolution in accordance with  
 9 IC 5-3-1. The notice must:

10 (1) state that maps, plats, or maps and plats have been prepared  
 11 and can be inspected at the office of the department; ~~The notice~~  
 12 ~~must also and~~

13 (2) name a date when the commission will:

14 (A) receive and hear remonstrances and other testimony from  
 15 persons interested in or affected by the proceeding pertaining  
 16 to the proposed project **or other actions to be taken under**  
 17 **the resolution;** and ~~will~~

18 (B) determine the public utility and benefit of the proposed  
 19 project **or other actions.**

20 All persons affected in any manner by the hearing, including all  
 21 taxpayers of the redevelopment district, shall be considered notified of  
 22 the pendency of the hearing and of subsequent acts, hearings,  
 23 adjournments, and orders of the commission by the notice given under  
 24 this section.

25 (b) A copy of the notice of the hearing on the resolution shall be  
 26 filed in the office of the commission, board of zoning appeals, works  
 27 board, park board, and any other departments, bodies, or officers of the  
 28 consolidated city having to do with planning, variances from zoning  
 29 ordinances, land use, or the issuance of building permits. These  
 30 agencies and officers shall take notice of the pendency of the hearing,  
 31 and until the commission confirms, modifies and confirms, or rescinds  
 32 the resolution, or the confirmation of the resolution is set aside on  
 33 appeal, they may not, without approval of the commission:

34 (1) authorize any construction on property or sewers in the area  
 35 described in the resolution, including substantial modifications,  
 36 rebuilding, conversion, enlargement, additions, and major  
 37 structural improvements; or

38 (2) take any action regarding the zoning or rezoning of property,  
 39 or the opening, closing, or improvement of public ways in the area  
 40 described in the resolution.

41 This subsection does not prohibit the granting of permits for ordinary  
 42 maintenance or minor remodeling, or for changes necessary for the  
 43 continued occupancy of buildings in the area.

44 (c) If the resolution to be considered at the hearing includes a  
 45 provision establishing or amending an allocation provision under  
 46 section 26 of this chapter, the commission shall file the following  
 47 information with each taxing unit that is wholly or partly located within  
 48 the allocation area:

49 (1) A copy of the notice required by subsection (a).

50 (2) A statement disclosing the impact of the allocation area,  
 51 including the following:



1 (A) The estimated economic benefits and costs incurred by the  
2 allocation area, as measured by increased employment and  
3 anticipated growth of real property assessed values.

4 (B) The anticipated impact on tax revenues of each taxing unit.  
5 The commission shall file the information required by this subsection  
6 with the officers of the taxing unit who are authorized to fix budgets,  
7 tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days  
8 before the date of the hearing.

9 (d) At the hearing, which may be adjourned from time to time, the  
10 commission shall hear all persons interested in the proceedings and  
11 shall consider all written remonstrances and objections that have been  
12 filed. After considering the evidence presented, the commission shall  
13 take final action determining the public utility and benefit of the  
14 proposed project **or other actions to be taken under the resolution**,  
15 and confirming, modifying and confirming, or rescinding the  
16 resolution. The final action taken by the commission shall be recorded  
17 and is final and conclusive, except that an appeal may be taken under  
18 section 11 of this chapter.

19 SECTION 748. IC 36-7-15.1-10.5, AS AMENDED BY  
20 P.L.185-2005, SECTION 31, IS AMENDED TO READ AS  
21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10.5. (a) The  
22 commission must conduct a public hearing before amending a  
23 resolution or plan for a redevelopment project area, an urban renewal  
24 project area, or an economic development area. The commission shall  
25 give notice of the hearing in accordance with IC 5-3-1. The notice  
26 must:

27 (1) set forth the substance of the proposed amendment;  
28 (2) state the time and place where written remonstrances against  
29 the proposed amendment may be filed;  
30 (3) set forth the time and place of the hearing; and  
31 (4) state that the commission will hear any person who has filed  
32 a written remonstrance during the filing period set forth under  
33 subdivision (2):

34 (b) For the purposes of this section, the consolidation of areas is not  
35 considered the enlargement of the boundaries of an area:

36 (c) When the commission proposes to amend a resolution or plan,  
37 the commission is not required to have evidence or make findings that  
38 were required for the establishment of the original redevelopment  
39 project area, urban renewal area, or economic development area.  
40 However, the commission must make the following findings before  
41 approving the amendment:

42 (1) The amendment is reasonable and appropriate when  
43 considered in relation to the original resolution or plan and the  
44 purposes of this chapter:

45 (2) The resolution or plan, with the proposed amendment,  
46 conforms to the comprehensive plan for the county:

47 (d) (a) In addition to the requirements of subsection (a), **section 10**  
48 **of this chapter**, if the resolution or plan **for an existing**  
49 **redevelopment project area or urban renewal area** is proposed to  
50 be amended in a way that changes:

51 (1) parts of the area that are to be devoted to a public way, levee,

1 sewerage, park, playground, or other public purpose;

2 (2) the proposed use of the land in the area; or

3 (3) requirements for rehabilitation, building requirements,  
4 proposed zoning, maximum densities, or similar requirements;

5 the commission must, at least ten (10) days before the public hearing  
6 **under section 10 of this chapter**, send the notice required by  
7 ~~subsection (a)~~ **section 10 of this chapter** by first class mail to affected  
8 neighborhood associations.

9 ~~(e)~~ **(b)** In addition to the requirements of ~~subsection (a)~~; **section 10**  
10 **of this chapter**, if the resolution or plan **for an existing**  
11 **redevelopment project area or urban renewal area** is proposed to  
12 be amended in a way that:

13 (1) enlarges the boundaries of the area; ~~by not more than twenty~~  
14 ~~percent (20%) of the original area~~; or

15 (2) adds one (1) or more parcels to the list of parcels to be  
16 acquired;

17 the commission must, at least ten (10) days before the public hearing  
18 **under section 10 of this chapter**, send the notice required by  
19 ~~subsection (a)~~ **section 10 of this chapter** by first class mail to affected  
20 neighborhood associations and to persons owning property that is in the  
21 proposed enlargement of the area or that is proposed to be added to the  
22 acquisition list. If the enlargement of an area is proposed, notice must  
23 also be filed in accordance with section 10(b) of this chapter, and  
24 agencies and officers may not take actions prohibited by section 10(b)  
25 in the proposed enlarged area.

26 ~~(f)~~ **(f)** Notwithstanding subsections (a) and (c), if the resolution or plan  
27 is proposed to be amended in a way that enlarges the original  
28 boundaries of the area by more than twenty percent (20%); the  
29 commission must use the procedure provided for the original  
30 establishment of areas and must comply with sections 8 through 10 of  
31 this chapter.

32 ~~(g)~~ **(g)** At the hearing on the amendments, the commission shall  
33 consider written remonstrances that are filed. The action of the  
34 commission on the amendment shall be recorded and is final and  
35 conclusive, except that:

36 ~~(1)~~ **(1)** the city-county legislative body must also approve the  
37 enlargement of the boundaries of an economic development area;  
38 and

39 ~~(2)~~ **(2)** an appeal of the commission's action may be taken under  
40 section ~~11~~ **11** of this chapter.

41 ~~(h)~~ **(e)** The commission may require that neighborhood associations  
42 register with the commission. The commission may adopt a rule that  
43 requires that a neighborhood association encompass a part of the  
44 geographic area included in or proposed to be included in a  
45 redevelopment project area, urban renewal area, or economic  
46 development area to qualify as an affected neighborhood association.

47 SECTION 749. IC 36-7-15.1-13, AS AMENDED BY P.L.185-2005,  
48 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
49 JULY 1, 2008]: Sec. 13. (a) **Subject to the approval of the**  
50 **city-county legislative body**, if the commission considers it necessary

1 to acquire real property in a redevelopment project area by the exercise  
 2 of the power of eminent domain, it shall adopt a resolution setting out  
 3 its determination to exercise that power and directing its attorney to file  
 4 a petition in the name of the city on behalf of the department in the  
 5 circuit or superior court of the county.

6 (b) Eminent domain proceedings under this section are governed by  
 7 IC 32-24.

8 SECTION 750. IC 36-7-15.1-16 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) For the purpose  
 10 of raising money to carry out this chapter or IC 36-7-15.3, the  
 11 city-county legislative body ~~shall~~ **may** levy each year a special tax upon  
 12 all property in the redevelopment district. The tax so levied each year  
 13 shall be certified to the fiscal officers of the city and the county before  
 14 September 2 of each year. The tax shall be estimated and entered upon  
 15 the tax duplicates by the county auditor, and shall be collected and  
 16 enforced by the county treasurer in the same manner as state and  
 17 county taxes are estimated, entered, collected, and enforced.

18 (b) As the tax is collected by the county treasurer, it shall be  
 19 accumulated and kept in a separate fund to be known as the  
 20 redevelopment district fund and shall be expended and applied only for  
 21 the purposes of this chapter or IC 36-7-15.3.

22 (c) The amount of the special tax levy shall be based on the budget  
 23 of the department but may not exceed one and sixty-seven hundredths  
 24 cents (\$0.0167) on each one hundred dollars (\$100) of taxable  
 25 valuation in the redevelopment district, except as otherwise provided  
 26 in this chapter.

27 (d) The budgets and tax levies under this chapter are subject to  
 28 review and modification in the manner prescribed by IC 36-3-6.

29 SECTION 751. IC 36-7-15.1-17, AS AMENDED BY P.L.219-2007,  
 30 SECTION 128, IS AMENDED TO READ AS FOLLOWS  
 31 [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) In addition to other methods  
 32 of raising money for property acquisition or redevelopment in a  
 33 redevelopment project area, and in anticipation of the special tax to be  
 34 levied under section 19 of this chapter, the taxes allocated under  
 35 section 26 of this chapter, or other revenues of the redevelopment  
 36 district, the commission may, by resolution, issue the bonds of the  
 37 redevelopment district in the name of the consolidated city and in  
 38 accordance with IC 36-3-5-8. The amount of the bonds may not exceed  
 39 the total, as estimated by the commission, of all expenses reasonably  
 40 incurred in connection with the acquisition and redevelopment of the  
 41 property, including:

- 42 (1) the total cost of all land, rights-of-way, and other property to  
 43 be acquired and redeveloped;
- 44 (2) all reasonable and necessary architectural, engineering, legal,  
 45 financing, accounting, advertising, bond discount, and  
 46 supervisory expenses related to the acquisition and redevelopment  
 47 of the property or the issuance of bonds;
- 48 (3) capitalized interest permitted in this chapter and a debt service  
 49 reserve for the bonds, to the extent that the redevelopment  
 50 commission determines that a reserve is reasonably required;
- 51 (4) the total cost of all clearing and construction work provided

- 1 for in the resolution; and  
 2 (5) expenses that the commission is required or permitted to pay  
 3 under IC 8-23-17.
- 4 (b) If the commission plans to acquire different parcels of land or let  
 5 different contracts for redevelopment work at approximately the same  
 6 time, whether under one (1) or more resolutions, the commission may  
 7 provide for the total cost in one (1) issue of bonds.
- 8 (c) The bonds must be dated as set forth in the bond resolution and  
 9 negotiable subject to the requirements of the bond resolution for the  
 10 registration of the bonds. The resolution authorizing the bonds must  
 11 state:
- 12 (1) the denominations of the bonds;  
 13 (2) the place or places at which the bonds are payable; and  
 14 (3) the term of the bonds, which may not exceed:
- 15 (A) fifty (50) years, **for bonds issued before July 1, 2008; or**  
 16 (B) **twenty-five (25) years, for bonds issued after June 30,**  
 17 **2008.**
- 18 The resolution may also state that the bonds are redeemable before  
 19 maturity with or without a premium, as determined by the commission.
- 20 (d) The commission shall certify a copy of the resolution authorizing  
 21 the bonds to the fiscal officer of the consolidated city, who shall then  
 22 prepare the bonds. The seal of the unit must be impressed on the bonds,  
 23 or a facsimile of the seal must be printed on the bonds.
- 24 (e) The bonds shall be executed by the city executive and attested  
 25 by the fiscal officer. The interest coupons, if any, shall be executed by  
 26 the facsimile signature of the fiscal officer.
- 27 (f) The bonds are exempt from taxation as provided by IC 6-8-5.
- 28 (g) The city fiscal officer shall sell the bonds according to law.  
 29 Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax  
 30 proceeds allocated under section 26(b)(2) of this chapter or other  
 31 revenues of the district may be sold at private negotiated sale and at a  
 32 price or prices not less than ninety-seven percent (97%) of the par  
 33 value.
- 34 (h) The bonds are not a corporate obligation of the city but are an  
 35 indebtedness of the redevelopment district. The bonds and interest are  
 36 payable:
- 37 (1) from a special tax levied upon all of the property in the  
 38 redevelopment district, as provided by section 19 of this chapter;  
 39 (2) from the tax proceeds allocated under section 26(b)(2) of this  
 40 chapter;  
 41 (3) from other revenues available to the commission; or  
 42 (4) from a combination of the methods stated in subdivisions (1)  
 43 through (3);  
 44 and from any revenues of the designated project. If the bonds are  
 45 payable solely from the tax proceeds allocated under section 26(b)(2)  
 46 of this chapter, other revenues of the redevelopment commission, or  
 47 any combination of these sources, they may be issued in any amount  
 48 without limitation.
- 49 (i) Proceeds from the sale of the bonds may be used to pay the cost  
 50 of interest on the bonds for a period not to exceed five (5) years from  
 51 the date of issue.

1 (j) Notwithstanding IC 36-3-5-8, the laws relating to the filing of  
 2 petitions requesting the issuance of bonds and the right of taxpayers  
 3 and voters to remonstrate against, **or vote on**, the issuance of bonds  
 4 applicable to bonds issued under this chapter do not apply to bonds  
 5 payable solely or in part from tax proceeds allocated under section  
 6 26(b)(2) of this chapter, other revenues of the commission, or any  
 7 combination of these sources.

8 (k) If bonds are issued under this chapter that are payable solely or  
 9 in part from revenues to the commission from a project or projects, the  
 10 commission may adopt a resolution or trust indenture or enter into  
 11 covenants as is customary in the issuance of revenue bonds. The  
 12 resolution or trust indenture may pledge or assign the revenues from  
 13 the project or projects, but may not convey or mortgage any project or  
 14 parts of a project. The resolution or trust indenture may also contain  
 15 any provisions for protecting and enforcing the rights and remedies of  
 16 the bond owners as may be reasonable and proper and not in violation  
 17 of law, including covenants setting forth the duties of the commission.  
 18 The commission may establish fees and charges for the use of any  
 19 project and covenant with the owners of any bonds to set those fees and  
 20 charges at a rate sufficient to protect the interest of the owners of the  
 21 bonds. Any revenue bonds issued by the commission that are payable  
 22 solely from revenues of the commission must contain a statement to  
 23 that effect in the form of bond.

24 SECTION 752. IC 36-7-15.1-17.1 IS AMENDED TO READ AS  
 25 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17.1. (a) A commission  
 26 may enter into a lease of any property that may be financed with the  
 27 proceeds of bonds issued under this chapter with a lessor for a term not  
 28 to exceed:

- 29 (1) fifty (50) years, **for a lease entered into before July 1, 2008;**  
 30 **or**  
 31 (2) **twenty-five (25) years, for a lease entered into after June**  
 32 **30, 2008.**

33 The lease may provide for payments to be made by the commission  
 34 from special benefits taxes levied under section 19 of this chapter,  
 35 taxes allocated under section 26 of this chapter, any other revenue  
 36 available to the commission, or any combination of these sources.

37 (b) A lease may provide that payments by the commission to the  
 38 lessor are required only to the extent and only for the period that the  
 39 lessor is able to provide the leased facilities in accordance with the  
 40 lease. The terms of each lease must be based upon the value of the  
 41 facilities leased and may not create a debt of the unit or the district for  
 42 purposes of the Constitution of the State of Indiana.

43 (c) A lease may be entered into by the commission only after a  
 44 public hearing by the commission at which all interested parties are  
 45 given the opportunity to be heard. Notice of the hearing must be given  
 46 by publication in accordance with IC 5-3-1. After the public hearing,  
 47 the commission may adopt a resolution authorizing the execution of the  
 48 lease on behalf of the unit if it finds that the service to be provided  
 49 throughout the term of the lease will serve the public purpose of the  
 50 unit and is in the best interests of its residents. Any lease approved by  
 51 a resolution of the commission must be approved by an ordinance of

1 the fiscal body of the unit.

2 (d) Upon execution of a lease providing for payments by the  
3 commission in whole or in part from the levy of special benefits taxes  
4 under section 19 of this chapter and upon approval of the lease by the  
5 fiscal body, the commission shall publish notice of the execution of the  
6 lease and its approval in accordance with IC 5-3-1. Fifty (50) or more  
7 taxpayers residing in the district who will be affected by the lease and  
8 who may be of the opinion that no necessity exists for the execution of  
9 the lease or that the payments provided for in the lease are not fair and  
10 reasonable may file a petition in the office of the county auditor within  
11 thirty (30) days after the publication of the notice of execution and  
12 approval. The petition must set forth the petitioners' names, addresses,  
13 and objections to the lease and the facts showing that the execution of  
14 the lease is unnecessary or unwise or that the payments provided for in  
15 the lease are not fair and reasonable, as the case may be. Upon the  
16 filing of the petition, the county auditor shall immediately certify a  
17 copy of it, together with such other data as may be necessary in order  
18 to present the questions involved, to the department of local  
19 government finance. Upon receipt of the certified petition and  
20 information, the department of local government finance shall fix a  
21 time and place for the hearing in the redevelopment district, which  
22 must be not less than five (5) or more than thirty (30) days after the  
23 time for the hearing is fixed. Notice of the hearing shall be given by the  
24 department of local government finance to the members of the fiscal  
25 body, to the commission, and to the first fifty (50) petitioners on the  
26 petition by a letter signed by the commissioner or deputy commissioner  
27 of the department and enclosed with fully prepaid postage sent to those  
28 persons at their usual place of residence, at least five (5) days before  
29 the date of the hearing. The decision of the department of local  
30 government finance on the appeal, upon the necessity for the execution  
31 of the lease and as to whether the payments under it are fair and  
32 reasonable, is final.

33 (e) A commission entering into a lease payable from allocated taxes  
34 under section 26 of this chapter or revenues or other available funds of  
35 the commission may:

36 (1) pledge the revenue to make payments under the lease pursuant  
37 to IC 5-1-14-4; and

38 (2) establish a special fund to make the payments.

39 Lease rentals may be limited to money in the special fund so that the  
40 obligations of the commission to make the lease rental payments are  
41 not considered a debt of the unit or the district for purposes of the  
42 Constitution of the State of Indiana.

43 (f) Except as provided in this section, no approvals of any  
44 governmental body or agency are required before the commission  
45 enters into a lease under this section.

46 (g) An action to contest the validity of the lease or to enjoin the  
47 performance of any of its terms and conditions must be brought within  
48 thirty (30) days after the publication of the notice of the execution and  
49 approval of the lease. However, if the lease is payable in whole or in  
50 part from tax levies and an appeal has been taken to the department of  
51 local government finance, an action to contest the validity or to enjoin

1 performance must be brought within thirty (30) days after the decision  
2 of the department.

3 (h) If a commission exercises an option to buy a leased facility from  
4 a lessor, the commission may subsequently sell the leased facility,  
5 without regard to any other statute, to the lessor at the end of the lease  
6 term at a price set forth in the lease or at fair market value established  
7 at the time of the sale by the commission through auction, appraisal, or  
8 arms length negotiation. If the facility is sold at auction, after appraisal,  
9 or through negotiation, the commission shall conduct a hearing after  
10 public notice in accordance with IC 5-3-1 before the sale. Any action  
11 to contest the sale must be brought within fifteen (15) days after the  
12 hearing.

13 SECTION 753. IC 36-7-15.1-22.5, AS AMENDED BY  
14 P.L.163-2006, SECTION 21, IS AMENDED TO READ AS  
15 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22.5. (a) **Subject to the**  
16 **approval of the county fiscal body**, the commission may acquire a  
17 parcel of real property by the exercise of eminent domain when the  
18 following conditions exist:

19 (1) The real property meets at least one (1) of the conditions  
20 described in IC 32-24-4.5-7(1).

21 (2) The real property is capable of being developed or  
22 rehabilitated to provide affordable housing for low or moderate  
23 income families or to provide other development that will benefit  
24 or serve low or moderate income families.

25 (3) The real property suffers from one (1) or more of the  
26 conditions listed in IC 36-7-1-3, resulting in a negative impact on  
27 the use or value of the neighboring properties or other properties  
28 in the community.

29 (b) The commission or its designated hearing examiner shall  
30 conduct a public meeting to determine whether the conditions set forth  
31 in subsection (a) exist relative to a parcel of real property. Each person  
32 holding a fee or life estate interest of record in the property must be  
33 given notice by first class mail of the time and date of the hearing at  
34 least ten (10) days before the hearing, and is entitled to present  
35 evidence and make arguments at the hearing.

36 (c) If the commission considers it necessary to acquire real property  
37 under this section, it shall adopt a resolution setting out its  
38 determination to exercise that power and directing its attorney to file  
39 a petition in the name of the city on behalf of the department in the  
40 circuit or superior court in the county.

41 (d) Eminent domain proceedings under this section are governed by  
42 IC 32-24.

43 (e) The commission shall use real property acquired under this  
44 section for one (1) of the following purposes:

45 (1) Sale in an urban homestead program under IC 36-7-17.

46 (2) Sale to a family whose income is at or below the county's  
47 median income for families.

48 (3) Sale or grant to a neighborhood development corporation or  
49 other nonprofit corporation, with a condition in the granting  
50 clause of the deed requiring the nonprofit organization to lease or  
51 sell the property to a family whose income is at or below the

1 county's median income for families or to cause development that  
 2 will serve or benefit families whose income is at or below the  
 3 county's median income for families. However, a nonprofit  
 4 organization is eligible for a sale or grant under this subdivision  
 5 only if the county fiscal body has determined that the nonprofit  
 6 organization meets the criteria established under subsection (f).

7 (4) Any other purpose appropriate under this chapter so long as  
 8 it will serve or benefit families whose income is at or below the  
 9 county's median income for families.

10 (f) The county fiscal body shall establish criteria for determining the  
 11 eligibility of neighborhood development corporations and other  
 12 nonprofit corporations for sales and grants of real property under  
 13 subsection (e)(3). A neighborhood development corporation or other  
 14 nonprofit corporation may apply to the county fiscal body for a  
 15 determination concerning the corporation's compliance with the criteria  
 16 established under this subsection.

17 (g) A neighborhood development corporation or nonprofit  
 18 corporation that receives property under this section must agree to  
 19 rehabilitate or otherwise develop the property in a manner that is  
 20 similar to and consistent with the use of the other properties in the area  
 21 served by the corporation.

22 SECTION 754. IC 36-7-15.1-24 IS AMENDED TO READ AS  
 23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) **Subject to the**  
 24 **approval of the legislative body of the consolidated city, and in**  
 25 order to:

- 26 (1) undertake survey and planning activities under this chapter;
- 27 (2) undertake and carry out any redevelopment project, urban  
 28 renewal project, economic development plan, or housing  
 29 program;
- 30 (3) pay principal and interest on any advances;
- 31 (4) pay or retire any bonds and interest on them; or
- 32 (5) refund loans previously made under this section;

33 the commission may apply for and accept advances, short term and  
 34 long term loans, grants, contributions, loan guarantees, and any other  
 35 form of financial assistance from the federal government, or from any  
 36 of its agencies. The commission may apply for and accept loans under  
 37 this section from sources other than the federal government or federal  
 38 agencies but only if the loans are unconditionally guaranteed by the  
 39 federal government or federal agencies. The commission may also  
 40 enter into and carry out contracts and agreements in connection with  
 41 that financial assistance upon the terms and conditions that the  
 42 commission considers reasonable and appropriate, as long as those  
 43 terms and conditions are not inconsistent with the purposes of this  
 44 chapter. The provisions of such a contract or agreement in regard to the  
 45 handling, deposit, and application of project funds, as well as all other  
 46 provisions, are valid and binding on the consolidated city or its  
 47 executive departments and officers, as well as the commission,  
 48 notwithstanding any other provision of this chapter.

49 (b) **Subject to the approval of the fiscal body of the consolidated**  
 50 **city, the commission may issue and sell bonds, notes, or warrants:**

- 51 (1) to the federal government to evidence short term or long term



- 1 loans made under this section; or  
 2 (2) to persons or entities other than the federal government to  
 3 evidence short or long term loans made under this section that are  
 4 unconditionally guaranteed by the federal government or federal  
 5 agencies;  
 6 without notice of sale being given or a public offering being made.
- 7 (c) Notwithstanding any other law, bonds, notes, or warrants issued  
 8 by the commission under this section may:
- 9 (1) be in the amounts, form, or denomination;
  - 10 (2) be either coupon or registered;
  - 11 (3) carry conversion or other privileges;
  - 12 (4) have a rank or priority;
  - 13 (5) be of such description;
  - 14 (6) be secured (subject to other provisions of this section) in such  
 15 manner;
  - 16 (7) bear interest at a rate or rates;
  - 17 (8) be payable as to both principal and interest in a medium of  
 18 payment, at a time or times (which may be upon demand) and at  
 19 a place or places;
  - 20 (9) be subject to terms of redemption (with or without premium);
  - 21 (10) contain or be subject to any covenants, conditions, and  
 22 provisions; and
  - 23 (11) have any other characteristics;
- 24 that the commission considers reasonable and appropriate.
- 25 (d) Bonds, notes, or warrants issued under this section are not an  
 26 indebtedness of the city or redevelopment district within the meaning  
 27 of any constitutional or statutory limitation of indebtedness. The bonds,  
 28 notes, or warrants are not payable from or secured by a levy of taxes,  
 29 but are payable only from and secured only by income, funds, and  
 30 properties of the project becoming available to the commission under  
 31 this chapter or by grant funds from the federal government, as the  
 32 commission specifies in the resolution authorizing their issuance.
- 33 (e) Bonds, notes, or warrants issued under this section are exempt  
 34 from taxation as provided by IC 6-8-5.
- 35 (f) Bonds, notes, or warrants issued under this section shall be  
 36 executed by the city executive and attested by the fiscal officer in the  
 37 name of the "City of \_\_\_\_\_, Department of  
 38 Metropolitan Development".
- 39 (g) Following the adoption of the resolution authorizing the issuance  
 40 of bonds, notes, or warrants under this section, the commission shall  
 41 certify a copy of that resolution to the officers of the city who have  
 42 duties with respect to bonds, notes, or warrants of the city. At the  
 43 proper time, the commission shall deliver to the officers the unexecuted  
 44 bonds, notes, or warrants prepared for execution in accordance with the  
 45 resolution.
- 46 (h) All bonds, notes, or warrants issued under this section shall be  
 47 sold by the officers of the city who have duties with respect to the sale  
 48 of bonds, notes, or warrants of the city. If an officer whose signature  
 49 appears on any bonds, notes, or warrants issued under this section  
 50 leaves office before their delivery, the signature remains valid and  
 51 sufficient for all purposes as if he had remained in office until the

1 delivery.

2 (i) If at any time during the life of a loan contract or agreement  
3 under this section the commission can obtain loans for the purposes of  
4 this section from sources other than the federal government at interest  
5 rates not less favorable than provided in the loan contract or agreement,  
6 and if the loan contract or agreement so permits, the commission may  
7 do so and may pledge the loan contract and any rights under that  
8 contract as security for the repayment of the loans obtained from other  
9 sources. Any loan under this subsection may be evidenced by bonds,  
10 notes, or warrants issued and secured in the same manner as provided  
11 in this section for loans from the federal government. These bonds,  
12 notes, or warrants may be sold at either public or private sale, as the  
13 commission considers appropriate.

14 (j) Money obtained from the federal government or from other  
15 sources under this section, and money that is required by a contract or  
16 agreement under this section to be used for project expenditure  
17 purposes, repayment of survey and planning advances, or repayment of  
18 temporary or definitive loans, may be expended by the commission  
19 without regard to any law pertaining to the making and approval of  
20 budgets, appropriations, and expenditures.

21 (k) Bonds, notes, or warrants issued under this section are declared  
22 to be issued for an essential public and governmental purpose.

23 SECTION 755. IC 36-7-15.1-26, AS AMENDED BY P.L.154-2006,  
24 SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
25 JULY 1, 2008]: Sec. 26. (a) As used in this section:

26 "Allocation area" means that part of a redevelopment project area  
27 to which an allocation provision of a resolution adopted under section  
28 8 of this chapter refers for purposes of distribution and allocation of  
29 property taxes.

30 "Base assessed value" means the following:

31 (1) If an allocation provision is adopted after June 30, 1995, in a  
32 declaratory resolution or an amendment to a declaratory  
33 resolution establishing an economic development area:

34 (A) the net assessed value of all the property as finally  
35 determined for the assessment date immediately preceding the  
36 effective date of the allocation provision of the declaratory  
37 resolution, as adjusted under subsection (h); plus

38 (B) to the extent that it is not included in clause (A), the net  
39 assessed value of property that is assessed as residential  
40 property under the rules of the department of local government  
41 finance, as finally determined for any assessment date after the  
42 effective date of the allocation provision.

43 (2) If an allocation provision is adopted after June 30, 1997, in a  
44 declaratory resolution or an amendment to a declaratory  
45 resolution establishing a redevelopment project area:

46 (A) the net assessed value of all the property as finally  
47 determined for the assessment date immediately preceding the  
48 effective date of the allocation provision of the declaratory  
49 resolution, as adjusted under subsection (h); plus

50 (B) to the extent that it is not included in clause (A), the net  
51 assessed value of property that is assessed as residential

- 1 property under the rules of the department of local government  
 2 finance, as finally determined for any assessment date after the  
 3 effective date of the allocation provision.
- 4 (3) If:
- 5 (A) an allocation provision adopted before June 30, 1995, in  
 6 a declaratory resolution or an amendment to a declaratory  
 7 resolution establishing a redevelopment project area expires  
 8 after June 30, 1997; and
- 9 (B) after June 30, 1997, a new allocation provision is included  
 10 in an amendment to the declaratory resolution;
- 11 the net assessed value of all the property as finally determined for  
 12 the assessment date immediately preceding the effective date of  
 13 the allocation provision adopted after June 30, 1997, as adjusted  
 14 under subsection (h).
- 15 (4) Except as provided in subdivision (5), for all other allocation  
 16 areas, the net assessed value of all the property as finally  
 17 determined for the assessment date immediately preceding the  
 18 effective date of the allocation provision of the declaratory  
 19 resolution, as adjusted under subsection (h).
- 20 (5) If an allocation area established in an economic development  
 21 area before July 1, 1995, is expanded after June 30, 1995, the  
 22 definition in subdivision (1) applies to the expanded part of the  
 23 area added after June 30, 1995.
- 24 (6) If an allocation area established in a redevelopment project  
 25 area before July 1, 1997, is expanded after June 30, 1997, the  
 26 definition in subdivision (2) applies to the expanded part of the  
 27 area added after June 30, 1997.
- 28 Except as provided in section 26.2 of this chapter, "property taxes"  
 29 means taxes imposed under IC 6-1.1 on real property. However, upon  
 30 approval by a resolution of the redevelopment commission adopted  
 31 before June 1, 1987, "property taxes" also includes taxes imposed  
 32 under IC 6-1.1 on depreciable personal property. If a redevelopment  
 33 commission adopted before June 1, 1987, a resolution to include within  
 34 the definition of property taxes taxes imposed under IC 6-1.1 on  
 35 depreciable personal property that has a useful life in excess of eight  
 36 (8) years, the commission may by resolution determine the percentage  
 37 of taxes imposed under IC 6-1.1 on all depreciable personal property  
 38 that will be included within the definition of property taxes. However,  
 39 the percentage included must not exceed twenty-five percent (25%) of  
 40 the taxes imposed under IC 6-1.1 on all depreciable personal property.
- 41 (b) A resolution adopted under section 8 of this chapter on or before  
 42 the allocation deadline determined under subsection (i) may include a  
 43 provision with respect to the allocation and distribution of property  
 44 taxes for the purposes and in the manner provided in this section. A  
 45 resolution previously adopted may include an allocation provision by  
 46 the amendment of that resolution on or before the allocation deadline  
 47 determined under subsection (i) in accordance with the procedures  
 48 required for its original adoption. A declaratory resolution or an  
 49 amendment that establishes an allocation provision after June 30, 1995,  
 50 must specify an expiration date for the allocation provision. ~~that~~ **For an**  
 51 **allocation area established before July 1, 2008, the expiration date**

1 may not be more than thirty (30) years after the date on which the  
 2 allocation provision is established. **For an allocation area established**  
 3 **after June 30, 2008, the expiration date may not be more than**  
 4 **twenty-five (25) years after the date on which the allocation**  
 5 **provision is established.** However, **with respect to bonds or other**  
 6 **obligations that were issued before July 1, 2008,** if any of the bonds  
 7 or other obligations that were scheduled when issued to mature before  
 8 the specified expiration date and that are payable only from allocated  
 9 tax proceeds with respect to the allocation area remain outstanding as  
 10 of the expiration date, the allocation provision does not expire until all  
 11 of the bonds or other obligations are no longer outstanding. The  
 12 allocation provision may apply to all or part of the redevelopment  
 13 project area. The allocation provision must require that any property  
 14 taxes subsequently levied by or for the benefit of any public body  
 15 entitled to a distribution of property taxes on taxable property in the  
 16 allocation area be allocated and distributed as follows:

17 (1) Except as otherwise provided in this section, the proceeds of  
 18 the taxes attributable to the lesser of:

19 (A) the assessed value of the property for the assessment date  
 20 with respect to which the allocation and distribution is made;  
 21 or

22 (B) the base assessed value;

23 shall be allocated to and, when collected, paid into the funds of  
 24 the respective taxing units.

25 (2) Except as otherwise provided in this section, property tax  
 26 proceeds in excess of those described in subdivision (1) shall be  
 27 allocated to the redevelopment district and, when collected, paid  
 28 into a special fund for that allocation area that may be used by the  
 29 redevelopment district only to do one (1) or more of the  
 30 following:

31 (A) Pay the principal of and interest on any obligations  
 32 payable solely from allocated tax proceeds that are incurred by  
 33 the redevelopment district for the purpose of financing or  
 34 refinancing the redevelopment of that allocation area.

35 (B) Establish, augment, or restore the debt service reserve for  
 36 bonds payable solely or in part from allocated tax proceeds in  
 37 that allocation area.

38 (C) Pay the principal of and interest on bonds payable from  
 39 allocated tax proceeds in that allocation area and from the  
 40 special tax levied under section 19 of this chapter.

41 (D) Pay the principal of and interest on bonds issued by the  
 42 consolidated city to pay for local public improvements **in that**  
 43 **are physically located in or physically connected to** that  
 44 allocation area.

45 (E) Pay premiums on the redemption before maturity of bonds  
 46 payable solely or in part from allocated tax proceeds in that  
 47 allocation area.

48 (F) Make payments on leases payable from allocated tax  
 49 proceeds in that allocation area under section 17.1 of this  
 50 chapter.

51 (G) Reimburse the consolidated city for expenditures for local

1 public improvements (which include buildings, parking  
2 facilities, and other items set forth in section 17 of this  
3 chapter) ~~in that are physically located in or physically~~  
4 **connected to** that allocation area.

5 (H) Reimburse the unit for rentals paid by it for a building or  
6 parking facility ~~in that is physically located in or physically~~  
7 **connected to** that allocation area under any lease entered into  
8 under IC 36-1-10.

9 (I) Reimburse public and private entities for expenses incurred  
10 in training employees of industrial facilities that are located:

11 (i) in the allocation area; and

12 (ii) on a parcel of real property that has been classified as  
13 industrial property under the rules of the department of local  
14 government finance.

15 However, the total amount of money spent for this purpose in  
16 any year may not exceed the total amount of money in the  
17 allocation fund that is attributable to property taxes paid by the  
18 industrial facilities described in this clause. The  
19 reimbursements under this clause must be made within three  
20 (3) years after the date on which the investments that are the  
21 basis for the increment financing are made.

22 The special fund may not be used for operating expenses of the  
23 commission.

24 (3) Before July 15 of each year, the commission shall do the  
25 following:

26 (A) Determine the amount, if any, by which the ~~base~~ assessed  
27 value **of the taxable property in the allocation area for the**  
28 **most recent assessment date minus the base assessed value,**  
29 when multiplied by the estimated tax rate of the ~~allocated~~  
30 **allocation** area, will exceed the amount of assessed value  
31 needed to provide the property taxes necessary to make, when  
32 due, principal and interest payments on bonds described in  
33 subdivision (2) plus the amount necessary for other purposes  
34 described in subdivision (2) and subsection (g).

35 (B) ~~Notify~~ **Provide a written notice to** the county auditor, ~~of~~  
36 **the legislative body of the consolidated city, and the**  
37 **officers who are authorized to fix budgets, tax rates, and**  
38 **tax levies under IC 6-1.1-17-5 for each of the other taxing**  
39 **units that is wholly or partly located within the allocation**  
40 **area. The notice must:**

41 (i) **state** the amount, if any, of excess assessed value that the  
42 commission has determined may be allocated to the  
43 respective taxing units in the manner prescribed in  
44 subdivision (1); **or**

45 (ii) **state that the commission has determined that there**  
46 **is no excess assessed value that may be allocated to the**  
47 **respective taxing units in the manner prescribed in**  
48 **subdivision (1).**

49 **The county auditor shall allocate to the respective taxing**  
50 **units the amount, if any, of excess assessed value**  
51 **determined by the commission.** The commission may not

1 authorize an allocation to the respective taxing units under this  
2 subdivision if to do so would endanger the interests of the  
3 holders of bonds described in subdivision (2).

4 (c) For the purpose of allocating taxes levied by or for any taxing  
5 unit or units, the assessed value of taxable property in a territory in the  
6 allocation area that is annexed by any taxing unit after the effective  
7 date of the allocation provision of the resolution is the lesser of:

- 8 (1) the assessed value of the property for the assessment date with  
9 respect to which the allocation and distribution is made; or  
10 (2) the base assessed value.

11 (d) Property tax proceeds allocable to the redevelopment district  
12 under subsection (b)(2) may, subject to subsection (b)(3), be  
13 irrevocably pledged by the redevelopment district for payment as set  
14 forth in subsection (b)(2).

15 (e) Notwithstanding any other law, each assessor shall, upon  
16 petition of the commission, reassess the taxable property situated upon  
17 or in, or added to, the allocation area, effective on the next assessment  
18 date after the petition.

19 (f) Notwithstanding any other law, the assessed value of all taxable  
20 property in the allocation area, for purposes of tax limitation, property  
21 tax replacement, and formulation of the budget, tax rate, and tax levy  
22 for each political subdivision in which the property is located is the  
23 lesser of:

- 24 (1) the assessed value of the property as valued without regard to  
25 this section; or  
26 (2) the base assessed value.

27 (g) If any part of the allocation area is located in an enterprise zone  
28 created under IC 5-28-15, the unit that designated the allocation area  
29 shall create funds as specified in this subsection. A unit that has  
30 obligations, bonds, or leases payable from allocated tax proceeds under  
31 subsection (b)(2) shall establish an allocation fund for the purposes  
32 specified in subsection (b)(2) and a special zone fund. Such a unit  
33 shall, until the end of the enterprise zone phase out period, deposit each  
34 year in the special zone fund the amount in the allocation fund derived  
35 from property tax proceeds in excess of those described in subsection  
36 (b)(1) from property located in the enterprise zone that exceeds the  
37 amount sufficient for the purposes specified in subsection (b)(2) for the  
38 year. A unit that has no obligations, bonds, or leases payable from  
39 allocated tax proceeds under subsection (b)(2) shall establish a special  
40 zone fund and deposit all the property tax proceeds in excess of those  
41 described in subsection (b)(1) in the fund derived from property tax  
42 proceeds in excess of those described in subsection (b)(1) from  
43 property located in the enterprise zone. The unit that creates the special  
44 zone fund shall use the fund, based on the recommendations of the  
45 urban enterprise association, for one (1) or more of the following  
46 purposes:

- 47 (1) To pay for programs in job training, job enrichment, and basic  
48 skill development designed to benefit residents and employers in  
49 the enterprise zone. The programs must reserve at least one-half  
50 (1/2) of the enrollment in any session for residents of the  
51 enterprise zone.

1 (2) To make loans and grants for the purpose of stimulating  
 2 business activity in the enterprise zone or providing employment  
 3 for enterprise zone residents in the enterprise zone. These loans  
 4 and grants may be made to the following:

5 (A) Businesses operating in the enterprise zone.

6 (B) Businesses that will move their operations to the enterprise  
 7 zone if such a loan or grant is made.

8 (3) To provide funds to carry out other purposes specified in  
 9 subsection (b)(2). However, where reference is made in  
 10 subsection (b)(2) to the allocation area, the reference refers for  
 11 purposes of payments from the special zone fund only to that part  
 12 of the allocation area that is also located in the enterprise zone.

13 (h) The state board of accounts and department of local government  
 14 finance shall make the rules and prescribe the forms and procedures  
 15 that they consider expedient for the implementation of this chapter.  
 16 After each general reassessment under IC 6-1.1-4, the department of  
 17 local government finance shall adjust the base assessed value one (1)  
 18 time to neutralize any effect of the general reassessment on the  
 19 property tax proceeds allocated to the redevelopment district under this  
 20 section. After each annual adjustment under IC 6-1.1-4-4.5, the  
 21 department of local government finance shall adjust the base assessed  
 22 value to neutralize any effect of the annual adjustment on the property  
 23 tax proceeds allocated to the redevelopment district under this section.  
 24 However, the adjustments under this subsection may not include the  
 25 effect of property tax abatements under IC 6-1.1-12.1, and these  
 26 adjustments may not produce less property tax proceeds allocable to  
 27 the redevelopment district under subsection (b)(2) than would  
 28 otherwise have been received if the general reassessment or annual  
 29 adjustment had not occurred. The department of local government  
 30 finance may prescribe procedures for county and township officials to  
 31 follow to assist the department in making the adjustments.

32 (i) The allocation deadline referred to in subsection (b) is  
 33 determined in the following manner:

34 (1) The initial allocation deadline is December 31, 2011.

35 (2) Subject to subdivision (3), the initial allocation deadline and  
 36 subsequent allocation deadlines are automatically extended in  
 37 increments of five (5) years, so that allocation deadlines  
 38 subsequent to the initial allocation deadline fall on December 31,  
 39 2016, and December 31 of each fifth year thereafter.

40 (3) At least one (1) year before the date of an allocation deadline  
 41 determined under subdivision (2), the general assembly may enact  
 42 a law that:

43 (A) terminates the automatic extension of allocation deadlines  
 44 under subdivision (2); and

45 (B) specifically designates a particular date as the final  
 46 allocation deadline.

47 SECTION 756. IC 36-7-15.1-26.9, AS AMENDED BY  
 48 P.L.224-2007, SECTION 122, IS AMENDED TO READ AS  
 49 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26.9. (a) The  
 50 definitions set forth in section 26.5 of this chapter apply to this section.

51 (b) The fiscal officer of the consolidated city shall publish in the

1 newspaper in the county with the largest circulation all determinations  
 2 made under section 26.5 or 26.7 of this chapter that result in the  
 3 allowance or disallowance of credits. The publication of a  
 4 determination made under section 26.5 of this chapter shall be made  
 5 not later than June 20 of the year in which the determination is made.  
 6 The publication of a determination made under section 26.7 of this  
 7 chapter shall be made not later than December 5 of the year in which  
 8 the determination is made.

9 (c) If credits are granted under section 26.5(g) or 26.5(h) of this  
 10 chapter, whether in whole or in part, property taxes on personal  
 11 property (as defined in IC 6-1.1-1-11) that are equal to the aggregate  
 12 amounts of the credits for all taxpayers in the allocation area under  
 13 section 26.5(g) and 26.5(h) of this chapter shall be:

- 14 (1) allocated to the redevelopment district;
- 15 (2) paid into the special fund for that allocation area; and
- 16 (3) used for the purposes specified in section 26 of this chapter.

17 (d) The county auditor shall adjust the estimate of assessed  
 18 valuation that the auditor certifies under IC 6-1.1-17-1 for all taxing  
 19 units in which the allocation area is located. The county auditor may  
 20 amend this adjustment at any time before the earliest date a taxing unit  
 21 must publish the unit's proposed property tax rate under IC 6-1.1-17-3  
 22 in the year preceding the year in which the credits under section  
 23 26.5(g) or 26.5(h) of this chapter are paid. The auditor's adjustment to  
 24 the assessed valuation shall be:

- 25 (1) calculated to produce an estimated assessed valuation that will  
 26 offset the effect that paying personal property taxes into the  
 27 allocation area special fund under subsection (c) would otherwise  
 28 have on the ability of a taxing unit to achieve the taxing unit's tax  
 29 levy in the following year; and
- 30 (2) used by the county board of tax adjustment, ~~(before January~~  
 31 ~~1, 2009)~~ ~~or the county board of tax and capital projects review~~  
 32 ~~(after December 31, 2008)~~; the department of local government  
 33 finance, and each taxing unit in determining each taxing unit's tax  
 34 rate and tax levy in the following year.

35 (e) The amount by which a taxing unit's levy is adjusted as a result  
 36 of the county auditor's adjustment of assessed valuation under  
 37 subsection (d), and the amount of the levy that is used to make direct  
 38 payments to taxpayers under section 26.5(h) of this chapter, is not part  
 39 of the total county tax levy under IC 6-1.1-21-2(g) and is not subject to  
 40 IC 6-1.1-20.

41 (f) The ad valorem property tax levy limits imposed by  
 42 IC 6-1.1-18.5-3 and IC 20-45-3 **(before its repeal)** do not apply to ad  
 43 valorem property taxes imposed that are used to offset the effect of  
 44 paying personal property taxes into an allocation area special fund  
 45 during the taxable year under subsection (d) or to make direct payments  
 46 to taxpayers under section 26.5(h) of this chapter. For purposes of  
 47 computing the ad valorem property tax levy limits imposed under  
 48 IC 6-1.1-18.5-3 and IC 20-45-3 **(before its repeal)**, a taxing unit's ad  
 49 valorem property tax levy for a particular calendar year does not  
 50 include that part of the levy imposed to offset the effect of paying  
 51 personal property taxes into an allocation area special fund under



1 subsection (d) or to make direct payments to taxpayers under section  
2 26.5(h) of this chapter.

3 (g) Property taxes on personal property that are deposited in the  
4 allocation area special fund:

5 (1) are subject to any pledge of allocated property tax proceeds  
6 made by the redevelopment district under section 26(d) of this  
7 chapter, including but not limited to any pledge made to owners  
8 of outstanding bonds of the redevelopment district of allocated  
9 taxes from that area; and

10 (2) may not be treated as property taxes used to pay interest or  
11 principal due on debt under IC 6-1.1-21-2(g)(1)(D) (**before its  
12 repeal**).

13 SECTION 757. IC 36-7-15.1-29 IS AMENDED TO READ AS  
14 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 29. (a) The commission  
15 may, by following the procedures set forth in sections 8, 9, and 10 of  
16 this chapter, approve a plan for and determine that a geographic area  
17 in the redevelopment district is an economic development area.  
18 Designation of an economic development area is subject to judicial  
19 review in the manner prescribed in section 11 of this chapter.

20 (b) The commission may determine that a geographic area is an  
21 economic development area if it finds:

22 (1) the plan for the economic development area:

23 (A) promotes significant opportunities for the gainful  
24 employment of its citizens;

25 (B) attracts a major new business enterprise to the unit;

26 (C) retains or expands a significant business enterprise  
27 existing in the boundaries of the unit; or

28 (D) meets other purposes of this section and sections 28 and  
29 30 of this chapter;

30 (2) the plan for the economic development area cannot be  
31 achieved by regulatory processes or by the ordinary operation of  
32 private enterprise without resort to the powers allowed under this  
33 section and sections 28 and 30 of this chapter because of:

34 (A) lack of local public improvement;

35 (B) existence of improvements or conditions that lower the  
36 value of the land below that of nearby land;

37 (C) multiple ownership of land; or

38 (D) other similar conditions;

39 (3) the public health and welfare will be benefited by  
40 accomplishment of the plan for the economic development area;

41 (4) the accomplishment of the plan for the economic development  
42 area will be a public utility and benefit as measured by:

43 (A) attraction or retention of permanent jobs;

44 (B) increase in the property tax base;

45 (C) improved diversity of the economic base; or

46 (D) other similar public benefits; and

47 (5) the plan for the economic development area conforms to the  
48 comprehensive plan of development for the consolidated city.

49 (c) The determination that a geographic area is an economic  
50 development area must be approved by the city-county legislative body.

51 The approval may be given either before or after judicial review is

1 requested. The requirement that the city-county legislative body  
 2 approve economic development areas does not prevent the commission  
 3 from amending the plan for the economic development area. However,  
 4 the enlargement of any boundary in the economic development area  
 5 must be approved by the city-county legislative body, **and a boundary**  
 6 **may not be enlarged unless:**

- 7 (1) **the existing area does not generate sufficient revenue to**  
 8 **meet the financial obligations of the original project; or**  
 9 (2) **the Indiana economic development corporation has, in the**  
 10 **manner provided by section 8(f) of this chapter, made a**  
 11 **finding approving the enlargement of the boundary.**

12 SECTION 758. IC 36-7-15.1-30, AS AMENDED BY P.L.185-2005,  
 13 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2008]: Sec. 30. (a) All of the rights, powers, privileges, and  
 15 immunities that may be exercised by the commission in a  
 16 redevelopment project area or urban renewal area may be exercised by  
 17 the commission in an economic development area, subject to the  
 18 following:

- 19 (1) The content and manner of exercise of these rights, powers,  
 20 privileges, and immunities shall be determined by the purposes  
 21 and nature of an economic development area.  
 22 (2) Real property (or interests in real property) relative to which  
 23 action is taken under this section or section 28 or 29 of this  
 24 chapter in an economic development area is not required to meet  
 25 the conditions described in IC 36-7-1-3.  
 26 (3) The special tax levied in accordance with section 16 of this  
 27 chapter may be used to carry out activities under this chapter in  
 28 economic development areas.  
 29 (4) Bonds may be issued in accordance with section 17 of this  
 30 chapter to defray expenses of carrying out activities under this  
 31 chapter in economic development areas **if no other revenue**  
 32 **sources are available for this purpose.**  
 33 (5) The tax exemptions set forth in section 25 of this chapter are  
 34 applicable in economic development areas.  
 35 (6) An economic development area may be an allocation area for  
 36 the purposes of distribution and allocation of property taxes.  
 37 (7) The commission may not use its power of eminent domain  
 38 under section 13 of this chapter to carry out activities under this  
 39 chapter in economic development areas.

40 (b) The content and manner of discharge of duties set forth in  
 41 section 6 of this chapter shall be determined by the purposes and nature  
 42 of an economic development area.

43 SECTION 759. IC 36-7-15.1-32, AS AMENDED BY P.L.219-2007,  
 44 SECTION 130, IS AMENDED TO READ AS FOLLOWS  
 45 [EFFECTIVE JULY 1, 2008]: Sec. 32. (a) The commission must  
 46 establish a program for housing. The program, which may include such  
 47 elements as the commission considers appropriate, must be adopted as  
 48 part of a redevelopment plan or amendment to a redevelopment plan,  
 49 and must establish an allocation area for purposes of sections 26 and  
 50 35 of this chapter for the accomplishment of the program.

51 (b) The notice and hearing provisions of sections 10 and 10.5 of this

1 chapter apply to the resolution adopted under subsection (a). Judicial  
2 review of the resolution may be made under section 11 of this chapter.

3 (c) Before formal submission of any housing program to the  
4 commission, the department shall consult with persons interested in or  
5 affected by the proposed program and provide the affected  
6 neighborhood associations, residents, township assessors (**if any**), and  
7 the county assessor with an adequate opportunity to participate in an  
8 advisory role in planning, implementing, and evaluating the proposed  
9 program. The department may hold public meetings in the affected  
10 neighborhood to obtain the views of neighborhood associations and  
11 residents.

12 SECTION 760.IC 36-7-15.1-35, AS AMENDED BY P.L.219-2007,  
13 SECTION 131, IS AMENDED TO READ AS FOLLOWS  
14 [EFFECTIVE JULY 1, 2008]: Sec. 35. (a) Notwithstanding section  
15 26(a) of this chapter, with respect to the allocation and distribution of  
16 property taxes for the accomplishment of a program adopted under  
17 section 32 of this chapter, "base assessed value" means the net assessed  
18 value of all of the land as finally determined for the assessment date  
19 immediately preceding the effective date of the allocation provision, as  
20 adjusted under section 26(g) of this chapter. However, "base assessed  
21 value" does not include the value of real property improvements to the  
22 land.

23 (b) The special fund established under section 26(b) of this chapter  
24 for the allocation area for a program adopted under section 32 of this  
25 chapter may be used only for purposes related to the accomplishment  
26 of the program, including the following:

27 (1) The construction, rehabilitation, or repair of residential units  
28 within the allocation area.

29 (2) The construction, reconstruction, or repair of infrastructure  
30 (such as streets, sidewalks, and sewers) within or serving the  
31 allocation area.

32 (3) The acquisition of real property and interests in real property  
33 within the allocation area.

34 (4) The demolition of real property within the allocation area.

35 (5) To provide financial assistance to enable individuals and  
36 families to purchase or lease residential units within the allocation  
37 area. However, financial assistance may be provided only to those  
38 individuals and families whose income is at or below the county's  
39 median income for individuals and families, respectively.

40 (6) To provide financial assistance to neighborhood development  
41 corporations to permit them to provide financial assistance for the  
42 purposes described in subdivision (5).

43 (7) **For property taxes first due and payable before 2009**, to  
44 provide each taxpayer in the allocation area a credit for property  
45 tax replacement as determined under subsections (c) and (d).  
46 However, this credit may be provided by the commission only if  
47 the city-county legislative body establishes the credit by  
48 ordinance adopted in the year before the year in which the credit  
49 is provided.

50 (c) The maximum credit that may be provided under subsection  
51 (b)(7) to a taxpayer in a taxing district that contains all or part of an

1 allocation area established for a program adopted under section 32 of  
2 this chapter shall be determined as follows:

3 STEP ONE: Determine that part of the sum of the amounts  
4 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)  
5 through IC 6-1.1-21-2(g)(5) that is attributable to the taxing  
6 district.

7 STEP TWO: Divide:

8 (A) that part of each county's eligible property tax replacement  
9 amount (as defined in IC 6-1.1-21-2) for that year as  
10 determined under IC 6-1.1-21-4(a)(1) that is attributable to the  
11 taxing district; by

12 (B) the amount determined under STEP ONE.

13 STEP THREE: Multiply:

14 (A) the STEP TWO quotient; by

15 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in  
16 the taxing district allocated to the allocation fund, including  
17 the amount that would have been allocated but for the credit.

18 (d) Except as provided in subsection (g), the commission may  
19 determine to grant to taxpayers in an allocation area from its allocation  
20 fund a credit under this section, as calculated under subsection (c), by  
21 applying one-half (1/2) of the credit to each installment of taxes (as  
22 defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable  
23 in a year. Except as provided in subsection (g), one-half (1/2) of the  
24 credit shall be applied to each installment of taxes (as defined in  
25 IC 6-1.1-21-2). The commission must provide for the credit annually  
26 by a resolution and must find in the resolution the following:

27 (1) That the money to be collected and deposited in the allocation  
28 fund, based upon historical collection rates, after granting the  
29 credit will equal the amounts payable for contractual obligations  
30 from the fund, plus ten percent (10%) of those amounts.

31 (2) If bonds payable from the fund are outstanding, that there is  
32 a debt service reserve for the bonds that at least equals the amount  
33 of the credit to be granted.

34 (3) If bonds of a lessor under section 17.1 of this chapter or under  
35 IC 36-1-10 are outstanding and if lease rentals are payable from  
36 the fund, that there is a debt service reserve for those bonds that  
37 at least equals the amount of the credit to be granted.

38 If the tax increment is insufficient to grant the credit in full, the  
39 commission may grant the credit in part, prorated among all taxpayers.

40 (e) Notwithstanding section 26(b) of this chapter, the special fund  
41 established under section 26(b) of this chapter for the allocation area  
42 for a program adopted under section 32 of this chapter may only be  
43 used to do one (1) or more of the following:

44 (1) Accomplish one (1) or more of the actions set forth in section  
45 26(b)(2)(A) through 26(b)(2)(H) of this chapter.

46 (2) Reimburse the consolidated city for expenditures made by the  
47 city in order to accomplish the housing program in that allocation  
48 area.

49 The special fund may not be used for operating expenses of the  
50 commission.

51 (f) Notwithstanding section 26(b) of this chapter, the commission

1 shall, relative to the special fund established under section 26(b) of this  
 2 chapter for an allocation area for a program adopted under section 32  
 3 of this chapter, do the following before July 15 of each year:

4 (1) Determine the amount, if any, by which ~~property taxes payable~~  
 5 ~~to the allocation fund in the following year~~ **the assessed value of**  
 6 **the taxable property in the allocation area, when multiplied**  
 7 **by the estimated tax rate of the allocation area,** will exceed the  
 8 amount of **assessed value needed to produce the** property taxes  
 9 necessary:

10 (A) to make, when due, principal and interest payments on  
 11 bonds described in section 26(b)(2) of this chapter;

12 (B) to pay the amount necessary for other purposes described  
 13 in section 26(b)(2) of this chapter; and

14 (C) to reimburse the consolidated city for anticipated  
 15 expenditures described in subsection (e)(2).

16 (2) ~~Notify~~ **Provide a written notice to** the county auditor, ~~of the~~  
 17 **legislative body of the consolidated city, and the officers who**  
 18 **are authorized to fix budgets, tax rates, and tax levies under**  
 19 **IC 6-1.1-17-5 for each of the other taxing units that is wholly**  
 20 **or partly located within the allocation area. The notice must:**

21 (A) ~~state~~ the amount, if any, of excess ~~property taxes assessed~~  
 22 **value** that the commission has determined may be ~~paid~~  
 23 **allocated** to the respective taxing units in the manner  
 24 prescribed in section 26(b)(1) of this chapter; **or**

25 **(B) state that the commission has determined that there is**  
 26 **no excess assessed value that may be allocated to the**  
 27 **respective taxing units in the manner prescribed in section**  
 28 **26(b)(1) of this chapter.**

29 **The county auditor shall allocate to the respective taxing units**  
 30 **the amount, if any, of excess assessed value determined by the**  
 31 **commission.**

32 (g) This subsection applies to an allocation area only to the extent  
 33 that the net assessed value of property that is assessed as residential  
 34 property under the rules of the department of local government finance  
 35 is not included in the base assessed value. If property tax installments  
 36 with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in  
 37 installments established by the department of local government finance  
 38 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an  
 39 allocation area is entitled to an additional credit under subsection (d)  
 40 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The  
 41 credit shall be applied in the same proportion to each installment of  
 42 taxes (as defined in IC 6-1.1-21-2).

43 SECTION 761. IC 36-7-15.1-40, AS AMENDED BY P.L.185-2005,  
 44 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 45 JULY 1, 2008]: Sec. 40. (a) A commission shall establish a  
 46 redevelopment project area by following the procedures set forth in  
 47 sections 8 through 10 of this chapter. The establishment of a  
 48 redevelopment project area under this subsection must also be  
 49 approved by resolution of the legislative body of the excluded city.

50 (b) A commission may amend a resolution or plan for a  
 51 redevelopment project area or economic development area by

1 following the procedures of ~~section~~ **set forth in sections 8 through**  
 2 10.5 of this chapter. An amendment made under this subsection must  
 3 also be approved by resolution of the legislative body of the excluded  
 4 city.

5 (c) A person who filed a written remonstrance with the commission  
 6 under subsection (a) and is aggrieved by the final action taken may  
 7 seek appeal of the action by following the procedures for appeal set  
 8 forth in section 11 of this chapter. The appeal hearing is governed by  
 9 the procedures of section 11(b) of this chapter.

10 SECTION 762. IC 36-7-15.1-45, AS AMENDED BY P.L.219-2007,  
 11 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
 12 [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) In addition to other methods  
 13 of raising money for property acquisition or redevelopment in a  
 14 redevelopment project area, and in anticipation of the special tax to be  
 15 levied under section 50 of this chapter, the taxes allocated under  
 16 section 53 of this chapter, or other revenues of the redevelopment  
 17 district, a commission may, by resolution, issue the bonds of its  
 18 redevelopment district in the name of the excluded city. The amount of  
 19 the bonds may not exceed the total, as estimated by the commission, of  
 20 all expenses reasonably incurred in connection with the acquisition and  
 21 redevelopment of the property, including:

- 22 (1) the total cost of all land, rights-of-way, and other property to  
 23 be acquired and redeveloped;
- 24 (2) all reasonable and necessary architectural, engineering, legal,  
 25 financing, accounting, advertising, bond discount, and  
 26 supervisory expenses related to the acquisition and redevelopment  
 27 of the property or the issuance of bonds;
- 28 (3) capitalized interest permitted in this chapter and a debt service  
 29 reserve for the bonds, to the extent that the redevelopment  
 30 commission determines that a reserve is reasonably required;
- 31 (4) the total cost of all clearing and construction work provided  
 32 for in the resolution; and
- 33 (5) expenses that the commission is required or permitted to pay  
 34 under IC 8-23-17.

35 (b) If a commission plans to acquire different parcels of land or let  
 36 different contracts for redevelopment work at approximately the same  
 37 time, whether under one (1) or more resolutions, a commission may  
 38 provide for the total cost in one (1) issue of bonds.

39 (c) The bonds must be dated as set forth in the bond resolution and  
 40 negotiable subject to the requirements concerning registration of the  
 41 bonds. The resolution authorizing the bonds must state:

- 42 (1) the denominations of the bonds;
- 43 (2) the place or places at which the bonds are payable; and
- 44 (3) the term of the bonds, which may not exceed:  
 45 (A) fifty (50) years, **for bonds issued before July 1, 2008; or**  
 46 (B) **twenty-five (25) years, for bonds issued after June 30,**  
 47 **2008.**

48 The resolution may also state that the bonds are redeemable before  
 49 maturity with or without a premium, as determined by the commission.

50 (d) The commission shall certify a copy of the resolution authorizing  
 51 the bonds to the fiscal officer of the excluded city, who shall then

1 prepare the bonds. The seal of the unit must be impressed on the bonds,  
2 or a facsimile of the seal must be printed on the bonds.

3 (e) The bonds shall be executed by the excluded city executive and  
4 attested by the excluded city fiscal officer. The interest coupons, if any,  
5 shall be executed by the facsimile signature of the excluded city fiscal  
6 officer.

7 (f) The bonds are exempt from taxation as provided by IC 6-8-5.

8 (g) The excluded city fiscal officer shall sell the bonds according to  
9 law. Bonds payable solely or in part from tax proceeds allocated under  
10 section 53(b)(2) of this chapter or other revenues of the district may be  
11 sold at private negotiated sale and at a price or prices not less than  
12 ninety-seven percent (97%) of the par value.

13 (h) The bonds are not a corporate obligation of the excluded city but  
14 are an indebtedness of the redevelopment district. The bonds and  
15 interest are payable:

16 (1) from a special tax levied upon all of the property in the  
17 redevelopment district, as provided by section 50 of this chapter;

18 (2) from the tax proceeds allocated under section 53(b)(2) of this  
19 chapter;

20 (3) from other revenues available to the commission; or

21 (4) from a combination of the methods described in subdivisions  
22 (1) through (3);

23 and from any revenues of the designated project. If the bonds are  
24 payable solely from the tax proceeds allocated under section 53(b)(2)  
25 of this chapter, other revenues of the redevelopment commission, or  
26 any combination of these sources, they may be issued in any amount  
27 without limitation.

28 (i) Proceeds from the sale of the bonds may be used to pay the cost  
29 of interest on the bonds for a period not to exceed five (5) years from  
30 the date of issue.

31 (j) The laws relating to the filing of petitions requesting the issuance  
32 of bonds and the right of taxpayers and voters to remonstrate against,  
33 **or vote on**, the issuance of bonds applicable to bonds issued under this  
34 chapter do not apply to bonds payable solely or in part from tax  
35 proceeds allocated under section 53(b)(2) of this chapter, other  
36 revenues of the commission, or any combination of these sources.

37 (k) If bonds are issued under this chapter that are payable solely or  
38 in part from revenues to a commission from a project or projects, a  
39 commission may adopt a resolution or trust indenture or enter into  
40 covenants as is customary in the issuance of revenue bonds. The  
41 resolution or trust indenture may pledge or assign the revenues from  
42 the project or projects but may not convey or mortgage any project or  
43 parts of a project. The resolution or trust indenture may also contain  
44 any provisions for protecting and enforcing the rights and remedies of  
45 the bond owners as may be reasonable and proper and not in violation  
46 of law, including covenants setting forth the duties of the commission.  
47 The commission may establish fees and charges for the use of any  
48 project and covenant with the owners of bonds to set those fees and  
49 charges at a rate sufficient to protect the interest of the owners of the  
50 bonds. Any revenue bonds issued by the commission that are payable  
51 solely from revenues of the commission must contain a statement to

1 that effect in the form of bond.

2 SECTION 763. IC 36-7-15.1-46 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 46. (a) A commission  
4 may enter into a lease of any property that may be financed with the  
5 proceeds of bonds issued under section 45 of this chapter with a lessor  
6 for a term not to exceed:

7 (1) fifty (50) years, **for a lease entered into before July 1, 2008;**

8 **or**

9 (2) **twenty-five (25) years, for a lease entered into after June**  
10 **30, 2008.**

11 The lease may provide for payments to be made by the commission  
12 from special benefits taxes levied under section 50 of this chapter,  
13 taxes allocated under section 53 of this chapter, any other revenue  
14 available to the commission, or any combination of these sources.

15 (b) A lease may provide that payments by the commission to the  
16 lessor are required only to the extent and only for the period that the  
17 lessor is able to provide the leased facilities in accordance with the  
18 lease. The terms of each lease must be based upon the value of the  
19 facilities leased and may not create a debt of the unit or the district for  
20 purposes of the Constitution of the State of Indiana.

21 (c) A lease may be entered into by the commission only after a  
22 public hearing by the commission at which all interested parties are  
23 given the opportunity to be heard. Notice of the hearing must be given  
24 by publication in accordance with IC 5-3-1. After the public hearing,  
25 the commission may adopt a resolution authorizing the execution of the  
26 lease on behalf of the unit if it finds that the service to be provided  
27 throughout the term of the lease will serve the public purpose of the  
28 unit and is in the best interests of its residents. Any lease approved by  
29 a resolution of the commission must be approved by an ordinance of  
30 the fiscal body of the excluded city.

31 (d) Upon execution of a lease providing for payments by the  
32 commission in whole or in part from the levy of special benefits taxes  
33 under section 50 of this chapter and upon approval of the lease by the  
34 fiscal body, the commission shall publish notice of the execution of the  
35 lease and its approval in accordance with IC 5-3-1. Fifty (50) or more  
36 taxpayers residing in the district who will be affected by the lease and  
37 who may be of the opinion that no necessity exists for the execution of  
38 the lease or that the payments provided for in the lease are not fair and  
39 reasonable may file a petition in the office of the county auditor within  
40 thirty (30) days after the publication of the notice of execution and  
41 approval. The petition must set forth the petitioners' names, addresses,  
42 and objections to the lease and the facts showing that the execution of  
43 the lease is unnecessary or unwise or that the payments provided for in  
44 the lease are not fair and reasonable, as the case may be. Upon the  
45 filing of the petition, the county auditor shall immediately certify a  
46 copy of the petition, together with such other data as may be necessary  
47 in order to present the questions involved, to the department of local  
48 government finance. Upon receipt of the certified petition and  
49 information, the department of local government finance shall fix a  
50 time and place for the hearing in the redevelopment district, which  
51 must not be less than five (5) or more than thirty (30) days after the



1 time for the hearing is fixed. Notice of the hearing shall be given by the  
 2 department of local government finance to the members of the fiscal  
 3 body, to the commission, and to the first fifty (50) petitioners on the  
 4 petition by a letter signed by the commissioner or deputy commissioner  
 5 of the department and enclosed with fully prepaid postage sent to those  
 6 persons at their usual place of residence, at least five (5) days before  
 7 the date of the hearing. The decision of the department of local  
 8 government finance on the appeal, upon the necessity for the execution  
 9 of the lease and as to whether the payments under it are fair and  
 10 reasonable, is final.

11 (e) A commission entering into a lease payable from allocated taxes  
 12 under section 53 of this chapter or revenues or other available funds of  
 13 the commission may:

- 14 (1) pledge the revenue to make payments under the lease as  
 15 provided in IC 5-1-14-4; and
- 16 (2) establish a special fund to make the payments.

17 Lease rentals may be limited to money in the special fund so that the  
 18 obligations of the commission to make the lease rental payments are  
 19 not considered a debt of the unit or the district for purposes of the  
 20 Constitution of the State of Indiana.

21 (f) Except as provided in this section, no approvals of any  
 22 governmental body or agency are required before the commission  
 23 enters into a lease under this section.

24 (g) An action to contest the validity of the lease or to enjoin the  
 25 performance of any of its terms and conditions must be brought within  
 26 thirty (30) days after the publication of the notice of the execution and  
 27 approval of the lease. However, if the lease is payable in whole or in  
 28 part from tax levies and an appeal has been taken to the department of  
 29 local government finance, an action to contest the validity or to enjoin  
 30 performance must be brought within thirty (30) days after the decision  
 31 of the department of local government finance.

32 (h) If a commission exercises an option to buy a leased facility from  
 33 a lessor, the commission may subsequently sell the leased facility,  
 34 without regard to any other statute, to the lessor at the end of the lease  
 35 term at a price set forth in the lease or at fair market value established  
 36 at the time of the sale by the commission through auction, appraisal, or  
 37 arms length negotiation. If the facility is sold at auction, after appraisal,  
 38 or through negotiation, the commission shall conduct a hearing after  
 39 public notice in accordance with IC 5-3-1 before the sale. Any action  
 40 to contest the sale must be brought within fifteen (15) days after the  
 41 hearing.

42 SECTION 764. IC 36-7-15.1-51 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 51. (a) **Subject to the**  
 44 **approval of the legislative body of the consolidated city, and** in  
 45 order to:

- 46 (1) undertake survey and planning activities under this chapter;
- 47 (2) undertake and carry out any redevelopment project or  
 48 economic development plan;
- 49 (3) pay principal and interest on any advances;
- 50 (4) pay or retire any bonds and interest on them; or
- 51 (5) refund loans previously made under this section;

1 the commission may apply for and accept advances, short term and  
 2 long term loans, grants, contributions, loan guarantees, and any other  
 3 form of financial assistance from the federal government or from any  
 4 of its agencies. The commission may apply for and accept loans under  
 5 this section from sources other than the federal government or federal  
 6 agencies, but only if the loans are unconditionally guaranteed by the  
 7 federal government or federal agencies. The commission may also  
 8 enter into and carry out contracts and agreements in connection with  
 9 that financial assistance upon the terms and conditions that the  
 10 commission considers reasonable and appropriate, if those terms and  
 11 conditions are not inconsistent with the purposes of this chapter. The  
 12 provisions of such a contract or agreement in regard to the handling,  
 13 deposit, and application of project funds as all other provisions are  
 14 valid and binding on the excluded city or its executive departments and  
 15 officers, as well as the commission, notwithstanding any other  
 16 provision of this chapter.

17 (b) **Subject to the approval of the fiscal body of the consolidated**  
 18 **city**, the commission may issue and sell bonds, notes, or warrants:

19 (1) to the federal government to evidence short term or long term  
 20 loans made under this section; or

21 (2) to persons or entities other than the federal government to  
 22 evidence short or long term loans made under this section that are  
 23 unconditionally guaranteed by the federal government or federal  
 24 agencies;

25 without notice of sale being given or a public offering being made.

26 (c) Notwithstanding any other law, bonds, notes, or warrants issued  
 27 by the commission under this section may:

28 (1) be in the amounts, form, or denomination;

29 (2) be either coupon or registered;

30 (3) carry conversion or other privileges;

31 (4) have a rank or priority;

32 (5) be of such description;

33 (6) be secured (subject to other provisions of this section) in such  
 34 manner;

35 (7) bear interest at a rate or rates;

36 (8) be payable as to both principal and interest in a medium of  
 37 payment, at a time or times (which may be upon demand), and at  
 38 a place or places;

39 (9) be subject to terms of redemption (with or without premium);

40 (10) contain or be subject to any covenants, conditions, and  
 41 provisions; and

42 (11) have any other characteristics;

43 that the commission considers reasonable and appropriate.

44 (d) Bonds, notes, or warrants issued under this section are not an  
 45 indebtedness of the excluded city or its redevelopment district within  
 46 the meaning of any constitutional or statutory limitation of  
 47 indebtedness. The bonds, notes, or warrants are not payable from or  
 48 secured by a levy of taxes but are payable only from and secured only  
 49 by income, funds, and properties of the project becoming available to  
 50 the commission under this chapter or by grant funds from the federal  
 51 government, as the commission specifies in the resolution authorizing

1 their issuance.

2 (e) Bonds, notes, or warrants issued under this section are exempt  
3 from taxation as provided by IC 6-8-5.

4 (f) Bonds, notes, or warrants issued under this section shall be  
5 executed by the city executive and attested by the fiscal officer in the  
6 name of the "City (or Town) of \_\_\_\_\_, for and on behalf  
7 of its Redevelopment District".

8 (g) Following the adoption of the resolution authorizing the issuance  
9 of bonds, notes, or warrants under this section, the commission shall  
10 certify a copy of that resolution to the officers of the excluded city who  
11 have duties with respect to bonds, notes, or warrants of the excluded  
12 city. At the proper time, the commission shall deliver to the officers the  
13 unexecuted bonds, notes, or warrants prepared for execution in  
14 accordance with the resolution.

15 (h) All bonds, notes, or warrants issued under this section shall be  
16 sold by the officers of the excluded city who have duties with respect  
17 to the sale of bonds, notes, or warrants of the excluded city. If an  
18 officer whose signature appears on any bonds, notes, or warrants issued  
19 under this section leaves office before their delivery, the signature  
20 remains valid and sufficient for all purposes as if the officer had  
21 remained in office until the delivery.

22 (i) If, at any time during the life of a loan contract or agreement  
23 under this section, the commission can obtain loans for the purposes of  
24 this section from sources other than the federal government at interest  
25 rates not less favorable than provided in the loan contract or agreement,  
26 and if the loan contract or agreement so permits, the commission may  
27 do so and may pledge the loan contract and any rights under that  
28 contract as security for the repayment of the loans obtained from other  
29 sources. Any loan under this subsection may be evidenced by bonds,  
30 notes, or warrants issued and secured in the same manner as provided  
31 in this section for loans from the federal government. These bonds,  
32 notes, or warrants may be sold at either public or private sale, as the  
33 commission considers appropriate.

34 (j) Money obtained from the federal government or from other  
35 sources under this section, and money that is required by a contract or  
36 agreement under this section to be used for project expenditure  
37 purposes, repayment of survey and planning advances, or repayment of  
38 temporary or definitive loans, may be expended by the commission  
39 without regard to any law pertaining to the making and approval of  
40 budgets, appropriations, and expenditures.

41 (k) Bonds, notes, or warrants issued under this section are declared  
42 to be issued for an essential public and governmental purpose.

43 SECTION 765. IC 36-7-15.1-53, AS AMENDED BY P.L. 154-2006,  
44 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
45 JULY 1, 2008]: Sec. 53. (a) As used in this section:

46 "Allocation area" means that part of a redevelopment project area  
47 to which an allocation provision of a resolution adopted under section  
48 40 of this chapter refers for purposes of distribution and allocation of  
49 property taxes.

50 "Base assessed value" means:

51 (1) the net assessed value of all the property as finally determined

1 for the assessment date immediately preceding the effective date  
 2 of the allocation provision of the declaratory resolution, as  
 3 adjusted under subsection (h); plus  
 4 (2) to the extent that it is not included in subdivision (1), the net  
 5 assessed value of property that is assessed as residential property  
 6 under the rules of the department of local government finance, as  
 7 finally determined for any assessment date after the effective date  
 8 of the allocation provision.

9 Except as provided in section 55 of this chapter, "property taxes"  
 10 means taxes imposed under IC 6-1.1 on real property.

11 (b) A resolution adopted under section 40 of this chapter on or  
 12 before the allocation deadline determined under subsection (i) may  
 13 include a provision with respect to the allocation and distribution of  
 14 property taxes for the purposes and in the manner provided in this  
 15 section. A resolution previously adopted may include an allocation  
 16 provision by the amendment of that resolution on or before the  
 17 allocation deadline determined under subsection (i) in accordance with  
 18 the procedures required for its original adoption. A declaratory  
 19 resolution or an amendment that establishes an allocation provision  
 20 must be approved by resolution of the legislative body of the excluded  
 21 city and must specify an expiration date for the allocation provision.  
 22 **that For an allocation area established before July 1, 2008, the**  
 23 **expiration date** may not be more than thirty (30) years after the date  
 24 on which the allocation provision is established. **For an allocation**  
 25 **area established after June 30, 2008, the expiration date may not**  
 26 **be more than twenty-five (25) years after the date on which the**  
 27 **allocation provision is established.** However, **with respect to bonds**  
 28 **or other obligations that were issued before July 1, 2008,** if any of  
 29 **the** bonds or other obligations that were scheduled when issued to  
 30 mature before the specified expiration date and that are payable only  
 31 from allocated tax proceeds with respect to the allocation area remain  
 32 outstanding as of the expiration date, the allocation provision does not  
 33 expire until all of the bonds or other obligations are no longer  
 34 outstanding. The allocation provision may apply to all or part of the  
 35 redevelopment project area. The allocation provision must require that  
 36 any property taxes subsequently levied by or for the benefit of any  
 37 public body entitled to a distribution of property taxes on taxable  
 38 property in the allocation area be allocated and distributed as follows:

39 (1) Except as otherwise provided in this section, the proceeds of  
 40 the taxes attributable to the lesser of:

41 (A) the assessed value of the property for the assessment date  
 42 with respect to which the allocation and distribution is made;  
 43 or

44 (B) the base assessed value;

45 shall be allocated to and, when collected, paid into the funds of  
 46 the respective taxing units.

47 (2) Except as otherwise provided in this section, property tax  
 48 proceeds in excess of those described in subdivision (1) shall be  
 49 allocated to the redevelopment district and, when collected, paid  
 50 into a special fund for that allocation area that may be used by the  
 51 redevelopment district only to do one (1) or more of the

- 1 following:
- 2 (A) Pay the principal of and interest on any obligations
- 3 payable solely from allocated tax proceeds that are incurred by
- 4 the redevelopment district for the purpose of financing or
- 5 refinancing the redevelopment of that allocation area.
- 6 (B) Establish, augment, or restore the debt service reserve for
- 7 bonds payable solely or in part from allocated tax proceeds in
- 8 that allocation area.
- 9 (C) Pay the principal of and interest on bonds payable from
- 10 allocated tax proceeds in that allocation area and from the
- 11 special tax levied under section 50 of this chapter.
- 12 (D) Pay the principal of and interest on bonds issued by the
- 13 excluded city to pay for local public improvements ~~in that are~~
- 14 **physically located in or physically connected to** that
- 15 allocation area.
- 16 (E) Pay premiums on the redemption before maturity of bonds
- 17 payable solely or in part from allocated tax proceeds in that
- 18 allocation area.
- 19 (F) Make payments on leases payable from allocated tax
- 20 proceeds in that allocation area under section 46 of this
- 21 chapter.
- 22 (G) Reimburse the excluded city for expenditures for local
- 23 public improvements (which include buildings, park facilities,
- 24 and other items set forth in section 45 of this chapter) ~~in that~~
- 25 **are physically located in or physically connected to** that
- 26 allocation area.
- 27 (H) Reimburse the unit for rentals paid by it for a building or
- 28 parking facility ~~in that is~~ **physically located in or physically**
- 29 **connected to** that allocation area under any lease entered into
- 30 under IC 36-1-10.
- 31 (I) Reimburse public and private entities for expenses incurred
- 32 in training employees of industrial facilities that are located:
- 33 (i) in the allocation area; and
- 34 (ii) on a parcel of real property that has been classified as
- 35 industrial property under the rules of the department of local
- 36 government finance.
- 37 However, the total amount of money spent for this purpose in
- 38 any year may not exceed the total amount of money in the
- 39 allocation fund that is attributable to property taxes paid by the
- 40 industrial facilities described in this clause. The
- 41 reimbursements under this clause must be made within three
- 42 (3) years after the date on which the investments that are the
- 43 basis for the increment financing are made.
- 44 The special fund may not be used for operating expenses of the
- 45 commission.
- 46 (3) Before July 15 of each year, the commission shall do the
- 47 following:
- 48 (A) Determine the amount, if any, by which ~~property taxes~~
- 49 ~~payable to the allocation fund in the following year the~~
- 50 **assessed value of the taxable property in the allocation**
- 51 **area for the most recent assessment date minus the base**

1 **assessed value, when multiplied by the estimated tax rate**  
 2 **of the allocation area,** will exceed the amount of assessed  
 3 value needed to provide the property taxes necessary to make,  
 4 when due, principal and interest payments on bonds described  
 5 in subdivision (2) plus the amount necessary for other  
 6 purposes described in subdivision (2) and subsection (g).

7 **(B) ~~Notify~~ Provide a written notice to the county auditor, of**  
 8 **the fiscal body of the county or municipality that**  
 9 **established the department of redevelopment, and the**  
 10 **officers who are authorized to fix budgets, tax rates, and**  
 11 **tax levies under IC 6-1.1-17-5 for each of the other taxing**  
 12 **units that is wholly or partly located within the allocation**  
 13 **area. The notice must:**

14 (i) **state** the amount, if any, of excess assessed value that the  
 15 commission has determined may be allocated to the  
 16 respective taxing units in the manner prescribed in  
 17 subdivision (1); **or**

18 (ii) **state that the commission has determined that there**  
 19 **is no excess assessed value that may be allocated to the**  
 20 **respective taxing units in the manner prescribed in**  
 21 **subdivision (1).**

22 **The county auditor shall allocate to the respective taxing**  
 23 **units the amount, if any, of excess assessed value**  
 24 **determined by the commission.** The commission may not  
 25 authorize an allocation to the respective taxing units under this  
 26 subdivision if to do so would endanger the interests of the  
 27 holders of bonds described in subdivision (2).

28 (c) For the purpose of allocating taxes levied by or for any taxing  
 29 unit or units, the assessed value of taxable property in a territory in the  
 30 allocation area that is annexed by any taxing unit after the effective  
 31 date of the allocation provision of the resolution is the lesser of:

- 32 (1) the assessed value of the property for the assessment date with  
 33 respect to which the allocation and distribution is made; or  
 34 (2) the base assessed value.

35 (d) Property tax proceeds allocable to the redevelopment district  
 36 under subsection (b)(2) may, subject to subsection (b)(3), be  
 37 irrevocably pledged by the redevelopment district for payment as set  
 38 forth in subsection (b)(2).

39 (e) Notwithstanding any other law, each assessor shall, upon  
 40 petition of the commission, reassess the taxable property situated upon  
 41 or in, or added to, the allocation area, effective on the next assessment  
 42 date after the petition.

43 (f) Notwithstanding any other law, the assessed value of all taxable  
 44 property in the allocation area, for purposes of tax limitation, property  
 45 tax replacement, and formulation of the budget, tax rate, and tax levy  
 46 for each political subdivision in which the property is located, is the  
 47 lesser of:

- 48 (1) the assessed value of the property as valued without regard to  
 49 this section; or  
 50 (2) the base assessed value.

51 (g) If any part of the allocation area is located in an enterprise zone

1 created under IC 5-28-15, the unit that designated the allocation area  
2 shall create funds as specified in this subsection. A unit that has  
3 obligations, bonds, or leases payable from allocated tax proceeds under  
4 subsection (b)(2) shall establish an allocation fund for the purposes  
5 specified in subsection (b)(2) and a special zone fund. Such a unit  
6 shall, until the end of the enterprise zone phase out period, deposit each  
7 year in the special zone fund the amount in the allocation fund derived  
8 from property tax proceeds in excess of those described in subsection  
9 (b)(1) from property located in the enterprise zone that exceeds the  
10 amount sufficient for the purposes specified in subsection (b)(2) for the  
11 year. A unit that has no obligations, bonds, or leases payable from  
12 allocated tax proceeds under subsection (b)(2) shall establish a special  
13 zone fund and deposit all the property tax proceeds in excess of those  
14 described in subsection (b)(1) in the fund derived from property tax  
15 proceeds in excess of those described in subsection (b)(1) from  
16 property located in the enterprise zone. The unit that creates the special  
17 zone fund shall use the fund, based on the recommendations of the  
18 urban enterprise association, for one (1) or more of the following  
19 purposes:

20 (1) To pay for programs in job training, job enrichment, and basic  
21 skill development designed to benefit residents and employers in  
22 the enterprise zone. The programs must reserve at least one-half  
23 (1/2) of the enrollment in any session for residents of the  
24 enterprise zone.

25 (2) To make loans and grants for the purpose of stimulating  
26 business activity in the enterprise zone or providing employment  
27 for enterprise zone residents in an enterprise zone. These loans  
28 and grants may be made to the following:

29 (A) Businesses operating in the enterprise zone.

30 (B) Businesses that will move their operations to the enterprise  
31 zone if such a loan or grant is made.

32 (3) To provide funds to carry out other purposes specified in  
33 subsection (b)(2). However, where reference is made in  
34 subsection (b)(2) to the allocation area, the reference refers, for  
35 purposes of payments from the special zone fund, only to that part  
36 of the allocation area that is also located in the enterprise zone.

37 (h) The state board of accounts and department of local government  
38 finance shall make the rules and prescribe the forms and procedures  
39 that they consider expedient for the implementation of this chapter.  
40 After each general reassessment under IC 6-1.1-4, the department of  
41 local government finance shall adjust the base assessed value one (1)  
42 time to neutralize any effect of the general reassessment on the  
43 property tax proceeds allocated to the redevelopment district under this  
44 section. After each annual adjustment under IC 6-1.1-4-4.5, the  
45 department of local government finance shall adjust the base assessed  
46 value to neutralize any effect of the annual adjustment on the property  
47 tax proceeds allocated to the redevelopment district under this section.  
48 However, the adjustments under this subsection may not include the  
49 effect of property tax abatements under IC 6-1.1-12.1, and these  
50 adjustments may not produce less property tax proceeds allocable to  
51 the redevelopment district under subsection (b)(2) than would

1 otherwise have been received if the general reassessment or annual  
 2 adjustment had not occurred. The department of local government  
 3 finance may prescribe procedures for county and township officials to  
 4 follow to assist the department in making the adjustments.

5 (i) The allocation deadline referred to in subsection (b) is  
 6 determined in the following manner:

7 (1) The initial allocation deadline is December 31, 2011.

8 (2) Subject to subdivision (3), the initial allocation deadline and  
 9 subsequent allocation deadlines are automatically extended in  
 10 increments of five (5) years, so that allocation deadlines  
 11 subsequent to the initial allocation deadline fall on December 31,  
 12 2016, and December 31 of each fifth year thereafter.

13 (3) At least one (1) year before the date of an allocation deadline  
 14 determined under subdivision (2), the general assembly may enact  
 15 a law that:

16 (A) terminates the automatic extension of allocation deadlines  
 17 under subdivision (2); and

18 (B) specifically designates a particular date as the final  
 19 allocation deadline.

20 SECTION 766. IC 36-7-15.1-57 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 57. (a) The commission  
 22 may, by following the procedures set forth in sections 8, 9, and 10 of  
 23 this chapter, approve a plan for and determine that a geographic area  
 24 in the redevelopment district is an economic development area.  
 25 Designation of an economic development area is subject to judicial  
 26 review in the manner prescribed in section 11 of this chapter.

27 (b) The commission may determine that a geographic area is an  
 28 economic development area if it finds that:

29 (1) the plan for the economic development area:

30 (A) promotes significant opportunities for the gainful  
 31 employment of its citizens;

32 (B) attracts a major new business enterprise to the unit;

33 (C) retains or expands a significant business enterprise  
 34 existing in the boundaries of the unit; or

35 (D) meets other purposes of this section and sections 28 and  
 36 58 of this chapter;

37 (2) the plan for the economic development area cannot be  
 38 achieved by regulatory processes or by the ordinary operation of  
 39 private enterprise without resort to the powers allowed under this  
 40 section and sections 28 and 58 of this chapter because of:

41 (A) lack of local public improvement;

42 (B) existence of improvements or conditions that lower the  
 43 value of the land below that of nearby land;

44 (C) multiple ownership of land; or

45 (D) other similar conditions;

46 (3) the public health and welfare will be benefited by  
 47 accomplishment of the plan for the economic development area;

48 (4) the accomplishment of the plan for the economic development  
 49 area will be of public utility and benefit as measured by:

50 (A) attraction or retention of permanent jobs;

51 (B) increase in the property tax base;



- 1 (C) improved diversity of the economic base; or
- 2 (D) other similar public benefits; and
- 3 (5) the plan for the economic development area conforms to the
- 4 comprehensive plan of development for the county.

5 (c) The determination that a geographic area is an economic  
 6 development area must be approved by the excluded city legislative  
 7 body. The approval may be given either before or after judicial review  
 8 is requested. The requirement that the excluded city legislative body  
 9 approve economic development areas does not prevent the commission  
 10 from amending the plan for the economic development area. However,  
 11 the enlargement of any boundary in the economic development area  
 12 must be approved by the excluded city legislative body, **and a**  
 13 **boundary may not be enlarged unless:**

- 14 (1) **the existing area does not generate sufficient revenue to**
- 15 **meet the financial obligations of the original project; or**
- 16 (2) **the Indiana economic development corporation has, in the**
- 17 **manner provided by section 8(f) of this chapter, made a**
- 18 **finding approving the enlargement of the boundary.**

19 SECTION 767. IC 36-7-15.1-58, AS AMENDED BY P.L.185-2005,  
 20 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2008]: Sec. 58. (a) All of the rights, powers, privileges, and  
 22 immunities that may be exercised by a commission in a redevelopment  
 23 project area may be exercised by a commission in an economic  
 24 development area, subject to the following:

- 25 (1) The content and manner of exercise of these rights, powers,
- 26 privileges, and immunities shall be determined by the purposes
- 27 and nature of an economic development area.
- 28 (2) Real property (or interests in real property) relative to which
- 29 action is taken under this section or section 28 or 57 of this
- 30 chapter in an economic development area is not required to meet
- 31 the conditions described in IC 36-7-1-3.
- 32 (3) Bonds may be issued in accordance with section 45 of this
- 33 chapter to defray expenses of carrying out activities under this
- 34 chapter in economic development areas **if no other revenue**
- 35 **sources are available for this purpose.**
- 36 (4) The tax exemptions set forth in section 52 of this chapter are
- 37 applicable in economic development areas.
- 38 (5) An economic development area may be an allocation area for
- 39 the purposes of distribution and allocation of property taxes.
- 40 However, a declaratory resolution or an amendment that
- 41 establishes an allocation area must be approved by resolution of
- 42 the legislative body of the excluded city.
- 43 (6) The excluded city legislative body may not use its power of
- 44 eminent domain under section 39 of this chapter to carry out
- 45 activities under this chapter in economic development areas.

46 (b) The content and manner of discharge of duties set forth in  
 47 section 39(a) of this chapter shall be determined by the purposes and  
 48 nature of an economic development area.

49 SECTION 768. IC 36-7-15.3-15 IS AMENDED TO READ AS  
 50 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) The authority  
 51 may issue bonds for the purpose of obtaining money to pay the cost of:

- 1 (1) acquiring property;
- 2 (2) constructing, improving, reconstructing, or renovating one (1)
- 3 or more local public improvements; or
- 4 (3) funding or refunding bonds issued under this chapter or
- 5 IC 36-7-15.1.
- 6 (b) The bonds are payable solely from the lease rentals from the
- 7 lease of the local public improvement for which the bonds were issued,
- 8 insurance proceeds, and any other funds pledged or available.
- 9 (c) The bonds shall be authorized by a resolution of the board.
- 10 (d) The terms and form of the bonds shall either be set out in the
- 11 resolution or in a form of trust indenture approved by the resolution.
- 12 (e) The bonds shall mature within:
- 13 (1) fifty (50) years, **for bonds issued before July 1, 2008; or**
- 14 (2) **twenty-five (25) years, for bonds issued after June 30,**
- 15 **2008.**
- 16 (f) The board shall sell the bonds at public or private sale upon such
- 17 terms as determined by the board.
- 18 (g) All money received from any bonds issued under this chapter
- 19 shall be applied solely to the payment of the cost of the acquisition or
- 20 construction, or both, of local public improvements, or the cost of
- 21 refunding or refinancing outstanding bonds, for which the bonds are
- 22 issued. The cost may include:
- 23 (1) planning and development of the facility and all buildings,
- 24 facilities, structures, and improvements related to it;
- 25 (2) acquisition of a site and clearing and preparing the site for
- 26 construction;
- 27 (3) equipment, facilities, structures, and improvements that are
- 28 necessary or desirable to make the local public improvements ~~that~~
- 29 ~~are necessary or desirable to make the local public improvements~~
- 30 suitable for use and operations;
- 31 (4) architectural, engineering, consultant, and attorney fees;
- 32 (5) incidental expenses in connection with the issuance and sale
- 33 of bonds;
- 34 (6) reserves for principal and interest;
- 35 (7) interest during construction and for a period thereafter
- 36 determined by the board, but in no event to exceed five (5) years;
- 37 (8) financial advisory fees;
- 38 (9) insurance during construction;
- 39 (10) municipal bond insurance, debt service reserve insurance,
- 40 letters of credit, or other credit enhancement; and
- 41 (11) in the case of refunding or refinancing, payment of the
- 42 principal of, redemption premiums, if any, and interest on, the
- 43 bonds being refunded or refinanced.
- 44 SECTION 769. IC 36-7-26-25 IS AMENDED TO READ AS
- 45 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 25. The board
- 46 may not approve a resolution under section 16 of this chapter until the
- 47 board has satisfied itself that the city in which the proposed district will
- 48 be established has maximized the use of tax increment financing under
- 49 IC 36-7-14 or IC 36-7-14.5 to finance public improvements within or
- 50 serving the proposed district. ~~subject to the granting of an additional~~
- 51 ~~credit under IC 36-7-14-39.5.~~ The city may not grant property tax

1 abate­ments to the taxpayers within the proposed district or a district,  
 2 except that the board may approve a resolution under section 16 of this  
 3 chapter in the proposed district or a district in which real property tax  
 4 abatement not to exceed three (3) years has been granted.

5 SECTION 770. IC 36-7-30-25, AS AMENDED BY P.L.154-2006,  
 6 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JANUARY 1, 2009]: Sec. 25. (a) The following definitions apply  
 8 throughout this section:

9 (1) "Allocation area" means that part of a military base reuse area  
 10 to which an allocation provision of a declaratory resolution  
 11 adopted under section 10 of this chapter refers for purposes of  
 12 distribution and allocation of property taxes.

13 (2) "Base assessed value" means:

14 (A) the net assessed value of all the property as finally  
 15 determined for the assessment date immediately preceding the  
 16 adoption date of the allocation provision of the declaratory  
 17 resolution, as adjusted under subsection (h); plus

18 (B) to the extent that it is not included in clause (A) or (C), the  
 19 net assessed value of any and all parcels or classes of parcels  
 20 identified as part of the base assessed value in the declaratory  
 21 resolution or an amendment thereto, as finally determined for  
 22 any subsequent assessment date; plus

23 (C) to the extent that it is not included in clause (A) or (B), the  
 24 net assessed value of property that is assessed as residential  
 25 property under the rules of the department of local government  
 26 finance, as finally determined for any assessment date after the  
 27 effective date of the allocation provision.

28 Clause (C) applies only to allocation areas established in a  
 29 military reuse area after June 30, 1997, and to the part of an  
 30 allocation area that was established before June 30, 1997, and that  
 31 is added to an existing allocation area after June 30, 1997.

32 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
 33 property.

34 (b) A declaratory resolution adopted under section 10 of this chapter  
 35 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
 36 resolutions adopted under IC 36-7-14-15 may include a provision with  
 37 respect to the allocation and distribution of property taxes for the  
 38 purposes and in the manner provided in this section. A declaratory  
 39 resolution previously adopted may include an allocation provision by  
 40 the amendment of that declaratory resolution in accordance with the  
 41 procedures set forth in section 13 of this chapter. The allocation  
 42 provision may apply to all or part of the military base reuse area. The  
 43 allocation provision must require that any property taxes subsequently  
 44 levied by or for the benefit of any public body entitled to a distribution  
 45 of property taxes on taxable property in the allocation area be allocated  
 46 and distributed as follows:

47 (1) Except as otherwise provided in this section, the proceeds of  
 48 the taxes attributable to the lesser of:

49 (A) the assessed value of the property for the assessment date  
 50 with respect to which the allocation and distribution is made;

51 or

1 (B) the base assessed value;  
 2 shall be allocated to and, when collected, paid into the funds of  
 3 the respective taxing units.

4 (2) Except as otherwise provided in this section, property tax  
 5 proceeds in excess of those described in subdivision (1) shall be  
 6 allocated to the military base reuse district and, when collected,  
 7 paid into an allocation fund for that allocation area that may be  
 8 used by the military base reuse district and only to do one (1) or  
 9 more of the following:

10 (A) Pay the principal of and interest and redemption premium  
 11 on any obligations incurred by the military base reuse district  
 12 or any other entity for the purpose of financing or refinancing  
 13 military base reuse activities in or directly serving or  
 14 benefiting that allocation area.

15 (B) Establish, augment, or restore the debt service reserve for  
 16 bonds payable solely or in part from allocated tax proceeds in  
 17 that allocation area or from other revenues of the reuse  
 18 authority, including lease rental revenues.

19 (C) Make payments on leases payable solely or in part from  
 20 allocated tax proceeds in that allocation area.

21 (D) Reimburse any other governmental body for expenditures  
 22 made for local public improvements (or structures) in or  
 23 directly serving or benefiting that allocation area.

24 (E) **For property taxes first due and payable before 2009,**  
 25 pay all or a part of a property tax replacement credit to  
 26 taxpayers in an allocation area as determined by the reuse  
 27 authority. This credit equals the amount determined under the  
 28 following STEPS for each taxpayer in a taxing district (as  
 29 defined in IC 6-1.1-1-20) that contains all or part of the  
 30 allocation area:

31 STEP ONE: Determine that part of the sum of the amounts  
 32 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
 33 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
 34 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

35 STEP TWO: Divide:

36 (i) that part of each county's eligible property tax  
 37 replacement amount (as defined in IC 6-1.1-21-2) for that  
 38 year as determined under IC 6-1.1-21-4 that is attributable  
 39 to the taxing district; by

40 (ii) the STEP ONE sum.

41 STEP THREE: Multiply:

42 (i) the STEP TWO quotient; times

43 (ii) the total amount of the taxpayer's taxes (as defined in  
 44 IC 6-1.1-21-2) levied in the taxing district that have been  
 45 allocated during that year to an allocation fund under this  
 46 section.

47 If not all the taxpayers in an allocation area receive the credit  
 48 in full, each taxpayer in the allocation area is entitled to  
 49 receive the same proportion of the credit. A taxpayer may not  
 50 receive a credit under this section and a credit under section  
 51 27 of this chapter (**before its repeal**) in the same year.

1 (F) Pay expenses incurred by the reuse authority for local  
 2 public improvements or structures that were in the allocation  
 3 area or directly serving or benefiting the allocation area.

4 (G) Reimburse public and private entities for expenses  
 5 incurred in training employees of industrial facilities that are  
 6 located:

7 (i) in the allocation area; and

8 (ii) on a parcel of real property that has been classified as  
 9 industrial property under the rules of the department of local  
 10 government finance.

11 However, the total amount of money spent for this purpose in  
 12 any year may not exceed the total amount of money in the  
 13 allocation fund that is attributable to property taxes paid by the  
 14 industrial facilities described in this clause. The  
 15 reimbursements under this clause must be made not more than  
 16 three (3) years after the date on which the investments that are  
 17 the basis for the increment financing are made.

18 The allocation fund may not be used for operating expenses of the  
 19 reuse authority.

20 (3) Except as provided in subsection (g), before July 15 of each  
 21 year the reuse authority shall do the following:

22 (A) Determine the amount, if any, by which property taxes  
 23 payable to the allocation fund in the following year will exceed  
 24 the amount of property taxes necessary to make, when due,  
 25 principal and interest payments on bonds described in  
 26 subdivision (2) plus the amount necessary for other purposes  
 27 described in subdivision (2).

28 (B) **Notify Provide a written notice to the county auditor, of**  
 29 **the fiscal body of the unit that established the reuse**  
 30 **authority, and the officers who are authorized to fix**  
 31 **budgets, tax rates, and tax levies under IC 6-1.1-17-5 for**  
 32 **each of the other taxing units that is wholly or partly**  
 33 **located within the allocation area. The notice must:**

34 (i) **state** the amount, if any, of ~~the amount of~~ excess property  
 35 taxes that the reuse authority has determined may be paid to  
 36 the respective taxing units in the manner prescribed in  
 37 subdivision (1); **or**

38 (ii) **state that the reuse authority has determined that**  
 39 **there are no excess property tax proceeds that may be**  
 40 **allocated to the respective taxing units in the manner**  
 41 **prescribed in subdivision (1).**

42 **The county auditor shall allocate to the respective taxing**  
 43 **units the amount, if any, of excess property tax proceeds**  
 44 **determined by the reuse authority.** The reuse authority may  
 45 not authorize a payment to the respective taxing units under  
 46 this subdivision if to do so would endanger the interest of the  
 47 holders of bonds described in subdivision (2) or lessors under  
 48 section 19 of this chapter. Property taxes received by a taxing  
 49 unit under this subdivision **before 2009** are eligible for the  
 50 property tax replacement credit provided under IC 6-1.1-21.

51 (c) For the purpose of allocating taxes levied by or for any taxing

1 unit or units, the assessed value of taxable property in a territory in the  
2 allocation area that is annexed by a taxing unit after the effective date  
3 of the allocation provision of the declaratory resolution is the lesser of:

- 4 (1) the assessed value of the property for the assessment date with  
5 respect to which the allocation and distribution is made; or  
6 (2) the base assessed value.

7 (d) Property tax proceeds allocable to the military base reuse district  
8 under subsection (b)(2) may, subject to subsection (b)(3), be  
9 irrevocably pledged by the military base reuse district for payment as  
10 set forth in subsection (b)(2).

11 (e) Notwithstanding any other law, each assessor shall, upon  
12 petition of the reuse authority, reassess the taxable property situated  
13 upon or in or added to the allocation area, effective on the next  
14 assessment date after the petition.

15 (f) Notwithstanding any other law, the assessed value of all taxable  
16 property in the allocation area, for purposes of tax limitation, property  
17 tax replacement, and the making of the budget, tax rate, and tax levy  
18 for each political subdivision in which the property is located is the  
19 lesser of:

- 20 (1) the assessed value of the property as valued without regard to  
21 this section; or  
22 (2) the base assessed value.

23 (g) If any part of the allocation area is located in an enterprise zone  
24 created under IC 5-28-15, the unit that designated the allocation area  
25 shall create funds as specified in this subsection. A unit that has  
26 obligations, bonds, or leases payable from allocated tax proceeds under  
27 subsection (b)(2) shall establish an allocation fund for the purposes  
28 specified in subsection (b)(2) and a special zone fund. Such a unit  
29 shall, until the end of the enterprise zone phase out period, deposit each  
30 year in the special zone fund any amount in the allocation fund derived  
31 from property tax proceeds in excess of those described in subsection  
32 (b)(1) from property located in the enterprise zone that exceeds the  
33 amount sufficient for the purposes specified in subsection (b)(2) for the  
34 year. The amount sufficient for purposes specified in subsection (b)(2)  
35 for the year shall be determined based on the pro rata part of such  
36 current property tax proceeds from the part of the enterprise zone that  
37 is within the allocation area as compared to all such current property  
38 tax proceeds derived from the allocation area. A unit that does not have  
39 obligations, bonds, or leases payable from allocated tax proceeds under  
40 subsection (b)(2) shall establish a special zone fund and deposit all the  
41 property tax proceeds in excess of those described in subsection (b)(1)  
42 that are derived from property in the enterprise zone in the fund. The  
43 unit that creates the special zone fund shall use the fund (based on the  
44 recommendations of the urban enterprise association) for programs in  
45 job training, job enrichment, and basic skill development that are  
46 designed to benefit residents and employers in the enterprise zone or  
47 other purposes specified in subsection (b)(2), except that where  
48 reference is made in subsection (b)(2) to allocation area it shall refer  
49 for purposes of payments from the special zone fund only to that part  
50 of the allocation area that is also located in the enterprise zone. The  
51 programs shall reserve at least one-half (1/2) of their enrollment in any

1 session for residents of the enterprise zone.

2 (h) After each general reassessment under IC 6-1.1-4, the  
3 department of local government finance shall adjust the base assessed  
4 value one (1) time to neutralize any effect of the general reassessment  
5 on the property tax proceeds allocated to the military base reuse district  
6 under this section. After each annual adjustment under IC 6-1.1-4-4.5,  
7 the department of local government finance shall adjust the base  
8 assessed value to neutralize any effect of the annual adjustment on the  
9 property tax proceeds allocated to the military base reuse district under  
10 this section. However, the adjustments under this subsection may not  
11 include the effect of property tax abatements under IC 6-1.1-12.1, and  
12 these adjustments may not produce less property tax proceeds allocable  
13 to the military base reuse district under subsection (b)(2) than would  
14 otherwise have been received if the general reassessment or annual  
15 adjustment had not occurred. The department of local government  
16 finance may prescribe procedures for county and township officials to  
17 follow to assist the department in making the adjustments.

18 SECTION 771. IC 36-7-30-31, AS AMENDED BY P.L.219-2007,  
19 SECTION 136, IS AMENDED TO READ AS FOLLOWS  
20 [EFFECTIVE JULY 1, 2008]: Sec. 31. (a) As used in this section, the  
21 following terms have the meanings set forth in IC 6-1.1-1:

- 22 (1) Assessed value.  
23 (2) Owner.  
24 (3) Person.  
25 (4) Personal property.  
26 (5) Property taxation.  
27 (6) Tangible property.  
28 (7) Township assessor.

29 (b) As used in this section, "PILOTS" means payments in lieu of  
30 taxes.

31 (c) The general assembly finds the following:

- 32 (1) That the closing of a military base in a unit results in an  
33 increased cost to the unit of providing governmental services to  
34 the area formerly occupied by the military base.  
35 (2) That military base property held by a reuse authority is exempt  
36 from property taxation, resulting in the lack of an adequate tax  
37 base to support the increased governmental services.  
38 (3) That to restore this tax base and provide a proper allocation of  
39 the cost of providing governmental services the fiscal body of the  
40 unit should be authorized to collect PILOTS from the reuse  
41 authority.  
42 (4) That the appropriate maximum PILOTS would be the amount  
43 of the property taxes that would be paid if the tangible property  
44 were not exempt.

45 (d) The fiscal body of the unit may adopt an ordinance to require a  
46 reuse authority to pay PILOTS at times set forth in the ordinance with  
47 respect to tangible property of which the reuse authority is the owner  
48 or the lessee and that is exempt from property taxes. The ordinance  
49 remains in full force and effect until repealed or modified by the fiscal  
50 body.

51 (e) The PILOTS must be calculated so that the PILOTS do not

1 exceed the amount of property taxes that would have been levied by the  
2 fiscal body for the unit upon the tangible property described in  
3 subsection (d) if the property were not exempt from property taxation.

4 (f) PILOTS shall be imposed as are property taxes and shall be  
5 based on the assessed value of the tangible property described in  
6 subsection (d). Except as provided in subsection (j), the township  
7 ~~assessors~~ **assessor, or the county assessor if there is no township**  
8 **assessor for the township**, shall assess the tangible property described  
9 in subsection (d) as though the property were not exempt. The reuse  
10 authority shall report the value of personal property in a manner  
11 consistent with IC 6-1.1-3.

12 (g) Notwithstanding any other law, a reuse authority is authorized  
13 to pay PILOTS imposed under this section from any legally available  
14 source of revenues. The reuse authority may consider these payments  
15 to be operating expenses for all purposes.

16 (h) PILOTS shall be deposited in the general fund of the unit and  
17 used for any purpose for which the general fund may be used.

18 (i) PILOTS shall be due as set forth in the ordinance and bear  
19 interest, if unpaid, as in the case of other taxes on property. PILOTS  
20 shall be treated in the same manner as property taxes for purposes of  
21 all procedural and substantive provisions of law.

22 (j) If the duties of the township assessor have been transferred to the  
23 county assessor as described in IC 6-1.1-1-24, a reference to the  
24 township assessor in this section is considered to be a reference to the  
25 county assessor.

26 SECTION 772. IC 36-7-30.5-30, AS AMENDED BY P.L.154-2006,  
27 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JANUARY 1, 2009]: Sec. 30. (a) The following definitions apply  
29 throughout this section:

30 (1) "Allocation area" means that part of a military base  
31 development area to which an allocation provision of a  
32 declaratory resolution adopted under section 16 of this chapter  
33 refers for purposes of distribution and allocation of property taxes.

34 (2) "Base assessed value" means:

35 (A) the net assessed value of all the property as finally  
36 determined for the assessment date immediately preceding the  
37 adoption date of the allocation provision of the declaratory  
38 resolution, as adjusted under subsection (h); plus

39 (B) to the extent that it is not included in clause (A) or (C), the  
40 net assessed value of any and all parcels or classes of parcels  
41 identified as part of the base assessed value in the declaratory  
42 resolution or an amendment to the declaratory resolution, as  
43 finally determined for any subsequent assessment date; plus

44 (C) to the extent that it is not included in clause (A) or (B), the  
45 net assessed value of property that is assessed as residential  
46 property under the rules of the department of local government  
47 finance, as finally determined for any assessment date after the  
48 effective date of the allocation provision.

49 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
50 property.

51 (b) A declaratory resolution adopted under section 16 of this chapter



1 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
 2 resolutions adopted under IC 36-7-14-15 may include a provision with  
 3 respect to the allocation and distribution of property taxes for the  
 4 purposes and in the manner provided in this section. A declaratory  
 5 resolution previously adopted may include an allocation provision by  
 6 the amendment of that declaratory resolution in accordance with the  
 7 procedures set forth in section 18 of this chapter. The allocation  
 8 provision may apply to all or part of the military base development  
 9 area. The allocation provision must require that any property taxes  
 10 subsequently levied by or for the benefit of any public body entitled to  
 11 a distribution of property taxes on taxable property in the allocation  
 12 area be allocated and distributed as follows:

13 (1) Except as otherwise provided in this section, the proceeds of  
 14 the taxes attributable to the lesser of:

15 (A) the assessed value of the property for the assessment date  
 16 with respect to which the allocation and distribution is made;

17 or

18 (B) the base assessed value;

19 shall be allocated to and, when collected, paid into the funds of  
 20 the respective taxing units.

21 (2) Except as otherwise provided in this section, property tax  
 22 proceeds in excess of those described in subdivision (1) shall be  
 23 allocated to the development authority and, when collected, paid  
 24 into an allocation fund for that allocation area that may be used by  
 25 the development authority and only to do one (1) or more of the  
 26 following:

27 (A) Pay the principal of and interest and redemption premium  
 28 on any obligations incurred by the development authority or  
 29 any other entity for the purpose of financing or refinancing  
 30 military base development or reuse activities in or directly  
 31 serving or benefitting that allocation area.

32 (B) Establish, augment, or restore the debt service reserve for  
 33 bonds payable solely or in part from allocated tax proceeds in  
 34 that allocation area or from other revenues of the development  
 35 authority, including lease rental revenues.

36 (C) Make payments on leases payable solely or in part from  
 37 allocated tax proceeds in that allocation area.

38 (D) Reimburse any other governmental body for expenditures  
 39 made for local public improvements (or structures) in or  
 40 directly serving or benefitting that allocation area.

41 (E) **For property taxes first due and payable before 2009,**  
 42 pay all or a part of a property tax replacement credit to  
 43 taxpayers in an allocation area as determined by the  
 44 development authority. This credit equals the amount  
 45 determined under the following STEPS for each taxpayer in a  
 46 taxing district (as defined in IC 6-1.1-1-20) that contains all or  
 47 part of the allocation area:

48 STEP ONE: Determine that part of the sum of the amounts  
 49 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
 50 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
 51 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

- 1 STEP TWO: Divide:
- 2 (i) that part of each county's eligible property tax
- 3 replacement amount (as defined in IC 6-1.1-21-2) for that
- 4 year as determined under IC 6-1.1-21-4 that is attributable
- 5 to the taxing district; by
- 6 (ii) the STEP ONE sum.
- 7 STEP THREE: Multiply:
- 8 (i) the STEP TWO quotient; by
- 9 (ii) the total amount of the taxpayer's taxes (as defined in
- 10 IC 6-1.1-21-2) levied in the taxing district that have been
- 11 allocated during that year to an allocation fund under this
- 12 section.
- 13 If not all the taxpayers in an allocation area receive the credit
- 14 in full, each taxpayer in the allocation area is entitled to
- 15 receive the same proportion of the credit. A taxpayer may not
- 16 receive a credit under this section and a credit under section
- 17 32 of this chapter (**before its repeal**) in the same year.
- 18 (F) Pay expenses incurred by the development authority for
- 19 local public improvements or structures that were in the
- 20 allocation area or directly serving or benefitting the allocation
- 21 area.
- 22 (G) Reimburse public and private entities for expenses
- 23 incurred in training employees of industrial facilities that are
- 24 located:
- 25 (i) in the allocation area; and
- 26 (ii) on a parcel of real property that has been classified as
- 27 industrial property under the rules of the department of local
- 28 government finance.
- 29 However, the total amount of money spent for this purpose in
- 30 any year may not exceed the total amount of money in the
- 31 allocation fund that is attributable to property taxes paid by the
- 32 industrial facilities described in this clause. The
- 33 reimbursements under this clause must be made not more than
- 34 three (3) years after the date on which the investments that are
- 35 the basis for the increment financing are made.
- 36 The allocation fund may not be used for operating expenses of the
- 37 development authority.
- 38 (3) Except as provided in subsection (g), before July 15 of each
- 39 year the development authority shall do the following:
- 40 (A) Determine the amount, if any, by which property taxes
- 41 payable to the allocation fund in the following year will exceed
- 42 the amount of property taxes necessary to make, when due,
- 43 principal and interest payments on bonds described in
- 44 subdivision (2) plus the amount necessary for other purposes
- 45 described in subdivision (2).
- 46 (B) **Notify Provide a written notice to** the appropriate county
- 47 ~~auditor of auditors and the fiscal bodies and other officers~~
- 48 **who are authorized to fix budgets, tax rates, and tax levies**
- 49 **under IC 6-1.1-17-5 for each of the other taxing units that**
- 50 **is wholly or partly located within the allocation area. The**
- 51 **notice must:**

1 (i) state the amount, if any, of the ~~amount of~~ excess property  
 2 taxes that the development authority has determined may be  
 3 paid to the respective taxing units in the manner prescribed  
 4 in subdivision (1); or

5 (ii) state that the development authority has determined  
 6 that there is no excess assessed value that may be  
 7 allocated to the respective taxing units in the manner  
 8 prescribed in subdivision (1).

9 **The county auditors shall allocate to the respective taxing**  
 10 **units the amount, if any, of excess assessed value**  
 11 **determined by the development authority.** The development  
 12 authority may not authorize a payment to the respective taxing  
 13 units under this subdivision if to do so would endanger the  
 14 interest of the holders of bonds described in subdivision (2) or  
 15 lessors under section 24 of this chapter. Property taxes  
 16 received by a taxing unit under this subdivision **before 2009**  
 17 are eligible for the property tax replacement credit provided  
 18 under IC 6-1.1-21.

19 (c) For the purpose of allocating taxes levied by or for any taxing  
 20 unit or units, the assessed value of taxable property in a territory in the  
 21 allocation area that is annexed by a taxing unit after the effective date  
 22 of the allocation provision of the declaratory resolution is the lesser of:

- 23 (1) the assessed value of the property for the assessment date with  
 24 respect to which the allocation and distribution is made; or  
 25 (2) the base assessed value.

26 (d) Property tax proceeds allocable to the military base development  
 27 district under subsection (b)(2) may, subject to subsection (b)(3), be  
 28 irrevocably pledged by the military base development district for  
 29 payment as set forth in subsection (b)(2).

30 (e) Notwithstanding any other law, each assessor shall, upon  
 31 petition of the development authority, reassess the taxable property  
 32 situated upon or in or added to the allocation area, effective on the next  
 33 assessment date after the petition.

34 (f) Notwithstanding any other law, the assessed value of all taxable  
 35 property in the allocation area, for purposes of tax limitation, property  
 36 tax replacement, and the making of the budget, tax rate, and tax levy  
 37 for each political subdivision in which the property is located is the  
 38 lesser of:

- 39 (1) the assessed value of the property as valued without regard to  
 40 this section; or  
 41 (2) the base assessed value.

42 (g) If any part of the allocation area is located in an enterprise zone  
 43 created under IC 5-28-15, the development authority shall create funds  
 44 as specified in this subsection. A development authority that has  
 45 obligations, bonds, or leases payable from allocated tax proceeds under  
 46 subsection (b)(2) shall establish an allocation fund for the purposes  
 47 specified in subsection (b)(2) and a special zone fund. The  
 48 development authority shall, until the end of the enterprise zone phase  
 49 out period, deposit each year in the special zone fund any amount in the  
 50 allocation fund derived from property tax proceeds in excess of those  
 51 described in subsection (b)(1) from property located in the enterprise

1 zone that exceeds the amount sufficient for the purposes specified in  
 2 subsection (b)(2) for the year. The amount sufficient for purposes  
 3 specified in subsection (b)(2) for the year shall be determined based on  
 4 the pro rata part of such current property tax proceeds from the part of  
 5 the enterprise zone that is within the allocation area as compared to all  
 6 such current property tax proceeds derived from the allocation area. A  
 7 development authority that does not have obligations, bonds, or leases  
 8 payable from allocated tax proceeds under subsection (b)(2) shall  
 9 establish a special zone fund and deposit all the property tax proceeds  
 10 in excess of those described in subsection (b)(1) that are derived from  
 11 property in the enterprise zone in the fund. The development authority  
 12 that creates the special zone fund shall use the fund (based on the  
 13 recommendations of the urban enterprise association) for programs in  
 14 job training, job enrichment, and basic skill development that are  
 15 designed to benefit residents and employers in the enterprise zone or  
 16 for other purposes specified in subsection (b)(2), except that where  
 17 reference is made in subsection (b)(2) to an allocation area it shall refer  
 18 for purposes of payments from the special zone fund only to that part  
 19 of the allocation area that is also located in the enterprise zone. The  
 20 programs shall reserve at least one-half (1/2) of their enrollment in any  
 21 session for residents of the enterprise zone.

22 (h) After each general reassessment under IC 6-1.1-4, the  
 23 department of local government finance shall adjust the base assessed  
 24 value one (1) time to neutralize any effect of the general reassessment  
 25 on the property tax proceeds allocated to the military base development  
 26 district under this section. After each annual adjustment under  
 27 IC 6-1.1-4-4.5, the department of local government finance shall adjust  
 28 the base assessed value to neutralize any effect of the annual  
 29 adjustment on the property tax proceeds allocated to the military base  
 30 development district under this section. However, the adjustments  
 31 under this subsection may not include the effect of property tax  
 32 abatements under IC 6-1.1-12.1, and these adjustments may not  
 33 produce less property tax proceeds allocable to the military base  
 34 development district under subsection (b)(2) than would otherwise  
 35 have been received if the general reassessment or annual adjustment  
 36 had not occurred. The department of local government finance may  
 37 prescribe procedures for county and township officials to follow to  
 38 assist the department in making the adjustments.

39 SECTION 773. IC 36-7-30.5-34, AS AMENDED BY P.L.219-2007,  
 40 SECTION 139, IS AMENDED TO READ AS FOLLOWS  
 41 [EFFECTIVE JULY 1, 2008]: Sec. 34. (a) As used in this section, the  
 42 following terms have the meanings set forth in IC 6-1.1-1:

- 43 (1) Assessed value.
- 44 (2) Owner.
- 45 (3) Person.
- 46 (4) Personal property.
- 47 (5) Property taxation.
- 48 (6) Tangible property.
- 49 (7) Township assessor.

50 (b) As used in this section, "PILOTS" means payments in lieu of  
 51 taxes.

- 1 (c) The general assembly finds the following:
- 2 (1) That the closing of a military base in a unit results in an
- 3 increased cost to the unit of providing governmental services to
- 4 the area formerly occupied by the military base.
- 5 (2) That military base property held by a development authority
- 6 is exempt from property taxation, resulting in the lack of an
- 7 adequate tax base to support the increased governmental services.
- 8 (3) That to restore this tax base and provide a proper allocation of
- 9 the cost of providing governmental services the fiscal body of the
- 10 unit should be authorized to collect PILOTS from the
- 11 development authority.
- 12 (4) That the appropriate maximum PILOTS would be the amount
- 13 of the property taxes that would be paid if the tangible property
- 14 were not exempt.
- 15 (d) The fiscal body of the unit may adopt an ordinance to require a
- 16 development authority to pay PILOTS at times set forth in the
- 17 ordinance with respect to tangible property of which the development
- 18 authority is the owner or the lessee and that is exempt from property
- 19 taxes. The ordinance remains in full force and effect until repealed or
- 20 modified by the fiscal body.
- 21 (e) The PILOTS must be calculated so that the PILOTS do not
- 22 exceed the amount of property taxes that would have been levied by the
- 23 fiscal body for the unit upon the tangible property described in
- 24 subsection (d) if the property were not exempt from property taxation.
- 25 (f) PILOTS shall be imposed as are property taxes and shall be
- 26 based on the assessed value of the tangible property described in
- 27 subsection (d). Except as provided in subsection (j), the township
- 28 ~~assessors~~ **assessor, or the county assessor if there is no township**
- 29 **assessor for the township**, shall assess the tangible property described
- 30 in subsection (d) as though the property were not exempt. The
- 31 development authority shall report the value of personal property in a
- 32 manner consistent with IC 6-1.1-3.
- 33 (g) Notwithstanding any other law, a development authority is
- 34 authorized to pay PILOTS imposed under this section from any legally
- 35 available source of revenues. The development authority may consider
- 36 these payments to be operating expenses for all purposes.
- 37 (h) PILOTS shall be deposited in the general fund of the unit and
- 38 used for any purpose for which the general fund may be used.
- 39 (i) PILOTS shall be due as set forth in the ordinance and bear
- 40 interest, if unpaid, as in the case of other taxes on property. PILOTS
- 41 shall be treated in the same manner as property taxes for purposes of
- 42 all procedural and substantive provisions of law.
- 43 (j) If the duties of the township assessor have been transferred to the
- 44 county assessor as described in IC 6-1.1-1-24, a reference to the
- 45 township assessor in this section is considered to be a reference to the
- 46 county assessor.
- 47 SECTION 774. IC 36-7-32-17 IS AMENDED TO READ AS
- 48 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) An allocation
- 49 provision adopted under section 15 of this chapter must:
- 50 (1) apply to the entire certified technology park; and
- 51 (2) require that any property tax on taxable property subsequently

1 levied by or for the benefit of any public body entitled to a  
 2 distribution of property taxes in the certified technology park be  
 3 allocated and distributed as provided in subsections (b) and (c).

4 (b) Except as otherwise provided in this section, the proceeds of the  
 5 taxes attributable to the lesser of:

6 (1) the assessed value of the taxable property for the assessment  
 7 date with respect to which the allocation and distribution is made;

8 or

9 (2) the base assessed value;

10 shall be allocated and, when collected, paid into the funds of the  
 11 respective taxing units.

12 (c) Except as provided in subsection (d), all the property tax  
 13 proceeds that exceed those described in subsection (b) shall be  
 14 allocated to the redevelopment commission for the certified technology  
 15 park and, when collected, paid into the certified technology park fund  
 16 established under section 23 of this chapter.

17 (d) Before July 15 of each year, the redevelopment commission  
 18 shall do the following:

19 (1) Determine the amount, if any, by which the property tax  
 20 proceeds to be deposited in the certified technology park fund will  
 21 exceed the amount necessary for the purposes described in section  
 22 23 of this chapter.

23 (2) **Notify Provide a written notice to the county auditor, of the**  
 24 **fiscal body of the county or municipality that established the**  
 25 **redevelopment commission, and the officers who are**  
 26 **authorized to fix budgets, tax rates, and tax levies under**  
 27 **IC 6-1.1-17-5 for each of the other taxing units that is wholly**  
 28 **or partly located within the allocation area. The notice must:**

29 (A) **state** the amount, if any, of excess tax proceeds that the  
 30 redevelopment commission has determined may be allocated  
 31 to the respective taxing units in the manner prescribed in  
 32 subsection (c); **or**

33 (B) **state that the commission has determined that there is**  
 34 **no excess assessed value that may be allocated to the**  
 35 **respective taxing units in the manner prescribed in**  
 36 **subdivision (1).**

37 **The county auditor shall allocate to the respective taxing units**  
 38 **the amount, if any, of excess assessed value determined by the**  
 39 **commission.** The redevelopment commission may not authorize  
 40 an allocation of property tax proceeds under this subdivision if to  
 41 do so would endanger the interests of the holders of bonds  
 42 described in section 24 of this chapter.

43 (e) Notwithstanding any other law, each assessor shall, upon  
 44 petition of the redevelopment commission, reassess the taxable  
 45 property situated upon or in, or added to, the certified technology park  
 46 effective on the next assessment date after the petition.

47 (f) Notwithstanding any other law, the assessed value of all taxable  
 48 property in the certified technology park, for purposes of tax limitation,  
 49 property tax replacement, and formulation of the budget, tax rate, and  
 50 tax levy for each political subdivision in which the property is located  
 51 is the lesser of:

- 1 (1) the assessed value of the taxable property as valued without  
 2 regard to this section; or  
 3 (2) the base assessed value.

4 SECTION 775. IC 36-7.6-4-16, AS ADDED BY P.L.232-2007,  
 5 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JANUARY 1, 2009]: Sec. 16. (a) This section applies if:

- 7 (1) a county or municipality that is a member of a development  
 8 authority fails to make a transfer or a part of a transfer required by  
 9 section 2 of this chapter; and  
 10 (2) the development authority has bonds or other debt or lease  
 11 obligations outstanding.

12 (b) The treasurer of state shall ~~notwithstanding IC 6-1.1-21~~, do the  
 13 following:

- 14 (1) ~~Reduce the next distribution of property tax replacement~~  
 15 ~~credits under IC 6-1.1-21 to the county or municipality that failed~~  
 16 ~~to make a transfer or part of a transfer and~~ Withhold an amount  
 17 equal to the amount of the transfer or part of the transfer under  
 18 section 2 of this chapter that the ~~unit county or municipality~~  
 19 failed to make **from money in the possession of the state that**  
 20 **would otherwise be available for distribution to the county or**  
 21 **municipality under any other law.**  
 22 (2) Pay the amount withheld under subdivision (1) to the  
 23 development authority.

24 SECTION 776. IC 36-8-6-5, AS AMENDED BY P.L.224-2007,  
 25 SECTION 123, IS AMENDED TO READ AS FOLLOWS  
 26 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) If the local board  
 27 determines that the total amount of money available for a year will be  
 28 insufficient to pay the benefits, pensions, and retirement allowances the  
 29 local board is obligated to pay under this chapter, the local board shall,  
 30 before the date on which the budget of the municipality is adopted,  
 31 prepare an itemized estimate in the form prescribed by the state board  
 32 of accounts of the amount of money that will be receipted into and  
 33 disbursed from the 1925 fund during the next fiscal year. The estimated  
 34 receipts consist of the items enumerated in section 4(a) of this chapter.  
 35 The estimated disbursements consist of an estimate of the amount of  
 36 money that will be needed by the local board during the next fiscal year  
 37 to defray the expenses and obligations incurred and that will be  
 38 incurred by the local board in making the payments prescribed by this  
 39 chapter to retired members, to members who are eligible to and expect  
 40 to retire during the ensuing fiscal year, and to the dependents of  
 41 deceased members.

42 (b) The local board may provide in its annual budget and pay all  
 43 necessary expenses of operating the 1925 fund, including the payment  
 44 of all costs of litigation and attorney fees arising in connection with the  
 45 fund, as well as the payment of benefits and pensions. Notwithstanding  
 46 any other law, neither the municipal legislative body, the county board  
 47 of tax adjustment, ~~(before January 1, 2009), the county board of tax and~~  
 48 ~~capital projects review (after December 31, 2008)~~; nor the department  
 49 of local government finance may reduce an item of expenditure.

50 (c) At the time when the estimates are prepared and submitted, the  
 51 local board shall also prepare and submit a certified statement showing:

- 1 (1) the name, age, and date of retirement of each retired member  
2 and the monthly and yearly amount of the payment to which the  
3 retired member is entitled;
- 4 (2) the name and age of each member who is eligible to and  
5 expects to retire during the next fiscal year, the date on which the  
6 member expects to retire, and the monthly and yearly amount of  
7 the payment that the member will be entitled to receive; and
- 8 (3) the name and age of each dependent, the date on which the  
9 dependent became a dependent, the date on which the dependent  
10 will cease to be a dependent by reason of attaining the age at  
11 which dependents cease to be dependents, and the monthly and  
12 yearly amount of the payment to which the dependent is entitled.

13 (d) The total receipts shall be deducted from the total expenditures  
14 stated in the itemized estimate and the amount of the excess of the  
15 estimated expenditures over the estimated receipts shall be paid by the  
16 municipality in the same manner as other expenses of the municipality  
17 are paid. A tax levy shall be made annually for this purpose, as  
18 provided in subsection (e). The estimates submitted shall be prepared  
19 and filed in the same manner and form and at the same time that  
20 estimates of other municipal offices and departments are prepared and  
21 filed.

22 (e) The municipal legislative body shall levy an annual tax in the  
23 amount and at the rate that are necessary to produce the revenue to pay  
24 that part of the police pensions that the municipality is obligated to pay.  
25 All money derived from the levy is for the exclusive use of the police  
26 pensions and benefits. The amounts in the estimated disbursements, if  
27 found to be correct and in conformity with the data submitted in the  
28 certified statement, are a binding obligation upon the municipality. The  
29 legislative body shall make a levy for them that will yield an amount  
30 equal to the estimated disbursements, less the amount of the estimated  
31 receipts. Notwithstanding any other law, neither the county board of tax  
32 adjustment (~~before January 1, 2009~~); ~~the county board of tax and~~  
33 ~~capital projects review (after December 31, 2008)~~; nor the department  
34 of local government finance may reduce the levy.

35 SECTION 777. IC 36-8-7-14, AS AMENDED BY P.L.224-2007,  
36 SECTION 124, IS AMENDED TO READ AS FOLLOWS  
37 [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The local board shall  
38 meet annually and prepare an itemized estimate, in the form prescribed  
39 by the state board of accounts, of the amount of money that will be  
40 receipted into and disbursed from the 1937 fund during the next fiscal  
41 year. The estimated receipts consist of the items enumerated in section  
42 8 of this chapter. The estimated disbursements must be divided into  
43 two (2) parts, designated as part 1 and part 2.

44 (b) Part 1 of the estimated disbursements consists of an estimate of  
45 the amount of money that will be needed by the local board during the  
46 next fiscal year to defray the expenses and obligations incurred and that  
47 will be incurred by the local board in making the payments prescribed  
48 by this chapter to retired members, to members who are eligible to and  
49 expect to retire during the next fiscal year, and to the dependents of  
50 deceased members. Part 2 of the estimated disbursements consists of  
51 an estimate of the amount of money that will be needed to pay death



1 benefits and other expenditures that are authorized or required by this  
2 chapter.

3 (c) At the time when the estimates are prepared and submitted, the  
4 local board shall also prepare and submit a certified statement showing  
5 the following:

6 (1) The name, age, and date of retirement of each retired member  
7 and the monthly and yearly amount of the payment to which the  
8 retired member is entitled.

9 (2) The name and age of each member who is eligible to and  
10 expects to retire during the next fiscal year, the date on which the  
11 member expects to retire, and the monthly and yearly amount of  
12 the payment that the member will be entitled to receive.

13 (3) The name and the age of each dependent, the date on which  
14 the dependent became a dependent, the date on which the  
15 dependent will cease to be a dependent by reason of attaining the  
16 age at which dependents cease to be dependents, and the monthly  
17 and yearly amount of the payment to which the dependent is  
18 entitled.

19 (4) The amount that would be required for the next fiscal year to  
20 maintain level cost funding during the active fund members'  
21 employment on an actuarial basis.

22 (5) The amount that would be required for the next fiscal year to  
23 amortize accrued liability for active members, retired members,  
24 and dependents over a period determined by the local board, but  
25 not to exceed forty (40) years.

26 (d) The total receipts shall be deducted from the total expenditures  
27 as listed in the itemized estimate. The amount of the excess of the  
28 estimated expenditures over the estimated receipts shall be paid by the  
29 unit in the same manner as other expenses of the unit are paid, and an  
30 appropriation shall be made annually for that purpose. The estimates  
31 submitted shall be prepared and filed in the same manner and form and  
32 at the same time that estimates of other offices and departments of the  
33 unit are prepared and filed.

34 (e) The estimates shall be made a part of the annual budget of the  
35 unit. When revising the estimates, the executive, the fiscal officer, and  
36 other fiduciary officers may not reduce the items in part 1 of the  
37 estimated disbursements.

38 (f) The unit's fiscal body shall make the appropriations necessary to  
39 pay that proportion of the budget of the 1937 fund that the unit is  
40 obligated to pay under subsection (d). In addition, the fiscal body may  
41 make appropriations for purposes of subsection (c)(4), (c)(5), or both.  
42 All appropriations shall be made to the local board for the exclusive  
43 use of the 1937 fund. The amounts listed in part 1 of the estimated  
44 disbursements, if found to be correct and in conformity with the data  
45 submitted in the certified statement, are a binding obligation upon the  
46 unit. Notwithstanding any other law, neither the county board of tax  
47 adjustment (~~before January 1, 2009~~), the county board of tax and  
48 capital projects review (~~after December 31, 2008~~); nor the department  
49 of local government finance may reduce the appropriations made to pay  
50 the amount equal to estimated disbursements minus estimated receipts.

51 SECTION 778. IC 36-8-7-22, AS AMENDED BY P.L.224-2007,

1 SECTION 125, IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE UPON PASSAGE]: Sec. 22. The 1937 fund may not be,  
3 either before or after an order for distribution to members of the fire  
4 department or to the surviving spouses or guardians of a child or  
5 children of a deceased, disabled, or retired member, held, seized, taken,  
6 subjected to, detained, or levied on by virtue of an attachment,  
7 execution, judgment, writ, interlocutory or other order, decree, or  
8 process, or proceedings of any nature issued out of or by a court in any  
9 state for the payment or satisfaction, in whole or in part, of a debt,  
10 damages, demand, claim, judgment, fine, or amercement of the  
11 member or the member's surviving spouse or children. The 1937 fund  
12 shall be kept and distributed only for the purpose of pensioning the  
13 persons named in this chapter. The local board may, however, annually  
14 expend an amount from the 1937 fund that it considers proper for the  
15 necessary expenses connected with the fund. Notwithstanding any  
16 other law, neither the fiscal body, the county board of tax adjustment,  
17 ~~(before January 1, 2009), the county board of tax and capital projects~~  
18 ~~review (after December 31, 2008)~~, nor the department of local  
19 government finance may reduce these expenditures.

20 SECTION 779. IC 36-8-7.5-10, AS AMENDED BY P.L.224-2007,  
21 SECTION 126, IS AMENDED TO READ AS FOLLOWS  
22 [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If the local board  
23 determines that the total amount of money available for a year will be  
24 insufficient to pay the benefits, pensions, and retirement allowances the  
25 local board is obligated to pay under this chapter, the local board shall,  
26 before the date on which the budget of the police special service  
27 district is adopted, prepare an itemized estimate in the form prescribed  
28 by the state board of accounts of the amount of money that will be  
29 received into and disbursed from the 1953 fund during the next fiscal  
30 year. The estimated receipts consist of the items enumerated in section  
31 8 of this chapter. The estimated disbursements consist of an estimate  
32 of the amount of money that will be needed by the local board during  
33 the next fiscal year to defray the expenses and obligations incurred and  
34 that will be incurred by the local board in making the payments  
35 prescribed by this chapter to retired members, to members who are  
36 eligible and expect to retire during the ensuing fiscal year, and to the  
37 dependents of deceased members.

38 (b) At the time when the estimates are prepared and submitted, the  
39 local board shall also prepare and submit a certified statement showing:

- 40 (1) the estimated number of beneficiaries from the 1953 fund  
41 during the ensuing fiscal year in each of the various  
42 classifications of beneficiaries as prescribed in this chapter, and  
43 the names and amount of benefits being paid to those actively on  
44 the list of beneficiaries at that time;  
45 (2) the name, age, and length of service of each member of the  
46 police department who is eligible to and expects to retire during  
47 the ensuing fiscal year, and the monthly and yearly amounts of the  
48 payment that the member will be entitled to receive; and  
49 (3) the name and age of each dependent of a member of the police  
50 department who is then receiving benefits, the date on which the  
51 dependent commenced drawing benefits, and the date on which

1 the dependent will cease to be a dependent by reason of attaining  
 2 the age limit prescribed by this chapter, and the monthly and  
 3 yearly amounts of the payments to which each of the dependents  
 4 is entitled.

5 (c) After the amounts of receipts and disbursements shown in the  
 6 itemized estimate are fixed and approved by the executive, fiscal  
 7 officer, legislative body and other bodies, as provided by law for other  
 8 municipal funds, the total receipts shall be deducted from the total  
 9 expenditures stated in the itemized estimate, and the amount of the  
 10 excess shall be paid by the police special service district in the same  
 11 manner as other expenses of the district are paid. The legislative body  
 12 shall levy a tax and the money derived from the levy shall, when  
 13 collected, be credited exclusively to the 1953 fund. The tax shall be  
 14 levied in the amount and at the rate that is necessary to produce  
 15 sufficient revenue to equal the deficit. Notwithstanding any other law,  
 16 neither the county board of tax adjustment (~~before January 1, 2009~~); ~~the~~  
 17 ~~county board of tax and capital projects review (after December 31,~~  
 18 ~~2008)~~; nor the department of local government finance may reduce the  
 19 tax levy.

20 SECTION 780. IC 36-8-11-18, AS AMENDED BY P.L.224-2007,  
 21 SECTION 127, IS AMENDED TO READ AS FOLLOWS  
 22 [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) The board shall annually  
 23 budget the necessary money to meet the expenses of operation and  
 24 maintenance of the district, including repairs, fees, salaries,  
 25 depreciation on all depreciable assets, rents, supplies, contingencies,  
 26 bond redemption, and all other expenses lawfully incurred by the  
 27 district. After estimating expenses and receipts of money, the board  
 28 shall establish the tax levy required to fund the estimated budget.

29 (b) The budget must be approved by the fiscal body of the county,  
 30 the county board of tax adjustment, (~~before January 1, 2009~~); ~~the~~  
 31 ~~county board of tax and capital projects review (after December 31,~~  
 32 ~~2008)~~; and the department of local government finance.

33 (c) Upon approval by the department of local government finance,  
 34 the board shall certify the approved tax levy to the auditor of the county  
 35 having land within the district. The auditor shall have the levy entered  
 36 on the county treasurer's tax records for collection. After collection of  
 37 the taxes the auditor shall issue a warrant on the treasurer to transfer  
 38 the revenues collected to the board, as provided by statute.

39 SECTION 781. IC 36-8-11-22.1, AS AMENDED BY P.L.224-2007,  
 40 SECTION 128, IS AMENDED TO READ AS FOLLOWS  
 41 [EFFECTIVE UPON PASSAGE]: Sec. 22.1. (a) This section applies  
 42 to a district that consists of a municipality that is located in two (2)  
 43 counties.

44 (b) This section does not apply to a merged district under section 23  
 45 of this chapter.

46 (c) Sections 6 and 7 of this chapter apply to the petition.

47 (d) The board of fire trustees for the district shall be appointed as  
 48 prescribed by section 12 of this chapter. However, the legislative body  
 49 of each county within which the district is located shall jointly appoint  
 50 one (1) trustee from each township or part of a township contained in  
 51 the district and one (1) trustee from the municipality contained in the

1 district. The legislative body of each county shall jointly appoint a  
2 member to fill a vacancy.

3 (e) Sections 13, 14, and 15 of this chapter relating to the board of  
4 fire trustees apply to the board of the district. However, the county  
5 legislative bodies serving the district shall jointly decide where the  
6 board shall locate (or approve location of) its office.

7 (f) Sections 16, 17, 18, 19, and 21 of this chapter relating to the  
8 taxing district, bonds, annual budget, tax levies, and disbanding of fire  
9 departments apply to the district. However, the budget must be  
10 approved by the county fiscal body and county board of tax adjustment  
11 ~~(before January 1, 2009) or the county board of tax and capital projects~~  
12 ~~review (after December 31, 2008)~~ in each county in the district. In  
13 addition, the auditor of each county in the district shall perform the  
14 duties described in section 18(c) of this chapter.

15 SECTION 782. IC 36-8-11-23, AS AMENDED BY P.L.224-2007,  
16 SECTION 129, IS AMENDED TO READ AS FOLLOWS  
17 [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) Any fire protection  
18 district may merge with one (1) or more protection districts to form a  
19 single district if at least one-eighth (1/8) of the aggregate external  
20 boundaries of the districts coincide.

21 (b) The legislative body of the county where at least two (2) districts  
22 are located (or if the districts are located in more than one (1) county,  
23 the legislative body of each county) shall, if petitioned by freeholders  
24 in the two (2) districts, adopt an ordinance merging the districts into a  
25 single fire protection district.

26 (c) Freeholders who desire the merger of at least two (2) fire  
27 protection districts must initiate proceedings by filing a petition in the  
28 office of the county auditor of each county where a district is located.  
29 The petition must be signed:

30 (1) by at least twenty percent (20%), with a minimum of five  
31 hundred (500) from each district, of the freeholders owning land  
32 within the district; or

33 (2) by a majority of the freeholders from the districts;

34 whichever is less.

35 (d) The petition described in subsection (c) must state the same  
36 items listed in section 7 of this chapter. Sections 6, 8, and 9 of this  
37 chapter apply to the petition and to the legislative body of each county  
38 in the proposed district.

39 (e) The board of fire trustees for each district shall form a single  
40 board, which shall continue to be appointed as prescribed by section 12  
41 of this chapter. In addition, sections 13, 14, and 15 of this chapter  
42 relating to the board of fire trustees apply to the board of the merged  
43 district, except that if the merged district lies in more than one (1)  
44 county, the county legislative bodies serving the combined district shall  
45 jointly decide where the board shall locate (or approve relocation of)  
46 its office.

47 (f) Sections 16, 17, 18, 19, and 21 of this chapter relating to the  
48 taxing district, bonds, annual budget, tax levies, and disbanding of fire  
49 departments apply to a merged district. However, the budget must be  
50 approved by the county fiscal body and county board of tax adjustment  
51 ~~(before January 1, 2009) or the county board of tax and capital projects~~

1 review (after December 31, 2008) in each county in the merged district.  
 2 In addition, the auditor of each county in the district shall perform the  
 3 duties described in section 18(c) of this chapter.

4 SECTION 783. IC 36-8-13-4.7, AS AMENDED BY P.L.224-2007,  
 5 SECTION 130, IS AMENDED TO READ AS FOLLOWS  
 6 [EFFECTIVE UPON PASSAGE]: Sec. 4.7. (a) For a township that  
 7 elects to have the township provide fire protection and emergency  
 8 services under section 3(c) of this chapter, the department of local  
 9 government finance shall adjust the township's maximum permissible  
 10 levy in the year following the year in which the change is elected, as  
 11 determined under IC 6-1.1-18.5-3, to reflect the change from providing  
 12 fire protection or emergency services under a contract between the  
 13 municipality and the township to allowing the township to impose a  
 14 property tax levy on the taxable property located within the corporate  
 15 boundaries of each municipality. For the ensuing calendar year, the  
 16 township's maximum permissible property tax levy shall be increased  
 17 by the product of:

- 18 (1) one and five-hundredths (1.05); multiplied by
- 19 (2) the amount the township contracted or billed to receive,  
 20 regardless of whether the amount was collected:
  - 21 (A) in the year in which the change is elected; and
  - 22 (B) as fire protection or emergency service payments from the  
 23 municipalities or residents of the municipalities covered by the  
 24 election under section 3(c) of this chapter.

25 The maximum permissible levy for a general fund or other fund of a  
 26 municipality covered by the election under section 3(c) of this chapter  
 27 shall be reduced for the ensuing calendar year to reflect the change to  
 28 allowing the township to impose a property tax levy on the taxable  
 29 property located within the corporate boundaries of the municipality.  
 30 The total reduction in the maximum permissible levies for all electing  
 31 municipalities must equal the amount that the maximum permissible  
 32 levy for the township is increased under this subsection for contracts  
 33 or billings, regardless of whether the amount was collected, less the  
 34 amount actually paid from sources other than property tax revenue.

35 (b) For purposes of determining a township's and each  
 36 municipality's maximum permissible ad valorem property tax levy  
 37 under IC 6-1.1-18.5-3 for years following the first year after the year in  
 38 which the change is elected, a township's and each municipality's  
 39 maximum permissible ad valorem property tax levy is the levy after the  
 40 adjustment made under subsection (a).

41 (c) The township may use the amount of a maximum permissible  
 42 property tax levy computed under this section in setting budgets and  
 43 property tax levies for any year in which the election in section 3(c) of  
 44 this chapter is in effect. A county board of tax adjustment (~~before~~  
 45 ~~January 1, 2009)~~ or the county board of tax and capital projects review  
 46 (~~after December 31, 2008)~~ may not reduce a budget or tax levy solely  
 47 because the budget or levy is based on the maximum permissible  
 48 property tax levy computed under this section.

49 (d) Section 4.6 of this chapter does not apply to a property tax levy  
 50 or a maximum property tax levy subject to this section.

51 SECTION 784. IC 36-8-15-19, AS AMENDED BY HEA

1 1137-2008, SECTION 267, IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) This subsection applies  
3 to a county that has a population of more than one hundred eighty-two  
4 thousand seven hundred ninety (182,790) but less than two hundred  
5 thousand (200,000). For the purpose of raising money to fund the  
6 operation of the district, the county fiscal body may impose, for  
7 property taxes first due and payable during each year after the adoption  
8 of an ordinance establishing the district, an ad valorem property tax  
9 levy on property within the district. The property tax rate for that levy  
10 may not exceed five cents (\$0.05) on each one hundred dollars (\$100)  
11 of assessed valuation.

12 (b) This subsection applies to a county having a consolidated city.  
13 The county fiscal body may elect to fund the operation of the district  
14 from part of the certified distribution, if any, that the county is to  
15 receive during a particular calendar year under IC 6-3.5-6-17. To make  
16 such an election, the county fiscal body must adopt an ordinance before  
17 September 1 of the immediately preceding calendar year. The county  
18 fiscal body must specify in the ordinance the amount of the certified  
19 distribution that is to be used to fund the operation of the district. If the  
20 county fiscal body adopts such an ordinance, it shall immediately send  
21 a copy of the ordinance to the county auditor.

22 (c) Subject to subsections (d), (e), and (f), if an ordinance or  
23 resolution is adopted changing the territory covered by the district or  
24 the number of public agencies served by the district, the local  
25 government tax control board (~~before January 1, 2009~~) or the county  
26 board of tax and capital projects review (~~after December 31, 2008~~)  
27 shall, for property taxes first due and payable during the year after the  
28 adoption of the ordinance, adjust the maximum permissible ad valorem  
29 property tax levy limits of the district and the units participating in the  
30 district.

31 (d) If a unit by ordinance or resolution joins the district or elects to  
32 have its public safety agencies served by the district, the local  
33 government tax control board (~~before January 1, 2009~~) or the county  
34 board of tax and capital projects review (~~after December 31, 2008~~)  
35 shall reduce the maximum permissible ad valorem property tax levy of  
36 the unit for property taxes first due and payable during the year after  
37 the adoption of the ordinance or resolution. The reduction shall be  
38 based on the amount budgeted by the unit for public safety  
39 communication services in the year in which the ordinance was  
40 adopted. If such an ordinance or resolution is adopted, the district shall  
41 refer its proposed budget, ad valorem property tax levy, and property  
42 tax rate for the following year to the board, which shall review and set  
43 the budget, levy, and rate as though the district were covered by  
44 IC 6-1.1-18.5-7.

45 (e) If a unit by ordinance or resolution withdraws from the district  
46 or rescinds its election to have its public safety agencies served by the  
47 district, the local government tax control board (~~before January 1,  
48 2009~~) or the county board of tax and capital projects review (~~after  
49 December 31, 2008~~) shall reduce the maximum permissible ad valorem  
50 property tax levy of the district for property taxes first due and payable  
51 during the year after the adoption of the ordinance or resolution. The

1 reduction shall be based on the amounts being levied by the district  
 2 within that unit. If such an ordinance or resolution is adopted, the unit  
 3 shall refer its proposed budget, ad valorem property tax levy, and  
 4 property tax rate for public safety communication services to the board,  
 5 which shall review and set the budget, levy, and rate as though the unit  
 6 were covered by IC 6-1.1-18.5-7.

7 (f) The adjustments provided for in subsections (c), (d), and (e) do  
 8 not apply to a district or unit located in a particular county if the county  
 9 fiscal body of that county does not impose an ad valorem property tax  
 10 levy under subsection (a) to fund the operation of the district.

11 (g) A county that has adopted an ordinance under section 1(3) of  
 12 this chapter may not impose an ad valorem property tax levy on  
 13 property within the district to fund the operation or implementation of  
 14 the district.

15 SECTION 785. IC 36-9-3-29, AS AMENDED BY P.L.224-2007,  
 16 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
 17 [EFFECTIVE UPON PASSAGE]: Sec. 29. The board shall prepare an  
 18 annual budget for the authority's operating and maintenance  
 19 expenditures and necessary capital expenditures. Each annual budget  
 20 is subject to review and modification by the:

21 (1) fiscal body of the county or municipality that establishes the  
 22 authority; and

23 (2) county board of tax adjustment (~~before January 1, 2009~~) or the  
 24 county board of tax and capital projects review (~~after December~~  
 25 ~~31, 2008~~) and the department of local government finance under  
 26 IC 6-1.1-17.

27 SECTION 786. IC 36-9-3-31, AS AMENDED BY P.L.219-2007,  
 28 SECTION 141, IS AMENDED TO READ AS FOLLOWS  
 29 [EFFECTIVE JULY 1, 2008]: Sec. 31. (a) This section applies to an  
 30 authority that includes a county having a population of more than four  
 31 hundred thousand (400,000) but less than seven hundred thousand  
 32 (700,000).

33 (b) The authority may issue revenue or general obligation bonds  
 34 under this section.

35 (c) The board may issue revenue bonds of the authority for the  
 36 purpose of procuring money to pay the cost of acquiring real or  
 37 personal property for the purpose of this chapter. The issuance of bonds  
 38 must be authorized by resolution of the board and approved by the  
 39 county fiscal bodies of the counties in the authority before issuance.  
 40 The resolution must provide for the amount, terms, and tenor of the  
 41 bonds, and for the time and character of notice and mode of making  
 42 sale of the bonds.

43 (d) The bonds are payable at the times and places determined by the  
 44 board, but they may not run more than thirty (30) years after the date  
 45 of their issuance and must be executed in the name of the authority by  
 46 an authorized officer of the board and attested by the secretary. The  
 47 interest coupons attached to the bonds may be executed by placing on  
 48 them the facsimile signature of the authorized officer of the board.

49 (e) The president of the authority shall manage and supervise the  
 50 preparation, advertisement, and sale of the bonds, subject to the  
 51 authorizing ordinance. Before the sale of bonds, the president shall

1 cause notice of the sale to be published in accordance with IC 5-3-1,  
 2 setting out the time and place where bids will be received, the amount  
 3 and maturity dates of the issue, the maximum interest rate, and the  
 4 terms and conditions of sale and delivery of the bonds. The bonds shall  
 5 be sold in accordance with IC 5-1-11. After the bonds have been  
 6 properly sold and executed, the executive director or president shall  
 7 deliver them to the controller of the authority and take a receipt for  
 8 them, and shall certify to the treasurer the amount that the purchaser is  
 9 to pay, together with the name and address of the purchaser. On  
 10 payment of the purchase price the controller shall deliver the bonds to  
 11 the purchaser, and the controller and executive director or president  
 12 shall report their actions to the board.

13 (f) General obligation bonds issued under this section are subject to  
 14 the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following:**

15 (1) The filing of a petition requesting the issuance of bonds.

16 (2) The appropriation of the proceeds of bonds.

17 (3) The right of taxpayers to appeal and be heard on the proposed  
 18 appropriation.

19 (4) The approval of the appropriation by the department of local  
 20 government finance.

21 (5) The right of:

22 (A) taxpayers and voters to remonstrate against the issuance of  
 23 bonds ~~and~~ **in the case of a proposed bond issue described by**  
 24 **IC 6-1.1-20-3.1(a); or**

25 **(B) voters to vote on the issuance of bonds in the case of a**  
 26 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

27 (6) The sale of bonds for not less than their par value.

28 (g) Notice of the filing of a petition requesting the issuance of  
 29 bonds, notice of determination to issue bonds, and notice of the  
 30 appropriation of the proceeds of the bonds shall be given by posting in  
 31 the offices of the authority for a period of one (1) week and by  
 32 publication in accordance with IC 5-3-1.

33 (h) The bonds are not a corporate indebtedness of any unit, but are  
 34 an indebtedness of the authority as a municipal corporation. A suit to  
 35 question the validity of the bonds issued or to prevent their issuance  
 36 may not be instituted after the date set for sale of the bonds, and after  
 37 that date the bonds may not be contested for any cause.

38 (i) The bonds issued under this section and the interest on them are  
 39 exempt from taxation for all purposes except the financial institutions  
 40 tax imposed under IC 6-5.5 or a state inheritance tax imposed under  
 41 IC 6-4.1.

42 SECTION 787. IC 36-9-4-45, AS AMENDED BY P.L.219-2007,  
 43 SECTION 142, IS AMENDED TO READ AS FOLLOWS  
 44 [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) Bonds issued under this  
 45 chapter:

46 (1) shall be issued in the denomination;

47 (2) are payable over a period not to exceed thirty (30) years from  
 48 the date of the bonds; and

49 (3) mature;

50 as determined by the ordinance authorizing the bond issue.

51 (b) All bonds issued under this chapter, the interest on them, and the



1 income from them are exempt from taxation to the extent provided by  
2 IC 6-8-5-1.

3 (c) The provisions of IC 6-1.1-20 relating to:

4 (1) filing petitions requesting the issuance of bonds and giving  
5 notice of those petitions;

6 (2) giving notice of a hearing on the appropriation of the proceeds  
7 of the bonds;

8 (3) the right of taxpayers to appear and be heard on the proposed  
9 appropriation;

10 (4) the approval of the appropriation by the department of local  
11 government finance; and

12 (5) the right of:

13 (A) taxpayers and voters to remonstrate against the issuance of  
14 bonds **in the case of a proposed bond issue described by**  
15 **IC 6-1.1-20-3.1(a); or**

16 (B) voters to vote on the issuance of bonds in the case of a  
17 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

18 apply to the issuance of bonds under this chapter.

19 (d) A suit to question the validity of bonds issued under this chapter  
20 or to prevent their issue and sale may not be instituted after the date set  
21 for the sale of the bonds, and the bonds are incontestable after that date.

22 SECTION 788. IC 36-9-4-47, AS AMENDED BY P.L.224-2007,  
23 SECTION 133, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE UPON PASSAGE]: Sec. 47. (a) The board of directors  
25 of a public transportation corporation may:

26 (1) borrow money in anticipation of receipt of the proceeds of  
27 taxes that have been levied by the board and have not yet been  
28 collected; and

29 (2) evidence this borrowing by issuing warrants of the  
30 corporation.

31 The money that is borrowed may be used by the corporation for  
32 payment of principal and interest on its bonds or for payment of current  
33 operating expenses.

34 (b) The warrants:

35 (1) bear the date or dates;

36 (2) mature at the time or times on or before December 31  
37 following the year in which the taxes in anticipation of which the  
38 warrants are issued are due and payable;

39 (3) bear interest at the rate or rates and are payable at the time or  
40 times;

41 (4) may be in the denominations;

42 (5) may be in the forms, either registered or payable to bearer;

43 (6) are payable at the place or places, either inside or outside  
44 Indiana;

45 (7) are payable in the medium of payment;

46 (8) are subject to redemption upon the terms, including a price not  
47 exceeding par and accrued interest; and

48 (9) may be executed by the officers of the corporation in the  
49 manner;

50 provided by resolution of the board of directors. The resolution may  
51 also authorize the board to pay from the proceeds of the warrants all

1 costs incurred in connection with the issuance of the warrants.

2 (c) The warrants may be authorized and issued at any time after the  
3 board of directors levies the tax or taxes in anticipation of which the  
4 warrants are issued.

5 (d) The warrants may be sold for not less than par value after notice  
6 inviting bids has been published in accordance with IC 5-3-1. The  
7 board of directors may also publish the notice inviting bids in other  
8 newspapers or financial journals.

9 (e) After the warrants are sold, they may be delivered and paid for  
10 at one (1) time or in installments.

11 (f) The aggregate principal amount of warrants issued in  
12 anticipation of and payable from the same tax levy or levies may not  
13 exceed eighty percent (80%) of the levy or levies, as the amount of the  
14 levy or levies is certified by the department of local government  
15 finance, or as is determined by multiplying the rate of tax as finally  
16 approved by the total assessed valuation of taxable property within the  
17 taxing district of the public transportation corporation as most recently  
18 certified by the county auditor.

19 (g) For purposes of this section, taxes for any year are considered to  
20 be levied when the board of directors adopts the ordinance prescribing  
21 the tax levies for the year. However, warrants may not be delivered and  
22 paid for before final approval of a tax levy or levies by the county  
23 board of tax adjustment (~~before January 1, 2009~~) or the county board  
24 of tax and capital projects review (~~after December 31, 2008~~) (or, if  
25 appealed, by the department of local government finance) unless the  
26 issuance of the warrants has been approved by the department of local  
27 government finance.

28 (h) The warrants and the interest on them are not subject to sections  
29 43 and 44 of this chapter and are payable solely from the proceeds of  
30 the tax levy or levies in anticipation of which the warrants were issued.  
31 The authorizing resolution must pledge a sufficient amount of the  
32 proceeds of the tax levy or levies to the payment of the warrants and  
33 the interest.

34 (i) All actions of the board of directors under this section may be  
35 taken by resolution, which need not be published or posted. The  
36 resolution takes effect immediately upon its adoption by a majority of  
37 the members of the board of directors.

38 (j) An action to contest the validity of any tax anticipation warrants  
39 may not be brought later than ten (10) days after the sale date.

40 SECTION 789. IC 36-9-11.1-11, AS AMENDED BY P.L.219-2007,  
41 SECTION 143, IS AMENDED TO READ AS FOLLOWS  
42 [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) All property of every kind,  
43 including air rights, acquired for off-street parking purposes, and all its  
44 funds and receipts, are exempt from taxation for all purposes. When  
45 any real property is acquired by the consolidated city, the county  
46 auditor shall, upon certification of that fact by the board, cancel all  
47 taxes then a lien. The certificate of the board must specifically describe  
48 the real property, including air rights, and the purpose for which  
49 acquired.

50 (b) A lessee of the city may not be assessed any tax upon any land,  
51 air rights, or improvements leased from the city, but the separate

1 leasehold interest has the same status as leases on taxable real property,  
 2 notwithstanding any other law. ~~Except as provided in subsection (c);~~  
 3 Whenever the city sells any such property to anyone for private use, the  
 4 property becomes liable for all taxes after that, as other property is so  
 5 liable and is assessed, and the board shall report all such sales to the  
 6 township assessor, **or the county assessor if there is no township**  
 7 **assessor for the township**, who shall cause the property to be upon the  
 8 proper tax records.

9 (c) If the duties of the township assessor have been transferred to the  
 10 county assessor as described in IC 6-1.1-1-24, a reference to the  
 11 township assessor in this section is considered to be a reference to the  
 12 county assessor.

13 SECTION 790. IC 36-9-13-35, AS AMENDED BY P.L.224-2007,  
 14 SECTION 134, IS AMENDED TO READ AS FOLLOWS  
 15 [EFFECTIVE UPON PASSAGE]: Sec. 35. The annual operating  
 16 budget of a building authority is subject to review by the county board  
 17 of tax adjustment (~~before January 1, 2009~~) **or the county board of tax**  
 18 **and capital projects review (after December 31, 2008)** and then by the  
 19 department of local government finance as in the case of other political  
 20 subdivisions.

21 SECTION 791. IC 36-9-14.5-6 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) Except as  
 23 provided in subsection (c), the county fiscal body may provide money  
 24 for the cumulative capital development fund by levying a tax in  
 25 compliance with IC 6-1.1-41 on the taxable property in the county.

26 (b) The maximum property tax rate that may be imposed for  
 27 property taxes first due and payable during a particular year in a county  
 28 in which the county option income tax or the county adjusted gross  
 29 income tax is in effect on January 1 of that year, depends upon the  
 30 number of years the county has previously imposed a tax under this  
 31 chapter and is determined under the following table:

32 NUMBER	TAX RATE PER \$100
33 OF YEARS	OF ASSESSED
	34 VALUATION
35 0	<del>\$0.05</del> <b>\$0.0167</b>
36 1 or more	<del>\$0.10</del> <b>\$0.0333</b>

37 (c) The maximum property tax rate that may be imposed for  
 38 property taxes first due and payable during a particular year in a county  
 39 in which neither the county option income tax nor the county adjusted  
 40 gross income tax is in effect on January 1 of that year, depends upon  
 41 the number of years the county has previously imposed a tax under this  
 42 chapter and is determined under the following table:

43 NUMBER	TAX RATE PER \$100
44 OF YEARS	OF ASSESSED
	45 VALUATION
46 0	<del>\$0.04</del> <b>\$0.0133</b>
47 1 or more	<del>\$0.07</del> <b>\$0.0233</b>

48 SECTION 792. IC 36-9-15.5-6 IS AMENDED TO READ AS  
 49 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) Except as  
 50 provided in subsection (c), the municipal fiscal body may provide  
 51 money for the cumulative capital development fund by levying a tax in

1 compliance with IC 6-1.1-41 on the taxable property in the  
 2 municipality.

3 (b) The maximum property tax rate that may be imposed for  
 4 property taxes first due and payable during a particular year in a  
 5 municipality that is either wholly or partially located in a county in  
 6 which the county option income tax or the county adjusted gross  
 7 income tax is in effect on January 1 of that year depends upon the  
 8 number of years the municipality has previously imposed a tax under  
 9 this chapter and is determined under the following table:

10	NUMBER	TAX RATE PER \$100
11	OF YEARS	OF ASSESSED
12		VALUATION
13	0	<del>\$0.05</del> <b>\$0.0167</b>
14	1	<del>\$0.10</del> <b>\$0.0333</b>
15	2 or more	<del>\$0.15</del> <b>\$0.05</b>

16 (c) The maximum property tax rate that may be imposed for  
 17 property taxes first due and payable during a particular year in a  
 18 municipality that is wholly located in a county in which neither the  
 19 county option income tax nor the county adjusted gross income tax is  
 20 in effect on January 1 of that year depends upon the number of years  
 21 the municipality has previously imposed a tax under this chapter and  
 22 is determined under the following table:

23	NUMBER	TAX RATE PER \$100
24	OF YEARS	OF ASSESSED
25		VALUATION
26	0	<del>\$0.04</del> <b>\$0.0133</b>
27	1	<del>\$0.08</del> <b>\$0.0267</b>
28	2 or more	<del>\$0.12</del> <b>\$0.04</b>

29 SECTION 793. IC 36-10-3-24, AS AMENDED BY P.L.219-2007,  
 30 SECTION 144, IS AMENDED TO READ AS FOLLOWS  
 31 [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) In order to raise money to  
 32 pay for land to be acquired for any of the purposes named in this  
 33 chapter, to pay for an improvement authorized by this chapter, or both,  
 34 and in anticipation of the special benefit tax to be levied as provided in  
 35 this chapter, the board shall cause to be issued, in the name of the unit,  
 36 the bonds of the district. The bonds may not exceed in amount the total  
 37 cost of all land to be acquired and all improvements described in the  
 38 resolution, including all expenses necessarily incurred in connection  
 39 with the proceedings, together with a sum sufficient to pay the costs of  
 40 supervision and inspection during the period of construction of a work.  
 41 The expenses to be covered in the bond issue include all expenses of  
 42 every kind actually incurred preliminary to acquiring the land and the  
 43 construction of the work, such as the cost of the necessary record,  
 44 engineering expenses, publication of notices, preparation of bonds, and  
 45 other necessary expenses. If more than one (1) resolution or proceeding  
 46 of the board under section 23 of this chapter is confirmed whereby  
 47 different parcels of land are to be acquired, or more than one (1)  
 48 contract for work is let by the board at approximately the same time,  
 49 the cost involved under all of the resolutions and proceedings may be  
 50 included in one (1) issue of bonds.

51 (b) The bonds may be issued in any denomination not less than one

1 thousand dollars (\$1,000) each, in not less than five (5) nor more than  
 2 forty (40) annual series. The bonds are payable one (1) series each  
 3 year, beginning at a date after the receipt of taxes from a levy made for  
 4 that purpose. The bonds are negotiable. The bonds may bear interest at  
 5 any rate, payable semiannually. After adopting a resolution ordering  
 6 bonds, the board shall certify a copy of the resolution to the unit's fiscal  
 7 officer. The fiscal officer shall prepare the bonds, and the unit's  
 8 executive shall execute them, attested by the fiscal officer.

9 (c) The bonds and the interest on them are exempt from taxation as  
 10 prescribed by IC 6-8-5-1. Bonds issued under this section are subject  
 11 to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- 12 (1) the filing of a petition requesting the issuance of bonds;
- 13 (2) the right of:
  - 14 (A) taxpayers and voters to remonstrate against the issuance of
  - 15 bonds **in the case of a proposed bond issue described by**
  - 16 **IC 6-1.1-20-3.1(a); or**
  - 17 (B) voters to vote on the issuance of bonds in the case of a
  - 18 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- 19 (3) the appropriation of the proceeds of the bonds and approval by
- 20 the department of local government finance; and
- 21 (4) the sale of bonds at public sale for not less than their par
- 22 value.

23 (d) The board may not have bonds of the district issued under this  
 24 section that are payable by special taxation when the total issue for that  
 25 purpose, including the bonds already issued or to be issued, exceeds  
 26 two percent (2%) of the adjusted value of the taxable property in the  
 27 district as determined under IC 36-1-15. All bonds or obligations  
 28 issued in violation of this subsection are void. The bonds are not  
 29 obligations or indebtedness of the unit, but constitute an indebtedness  
 30 of the district as a special taxing district. The bonds and interest are  
 31 payable only out of a special tax levied upon all the property of the  
 32 district as prescribed by this chapter. The bonds must recite the terms  
 33 upon their face, together with the purposes for which they are issued.

34 SECTION 794. IC 36-10-4-35 IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 35. (a) In order to pay  
 36 for:

- 37 (1) land to be acquired for any of the purposes of this chapter;
- 38 (2) an improvement authorized by this chapter; or
- 39 (3) both;

40 the board shall issue the bonds of the district in the name of the city in  
 41 anticipation of the special benefits tax to be levied under this chapter.  
 42 The amount of the bonds may not exceed the estimated cost of all land  
 43 to be acquired and the estimated cost of all improvements provided in  
 44 the resolution, including all expenses necessarily incurred in the  
 45 proceedings and a sum sufficient to pay the estimated costs of  
 46 supervision and inspection during the period of construction. Expenses  
 47 include all expenses actually incurred preliminary to acquisition of the  
 48 land and the construction work, such as the estimated cost of the  
 49 necessary record, engineering expenses, publication of notices,  
 50 preparation of bonds, and other expenses necessary to letting the  
 51 contract and selling the bonds.

1 (b) The total amount of any benefits that have been assessed by the  
 2 board and confirmed against lots and parcels of land, exclusive of  
 3 improvements, lying within two thousand (2,000) feet on either side of  
 4 the land to be acquired or of the improvement, however, shall be  
 5 deducted from the estimated cost.

6 (c) If more than one (1) resolution or proceeding of the board under  
 7 section 25 of this chapter is confirmed whereby different parcels of  
 8 land are to be acquired or more than one (1) contract for work is let by  
 9 the board at approximately the same time, the estimated cost involved  
 10 under all of the resolutions and proceedings may be contained in one  
 11 (1) issue of bonds.

12 (d) The bonds shall be issued in any denomination up to five  
 13 thousand dollars (\$5,000) each. The bonds are negotiable instruments  
 14 and bear interest at a rate established by the board and approved by the  
 15 city legislative body.

16 (e) After adopting a resolution ordering the bonds, the board shall  
 17 certify a copy of the resolution to the fiscal officer of the city. The  
 18 fiscal officer shall then prepare the bonds, which shall be executed by  
 19 the city executive and attested by the fiscal officer. The bonds are  
 20 exempt from taxation for all purposes and are subject to IC 6-1.1-20  
 21 concerning:

22 (1) the filing of a petition requesting the issuance of bonds; and

23 (2) the right of:

24 (A) taxpayers to remonstrate against the issuance of bonds **in**  
 25 **the case of a proposed bond issue described by**  
 26 **IC 6-1.1-20-3.1(a); or**

27 **(B) voters to vote on the issuance of bonds in the case of a**  
 28 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

29 (f) All bonds shall be sold at not less than par value plus accrued  
 30 interest to date of delivery by the city fiscal officer to the highest bidder  
 31 after giving notice of the sale of the bonds by publication in accordance  
 32 with IC 5-3-1.

33 (g) The bonds are subject to approval by the city legislative body,  
 34 in the manner it prescribes by ordinance or resolution.

35 (h) The bonds are not corporate obligations or indebtedness of the  
 36 city, but are an indebtedness of the district as a special taxing district.  
 37 The bonds and interest are payable only out of a special tax levied upon  
 38 all property of the district. The bonds must recite these terms upon their  
 39 face, together with the purposes for which they are issued.

40 (i) An action to question the validity of bonds of the district or to  
 41 prevent their issue may not be brought after the date set for the sale of  
 42 the bonds.

43 (j) The board may, instead of selling the bonds in series, sell the  
 44 bonds to run for a period of five (5) years from the date of issue for the  
 45 purposes of this chapter at any rate of interest payable semiannually,  
 46 also exempt from taxation for all purposes. The board may sell bonds  
 47 in series to refund the five (5) year bonds.

48 SECTION 795. IC 36-10-7.5-22, AS AMENDED BY P.L.219-2007,  
 49 SECTION 145, IS AMENDED TO READ AS FOLLOWS  
 50 [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) To raise money to pay for  
 51 land to be acquired for any of the purposes named in this chapter or to

1 pay for an improvement authorized by this chapter, and in anticipation  
 2 of the special benefit tax to be levied as provided in this chapter, the  
 3 legislative body shall issue in the name of the township the bonds of  
 4 the district. The bonds may not exceed in amount the total cost of all  
 5 land to be acquired and all improvements described in the resolution,  
 6 including all expenses necessarily incurred in connection with the  
 7 proceedings, together with a sum sufficient to pay the costs of  
 8 supervision and inspection during the period of construction of a work.  
 9 The expenses to be covered in the bond issue include all expenses of  
 10 every kind actually incurred preliminary to acquiring the land and the  
 11 construction of the work, such as the cost of the necessary record,  
 12 engineering expenses, publication of notices, preparation of bonds, and  
 13 other necessary expenses. If more than one (1) resolution or proceeding  
 14 of the legislative body under this chapter is confirmed whereby  
 15 different parcels of land are to be acquired or more than one (1)  
 16 contract for work is let by the executive at approximately the same  
 17 time, the cost involved under all of the resolutions and proceedings  
 18 may be included in one (1) issue of bonds.

19 (b) The bonds may be issued in any denomination not less than one  
 20 thousand dollars (\$1,000) each, in not less than five (5) nor more than  
 21 forty (40) annual series. The bonds are payable one (1) series each  
 22 year, beginning at a date after the receipt of taxes from a levy made for  
 23 that purpose. The bonds are negotiable. The bonds may bear interest at  
 24 any rate, payable semiannually. After adopting a resolution ordering  
 25 bonds, the legislative body shall certify a copy of the resolution to the  
 26 township's fiscal officer. The fiscal officer shall prepare the bonds, and  
 27 the executive shall execute the bonds, attested by the fiscal officer.

28 (c) The bonds and the interest on the bonds are exempt from  
 29 taxation as prescribed by IC 6-8-5-1. Bonds issued under this section  
 30 are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- 31 (1) the filing of a petition requesting the issuance of bonds;
- 32 (2) the right of:
  - 33 (A) taxpayers and voters to remonstrate against the issuance of
  - 34 bonds **in the case of a proposed bond issue described by**
  - 35 **IC 6-1.1-20-3.1(a); or**
  - 36 (B) voters to vote on the issuance of bonds in the case of a
  - 37 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
  - 38 (3) the appropriation of the proceeds of the bonds with the
  - 39 approval of the department of local government finance; and
  - 40 (4) the sale of bonds at public sale for not less than the par value
  - 41 of the bonds.

42 (d) The legislative body may not have bonds of the district issued  
 43 under this section that are payable by special taxation when the total  
 44 issue for that purpose, including the bonds already issued or to be  
 45 issued, exceeds two percent (2%) of the total adjusted value of the  
 46 taxable property in the district as determined under IC 36-1-15. All  
 47 bonds or obligations issued in violation of this subsection are void. The  
 48 bonds are not obligations or indebtedness of the township but constitute  
 49 an indebtedness of the district as a special taxing district. The bonds  
 50 and interest are payable only out of a special tax levied upon all the  
 51 property of the district as prescribed by this chapter. A bond must

1 recite the terms upon the face of the bond, together with the purposes  
2 for which the bond is issued.

3 SECTION 796. IC 36-10-8-16, AS AMENDED BY P.L.219-2007,  
4 SECTION 146, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) A capital improvement may  
6 be financed in whole or in part by the issuance of general obligation  
7 bonds of the county or, if the authority was created under IC 18-7-18  
8 (before its repeal on February 24, 1982), also of the city, if the board  
9 determines that the estimated annual net income of the capital  
10 improvement, plus the estimated annual tax revenues to be derived  
11 from any tax revenues made available for this purpose, will not be  
12 sufficient to satisfy and pay the principal of and interest on all bonds  
13 issued under this chapter, including the bonds then proposed to be  
14 issued.

15 (b) If the board desires to finance a capital improvement in whole  
16 or in part as provided in this section, it shall have prepared a resolution  
17 to be adopted by the county executive authorizing the issuance of  
18 general obligation bonds, or, if the authority was created under  
19 IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body  
20 of the city authorizing the issuance of general obligation bonds. The  
21 resolution must set forth an itemization of the funds and assets received  
22 by the board, together with the board's valuation and certification of the  
23 cost. The resolution must state the date or dates on which the principal  
24 of the bonds is payable, the maximum interest rate to be paid, and the  
25 other terms upon which the bonds shall be issued. The board shall  
26 submit the proposed resolution to the proper officers, together with a  
27 certificate to the effect that the issuance of bonds in accordance with  
28 the resolution will be in compliance with this section. The certificate  
29 must also state the estimated annual net income of the capital  
30 improvement to be financed by the bonds, the estimated annual tax  
31 revenues, and the maximum amount payable in any year as principal  
32 and interest on the bonds issued under this chapter, including the bonds  
33 proposed to be issued, ~~as~~ at the maximum interest rate set forth in the  
34 resolution. The bonds issued may mature over a period not exceeding  
35 forty (40) years from the date of issue.

36 (c) Upon receipt of the resolution and certificate, the proper officers  
37 may adopt them and take all action necessary to issue the bonds in  
38 accordance with the resolution. An action to contest the validity of  
39 bonds issued under this section may not be brought after the fifteenth  
40 day following the receipt of bids for the bonds.

41 (d) The provisions of all general statutes relating to:

- 42 (1) the filing of a petition requesting the issuance of bonds and  
43 giving notice;
- 44 (2) the right of:
  - 45 (A) taxpayers and voters to remonstrate against the issuance of  
46 bonds **in the case of a proposed bond issue described by**  
47 **IC 6-1.1-20-3.1(a); or**
  - 48 (B) voters to vote on the issuance of bonds in the case of a  
49 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- 50 (3) the giving of notice of the determination to issue bonds;
- 51 (4) the giving of notice of a hearing on the appropriation of the



- 1 proceeds of bonds;  
 2 (5) the right of taxpayers to appear and be heard on the proposed  
 3 appropriation;  
 4 (6) the approval of the appropriation by the department of local  
 5 government finance; and  
 6 (7) the sale of bonds at public sale;

7 apply to the issuance of bonds under this section.

8 SECTION 797. IC 36-10-9-15, AS AMENDED BY P.L.219-2007,  
 9 SECTION 147, IS AMENDED TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) A capital improvement may  
 11 be financed in whole or in part by the issuance of general obligation  
 12 bonds of the county.

13 (b) If the board desires to finance a capital improvement in whole  
 14 or in part as provided in this section, it shall have prepared a resolution  
 15 to be adopted by the board of commissioners of the county authorizing  
 16 the issuance of general obligation bonds. The resolution must state the  
 17 date or dates on which the principal of the bonds is payable, the  
 18 maximum interest rate to be paid, and the other terms upon which the  
 19 bonds shall be issued. The board shall submit the proposed resolution  
 20 to the board of commissioners of the county, together with a certificate  
 21 to the effect that the issuance of bonds in accordance with the  
 22 resolution will be in compliance with this section. The certificate must  
 23 also state the estimated annual net income of the capital improvement  
 24 to be financed by the bonds, the estimated annual tax revenues, and the  
 25 maximum amount payable in any year as principal and interest on the  
 26 bonds issued under this chapter, including the bonds proposed to be  
 27 issued, at the maximum interest rate set forth in the resolution. The  
 28 bonds issued may mature over a period not exceeding forty (40) years  
 29 from the date of issue.

30 (c) Upon receipt of the resolution and certificate, the board of  
 31 commissioners of the county may adopt them and take all action  
 32 necessary to issue the bonds in accordance with the resolution. An  
 33 action to contest the validity of bonds issued under this section may not  
 34 be brought after the fifteenth day following the receipt of bids for the  
 35 bonds.

- 36 (d) The provisions of all general statutes relating to:  
 37 (1) the filing of a petition requesting the issuance of bonds and  
 38 giving notice;  
 39 (2) the right of:  
 40 (A) taxpayers and voters to remonstrate against the issuance of  
 41 bonds **in the case of a proposed bond issue described by**  
 42 **IC 6-1.1-20-3.1(a); or**  
 43 **(B) voters to vote on the issuance of bonds in the case of a**  
 44 **proposed bond issue described by IC 6-1.1-20-3.5(a);**  
 45 (3) the giving of notice of the determination to issue bonds;  
 46 (4) the giving of notice of a hearing on the appropriation of the  
 47 proceeds of bonds;  
 48 (5) the right of taxpayers to appear and be heard on the proposed  
 49 appropriation;  
 50 (6) the approval of the appropriation by the department of local  
 51 government finance; and

1 (7) the sale of bonds at public sale for not less than par value;  
2 are applicable to the issuance of bonds under this section.

3 SECTION 798. IC 36-10-13-5, AS AMENDED BY P.L.2-2006,  
4 SECTION 195, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) This section applies  
6 only to a school corporation in a county having a population of more  
7 than two hundred thousand (200,000) but less than three hundred  
8 thousand (300,000).

9 (b) To provide funding for a historical society under this section, the  
10 governing body of a school corporation may impose a tax of not more  
11 than five-tenths of one cent (\$.005) on each one hundred dollars  
12 (\$100) of assessed valuation in the school corporation.

13 ~~(c) A tax under this section is not subject to the maximum~~  
14 ~~permissible tuition support levy limitations imposed on the school~~  
15 ~~corporation by IC 20-45-3.~~

16 ~~(d)~~ (c) The school corporation shall deposit the proceeds of the tax  
17 in a fund to be known as the historical society fund. The historical  
18 society fund is separate and distinct from the school corporation's  
19 general fund and may be used only to provide funds for a historical  
20 society under this section.

21 ~~(e)~~ (d) Subject to section 6 of this chapter, the governing body of the  
22 school corporation may annually appropriate the money in the fund to  
23 be paid in semiannual installments to a historical society having  
24 facilities in the county.

25 SECTION 799. IC 36-10-13-7, AS AMENDED BY P.L.2-2006,  
26 SECTION 196, IS AMENDED TO READ AS FOLLOWS  
27 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) This section applies to  
28 school corporations in a county containing a city having a population  
29 of:

- 30 (1) more than one hundred fifty thousand (150,000) but less than
- 31 five hundred thousand (500,000);
- 32 (2) more than one hundred twenty thousand (120,000) but less
- 33 than one hundred fifty thousand (150,000);
- 34 (3) more than ninety thousand (90,000) but less than one hundred
- 35 five thousand (105,000);
- 36 (4) more than one hundred five thousand (105,000) but less than
- 37 one hundred twenty thousand (120,000); or
- 38 (5) more than seventy-five thousand (75,000) but less than ninety
- 39 thousand (90,000).

40 (b) To provide funding for an art association under this section, the  
41 governing body of a school corporation may impose a tax of not more  
42 than five-tenths of one cent (\$.005) on each one hundred dollars  
43 (\$100) of assessed valuation in the school corporation. ~~The tax is not~~  
44 ~~subject to the maximum permissible tuition support levy limitations~~  
45 ~~imposed on the school corporation by IC 20-45-3.~~

46 (c) The school corporation shall deposit the proceeds of the tax  
47 imposed under subsection (b) in a fund to be known as the art  
48 association fund. The art association fund is separate and distinct from  
49 the school corporation's general fund and may be used only to provide  
50 funds for an art association under this section. The governing body of  
51 the school corporation may annually appropriate the money in the fund

1 to be paid in semiannual installments to an art association having  
 2 facilities in a city that is described in subsection (a), subject to  
 3 subsection (d).

4 (d) Before an art association may receive payments under this  
 5 section, the association's governing board must adopt a resolution that  
 6 entitles:

7 (1) the governing body of the school corporation to appoint the  
 8 school corporation's superintendent and director of art instruction  
 9 as visitors who may attend all meetings of the association's  
 10 governing board;

11 (2) the governing body of the school corporation to nominate  
 12 individuals for membership on the association's governing board,  
 13 with at least two (2) of the nominees to be elected;

14 (3) the school corporation to use the association's facilities and  
 15 equipment for educational purposes consistent with the  
 16 association's purposes;

17 (4) the students and teachers of the school corporation to tour the  
 18 association's museum and galleries free of charge;

19 (5) the school corporation to borrow materials from the  
 20 association for temporary exhibit in the schools;

21 (6) the teachers of the school corporation to receive normal  
 22 instruction in the fine and applied arts at half the regular rates  
 23 charged by the association; and

24 (7) the school corporation to expect exhibits in the association's  
 25 museum that will supplement the work of the students and  
 26 teachers of the corporation.

27 A copy of the resolution, certified by the president and secretary of the  
 28 association, must be filed in the office of the school corporation before  
 29 payments may be received.

30 (e) A resolution filed under subsection (d) is not required to be  
 31 renewed annually. The resolution continues in effect until rescinded.  
 32 An art association that complies with this section is entitled to continue  
 33 to receive payments under this section as long as the art association  
 34 complies with the resolution.

35 (f) If more than one (1) art association in a city that is described in  
 36 subsection (a) qualifies to receive payments under this section, the  
 37 governing body of the school corporation shall select the one (1) art  
 38 association best qualified to perform the services described in  
 39 subsection (d). A school corporation may select only one (1) art  
 40 association to receive payments under this section.

41 SECTION 800. THE FOLLOWING ARE REPEALED  
 42 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: IC 6-1.1-3-11;  
 43 IC 6-1.1-3-12; IC 6-1.1-3-13; IC 6-1.1-10-29; IC 6-1.1-10-29.3;  
 44 IC 6-1.1-10-29.5; IC 6-1.1-10-30; IC 6-1.1-10-30.5; IC 6-1.1-10-31.1;  
 45 IC 6-1.1-10-31.4; IC 6-1.1-10-31.5; IC 6-1.1-10-31.6; IC 6-1.1-10-31.7;  
 46 IC 6-1.1-10-40; IC 6-1.1-10-43; IC 6-1.1-10.1; IC 6-1.1-20.7;  
 47 IC 6-1.1-20.8; IC 6-1.1-40-3.

48 SECTION 801. THE FOLLOWING ARE REPEALED  
 49 [EFFECTIVE UPON PASSAGE]: IC 3-8-1-23.4; IC 3-8-1-23.5;  
 50 IC 3-11-2-12.8; IC 6-1.1-20-3.4; IC 6-1.1-29-1.5; IC 6-1.1-29-2.5;  
 51 IC 6-1.1-29.5; P.L.224-2007, SECTION 139; P.L.224-2007, SECTION

1 140.

2 SECTION 802. THE FOLLOWING ARE REPEALED  
3 [EFFECTIVE JULY 1, 2008]: IC 6-1.1-4-13.8; IC 6-1.1-35.2-1;  
4 IC 6-1.1-35.5-9.

5 SECTION 803. THE FOLLOWING ARE REPEALED  
6 [EFFECTIVE JANUARY 1, 2009] IC 6-1.1-21.2-1; IC 6-1.1-21.2-13;  
7 IC 6-1.1-21.2-14; IC 12-19-1.5.

8 SECTION 804. THE FOLLOWING ARE REPEALED  
9 [EFFECTIVE UPON PASSAGE]: IC 6-3.5-8; IC 12-7-2-117;  
10 IC 12-19-1-11; IC 12-19-1-12; IC 12-19-6; IC 31-9-2-44.3;  
11 IC 31-34-8-5; IC 31-34-23-2.

12 SECTION 805. THE FOLLOWING ARE REPEALED  
13 [EFFECTIVE JULY 1, 2008]: IC 31-26-3; IC 31-34-8-8; IC 31-34-8-9;  
14 IC 31-34-24; IC 31-37-24.

15 SECTION 806. THE FOLLOWING ARE REPEALED  
16 [EFFECTIVE JANUARY 1, 2009]: IC 5-22-4-9; IC 12-13-8;  
17 IC 12-13-9; IC 12-19-5; IC 12-19-7; IC 12-19-7.5; IC 16-35-3;  
18 IC 16-35-4; IC 16-35-5; IC 31-19-26; IC 31-25-2-17; IC 31-33-4-4;  
19 IC 31-33-21.

20 SECTION 807. THE FOLLOWING ARE REPEALED  
21 [EFFECTIVE JANUARY 1, 2009]: IC 20-24-7-12; IC 20-43-1-5;  
22 IC 20-43-1-16; IC 20-43-3-5; IC 20-43-3-6; IC 20-43-6-2;  
23 IC 20-43-6-4; IC 20-43-6-6; IC 20-45-1-3; IC 20-45-1-4; IC 20-45-1-7;  
24 IC 20-45-1-8; IC 20-45-1-9; IC 20-45-1-10; IC 20-45-1-11;  
25 IC 20-45-1-13; IC 20-45-1-15; IC 20-45-1-16; IC 20-45-1-17;  
26 IC 20-45-1-18; IC 20-45-1-20; IC 20-45-1-21; IC 20-45-1-22;  
27 IC 20-45-2; IC 20-45-3.

28 SECTION 808. THE FOLLOWING ARE REPEALED  
29 [EFFECTIVE JANUARY 1, 2009]: IC 4-24-7-2; IC 11-10-2-3;  
30 IC 12-13-7-17.

31 SECTION 809. THE FOLLOWING ARE REPEALED  
32 [EFFECTIVE JANUARY 1, 2009]: IC 20-40-4-2; IC 20-46-2.

33 SECTION 810. THE FOLLOWING ARE REPEALED  
34 [EFFECTIVE JANUARY 1, 2009]: IC 6-1.1-19-13; IC 6-1.1-20.6-9;  
35 IC 6-1.1-21.7; IC 20-45-1-7; IC 20-45-4; IC 20-45-5; IC 20-45-6;  
36 IC 20-46-1-2; IC 20-46-3-8; IC 20-46-4-9.

37 SECTION 811. THE FOLLOWING ARE REPEALED  
38 [EFFECTIVE JANUARY 1, 2009]: IC 6-1.1-20.6-1; IC 6-1.1-20.6-5;  
39 IC 6-1.1-20.6-6; IC 6-1.1-20.6-6.5.

40 SECTION 812. THE FOLLOWING ARE REPEALED  
41 [EFFECTIVE JULY 1, 2008]: IC 36-7-14-39.1; IC 36-7-15.1-26.1;  
42 IC 36-7-15.1-54.

43 SECTION 813. THE FOLLOWING ARE REPEALED  
44 [EFFECTIVE JANUARY 1, 2009]: IC 4-35-8-2; 4-35-8-4;  
45 IC 6-1.1-20.9; IC 6-1.1-21; IC 8-22-3.5-10; IC 8-22-3.5-12;  
46 IC 36-7-14-39.5; IC 36-7-15.1-26.5; IC 36-7-15.1-26.7;  
47 IC 36-7-15.1-26.9; IC 36-7-15.1-56; IC 36-7-30-27; IC 36-7-30.5-32;  
48 IC 36-7-32-18.

49 SECTION 814. IC 5-10.3-11-4.5 IS REPEALED [EFFECTIVE  
50 JANUARY 1, 2009].

51 SECTION 815. IC 36-12-14 IS REPEALED [EFFECTIVE UPON

1 PASSAGE].

2 SECTION 816. THE FOLLOWING ARE REPEALED  
3 [EFFECTIVE JANUARY 1, 2009]: P.L.38-2001, SECTION 4;  
4 P.L.1-2002, SECTION 164.

5 SECTION 817. IC 6-3.1-21-10 IS REPEALED [EFFECTIVE JULY  
6 1, 2008].

7 SECTION 818. THE FOLLOWING ARE REPEALED  
8 [EFFECTIVE JULY 1, 2008]: IC 3-10-2-14; IC 6-1.1-1-5.5;  
9 IC 6-1.1-1-22; IC 6-1.1-1-22.7; IC 36-6-5-2.

10 SECTION 819. THE FOLLOWING ARE REPEALED  
11 [EFFECTIVE JANUARY 1, 2009]: IC 12-16-2.5-2; IC 12-16-4.5-1; C  
12 12-16-4.5-4; C 12-16-5.5-1; IC 12-16-7.5-9; IC 12-16-7.5-10;  
13 IC 12-16-14-1; IC 12-16-14-2; IC 12-16-14-3; IC 12-16-14-4;  
14 IC 12-16-14-5; IC 12-16-15.5.

15 SECTION 820. [EFFECTIVE JANUARY 1, 2009] (a) **A county  
16 may not impose a property tax levy under IC 12-16-14-1,  
17 IC 12-16-14-2, and IC 12-16-14-3 for an assessment date after  
18 January 15, 2008.**

19 (b) **Notwithstanding the abolishment by this act of each county's  
20 county hospital care for the indigent fund, a county auditor shall  
21 separately account for and transfer:**

22 (1) **the unencumbered balance on December 31, 2008, of the  
23 county's account in the county general fund for the county  
24 hospital care for the indigent fund; and**

25 (2) **any delinquent property tax payments and other amounts  
26 that would have been deposited after December 31, 2008, in  
27 the county's account in the county general fund for the county  
28 hospital care for the indigent fund if IC 12-16-14-1,  
29 IC 12-16-14-2, and IC 12-16-14-3 had not been repealed by  
30 this act;**

31 **to the state after December 31, 2008, in the manner provided in  
32 IC 12-16-14-6(b) (as effective December 31, 2008). The auditor of  
33 state shall deposit an amount transferred under this subsection in  
34 the state hospital care for the indigent fund.**

35 (c) **In addition to other appropriations made to the family and  
36 children's social services administration, there is appropriated for  
37 the state fiscal year beginning July 1, 2008, and ending June 30,  
38 2009, ten million dollars (\$10,000,000) to the family and social  
39 services administration from the state general fund for the purpose  
40 of making the first installment of the transfer required by  
41 IC 12-16-17-1, as added by this act, for calendar year 2009.**

42 (d) **Notwithstanding IC 4-12-1-12(e) and IC 4-13-2-23, if the  
43 amount available in the state hospital care for the indigent fund for  
44 the state fiscal year beginning July 1, 2008, and ending June 30,  
45 2009, is insufficient to expend the amount appropriated to the  
46 family and social services administration from the fund by  
47 P.L.234-2007, SECTION 8 (including any augmentation permitted  
48 under P.L.234-2007, SECTION 8), the budget agency shall transfer  
49 an amount at least equal to the deficiency from the unrestricted  
50 balance of the state general fund to the state hospital care for the  
51 indigent fund for the purposes of the appropriation. The amount**

1 transferred does not reduce the appropriation made to any agency  
2 or for any other purpose. The transfers under this subsection shall  
3 be made on the schedule necessary to carry out the purposes of the  
4 appropriation.

5 SECTION 821. [EFFECTIVE JANUARY 1, 2009] (a) A county  
6 may not impose a property tax levy after December 31, 2008, for  
7 the county general fund to the extent that the levy is for the  
8 reimbursement of the department of correction under IC 11-10-2-3  
9 (before its repeal by this act) or a related provision for the costs of  
10 keeping delinquent offenders.

11 (b) The obligation to pay the costs of keeping delinquent  
12 offenders (as defined in IC 11-8-1-9), to the extent that the costs are  
13 for services delivered after December 31, 2008, is transferred from  
14 the counties to the state. The obligation transferred includes the  
15 costs of using after December 31, 2008, an institution or a facility  
16 in Indiana for providing educational services that, before January  
17 1, 2009, were chargeable to a county family and children's fund, a  
18 county office, or a county under IC 20-26-11-12, IC 20-26-11-13, or  
19 IC 20-33-2-29.

20 (c) The following definitions apply throughout this subsection:

21 (1) "Account" means an obligation of a county under  
22 IC 11-10-2-3 (before its repeal by this act) or another law to  
23 reimburse the state, including the department of correction,  
24 for the cost of keeping a delinquent offender before January  
25 1, 2009.

26 (2) "Delinquent account" means an account that has not been  
27 paid to the state before six (6) months after the account is  
28 forwarded under this SECTION or IC 4-24-7-4 (before its  
29 amendment by this act).

30 All accounts accruing before January 1, 2009, and not previously  
31 forwarded to a county auditor, and any reconciliations for any  
32 period before January 1, 2009, shall be forwarded to the county  
33 auditor before March 16, 2009. Upon receipt of an account, the  
34 county auditor shall draw a warrant on the treasurer of the county  
35 for the payment of the account, which shall be paid from the funds  
36 of the county that were appropriated for the payment. The county  
37 council of each county shall appropriate sufficient funds to pay  
38 these accounts.

39 (d) A county and the department of correction may enter into  
40 agreements to resolve any issues arising under this act concerning  
41 payments to vendors, payments to the county, payments to the  
42 state (including payments due for commitments before January 1,  
43 2009), collection of amounts due to a county or the state from a  
44 parent, guardian, or custodian, and other matters affected by this  
45 act. Notwithstanding this act, the agreement, if approved by the  
46 governor and the county fiscal body, governs the responsibilities of  
47 the state and the county.

48 (e) This SECTION applies notwithstanding any other law.

49 SECTION 822. [EFFECTIVE JANUARY 1, 2008  
50 (RETROACTIVE)] (a) A county may not impose a property tax levy  
51 under IC 12-13-8 for an assessment date after January 15, 2008.

1           **(b) Notwithstanding the abolishment by this act of each county's**  
 2 **county medical assistance to wards fund, a county auditor shall**  
 3 **separately account for and transfer:**

4           **(1) the unencumbered balance on December 31, 2008, of the**  
 5 **county's county medical assistance to wards fund; and**

6           **(2) any delinquent property tax payments and other amounts**  
 7 **that would have been deposited after December 31, 2008, in**  
 8 **the county's county medical assistance to wards fund if**  
 9 **IC 12-13-8 had not been repealed by this act;**

10 **to the state after December 31, 2008, in the manner provided in**  
 11 **IC 12-13-9-1 (before its repeal by this act). The auditor of state**  
 12 **shall deposit an amount transferred under this subsection in the**  
 13 **state general fund for use by the office of the secretary of family**  
 14 **and social services to defray the expenses and obligations incurred**  
 15 **by the office of the secretary of family and social services for**  
 16 **medical assistance to wards and associated administrative costs.**

17           **(c) Any unencumbered balance in the state medical assistance**  
 18 **to wards fund on December 31, 2008, shall be transferred to the**  
 19 **state general fund.**

20           **(d) In addition to the amount appropriated to the family and**  
 21 **social services administration in P.L.234-2007, there is**  
 22 **appropriated twelve million one hundred ninety thousand three**  
 23 **hundred fifty-eight dollars (\$12, 190,358) to the family and social**  
 24 **services administration from the state general fund to defray the**  
 25 **expenses and obligations incurred by the family and social services**  
 26 **administration for medical assistance to wards and associated**  
 27 **administrative costs, beginning July 1, 2008, and ending June 30,**  
 28 **2009. Augmentation allowed (as defined in P.L.234-2007,**  
 29 **SECTION 1).**

30           **SECTION 823. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)**  
 31 **A county may not impose a property tax levy under IC 12-19-7 for**  
 32 **an assessment date after January 15, 2008.**

33           **(b) Notwithstanding the abolishment by this act of each county's**  
 34 **family and children's fund, a county auditor shall separately**  
 35 **account for:**

36           **(1) the unencumbered balance on December 31, 2008, of the**  
 37 **county's family and children's fund; and**

38           **(2) any delinquent property tax payments and other amounts**  
 39 **that would have been deposited after December 31, 2008, in**  
 40 **the county's family and children's fund if IC 12-19-7 had not**  
 41 **been repealed by this act.**

42 **Money retained under this subsection may be used only to pay the**  
 43 **county's obligations described in subsection (c) or (d). After all the**  
 44 **obligations described in subsection (c) or (d) are satisfied, any**  
 45 **remaining balance shall be deposited in the county's levy excess**  
 46 **fund under IC 6-1.1-18.5-17 and used for the purposes of the fund.**

47           **(c) Notwithstanding the repeal of IC 12-19-7 by this act, a**  
 48 **county's obligation to pay for the following services delivered**  
 49 **before January 1, 2009, is not terminated:**

50           **(1) Child services (as defined in IC 12-19-7-1 (as effective**  
 51 **before its repeal)).**

1 (2) Other services described in IC 31-40-1-2 (as effective  
2 December 31, 2008) that would have been payable from the  
3 county's family and children's fund if IC 12-19-7 had not been  
4 repealed by this act.

5 (d) A county's obligation to levy property taxes to pay principal,  
6 interest, and other costs of any:

7 (1) loans that were entered into; or

8 (2) bonds that were issued;

9 under IC 12-19-5 or IC 12-19-7 (before their repeal by this act) to  
10 meet obligations described in subsection (c) is transferred to the  
11 county's debt service fund. A county may impose a property tax  
12 levy for an assessment date after January 15, 2008, for the county's  
13 debt service fund that is sufficient to pay the principal, interest,  
14 and other costs of loans and bond obligations transferred under  
15 this subsection.

16 (e) A county may impose a property tax levy in 2009 for the  
17 county debt service fund to pay any shortfall in revenue from the  
18 county's family and children's fund (before its repeal) needed to  
19 pay the obligations described in subsection (c) after the application  
20 of the amounts retained under subsection (b) and the proceeds of  
21 bonds and loans described in subsection (d).

22 (f) Notwithstanding the repeal of IC 12-19-7 and the amendment  
23 of IC 31-40 by this act, the obligation of a parent or guardian of the  
24 estate of a child to reimburse a county and to pay fees for services  
25 described in subsection (c) is not terminated. A juvenile court or  
26 county may enforce the obligation by any legal or equitable remedy  
27 permitted by law, including any procedure under IC 31-40 (as  
28 effective December 31, 2008).

29 (g) In addition to the amount appropriated to the department of  
30 child services in P.L.234-2007, there is appropriated two hundred  
31 thirty-nine million nine hundred eighty thousand five hundred two  
32 dollars (\$239,980,502) to the department of child services from the  
33 state general fund to pay for:

34 (1) child services (as defined in IC 31-9-2-17.8 (as added by  
35 this act)) delivered after December 31, 2008; and

36 (2) other services that are provided by the department of child  
37 services to or for the benefit of children and that are delivered  
38 after December 31, 2008;

39 beginning July 1, 2008, and ending June 30, 2009. Augmentation  
40 allowed (as defined in P.L.234-2007, SECTION 1). If a county paid  
41 a cost that is an obligation of the department of child services, the  
42 department of child services may reimburse the county from the  
43 amount appropriated by this subsection. The county shall account  
44 for and use the reimbursement in the manner provided under  
45 subsection (b).

46 (h) The following are also appropriated to the department of  
47 child services for the purposes described in subsection (g),  
48 beginning July 1, 2008, and ending June 30, 2009:

49 (1) All grants received from the federal government under  
50 Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.),  
51 the Child Abuse Prevention and Treatment Act (42 U.S.C.



1           **5106 et seq.), or any other federal or state government**  
 2           **program that:**

3           **(A) is intended to provide funding for services and**  
 4           **programs administered by the department; and**

5           **(B) is not required by applicable law or the terms of the**  
 6           **grant to be received and administered through a separate**  
 7           **fund.**

8           **(2) All funds received by the department under Title IV-E of**  
 9           **the Social Security Act (42 U.S.C. 670 et seq.) as payment or**  
 10           **reimbursement for eligible expenses for child services.**

11           **(3) All reimbursements or support payments collected or**  
 12           **received by the department for application to the cost of**  
 13           **services provided to or for the benefit of children in need of**  
 14           **services or delinquent children.**

15           **(i) Notwithstanding any other provision, payment for child**  
 16           **services (as defined in IC 31-9-2-17.8 (as added by this act)) shall**  
 17           **be made not later than sixty (60) days after the date the**  
 18           **department of child services receives the service provider's invoice**  
 19           **together with a properly prepared claim voucher and**  
 20           **documentation.**

21           **SECTION 824. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)**  
 22           **A county may not impose a property tax levy under IC 12-19-7.5**  
 23           **for an assessment date after January 15, 2008.**

24           **(b) Notwithstanding the abolishment by this act of each county's**  
 25           **children's psychiatric residential treatment services fund, a county**  
 26           **auditor shall separately account for:**

27           **(1) the unencumbered balance on December 31, 2008, of the**  
 28           **county's children's psychiatric residential treatment services**  
 29           **fund; and**

30           **(2) any delinquent property tax payments and other amounts**  
 31           **that would have been deposited after December 31, 2008, in**  
 32           **the county's children's psychiatric residential treatment**  
 33           **services fund if IC 12-19-7.5 had not been repealed by this act.**

34           **Money retained under this subsection may be used only to pay the**  
 35           **county's obligations described in subsection (c) or (d). After all the**  
 36           **obligations described in subsection (c) or (d) are satisfied, any**  
 37           **remaining balance shall be deposited in the county's levy excess**  
 38           **fund under IC 6-1.1-18.5-17 and used for the purposes of the fund.**

39           **(c) Notwithstanding the repeal of IC 12-19-7 by this act, a**  
 40           **county's obligation to pay for the following services delivered**  
 41           **before January 1, 2009, is not terminated:**

42           **(1) Children's psychiatric residential treatment services (as**  
 43           **defined in IC 12-19-7.5-1 (as effective before its repeal)).**

44           **(2) Other services described in IC 31-40-1-2 (as effective**  
 45           **December 31, 2008) that would have been payable from the**  
 46           **county's children's psychiatric residential treatment services**  
 47           **fund if IC 12-19-7.5 had not been repealed by this act.**

48           **(d) A county's obligation to levy property taxes to pay principal,**  
 49           **interest, and other costs of any:**

50           **(1) loans that were entered into; or**

51           **(2) bonds that were issued;**

1 under IC 12-19-5 or IC 12-19-7.5 (before their repeal by this act)  
2 to meet obligations described in subsection (c) is transferred to the  
3 county's debt service fund. A county may impose a property tax  
4 levy for an assessment date after January 15, 2008, for the county's  
5 debt service fund that is sufficient to pay the principal, interest,  
6 and other costs of loans and bond obligations transferred under  
7 this subsection.

8 (e) A county may impose a property tax levy in 2009 for the  
9 county debt service fund to pay any shortfall in revenue from the  
10 county's children's psychiatric residential treatment services fund  
11 (before its repeal) needed to pay the obligations described in  
12 subsection (c) after the application of the amounts retained under  
13 subsection (b) and the proceeds of bonds and loans described in  
14 subsection (d).

15 (f) Notwithstanding the repeal of IC 12-19-7.5 and the  
16 amendment of IC 31-40 by this act, the obligation of a parent or  
17 guardian of the estate of a child to reimburse a county and to pay  
18 fees for services described in subsection (c) is not terminated. A  
19 juvenile court or county may enforce the obligation by any legal or  
20 equitable remedy permitted by law, including any procedure under  
21 IC 31-40 (as effective December 31, 2008).

22 (g) In addition to the amount appropriated to the family and  
23 social services administration in P.L.234-2007, there is  
24 appropriated to the family and social services administration,  
25 beginning July 1, 2008, and ending June 30, 2009, ten million two  
26 hundred eleven thousand nine hundred twenty dollars  
27 (\$10,211,920) from the state general fund to pay the costs for  
28 children's psychiatric residential treatment services (as defined in  
29 IC 12-19-7.5-1 (repealed)) delivered after December 31, 2008,  
30 beginning July 1, 2008, and ending June 30, 2009. Augmentation  
31 allowed (as defined in P.L.234-2007, SECTION 1). Costs shall be  
32 paid in the manner determined by the office of the secretary of  
33 family and social services. If a county paid a cost that is an  
34 obligation of the office of the secretary of family and social  
35 services, the office may reimburse the county from the amount  
36 appropriated under this subsection. The county shall account for  
37 and use the reimbursement in the manner provided under  
38 subsection (b).

39 SECTION 825. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)  
40 Money in a county family and children trust clearance fund  
41 established under IC 12-19-1-16 (as effective December 31, 2008)  
42 on December 31, 2008, that is required to be administered in a  
43 child trust clearance account established by IC 31-25-2-20.2, as  
44 added by this act, shall be transferred to the child trust clearance  
45 account.

46 (b) Money in a fund established under IC 12-19-1-15 (as  
47 effective December 31, 2008) or IC 12-19-1-16 (as effective  
48 December 31, 2008) on December 31, 2008, that is not transferred  
49 under subsection (a) shall be transferred to the appropriate  
50 account in the family resources trust clearance fund established by  
51 IC 12-19-1-16, as amended by this act.

1 (c) A county and any combination of:

- 2 (1) the office of the secretary of family and social services;  
 3 (2) the division of family resources;  
 4 (3) the department of child services; and  
 5 (4) the state department of health;

6 may enter into agreements to resolve any issues arising under this  
 7 act concerning payments to vendors, payments to the county,  
 8 payments to the state, collection of amounts due to a county or the  
 9 state from a parent, guardian, or custodian, and other matters  
 10 affected by this act. Notwithstanding any other law, the agreement,  
 11 if approved by the governor and the county fiscal body, governs  
 12 the responsibilities of the state and the county.

13 (d) A reference in a law or other document to:

- 14 (1) child services (as defined in IC 12-19-7-1 (repealed)) shall  
 15 be treated after December 31, 2008, as a reference to child  
 16 services (as defined in IC 31-9-2-17.8, as added by this act);  
 17 and  
 18 (2) a county office of family and children shall be treated after  
 19 the effective date of this SECTION as a reference to:  
 20 (A) the division of family resources and a local office (as  
 21 defined in IC 12-7-2-124.8, as added by this act) for  
 22 activities subject to IC 12; and  
 23 (B) the department of child services and a local office (as  
 24 defined in IC 31-9-2-76.6, as added by this act) for  
 25 activities subject to IC 31.

26 SECTION 826. [EFFECTIVE JANUARY 1, 2008  
 27 (RETROACTIVE)] (a) A county may not impose a property tax levy  
 28 under IC 16-35-3 for an assessment date after January 15, 2008.

29 (b) Notwithstanding the abolishment by this act of each county's  
 30 children with special health care needs county fund, a county  
 31 auditor shall separately account for and transfer:

- 32 (1) the unencumbered balance on December 31, 2008, of the  
 33 county's children with special health care needs county fund;  
 34 and  
 35 (2) any delinquent property tax payments and other amounts  
 36 that would have been deposited after December 31, 2008, in  
 37 the county's children with special health care needs county  
 38 fund if IC 16-35-3 had not been repealed by this act;

39 to the state after December 31, 2008, in the manner provided in  
 40 IC 16-35-4-2 (before its repeal by this act). The auditor of state  
 41 shall deposit an amount transferred under this subsection in the  
 42 state general fund for use by the state department of health for  
 43 expenses and obligations incurred by the state department of  
 44 health for services to children with special health care needs.

45 (c) Any unencumbered balance in the children with special  
 46 health care needs state fund on December 31, 2008, shall be  
 47 transferred to the state general fund.

48 (d) Any unencumbered balance in the children with special  
 49 health care needs federal fund on December 31, 2008, shall be  
 50 transferred to the appropriate account determined by the budget  
 51 agency. The money must be accounted for and used in a manner

1 consistent with the terms of the federal grant that provided the  
2 money.

3 (e) In addition to the amount appropriated to the state  
4 department of health in P.L.234-2007, including the amount  
5 appropriated to the state department of health, there is  
6 appropriated, beginning July 1, 2008, and ending June 30, 2009,  
7 five million two hundred forty-one thousand seven hundred  
8 ninety-eight dollars (\$5,241,798) from the state general fund for  
9 expenses and obligations incurred by the state department of  
10 health for services to children with special health care needs.  
11 Augmentation allowed (as defined in P.L.234-2007, SECTION 1).

12 SECTION 827. [EFFECTIVE UPON PASSAGE] (a) The  
13 commission on state tax and financing policy established under  
14 IC 2-5-3 shall study alternative methods for distribution within a  
15 county of taxes imposed under IC 6-3.5-1.1, IC 6-3.5-6, and  
16 IC 6-3.5-7.

17 (b) Before November 1, 2008, the commission on state tax and  
18 financing policy shall report findings and make recommendations  
19 concerning the study topic described in subsection (a) in a final  
20 report to the legislative council in an electronic format under  
21 IC 5-14-6.

22 SECTION 828. [EFFECTIVE JANUARY 1, 2008  
23 (RETROACTIVE)] (a) This SECTION applies only to an individual  
24 who in 2008 paid property taxes that:

- 25 (1) were imposed on the individual's principal place of  
26 residence for the March 1, 2006, assessment date or the  
27 January 15, 2007, assessment date;
- 28 (2) are due after December 31, 2007; and
- 29 (3) are paid on or before the due date for the property taxes.

30 (b) As used in this SECTION, "adjusted gross income" has the  
31 meaning set forth in IC 6-3-1-3.5.

32 (c) An individual described in subsection (a) is entitled to a  
33 deduction from adjusted gross income for a taxable year beginning  
34 after December 31, 2007, and before January 1, 2009, in an amount  
35 equal to the amount determined in the following STEPS:

36 STEP ONE: Determine the lesser of:

- 37 (1) two thousand five hundred dollars (\$2,500); or
- 38 (2) the total amount of property taxes imposed on the  
39 individual's principal place of residence for the March 1,  
40 2006, assessment date or the January 15, 2007, assessment  
41 date and paid in 2007 or 2008.

42 STEP TWO: Determine the greater of zero (0) or the result  
43 of:

- 44 (1) the STEP ONE result; minus
- 45 (2) the total amount of property taxes that:
  - 46 (A) were imposed on the individual's principal place of  
47 residence for the March 1, 2006, assessment date or the  
48 January 15, 2007, assessment date;
  - 49 (B) were paid in 2007; and
  - 50 (C) were deducted from adjusted gross income under  
51 IC 6-3-1-3.5(a)(17) by the individual on the individual's

1 state income tax return for a taxable year beginning  
2 before January 1, 2008.

3 (d) The deduction under this SECTION is in addition to any  
4 deduction that an individual is otherwise entitled to claim under  
5 IC 6-3-1-3.5(a)(17). However, an individual may not deduct under  
6 IC 6-3-1-3.5(a)(17) any property taxes deducted under this  
7 SECTION.

8 SECTION 829. [EFFECTIVE UPON PASSAGE] (a) Each elected  
9 township assessor and township trustee-assessor whose duties  
10 relating to the assessment of tangible property are assumed under  
11 this act by the county assessor shall organize the records of the  
12 township assessor's or township trustee-assessor's office relating  
13 to the assessment of tangible property in a manner prescribed by  
14 the department of local government finance and transfer the  
15 records to the county assessor as directed by the department. The  
16 department shall, before July 1, 2008, determine a procedure and  
17 schedule for the transfer of the records. A township assessor or  
18 township trustee-assessor shall complete the transfer of records  
19 and operations to the county assessor before the date of transfer of  
20 duties described in this subsection.

21 (b) The assessors shall assist each other and coordinate their  
22 efforts to:

23 (1) ensure an orderly transfer of all township assessor and  
24 township trustee-assessor records to the county assessor; and  
25 (2) provide for an uninterrupted and professional transition  
26 of the property assessment functions from the township  
27 assessor or township trustee-assessor to the county assessor  
28 consistent with the directions of the department of local  
29 government finance and this act.

30 (c) This SECTION expires January 1, 2013.

31 SECTION 830. [EFFECTIVE JULY 1, 2008] (a) This act does not  
32 affect any assessment, assessment appeal, or other official action  
33 of a township assessor or township trustee-assessor made before  
34 the transfer to the county assessor of duties relating to the  
35 assessment of tangible property. Any assessment, assessment  
36 appeal, or other official action made by a township assessor or  
37 township trustee-assessor within the scope of the assessor's official  
38 duties under IC 6-1.1 or IC 36-6-5, before their amendment by this  
39 act, before transfer to the county assessor of duties relating to the  
40 assessment of tangible property shall be considered as having been  
41 made by the county assessor.

42 (b) This act does not affect any pending action against, or the  
43 rights of any party that may possess a legal claim against, a  
44 township assessor or township trustee-assessor that is not  
45 described in subsection (a).

46 (c) This SECTION expires January 1, 2013.

47 SECTION 831. [EFFECTIVE JULY 1, 2008] (a) The department  
48 of local government finance shall adjust the maximum permissible  
49 ad valorem property tax levy of a county and a township in the  
50 county to reflect the transfer of records and operations from the  
51 township assessor or township trustee-assessor to the county

1 assessor under this act. The adjusted maximum permissible ad  
 2 valorem tax levies determined under this SECTION apply to  
 3 property taxes first due and payable in the calendar year following  
 4 the calendar year in which the transfer of records and operations  
 5 was completed.

6 (b) This SECTION expires January 1, 2013.

7 SECTION 832. [EFFECTIVE JULY 1, 2008] (a) This SECTION  
 8 applies to an elected township assessor:

9 (1) who before July 1, 2008, is:

10 (A) elected to; or

11 (B) selected to fill a vacancy in;

12 the office of elected township assessor; and

13 (2) for whom the county assessor performs the assessment  
 14 duties prescribed by IC 6-1.1:

15 (A) after June 30, 2008, under IC 36-6-5-1(h), as added by  
 16 this act; or

17 (B) after December 31, 2008, as the result of a referendum  
 18 under IC 36-2-15, as amended by this act.

19 (b) Notwithstanding any other provision of this act, an elected  
 20 township assessor referred to in subsection (a) is entitled to remain  
 21 in office until the end of the term to which the individual was  
 22 elected or for which the individual was selected to fill a vacancy.  
 23 The sole duty of the individual is to assist the county assessor in the  
 24 transfer of records and operations from the township assessor to  
 25 the county assessor under this act.

26 (c) If the office of township assessor is subject to the election on  
 27 November 4, 2008, the term of office of the incumbent township  
 28 assessor as of that date ends on December 31, 2008.

29 (d) This SECTION expires January 1, 2013.

30 SECTION 833. [EFFECTIVE UPON PASSAGE] (a) IC 3-13-11  
 31 does not apply to a vacancy in the office of elected township  
 32 assessor that occurs after the effective date of this SECTION and  
 33 before July 1, 2008, in a township in which the number of parcels  
 34 of real property on January 1, 2008, is less than fifteen thousand  
 35 (15,000).

36 (b) This SECTION expires July 1, 2008.

37 SECTION 834. [EFFECTIVE UPON PASSAGE] (a) The following  
 38 are transferred to the county assessor:

39 (1) On July 1, 2008:

40 (A) employment positions as of June 30, 2008, of each  
 41 elected township assessor in the county whose duties  
 42 relating to the assessment of tangible property are  
 43 transferred to the county assessor under IC 36-6-5-1(h), as  
 44 added by this act, including:

45 (i) the employment position of the elected township  
 46 assessor; and

47 (ii) the employment positions of all employees of the  
 48 elected township assessor;

49 (B) real and personal property of:

50 (i) elected township assessors in the county whose duties  
 51 relating to the assessment of tangible property are

- 1 transferred to the county assessor under IC 36-6-5-1(h),  
2 as added by this act; and  
3 (ii) township trustee-assessors in the county;  
4 used solely to carry out property assessment duties;  
5 (C) obligations outstanding on June 30, 2008, of:  
6 (i) elected township assessors in the county whose duties  
7 relating to the assessment of tangible property are  
8 transferred to the county assessor under IC 36-6-5-1(h),  
9 as added by this act; and  
10 (ii) township trustee-assessors in the county;  
11 relating to the assessment of tangible property; and  
12 (D) funds of:  
13 (i) elected township assessors in the county whose duties  
14 relating to the assessment of tangible property are  
15 transferred to the county assessor under IC 36-6-5-1(h),  
16 as added by this act; and  
17 (ii) township trustee-assessors in the county;  
18 on hand for the purpose of carrying out property  
19 assessment duties in the amount determined by the county  
20 auditor.
- 21 (2) On January 1, 2009:  
22 (A) employment positions as of December 31, 2008, of each  
23 elected township assessor in the county whose duties  
24 relating to the assessment of tangible property are  
25 transferred to the county assessor as the result of a  
26 referendum under IC 36-2-15, as amended by this act,  
27 including:  
28 (i) the employment position of the elected township  
29 assessor; and  
30 (ii) the employment positions of all employees of the  
31 elected township assessor;  
32 (B) real and personal property of elected township  
33 assessors in the county whose duties relating to the  
34 assessment of tangible property are transferred to the  
35 county assessor as the result of a referendum under  
36 IC 36-2-15, as amended by this act, used solely to carry out  
37 property assessment duties;  
38 (C) obligations outstanding on December 31, 2008, of  
39 elected township assessors in the county whose duties  
40 relating to the assessment of tangible property are  
41 transferred to the county assessor as the result of a  
42 referendum under IC 36-2-15, as amended by this act,  
43 relating to the assessment of tangible property; and  
44 (D) funds of elected township assessors in the county whose  
45 duties relating to the assessment of tangible property are  
46 transferred to the county assessor as the result of a  
47 referendum under IC 36-2-15, as amended by this act, on  
48 hand for the purpose of carrying out property assessment  
49 duties in the amount determined by the county auditor.
- 50 (b) Before July 1, 2008, the county assessor shall interview, or  
51 give the opportunity to interview to, each individual who:

- 1           **(1) is an employee of:**  
2           **(A) an elected township assessor in the county whose duties**  
3           **relating to the assessment of tangible property are**  
4           **transferred to the county assessor under IC 36-6-5-1(h), as**  
5           **added by this act; or**  
6           **(B) a trustee-assessor in the county;**  
7           **as of the effective date of this SECTION; and**  
8           **(2) applies before June 1, 2008, for an employment position**  
9           **referred to in subsection (a)(1)(A).**
- 10           **(c) Before December 31, 2008, the county assessor shall**  
11           **interview, or give the opportunity to interview to, each individual**  
12           **who:**  
13           **(1) is an employee of an elected township assessor in the**  
14           **county whose duties relating to the assessment of tangible**  
15           **property are transferred to the county assessor as the result**  
16           **of a referendum under IC 36-2-15, as amended by this act, as**  
17           **of the effective date of this SECTION; and**  
18           **(2) applies before December 1, 2008, for an employment**  
19           **position referred to in subsection (a)(2)(A).**
- 20           **(d) A township served on June 30, 2008, by a township assessor**  
21           **whose duties relating to the assessment of tangible property are**  
22           **transferred to the county assessor under this act shall transfer to**  
23           **the county assessor all revenue received after the date of the**  
24           **transfer that is received by the township for the purpose of**  
25           **carrying out property assessment duties in the amount determined**  
26           **by the county auditor.**
- 27           **SECTION 835. [EFFECTIVE UPON PASSAGE] (a) Before April**  
28           **15, 2008, each county auditor shall certify to the county assessor,**  
29           **the executive (as defined in IC 36-1-2-5) of the county, the fiscal**  
30           **body (as defined in IC 36-1-2-6) of the county, and the county**  
31           **election board the name of each township in the county in which**  
32           **the number of parcels of real property on January 1, 2008, is at**  
33           **least fifteen thousand (15,000).**
- 34           **(b) This SECTION expires July 1, 2008.**
- 35           **SECTION 836. [EFFECTIVE UPON PASSAGE] (a) The**  
36           **commission on state tax and financing policy established under**  
37           **IC 2-5-3 shall:**  
38           **(1) study whether it is reasonable and appropriate to require**  
39           **all counties to use a single state designed software system to**  
40           **provide a uniform and common property tax management**  
41           **system;**  
42           **(2) if the commission's findings in the study under subdivision**  
43           **(1) are in the affirmative, study whether it is reasonable and**  
44           **appropriate for the state to fund any part of the system**  
45           **referred to in subdivision (1); and**  
46           **(3) report the commission's findings in writing to:**  
47           **(A) the budget committee; and**  
48           **(B) the legislative council in an electronic format under**  
49           **IC 5-14-6.**
- 50           **(b) This SECTION expires July 1, 2009.**
- 51           **SECTION 837. [EFFECTIVE UPON PASSAGE] (a) Before**



1 August 1, 2008, the department of local government finance shall  
2 report to the commission on state tax and financing policy  
3 established under IC 2-5-3 regarding:

4 (1) the possibility of eliminating the existing method of  
5 assessing and valuing property for the purpose of property  
6 taxation; and

7 (2) the use of alternative methods of valuing property for the  
8 purpose of property taxation.

9 (b) The department of local government finance shall report to  
10 the commission on state tax and financing policy concerning at  
11 least three (3) options related to alternative methods of valuing  
12 property for the purpose of property taxation.

13 (c) The commission on state tax and financing policy shall study  
14 the issues described in subsection (a) and report the commission's  
15 findings and recommendations (in an electronic format under  
16 IC 5-14-6) to the legislative council before November 1, 2008.

17 (d) This SECTION expires July 1, 2009.

18 SECTION 838. [EFFECTIVE JULY 1, 2008] (a) There is  
19 appropriated from the state general fund to the pension relief fund  
20 for the period beginning July 1, 2008, and ending June 30, 2009,  
21 forty-eight million six hundred eleven thousand dollars  
22 (\$48,611,000) for the payment of pension, disability, and survivor  
23 benefits.

24 (b) This SECTION expires July 1, 2009.

25 SECTION 839. [EFFECTIVE UPON PASSAGE] (a) The pension  
26 management oversight commission established under IC 2-5-12  
27 shall:

28 (1) study issues related to the payment of benefits under the  
29 1925 police pension fund (IC 36-8-6), the 1937 firefighters'  
30 pension fund (IC 36-8-7), and the 1953 police pension fund (IC  
31 36-8-7.5) by the state of Indiana; and

32 (2) report the commission's findings in writing to:

33 (A) the budget committee; and

34 (B) the legislative council in an electronic format under  
35 IC 5-14-6.

36 (b) This SECTION expires July 1, 2009.

37 SECTION 840. [EFFECTIVE JULY 1, 2008] For property taxes  
38 first due and payable after December 31, 2008, the department of  
39 local government finance shall reduce the maximum permissible ad  
40 valorem property tax levy of any civil taxing unit and special  
41 service district by the amount of the payment to be made in 2009  
42 by the state of Indiana under IC 5-10.3-11, as amended by this act,  
43 for benefits to members (and survivors and beneficiaries of  
44 members) of the 1925 police pension fund, the 1937 firefighters'  
45 fund, or the 1953 police pension fund.

46 SECTION 841. [EFFECTIVE JULY 1, 2008] IC 1-1-5-1 applies to  
47 the expiration of IC 14-23-3-3 and IC 15-13-9, both as amended by  
48 this act. Liability and penalties for delinquent tax payments for a  
49 property tax imposed under IC 14-23-3-3 or IC 15-13-9 before  
50 January 1, 2009, are not extinguished as a result of the expiration  
51 of these provisions under this act. Delinquent property taxes

1 collected after December 31, 2008, from a property tax imposed  
 2 under IC 14-23-3-3 or IC 15-13-9 before January 1, 2009, shall be  
 3 deposited and used after December 31, 2008, as provided in  
 4 IC 14-23-3-3 or IC 15-13-9, both as effective December 30, 2008.

5 SECTION 842. [EFFECTIVE UPON PASSAGE] (a) The  
 6 definitions in IC 6-1.1-1 apply throughout this SECTION.

7 (b) The assessed value for assessment dates after 2008 and  
 8 before 2011 of agricultural land strip mined on or before  
 9 December 31, 1977, is determined using the methodology stated in  
 10 the section entitled Valuing Strip Mined Agricultural Land in Book  
 11 1, Chapter 2, of the department of local government finance's Real  
 12 Property Assessment Guidelines (as in effect on January 1, 2008),  
 13 except that the department shall adjust the methodology to use a  
 14 productivity factor of .75 instead of a productivity factor of .50.

15 (c) The assessed value for assessment dates after 2008 and  
 16 before 2011 of agricultural land:

17 (1) strip mined after December 31, 1977; and

18 (2) for which:

19 (A) a bond; or

20 (B) a bond equivalent;

21 under IC 14-34-6 has been finally released;

22 is determined using the methodology reflected in Book 1, Chapter  
 23 2, of the department of local government finance's Real Property  
 24 Assessment Guidelines (as in effect on January 1, 2008) for the  
 25 assessment of agricultural land that is not classified as strip mined  
 26 agricultural land.

27 (d) This SECTION expires January 1, 2012.

28 SECTION 843. [EFFECTIVE JULY 1, 2008] IC 6-1.1-12-37.5, as  
 29 added by this act, applies to property taxes first due and payable  
 30 after December 31, 2008.

31 SECTION 844. [EFFECTIVE UPON PASSAGE]  
 32 IC 6-3.5-1.1-26(j), as added by this act, applies to property taxes  
 33 first due and payable after December 31, 2007.

34 SECTION 845. [EFFECTIVE APRIL 1, 2008] (a) IC 6-2.5-6-10, as  
 35 amended by this act, applies to reporting periods beginning after  
 36 June 30, 2008.

37 (b) For purposes of:

38 (1) IC 6-2.5-2-2, as amended by this act;

39 (2) IC 6-2.5-6-7, as amended by this act;

40 (3) IC 6-2.5-6-8, as amended by this act;

41 (4) IC 6-2.5-6-10, as amended by this act;

42 (5) IC 6-2.5-7-3, as amended by this act; and

43 (6) IC 6-2.5-7-5, as amended by this act;

44 all transactions, except the furnishing of public utility, telephone or  
 45 related services, cable television or similar video and related  
 46 services, cable radio, satellite television, or satellite radio services  
 47 and related commodities by retail merchants described in  
 48 IC 6-2.5-4-5, IC 6-2.5-4-6, and IC 6-2.5-4-11, shall be considered as  
 49 having occurred after March 31, 2008, to the extent that delivery  
 50 of the property or services constituting selling at retail is made  
 51 after that date to the purchaser or to the place of delivery

1 designated by the purchaser. However, a transaction shall be  
 2 considered as having occurred before April 1, 2008, to the extent  
 3 that the agreement of the parties to the transaction was entered  
 4 into before April 1, 2008, and payment for the property or services  
 5 furnished in the transaction is made before April 1, 2008,  
 6 notwithstanding the delivery of the property or services after  
 7 March 31, 2008.

8 (c) With respect to a transaction constituting the furnishing of  
 9 public utility, telephone or related services, cable television or  
 10 similar video and related services, cable radio, satellite television,  
 11 or satellite radio services and related commodities, only  
 12 transactions for which the charges are collected upon original  
 13 statements and billings dated after April 30, 2008, shall be  
 14 considered as having occurred after March 31, 2008.

15 SECTION 846. [EFFECTIVE JANUARY 1, 2008  
 16 (RETROACTIVE)] IC 6-3-2-6, as amended by this act, applies only  
 17 to taxable years beginning after December 31, 2007.

18 SECTION 847. [EFFECTIVE JANUARY 1, 2009] (a)  
 19 Notwithstanding the repeal of IC 6-1.1-20.9 by this act, a provision  
 20 in IC 6-3.5 that refers to a credit as an additional homestead credit,  
 21 an increased homestead credit, or a credit for property that is  
 22 eligible for a homestead credit under IC 6-1.1-20.9 (repealed by  
 23 this act), shall be treated after December 31, 2008, as continuing to  
 24 permit a grant of a homestead credit against the property tax  
 25 liability imposed on property that is eligible for a standard  
 26 deduction under IC 6-1.1-12-37. The credit shall be calculated in  
 27 the same manner as the credits were calculated before January 1,  
 28 2009.

29 (b) Notwithstanding the repeal of IC 6-1.1-21 by this act, a  
 30 provision in IC 6-3.5 that refers to a credit as an additional  
 31 property tax replacement credit or an increased property tax  
 32 replacement credit shall be treated after December 31, 2008, as  
 33 continuing to permit the grant of a property tax replacement credit  
 34 against property tax liability. The credit shall be calculated in the  
 35 same manner as the credits were calculated before January 1,  
 36 2009.

37 SECTION 848. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)  
 38 The definitions in IC 6-1.1-1, IC 6-1.1-20.9, and IC 6-1.1-21 apply  
 39 throughout this SECTION.

40 (b) An owner entitled to a homestead credit under IC 6-1.1-20.9  
 41 for property taxes assessed for the March 1, 2007, and January 15,  
 42 2008, assessment dates is entitled to an additional homestead credit  
 43 under this SECTION against the property tax liability (as  
 44 described in IC 6-1.1-21-5) imposed against the taxpayer's  
 45 homestead for the March 1, 2007, and January 15, 2008,  
 46 assessment dates.

47 (c) Subject to subsection (j), the amount of the credit to which  
 48 an owner is entitled under this SECTION equals the product of:

- 49 (1) the percentage prescribed in subsection (d)(3); multiplied  
 50 by  
 51 (2) the amount of the individual's property tax liability (as

- 1 described in IC 6-1.1-21-5) that is:
- 2 (A) attributable to the homestead during the particular
- 3 calendar year; and
- 4 (B) determined after the application of all deductions from
- 5 assessed valuation that the owner claims under IC 6-1.1-12
- 6 or IC 6-1.1-12.1 for property and the property tax
- 7 replacement credit under IC 6-1.1-21.
- 8 (d) The county auditor of each county shall determine:
- 9 (1) the amount of the county's additional homestead credit
- 10 allotment determined under subsection (e);
- 11 (2) the amount of uniformly applied homestead credits for the
- 12 year in the county that equals the amount determined under
- 13 subdivision (1); and
- 14 (3) the increased percentage of homestead credit that equates
- 15 to the amount of homestead credits determined under
- 16 subdivision (2).
- 17 (e) There is granted under this SECTION a total of six hundred
- 18 twenty million dollars (\$620,000,000) of additional homestead
- 19 credits. Subject to subsection (j), the additional homestead credits
- 20 shall be distributed to each county as prescribed in subsection (f).
- 21 Before distribution, the department of local government finance
- 22 shall certify each county's additional homestead credit allotment
- 23 to the department of state revenue and to each county auditor.
- 24 (f) Each county's certified additional homestead credit
- 25 allotment, which shall be calculated by the budget agency, shall be
- 26 determined under the following STEPS:
- 27 STEP ONE: For each county, determine the total of state
- 28 homestead credits granted in the county for the most recent
- 29 calendar year.
- 30 STEP TWO: Determine the sum of the amounts determined
- 31 under STEP ONE.
- 32 STEP THREE: Divide the amount determined in STEP ONE
- 33 by the amount determined in STEP TWO.
- 34 STEP FOUR: Multiply the result of STEP THREE by six
- 35 hundred twenty million dollars (\$620,000,000).
- 36 (g) Each county's additional homestead credit allotment
- 37 authorized in this SECTION shall be distributed to that county not
- 38 more than two (2) weeks after the county mails a property tax bill
- 39 for which the additional homestead credit under this SECTION is
- 40 granted.
- 41 (h) In addition to any other appropriation made to the property
- 42 tax replacement fund board under P.L.234-2007, there is
- 43 appropriated to the property tax replacement fund board six
- 44 hundred twenty million dollars (\$620,000,000) from the state
- 45 general fund to make distributions for the additional homestead
- 46 credits provided by this SECTION for property taxes assessed for
- 47 the March 1, 2007, and January 15, 2008, assessment dates. The
- 48 appropriation in this subsection is not subject to the limit in
- 49 P.L.234-2007 on distributions from the property tax replacement
- 50 fund. Money distributed under this subsection shall be treated as
- 51 property taxes for all purposes.

1 (i) The department of local government finance, the department  
2 of state revenue, the budget agency, and the property tax  
3 replacement fund board shall take the actions necessary to carry  
4 out this SECTION. The department of local government finance  
5 and the budget agency shall make the certifications required under  
6 this SECTION based on the best information available at the time  
7 the certification is made.

8 (j) This subsection applies to a county that before January 1,  
9 2008, adopted an additional county adjusted gross income tax rate  
10 under IC 6-3.5-1.1-24 or IC 6-3.5-1.1-26 or an additional county  
11 option income tax rate under IC 6-3.5-6-30 or IC 6-3.5-6-32. The  
12 county auditor, with the approval of the county fiscal body may  
13 petition the department of local government finance in writing to  
14 permit a portion of the additional homestead credit allotment  
15 authorized for distribution under this SECTION to be used to  
16 increase the state funded homestead credit granted by this act for  
17 property taxes imposed for the March 1, 2008, and January 15,  
18 2009, assessment dates or to increase both the state funded  
19 homestead credit granted by this act for property taxes imposed  
20 for the March 1, 2008, and January 15, 2009, assessment dates, and  
21 the state funded homestead credit granted by this act for property  
22 taxes imposed for the March 1, 2009, and January 15, 2010,  
23 assessment dates. The petition must be filed with the department  
24 of local government finance not later than twenty (20) days after  
25 the county auditor receives notice under this SECTION of the  
26 county's additional homestead credit allotment. The petition must  
27 indicate the amount or the percentage of the additional homestead  
28 credit allotment that the county chooses to apply to 2009 property  
29 taxes or the amounts or the percentages of the additional  
30 homestead credit allotment that the county chooses to apply to  
31 both 2009 and 2010 property taxes. The department of local  
32 government finance may take action on a petition with or without  
33 a hearing. The department of local government shall make a final  
34 determination of a petition not later than twenty (20) days after  
35 receiving the petition. If the department of local government  
36 finance approves the petition:

37 (1) the department of local government finance shall certify  
38 to the department of state revenue and the county auditor the  
39 amount of the county's additional homestead credit allotment  
40 to be applied to:

41 (A) property taxes imposed for the March 1, 2008, and  
42 January 15, 2009, assessment dates; or

43 (B) both property taxes imposed for the March 1, 2008,  
44 and January 15, 2009, assessment dates and property taxes  
45 imposed for the March 1, 2009, and January 15, 2010,  
46 assessment dates;

47 as applicable;

48 (2) the additional homestead credits granted under this  
49 SECTION for property taxes imposed for the March 1, 2007,  
50 and January 15, 2008, assessment dates are reduced by the  
51 percentage necessary to reflect the amount of the additional

1           **homestead credit allotment under this SECTION that is to be**  
 2           **applied to:**

3           **(A) property taxes imposed for the March 1, 2008, and**  
 4           **January 15, 2009, assessment dates; or**

5           **(B) both property taxes imposed for the March 1, 2008,**  
 6           **and January 15, 2009, assessment dates and property taxes**  
 7           **imposed for the March 1, 2009, and January 15, 2010,**  
 8           **assessment dates;**

9           **as applicable;**

10          **(3) the additional homestead credits granted by this act for:**

11          **(A) property taxes imposed for the March 1, 2008, and**  
 12          **January 15, 2009, assessment dates; or**

13          **(B) both property taxes imposed for the March 1, 2008,**  
 14          **and January 15, 2009, assessment dates and property taxes**  
 15          **imposed for the March 1, 2009, and January 15, 2010,**  
 16          **assessment dates;**

17          **as applicable are increased by the percentage necessary to**  
 18          **reflect the amount of the additional homestead credit**  
 19          **allotment under this SECTION that is to be applied to**  
 20          **property taxes imposed for the March 1, 2008, and January**  
 21          **15, 2009, assessment dates or to both property taxes imposed**  
 22          **for the March 1, 2008, and January 15, 2009, assessment dates**  
 23          **and property taxes imposed for the March 1, 2009, and**  
 24          **January 15, 2010, assessment dates (as applicable);**

25          **(4) the property tax replacement fund board shall withhold**  
 26          **from the distribution made to the county under subsection (g),**  
 27          **the amount of the additional homestead credit allotment that**  
 28          **is to be applied to property taxes imposed for:**

29          **(A) the March 1, 2008, and January 15, 2009, assessment**  
 30          **dates and distribute the amount to the county by December**  
 31          **31, 2008; or**

32          **(B) the March 1, 2008, and January 15, 2009, assessment**  
 33          **dates and the March 1, 2009, and January 15, 2010,**  
 34          **assessment dates, and distribute the proper amounts to the**  
 35          **county by December 31, 2008, and December 31, 2009.**

36          **A county auditor shall distribute an amount received under this**  
 37          **subsection for property taxes imposed for the March 1, 2008, and**  
 38          **January 15, 2009, assessment dates, along with interest earned on**  
 39          **the amount, among the taxing units in the county in proportion to**  
 40          **the property tax revenue lost to each taxing unit from the increase**  
 41          **in the additional homestead credit percentage made under**  
 42          **subdivision (3).**

43          **SECTION 849. [EFFECTIVE JULY 1, 2008] (a) The definitions**  
 44          **in IC 6-1.1-1, IC 6-1.1-20.9 (before its repeal), and IC 6-1.1-21**  
 45          **(before its repeal) apply throughout this SECTION.**

46          **(b) A taxpayer that is entitled to a standard deduction under**  
 47          **IC 6-1.1-12-37 for property taxes assessed for the March 1, 2008,**  
 48          **and January 15, 2009, assessment dates is entitled to a homestead**  
 49          **credit under this SECTION against the property tax liability (as**  
 50          **described in IC 6-1.1-21-5 (before its repeal)) imposed against the**  
 51          **taxpayer's homestead for the March 1, 2008, and January 15, 2009,**

- 1 assessment dates.
- 2 (c) The amount of the credit to which an owner is entitled under
- 3 this SECTION equals the product of:
- 4 (1) the percentage prescribed in subsection (d)(3); multiplied
- 5 by
- 6 (2) the amount of the individual's property tax liability (as
- 7 described in IC 6-1.1-21-5 (before its repeal)) that is:
- 8 (A) attributable to the homestead during the particular
- 9 calendar year; and
- 10 (B) determined after the application of all deductions from
- 11 assessed valuation that the owner claims under IC 6-1.1-12
- 12 or IC 6-1.1-12.1 for property and the property tax
- 13 replacement credit under IC 6-1.1-21.
- 14 (d) The county auditor of each county shall determine:
- 15 (1) the amount of the county's homestead credit allotment
- 16 determined under subsection (e);
- 17 (2) the amount of uniformly applied homestead credits for the
- 18 year in the county that equals the amount determined under
- 19 subdivision (1); and
- 20 (3) the percentage of homestead credit that equates to the
- 21 amount of homestead credits determined under subdivision
- 22 (2).
- 23 (e) There is granted under this SECTION a total of one hundred
- 24 forty million dollars (\$140,000,000) of homestead credits. The
- 25 homestead credits shall be distributed to each county as prescribed
- 26 in subsection (f). Before distribution, the department of local
- 27 government finance shall certify each county's homestead credit
- 28 allotment to the department of state revenue and to each county
- 29 auditor.
- 30 (f) Each county's certified homestead credit allotment, which
- 31 shall be calculated by the budget agency, shall be determined under
- 32 the following STEPS:
- 33 **STEP ONE:** For each county, determine the total property tax
- 34 liability of all homestead properties in the county for the most
- 35 recent calendar year before the application of any credits.
- 36 **STEP TWO:** For each county, determine the total property
- 37 tax liability of all homestead properties resulting from
- 38 property tax levies that are eliminated or replaced by this act
- 39 for the most recent calendar year, before the application of
- 40 any credits.
- 41 **STEP THREE:** Subtract the STEP TWO amount from the
- 42 STEP ONE amount.
- 43 **STEP FOUR:** Determine the sum of the amounts determined
- 44 under STEP THREE.
- 45 **STEP FIVE:** Divide the amount determined in STEP THREE
- 46 by the amount determined in STEP FOUR.
- 47 **STEP SIX:** Multiply the result of STEP THREE by one
- 48 hundred forty million dollars (\$140,000,000).
- 49 (g) Each county's homestead credit allotment authorized in this
- 50 SECTION shall be distributed to that county not more than two (2)
- 51 weeks after the county mails a property tax bill for which the

1 homestead credit under this SECTION is granted.

2 (h) In addition to any other appropriations, there is  
3 appropriated one hundred forty million dollars (\$140,000,000)  
4 from the state general fund to make distributions for the  
5 homestead credits provided by this SECTION for property taxes  
6 assessed for the March 1, 2008, and January 15, 2009, assessment  
7 dates. Money distributed under this subsection shall be treated as  
8 property taxes for all purposes.

9 (i) The department of local government finance, the department  
10 of state revenue, and the budget agency shall take the actions  
11 necessary to carry out this SECTION. The department of local  
12 government finance and the budget agency shall make the  
13 certifications required under this SECTION based on the best  
14 information available at the time the certification is made.

15 SECTION 850. [EFFECTIVE JULY 1, 2008] (a) The definitions  
16 in IC 6-1.1-1, IC 6-1.1-20.9 (before its repeal), and IC 6-1.1-21  
17 (before its repeal) apply throughout this SECTION.

18 (b) A taxpayer that is entitled to a standard deduction under  
19 IC 6-1.1-12-37 for property taxes assessed for the March 1, 2009,  
20 and January 15, 2010, assessment dates is entitled to a homestead  
21 credit under this SECTION against the property tax liability (as  
22 described in IC 6-1.1-21-5 (before its repeal)) imposed against the  
23 taxpayer's homestead for the March 1, 2009, and January 15, 2010,  
24 assessment dates.

25 (c) The amount of the credit to which an owner is entitled under  
26 this SECTION equals the product of:

27 (1) the percentage prescribed in subsection (d)(3); multiplied  
28 by

29 (2) the amount of the individual's property tax liability (as  
30 described in IC 6-1.1-21-5 (before its repeal)) that is:

31 (A) attributable to the homestead during the particular  
32 calendar year; and

33 (B) determined after the application of all deductions from  
34 assessed valuation that the owner claims under IC 6-1.1-12  
35 or IC 6-1.1-12.1 for property and the property tax  
36 replacement credit under IC 6-1.1-21.

37 (d) The county auditor of each county shall determine:

38 (1) the amount of the county's homestead credit allotment  
39 determined under subsection (e);

40 (2) the amount of uniformly applied homestead credits for the  
41 year in the county that equals the amount determined under  
42 subdivision (1); and

43 (3) the percentage of homestead credit that equates to the  
44 amount of homestead credits determined under subdivision  
45 (2).

46 (e) There is granted under this SECTION a total of eighty  
47 million dollars (\$80,000,000) of homestead credits. The homestead  
48 credits shall be distributed to each county as prescribed in  
49 subsection (f). Before distribution, the department of local  
50 government finance shall certify each county's homestead credit  
51 allotment to the department of state revenue and to each county



1 auditor.

2 (f) Each county's certified homestead credit allotment, which  
3 shall be calculated by the budget agency, shall be determined under  
4 the following STEPS:

5 STEP ONE: For each county, determine the total of state  
6 homestead credits granted in the county for the most recent  
7 calendar year.

8 STEP TWO: Determine the sum of the amounts determined  
9 under STEP ONE.

10 STEP THREE: Divide the amount determined in STEP ONE  
11 by the amount determined in STEP TWO.

12 STEP FOUR: Multiply the result of STEP THREE by eighty  
13 million dollars (\$80,000,000).

14 (g) Each county's homestead credit allotment authorized in this  
15 SECTION shall be distributed to that county not more than two (2)  
16 weeks after the county mails a property tax bill for which the  
17 homestead credit under this SECTION is granted.

18 (h) In addition to any other appropriations, there is  
19 appropriated eighty million dollars (\$80,000,000) from the state  
20 general fund to make distributions for the homestead credits  
21 provided by this SECTION for property taxes assessed for the  
22 March 1, 2009, and January 15, 2010, assessment dates. Money  
23 distributed under this subsection shall be treated as property taxes  
24 for all purposes.

25 (i) The department of local government finance, the department  
26 of state revenue, and the budget agency shall take the actions  
27 necessary to carry out this SECTION. The department of local  
28 government finance and the budget agency shall make the  
29 certifications required under this SECTION based on the best  
30 information available at the time the certification is made.

31 SECTION 851. [EFFECTIVE JULY 1, 2008] Notwithstanding  
32 P.L.234-2007, SECTION 10, there is appropriated to the property  
33 tax replacement fund board one billion one hundred nineteen  
34 million seven hundred thirty-seven thousand seventy-seven dollars  
35 (\$1,119,737,077) from the state general fund for total operating  
36 expenses beginning July 1, 2008, and ending June 30, 2009. The  
37 appropriation made by this SECTION is instead of, and for the  
38 same purposes as, the appropriation of two billion one hundred  
39 thirty-three million nine hundred ninety-one thousand six hundred  
40 seventy-five dollars (\$2,133,991,675) made by P.L.234-2007,  
41 SECTION 10, to the board for total operating expenses beginning  
42 July 1, 2008, and ending June 30, 2009.

43 SECTION 852. [EFFECTIVE JANUARY 1, 2009] On January 1,  
44 2009, the unencumbered balance of the property tax replacement  
45 fund, the property tax reduction trust fund, and any other fund  
46 terminated by this act shall be transferred to the state general  
47 fund.

48 SECTION 853. [EFFECTIVE UPON PASSAGE] (a) A municipal  
49 executive or county executive that is required to appoint an  
50 individual to serve as a nonvoting adviser to a redevelopment  
51 commission under IC 36-7-14-6.1, as amended by this act, shall

1 make the initial appointment before July 1, 2008.

2 (b) The legislative body of a consolidated city that is required to  
3 appoint an individual to serve as a nonvoting adviser to the  
4 metropolitan development commission under IC 36-7-4-207, as  
5 amended by this act, shall make the initial appointment before July  
6 1, 2008.

7 (c) This SECTION expires July 1, 2009.

8 SECTION 854. [EFFECTIVE JULY 1, 2008] (a) The definitions  
9 in P.L.234-2007, SECTION 1 apply throughout this SECTION.

10 (b) The appropriation made by P.L.234-2007 to the department  
11 of education for a distribution for tuition support for the state  
12 fiscal year beginning July 1, 2008, and ending June 30, 2009, is  
13 voided. This subsection does not void the separate additional  
14 tuition support distribution appropriation made by P.L.234-2007.

15 (c) There is appropriated five billion two hundred thirty-four  
16 million nine hundred fifty thousand dollars (\$5,234,950,000) to the  
17 department of education from the state general fund for the  
18 purposes of the total operating expenses of a distribution of tuition  
19 support under IC 20-43, beginning July 1, 2008, and ending June  
20 30, 2009. The budget agency may transfer after June 30, 2008, and  
21 before January 1, 2009, the amount necessary, as determined by  
22 the budget agency, from the property tax replacement fund to the  
23 state general fund to fund the appropriation made by this  
24 subsection for the first six (6) months of the state fiscal year.  
25 However, the amount transferred after June 30, 2008, and before  
26 January 1, 2009, may not exceed one billion seven hundred  
27 ninety-six million one hundred eighty-seven thousand two hundred  
28 fifty-nine dollars (\$1,796,187,259).

29 (d) The appropriation in subsection (c) shall be distributed for  
30 the purposes described in IC 20-43-2-3(a), including basic tuition  
31 support, special education programs, career and technical  
32 education programs, honors grants, and the primetime program in  
33 accordance with IC 20-43.

34 (e) If the appropriation in subsection (c) is more than required  
35 under this SECTION, any excess reverts to the state general fund.

36 (f) The appropriation in subsection (c) when added to the  
37 appropriation made for distributions of tuition support in  
38 P.L.234-2007 for the state fiscal year beginning July 1, 2007, and  
39 ending June 30, 2008, shall be made each calendar year under a  
40 schedule set by the budget agency and approved by the governor.  
41 However, the schedule must provide for at least twelve (12)  
42 payments, that one (1) payment shall be made at least every forty  
43 (40) days, and the total of the payments in each calendar year must  
44 equal the amount required under IC 20-43.

45 (g) The department of education shall include in its budget  
46 request prepared under IC 4-12-1-7 and IC 4-12-1-8 for the period  
47 beginning July 1, 2009, and ending June 30, 2011, a budget request  
48 for sufficient money to make distributions under IC 20-20-34 and  
49 IC 20-43 to fund special education preschool programs and tuition  
50 support, including that part funded by property taxes before  
51 January 1, 2009.

1 SECTION 855. [EFFECTIVE JUNE 1, 2008] (a) The tuition  
2 reserve account in the state general fund established by  
3 IC 4-12-1-12(b) is abolished on June 30, 2008. The auditor of state  
4 shall transfer the balance of the reserve account established by  
5 IC 4-12-1-12(b) on June 30, 2008, to the state tuition reserve fund.

6 (b) On one (1) or more dates specified by the budget director,  
7 but not later than December 31, 2010, the auditor of state shall  
8 transfer a total of fifty million dollars (\$50,000,000) from the  
9 unrestricted balances of the state general fund to the state tuition  
10 reserve fund for the purposes of the fund.

11 SECTION 856. [EFFECTIVE JULY 1, 2008] (a) In addition to the  
12 amounts appropriated to the department of education in  
13 P.L.234-2007 for distributions to children enrolled in special  
14 education preschool programs, there is appropriated to the  
15 department of education, beginning July 1, 2008, and ending June  
16 30, 2009, three million dollars (\$3,000,000) from the state general  
17 fund for distributions to children enrolled in special education  
18 preschool programs during the period beginning January 1, 2009,  
19 and ending June 30, 2009.

20 (b) This SECTION expires July 1, 2009.

21 SECTION 857. [EFFECTIVE JANUARY 1, 2008] The following  
22 amounts are appropriated to the department of education from the  
23 state general fund to make distributions under IC 20-20-36, as  
24 added by this act:

25 (1) Twenty-five million dollars (\$25,000,000) for the state  
26 fiscal year beginning July 1, 2008, and ending June 30, 2009.

27 (2) Sixty million dollars (\$60,000,000) for the state fiscal year  
28 beginning July 1, 2009, and ending June 30, 2010.

29 (3) Thirty-five million dollars (\$35,000,000) for the state fiscal  
30 year beginning July 1, 2010, and ending June 30, 2011.

31 SECTION 858. [EFFECTIVE UPON PASSAGE] (a) The General  
32 Assembly finds and determines the following:

33 (1) Lake County and St. Joseph County are counties for which  
34 limits to property tax liability under IC 6-1.1-20.6 (and as  
35 described in the proposed subsection (h) of Article 10, Section  
36 1 of the Constitution of the State of Indiana as included in  
37 Senate Joint Resolution 1 of the 2008 session of the general  
38 assembly) are expected to reduce in 2010 the aggregate  
39 property tax revenue that would otherwise be collected by all  
40 units of local government and school corporations in the  
41 county by at least twenty percent (20%).

42 (2) Lake County and St. Joseph County are each an eligible  
43 county for purposes of:

44 (A) the proposed subsection (h) of Article 10, Section 1 of  
45 the Constitution of the State of Indiana as included in  
46 Senate Joint Resolution 1 of the 2008 session of the general  
47 assembly; and

48 (B) IC 6-1.1-20.6.

49 SECTION 859. [EFFECTIVE JULY 1, 2008] In addition to the  
50 amounts appropriated in P.L.234-2007, there is appropriated from  
51 the state general fund to the state forestry fund two million five

1 hundred fifty-two thousand six dollars (\$2,552,006) for use by the  
2 department of natural resources for the purposes of the state  
3 forestry fund during the period beginning July 1, 2008, and ending  
4 June 30, 2009.

5 SECTION 860. [EFFECTIVE JULY 1, 2008] In addition to the  
6 amounts appropriated in P.L.234-2007, there is appropriated from  
7 the state general fund to the state fair fund one million three  
8 hundred thousand three hundred eighty-five dollars (\$1,300,385)  
9 for use by the state fair commission for the purposes of the state  
10 fair fund during the period beginning July 1, 2008, and ending  
11 June 30, 2009.

12 SECTION 861. [EFFECTIVE JULY 1, 2008] (a) In addition to any  
13 other appropriation, there is appropriated to the department of  
14 education from the state general fund ten million dollars  
15 (\$10,000,000) for the state fiscal year beginning July 1, 2008, and  
16 ending June 30, 2009, to make new facility adjustment  
17 distributions that are approved by the department of local  
18 government finance under IC 20-43-11.5, as added by this act.

19 (b) This SECTION expires July 1, 2010.

20 SECTION 862. [EFFECTIVE JULY 1, 2008] (a) This SECTION  
21 applies whenever a school corporation appeals to the department  
22 of local government finance before January 1, 2009, to make up a  
23 shortfall in a tuition support levy that resulted:

24 (1) because erroneous assessed valuation figures or tax rate  
25 calculations were used to determine the school corporation's  
26 total property tax rate; or

27 (2) because of the payment of refunds that resulted from  
28 appeals under IC 6-1.1 and IC 6-1.5.

29 (b) The following definitions apply throughout this SECTION:

30 (1) "Excessive tax levy" means a property tax levy for the  
31 school corporation's general fund for a calendar year.

32 (2) "School corporation" has the meaning set forth in  
33 IC 20-18-2-16.

34 (3) "Shortfall" means a loss in property tax collections from  
35 a tuition support levy resulting from a reason described in  
36 subsection (a).

37 (4) "Tax control board" refers to the school property tax  
38 control board established under IC 6-1.1-19-4.1.

39 (5) "Tuition support levy" refers to a property tax levy  
40 imposed under IC 6-1.1-19-1.5 (before its repeal) or  
41 IC 20-45-3-11 (before its repeal) for a year before January 1,  
42 2009.

43 (c) The department of local government finance shall transmit  
44 the appeal to the tax control board. The tax control board shall  
45 conduct a hearing and determine whether:

46 (1) a shortfall has occurred; and

47 (2) the appellant school corporation cannot carry out the  
48 public educational duties committed to the appellant school  
49 corporation by law if the appellant school corporation does  
50 not receive emergency financial relief for the ensuing calendar  
51 year.

1 (d) If the tax control board makes the determinations described  
2 in subsection (c), the tax control board shall recommend to the  
3 department of local government finance that the appellant school  
4 corporation be permitted to collect an excessive tax levy in 2009 in  
5 the amount that does not exceed the result of:

6 (1) the school corporation's tuition support levy for the year  
7 covered by the appeal, as finally approved by the department  
8 of local government finance, and after subtracting the amount  
9 of revenue lost (if any) to the school corporation's general  
10 fund as a result of the application of the circuit breaker credit  
11 under IC 6-1.1-20.6 to the tuition support levy; minus

12 (2) the amount received by the school corporation from the  
13 tuition support levy.

14 (e) If the tax control board makes a recommendation under  
15 subsection (d), the tax control board may also recommend to the  
16 department of local government finance that the school  
17 corporation receive any of the following emergency financial relief:

18 (1) A grant or grants from any funds of the state that are  
19 available for that purpose.

20 (2) A loan or loans from any funds of the state that are  
21 available for that purpose.

22 (3) Permission to the appellant school corporation to borrow  
23 funds from a source other than the state or assistance in  
24 obtaining the loan.

25 (4) An advance or advances of funds that will become payable  
26 to the appellant school corporation under any law providing  
27 for the payment of state funds to school corporations.

28 (5) Permission to the appellant school corporation to:

29 (A) cancel any unpaid obligation of the appellant school  
30 corporation's general fund to the appellant school  
31 corporation's capital projects fund; or

32 (B) use for general fund purposes:

33 (i) any unobligated balance in the appellant school  
34 corporation's capital projects fund; and

35 (ii) the proceeds of any levy made or to be made by the  
36 school corporation for the school corporation's capital  
37 projects fund.

38 (6) Permission to use, for general fund purposes, any  
39 unobligated balance in any debt service or other construction  
40 fund, including any unobligated proceeds of a sale of the  
41 school corporation's general obligation bonds.

42 (7) A combination of the emergency financial relief described  
43 in subdivisions (1) through (6).

44 (f) A recommendation made by the tax control board under this  
45 SECTION must specify the amount of the proposed excessive tax  
46 levy. Notwithstanding any other law, the department of local  
47 government finance may authorize the school corporation to make  
48 an excessive tax levy in 2009 in accordance with a recommendation  
49 under this SECTION without any other proceeding. Whenever the  
50 department of local government finance authorizes an excessive tax  
51 levy under this SECTION, the department of local government

1 finance shall take appropriate steps to ensure that the proceeds of  
 2 the excessive tax levy are first used to repay any loan authorized  
 3 under this SECTION. The department of local government finance  
 4 or another state agency may also take appropriate action to  
 5 implement any additional recommendations made under  
 6 subsection (d).

7 (g) This SECTION expires January 1, 2010.

8 SECTION 863. [EFFECTIVE JANUARY 1, 2009] IC 6-3-4-4.1,  
 9 IC 6-3-4-15.7, IC 6-3.5-1.1-18, IC 6-3.5-6-22, and IC 6-3.5-7-18, all  
 10 as amended by this act, apply only to taxable years beginning after  
 11 December 31, 2008.

12 SECTION 864. [EFFECTIVE JANUARY 1, 2009] IC 6-3.1-21-6,  
 13 as amended by this act, applies to taxable years beginning after  
 14 December 31, 2008.

15 SECTION 865. [EFFECTIVE JANUARY 1, 2008  
 16 (RETROACTIVE)] (a) Notwithstanding any provision in  
 17 IC 5-11-10.5 or any other law, a warrant issued by a county  
 18 auditor for a refund of an additional 2007 homestead credit under  
 19 P.L.234-2007, SECTION 300, as amended by P.L.1-2008,  
 20 SECTION 5, that is:

21 (1) outstanding and unpaid for one hundred eighty (180) days  
 22 after the warrant is issued; and

23 (2) for an amount that is not more than ten dollars (\$10);  
 24 is void. An individual, a bank, a trust company, a building and loan  
 25 association, or any other financial institution may not honor, cash,  
 26 or accept for payment or deposit a warrant that meets the  
 27 requirements of subdivisions (1) and (2).

28 (b) The amount of an outstanding warrant that is voided under  
 29 subsection (a) shall be paid by the county treasurer to the treasurer  
 30 of state for deposit in the property tax reduction trust fund  
 31 established by IC 4-35-8-2 not more than ninety (90) days after the  
 32 warrant is voided.

33 (c) This SECTION expires January 1, 2010.

34 SECTION 866. [EFFECTIVE UPON PASSAGE] (a) The  
 35 department of local government finance may adopt temporary  
 36 rules in the manner provided for the adoption of emergency rules  
 37 under IC 4-22-2-37.1 to carry out the department's authority  
 38 under IC 6-1.1 to establish standards for computer systems used by  
 39 Indiana counties for the administration of the property tax  
 40 assessment, billing, and settlement processes. A temporary rule  
 41 adopted under this SECTION must comply with the requirements  
 42 described in IC 6-1.1-31-1(4) and IC 6-1.1-31.5-3.5(c). A temporary  
 43 rule adopted under this SECTION expires on the earlier of the  
 44 following:

45 (1) The date specified by the department of local government  
 46 finance in the temporary rule.

47 (2) The date that the department of local government finance  
 48 adopts another temporary rule under this SECTION or a rule  
 49 under IC 4-22-2 that amends, repeals, or otherwise supersedes  
 50 the emergency rule.

51 (3) July 1, 2009.

1 (b) After the effective date of this SECTION, IC 6-1.1-31-1, as  
 2 amended by this act, applies to all rules and standards of the  
 3 department of local government finance, including rules or  
 4 standards adopted before the effective date of this SECTION.

5 (c) IC 6-1.1-33.5-8 and IC 6-1.1-33.5-9, as added by this act,  
 6 apply to all systems described in IC 6-1.1-33.5-8, as added by this  
 7 act, that are tested or operated after the effective date of this  
 8 SECTION, including systems for which development began before  
 9 the effective date of this SECTION.

10 SECTION 867. [EFFECTIVE UPON PASSAGE] (a)  
 11 Notwithstanding any provision in IC 6-3.5-1.1 (including the  
 12 August 1 deadlines applicable under IC 6-3.5-1.1-24(a),  
 13 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  
 14 county council may in 2008 adopt or increase an additional county  
 15 adjusted gross income tax rate under IC 6-3.5-1.1-24,  
 16 IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 at any time before January 1,  
 17 2009.

18 (b) Notwithstanding any provision in IC 6-3.5-6 (including the  
 19 August 1 deadlines applicable under IC 6-3.5-6-30(a),  
 20 IC 6-3.5-6-30(b), IC 6-3.5-6-31(i), and IC 6-3.5-6-32(e)), a county  
 21 income tax council or county council, as applicable, may in 2008  
 22 adopt or increase an additional county option income tax rate  
 23 under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32 at any time  
 24 before January 1, 2009.

25 (c) Notwithstanding any provision of IC 6-3.5-1.1 or IC 6-3.5-6,  
 26 any additional county adjusted gross income tax rate adopted or  
 27 increased in 2008 under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or  
 28 IC 6-3.5-1.1-26 and any additional county option income tax rate  
 29 adopted or increased in 2008 under IC 6-3.5-6-30, IC 6-3.5-6-31, or  
 30 IC 6-3.5-6-32 takes effect as follows:

31 (1) In the case of an ordinance adopted before October 1,  
 32 2008, the tax rate takes effect October 1, 2008.

33 (2) In the case of an ordinance adopted after September 30,  
 34 2008, and before October 16, 2008, the tax rate takes effect  
 35 November 1, 2008.

36 (3) In the case of an ordinance adopted after October 15,  
 37 2008, and before November 16, 2008, the tax rate takes effect  
 38 December 1, 2008.

39 (4) In the case of an ordinance adopted after November 15,  
 40 2008, and before January 1, 2009, the tax rate takes effect  
 41 January 1, 2009.

42 SECTION 868. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)  
 43 The definitions in IC 6-1.1-1 apply throughout this SECTION.

44 (b) A reference in this SECTION to IC 6-1.1-15-1 is a reference  
 45 to that section as in effect on July 1, 2007.

46 (c) Notwithstanding IC 6-1.1-15-1(b), a taxpayer that receives  
 47 a tax statement under IC 6-1.1-22 or a provisional tax statement  
 48 (as defined in IC 6-1.1-22.5-2) for the first installment of property  
 49 taxes based on the assessment date in 2007 and first due and  
 50 payable in 2008 may appeal the assessment under IC 6-1.1-15-1 by  
 51 filing a notice in writing with the county or township official

1 referred to in IC 6-1.1-15-1(a) not later than the later of:

2 (1) forty-five (45) days after:

3 (A) the tax statement under IC 6-1.1-22; or

4 (B) the reconciling statement (as defined in IC 6-1.1-22.5-4)

5 that reconciles the taxes from the provisional tax  
6 statement;

7 is given to the taxpayer; or

8 (2) July 1, 2008.

9 (d) This SECTION expires January 1, 2010.

10 SECTION 869. [EFFECTIVE JULY 1, 2008] Notwithstanding any  
11 other provision, for property taxes first due and payable after  
12 December 31, 2008, and for budget years after 2008, the  
13 department of local government finance shall adjust the maximum  
14 permissible ad valorem property tax levy, the budget, the excise tax  
15 and local option income tax distributions, and the tax rates of any  
16 political subdivision or taxing unit as necessary to account for any  
17 changes made by this act, including the elimination of any property  
18 tax levies by this act or the transfer of governmental  
19 responsibilities by this act.

20 SECTION 870. [EFFECTIVE UPON PASSAGE] (a) The state  
21 board of accounts shall design the form required by  
22 IC 6-1.1-20-3.5(b)(5), as added by this act, before June 15, 2008.

23 (b) This SECTION expires January 1, 2009.

24 SECTION 871. [EFFECTIVE UPON PASSAGE] (a) The  
25 legislative services agency shall prepare legislation for introduction  
26 in the 2009 regular session of the general assembly to correct  
27 statutes affected by this act.

28 (b) This SECTION expires July 1, 2009.

29 SECTION 872. An emergency is declared for this act.

(Reference is to EHB 1001 as reprinted February 26, 2008.)



**Conference Committee Report**  
**on**  
**Engrossed House Bill 1001**

**S**igned by:

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Representative Crawford  
Chairperson

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Senator Kenley

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Representative Espich

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Senator Skinner

**House Conferees**

**Senate Conferees**