



January 18, 2019

HOUSE BILL No. 1056

DIGEST OF HB 1056 (Updated January 17, 2019 10:20 am - DI 129)

Citations Affected: IC 6-1.1.

Synopsis: Property tax deduction appeals. Changes the process concerning a taxpayer's appeal of an error related to the approval, denial, or omission of a deduction concerning real property or a mobile home. Requires the county assessor to notify the county auditor when an appeal regarding the approval, denial, or omission of a deduction concerning real property or a mobile home is filed with the county assessor. Provides that the county auditor is the party representing the county before the county property tax assessment board of appeals and any appeal of the board's decision in an appeal related to the approval, denial, or omission of a deduction concerning real property or a mobile home. Authorizes the county auditor to use the ineligible homestead fund to pay the costs of defending an appeal related to the approval, denial, or omission of a deduction concerning real property or a mobile home.

Effective: January 1, 2020.

Manning

January 3, 2019, read first time and referred to Committee on Local Government.
January 17, 2019, amended, reported — Do Pass.

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January 18, 2019

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1056

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-12-37, AS AMENDED BY P.L.255-2017,
2 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2020]: Sec. 37. (a) The following definitions apply
4 throughout this section:
5 (1) "Dwelling" means any of the following:
6 (A) Residential real property improvements that an individual
7 uses as the individual's residence, including a house or garage.
8 (B) A mobile home that is not assessed as real property that an
9 individual uses as the individual's residence.
10 (C) A manufactured home that is not assessed as real property
11 that an individual uses as the individual's residence.
12 (2) "Homestead" means an individual's principal place of
13 residence:
14 (A) that is located in Indiana;
15 (B) that:
16 (i) the individual owns;
17 (ii) the individual is buying under a contract recorded in the

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1 county recorder's office, or evidenced by a memorandum of
 2 contract recorded in the county recorder's office under
 3 IC 36-2-11-20, that provides that the individual is to pay the
 4 property taxes on the residence, and that obligates the owner
 5 to convey title to the individual upon completion of all of the
 6 individual's contract obligations;

7 (iii) the individual is entitled to occupy as a
 8 tenant-stockholder (as defined in 26 U.S.C. 216) of a
 9 cooperative housing corporation (as defined in 26 U.S.C.
 10 216); or

11 (iv) is a residence described in section 17.9 of this chapter
 12 that is owned by a trust if the individual is an individual
 13 described in section 17.9 of this chapter; and

14 (C) that consists of a dwelling and the real estate, not
 15 exceeding one (1) acre, that immediately surrounds that
 16 dwelling.

17 Except as provided in subsection (k), the term does not include
 18 property owned by a corporation, partnership, limited liability
 19 company, or other entity not described in this subdivision.

20 (b) Each year a homestead is eligible for a standard deduction from
 21 the assessed value of the homestead for an assessment date. Except as
 22 provided in subsection (p), the deduction provided by this section
 23 applies to property taxes first due and payable for an assessment date
 24 only if an individual has an interest in the homestead described in
 25 subsection (a)(2)(B) on:

26 (1) the assessment date; or

27 (2) any date in the same year after an assessment date that a
 28 statement is filed under subsection (e) or section 44 of this
 29 chapter, if the property consists of real property.

30 If more than one (1) individual or entity qualifies property as a
 31 homestead under subsection (a)(2)(B) for an assessment date, only one
 32 (1) standard deduction from the assessed value of the homestead may
 33 be applied for the assessment date. Subject to subsection (c), the
 34 auditor of the county shall record and make the deduction for the
 35 individual or entity qualifying for the deduction.

36 (c) Except as provided in section 40.5 of this chapter, the total
 37 amount of the deduction that a person may receive under this section
 38 for a particular year is the lesser of:

39 (1) sixty percent (60%) of the assessed value of the real property,
 40 mobile home not assessed as real property, or manufactured home
 41 not assessed as real property; or

42 (2) forty-five thousand dollars (\$45,000).



1 (d) A person who has sold real property, a mobile home not assessed
 2 as real property, or a manufactured home not assessed as real property
 3 to another person under a contract that provides that the contract buyer
 4 is to pay the property taxes on the real property, mobile home, or
 5 manufactured home may not claim the deduction provided under this
 6 section with respect to that real property, mobile home, or
 7 manufactured home.

8 (e) Except as provided in sections 17.8 and 44 of this chapter and
 9 subject to section 45 of this chapter, an individual who desires to claim
 10 the deduction provided by this section must file a certified statement on
 11 forms prescribed by the department of local government finance, with
 12 the auditor of the county in which the homestead is located. The
 13 statement must include:

- 14 (1) the parcel number or key number of the property and the name
 15 of the city, town, or township in which the property is located;
 16 (2) the name of any other location in which the applicant or the
 17 applicant's spouse owns, is buying, or has a beneficial interest in
 18 residential real property;
 19 (3) the names of:

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

21 (i) as the names appear in the records of the United States
 22 Social Security Administration for the purposes of the
 23 issuance of a Social Security card and Social Security
 24 number; or

25 (ii) that they use as their legal names when they sign their
 26 names on legal documents;

27 if the applicant is an individual; or

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

30 (i) as the names appear in the records of the United States
 31 Social Security Administration for the purposes of the
 32 issuance of a Social Security card and Social Security
 33 number; or

34 (ii) that they use as their legal names when they sign their
 35 names on legal documents;

36 if the applicant is not an individual; and

37 (4) either:

38 (A) the last five (5) digits of the applicant's Social Security
 39 number and the last five (5) digits of the Social Security
 40 number of the applicant's spouse (if any); or

41 (B) if the applicant or the applicant's spouse (if any) does not
 42 have a Social Security number, any of the following for that



- 1 individual:
- 2 (i) The last five (5) digits of the individual's driver's license
- 3 number.
- 4 (ii) The last five (5) digits of the individual's state
- 5 identification card number.
- 6 (iii) The last five (5) digits of a preparer tax identification
- 7 number that is obtained by the individual through the
- 8 Internal Revenue Service of the United States.
- 9 (iv) If the individual does not have a driver's license, a state
- 10 identification card, or an Internal Revenue Service preparer
- 11 tax identification number, the last five (5) digits of a control
- 12 number that is on a document issued to the individual by the
- 13 United States government.

14 If a form or statement provided to the county auditor under this section,
 15 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 16 part or all of the Social Security number of a party or other number
 17 described in subdivision (4)(B) of a party, the telephone number and
 18 the Social Security number or other number described in subdivision
 19 (4)(B) included are confidential. The statement may be filed in person
 20 or by mail. If the statement is mailed, the mailing must be postmarked
 21 on or before the last day for filing. The statement applies for that first
 22 year and any succeeding year for which the deduction is allowed. With
 23 respect to real property, the statement must be completed and dated in
 24 the calendar year for which the person desires to obtain the deduction
 25 and filed with the county auditor on or before January 5 of the
 26 immediately succeeding calendar year. With respect to a mobile home
 27 that is not assessed as real property, the person must file the statement
 28 during the twelve (12) months before March 31 of the year for which
 29 the person desires to obtain the deduction.

30 (f) Except as provided in subsection (n), if a person who is
 31 receiving, or seeks to receive, the deduction provided by this section in
 32 the person's name:

- 33 (1) changes the use of the individual's property so that part or all
 34 of the property no longer qualifies for the deduction under this
 35 section; or
- 36 (2) is not eligible for a deduction under this section because the
 37 person is already receiving:
- 38 (A) a deduction under this section in the person's name as an
 39 individual or a spouse; or
- 40 (B) a deduction under the law of another state that is
 41 equivalent to the deduction provided by this section;
- 42 the person must file a certified statement with the auditor of the county,



1 notifying the auditor of the person's ineligibility, not more than sixty
 2 (60) days after the date of the change in eligibility. A person who fails
 3 to file the statement required by this subsection may, under
 4 IC 6-1.1-36-17, be liable for any additional taxes that would have been
 5 due on the property if the person had filed the statement as required by
 6 this subsection plus a civil penalty equal to ten percent (10%) of the
 7 additional taxes due. The civil penalty imposed under this subsection
 8 is in addition to any interest and penalties for a delinquent payment that
 9 might otherwise be due. One percent (1%) of the total civil penalty
 10 collected under this subsection shall be transferred by the county to the
 11 department of local government finance for use by the department in
 12 establishing and maintaining the homestead property data base under
 13 subsection (i) and, to the extent there is money remaining, for any other
 14 purposes of the department. This amount becomes part of the property
 15 tax liability for purposes of this article.

16 (g) The department of local government finance may adopt rules or
 17 guidelines concerning the application for a deduction under this
 18 section.

19 (h) This subsection does not apply to property in the first year for
 20 which a deduction is claimed under this section if the sole reason that
 21 a deduction is claimed on other property is that the individual or
 22 married couple maintained a principal residence at the other property
 23 on the assessment date in the same year in which an application for a
 24 deduction is filed under this section or, if the application is for a
 25 homestead that is assessed as personal property, on the assessment date
 26 in the immediately preceding year and the individual or married couple
 27 is moving the individual's or married couple's principal residence to the
 28 property that is the subject of the application. Except as provided in
 29 subsection (n), the county auditor may not grant an individual or a
 30 married couple a deduction under this section if:

- 31 (1) the individual or married couple, for the same year, claims the
- 32 deduction on two (2) or more different applications for the
- 33 deduction; and
- 34 (2) the applications claim the deduction for different property.

35 (i) The department of local government finance shall provide secure
 36 access to county auditors to a homestead property data base that
 37 includes access to the homestead owner's name and the numbers
 38 required from the homestead owner under subsection (e)(4) for the sole
 39 purpose of verifying whether an owner is wrongly claiming a deduction
 40 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 41 IC 6-3.6-5 (after December 31, 2016).

42 (j) A county auditor may require an individual to provide evidence



1 proving that the individual's residence is the individual's principal place
 2 of residence as claimed in the certified statement filed under subsection
 3 (e). The county auditor may limit the evidence that an individual is
 4 required to submit to a state income tax return, a valid driver's license,
 5 or a valid voter registration card showing that the residence for which
 6 the deduction is claimed is the individual's principal place of residence.
 7 The department of local government finance shall work with county
 8 auditors to develop procedures to determine whether a property owner
 9 that is claiming a standard deduction or homestead credit is not eligible
 10 for the standard deduction or homestead credit because the property
 11 owner's principal place of residence is outside Indiana.

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

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

17 (2) The property is the principal place of residence of an
 18 individual.

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

21 (4) The individual residing on the property is a shareholder,
 22 partner, or member of the entity that owns the property.

23 (5) The property was eligible for the standard deduction under
 24 this section on March 1, 2009.

25 (l) If a county auditor terminates a deduction for property described
 26 in subsection (k) with respect to property taxes that are:

27 (1) imposed for an assessment date in 2009; and

28 (2) first due and payable in 2010;

29 on the grounds that the property is not owned by an entity described in
 30 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
 31 the taxpayer provides proof that the property is eligible for the
 32 deduction in accordance with subsection (k) and that the individual
 33 residing on the property is not claiming the deduction for any other
 34 property.

35 (m) For assessment dates after 2009, the term "homestead" includes:

36 (1) a deck or patio;

37 (2) a gazebo; or

38 (3) another residential yard structure, as defined in rules adopted
 39 by the department of local government finance (other than a
 40 swimming pool);

41 that is assessed as real property and attached to the dwelling.

42 (n) A county auditor shall grant an individual a deduction under this



1 section regardless of whether the individual and the individual's spouse
 2 claim a deduction on two (2) different applications and each
 3 application claims a deduction for different property if the property
 4 owned by the individual's spouse is located outside Indiana and the
 5 individual files an affidavit with the county auditor containing the
 6 following information:

7 (1) The names of the county and state in which the individual's
 8 spouse claims a deduction substantially similar to the deduction
 9 allowed by this section.

10 (2) A statement made under penalty of perjury that the following
 11 are true:

12 (A) That the individual and the individual's spouse maintain
 13 separate principal places of residence.

14 (B) That neither the individual nor the individual's spouse has
 15 an ownership interest in the other's principal place of
 16 residence.

17 (C) That neither the individual nor the individual's spouse has,
 18 for that same year, claimed a standard or substantially similar
 19 deduction for any property other than the property maintained
 20 as a principal place of residence by the respective individuals.

21 A county auditor may require an individual or an individual's spouse to
 22 provide evidence of the accuracy of the information contained in an
 23 affidavit submitted under this subsection. The evidence required of the
 24 individual or the individual's spouse may include state income tax
 25 returns, excise tax payment information, property tax payment
 26 information, driver license information, and voter registration
 27 information.

28 (o) If:

29 (1) a property owner files a statement under subsection (e) to
 30 claim the deduction provided by this section for a particular
 31 property; and

32 (2) the county auditor receiving the filed statement determines
 33 that the property owner's property is not eligible for the deduction;
 34 the county auditor shall inform the property owner of the county
 35 auditor's determination in writing. If a property owner's property is not
 36 eligible for the deduction because the county auditor has determined
 37 that the property is not the property owner's principal place of
 38 residence, the property owner may appeal the county auditor's
 39 determination to the county property tax assessment board of appeals
 40 as provided in IC 6-1.1-15. The county auditor shall inform the
 41 property owner of the owner's right to appeal to the county property tax
 42 assessment board of appeals when the county auditor informs the



1 property owner of the county auditor's determination under this
2 subsection.

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

5 (1) either:

6 (A) the individual's interest in the homestead as described in
7 subsection (a)(2)(B) is conveyed to the individual after the
8 assessment date, but within the calendar year in which the
9 assessment date occurs; or

10 (B) the individual contracts to purchase the homestead after
11 the assessment date, but within the calendar year in which the
12 assessment date occurs;

13 (2) on the assessment date:

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

16 (B) the construction of the dwelling that constitutes the
17 homestead was not completed; and

18 (3) either:

19 (A) the individual files the certified statement required by
20 subsection (e); or

21 (B) a sales disclosure form that meets the requirements of
22 section 44 of this chapter is submitted to the county assessor
23 on or before December 31 of the calendar year for the
24 individual's purchase of the homestead.

25 An individual who satisfies the requirements of subdivisions (1)
26 through (3) is entitled to the deduction under this section for the
27 homestead for the assessment date, even if on the assessment date the
28 property on which the homestead is currently located was vacant land
29 or the construction of the dwelling that constitutes the homestead was
30 not completed. The county auditor shall apply the deduction for the
31 assessment date and for the assessment date in any later year in which
32 the homestead remains eligible for the deduction. A homestead that
33 qualifies for the deduction under this section as provided in this
34 subsection is considered a homestead for purposes of section 37.5 of
35 this chapter and IC 6-1.1-20.6.

36 (q) This subsection applies to an application for the deduction
37 provided by this section that is filed for an assessment date occurring
38 after December 31, 2013. Notwithstanding any other provision of this
39 section, an individual buying a mobile home that is not assessed as real
40 property or a manufactured home that is not assessed as real property
41 under a contract providing that the individual is to pay the property
42 taxes on the mobile home or manufactured home is not entitled to the



1 deduction provided by this section unless the parties to the contract
2 comply with IC 9-17-6-17.

3 (r) This subsection:

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

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

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

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

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

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

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

21 For property to qualify under this subsection for the deduction provided
22 by this section, the individual described in subdivisions (1) through (3)
23 must submit to the county auditor a copy of the individual's transfer
24 orders or other information sufficient to show that the individual was
25 ordered to transfer to a location outside Indiana. The property continues
26 to qualify for the deduction provided by this section until the individual
27 ceases to be on active duty, the property is sold, or the individual's
28 ownership interest is otherwise terminated, whichever occurs first.
29 Notwithstanding subsection (a)(2), the property remains a homestead
30 regardless of whether the property continues to be the individual's
31 principal place of residence after the individual transfers to a location
32 outside Indiana. The property continues to qualify as a homestead
33 under this subsection if the property is leased while the individual is
34 away from Indiana and is serving on active duty, if the individual has
35 lived at the property at any time during the past ten (10) years.
36 Otherwise, the property ceases to qualify as a homestead under this
37 subsection if the property is leased while the individual is away from
38 Indiana. Property that qualifies as a homestead under this subsection
39 shall also be construed as a homestead for purposes of section 37.5 of
40 this chapter.

41 SECTION 2. IC 6-1.1-15-1.1, AS ADDED BY P.L.232-2017,
42 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JANUARY 1, 2020]: Sec. 1.1. (a) A taxpayer may appeal an
 2 assessment of a taxpayer's tangible property by filing a notice in writing
 3 with the township assessor, or the county assessor if the township is not
 4 served by a township assessor. Except as provided in subsection (e), an
 5 appeal under this section may raise any claim of an error related to the
 6 following:

- 7 (1) The assessed value of the property.
- 8 (2) The assessment was against the wrong person.
- 9 (3) The approval, denial, or omission of a deduction, credit,
 10 exemption, abatement, or tax cap.
- 11 (4) A clerical, mathematical, or typographical mistake.
- 12 (5) The description of the real property.
- 13 (6) The legality or constitutionality of a property tax or
 14 assessment.

15 A written notice under this section must be made on a form designated
 16 by the department of local government finance. A taxpayer must file a
 17 separate petition for each parcel.

18 (b) A taxpayer may appeal an error in the assessed value of the
 19 property under subsection (a)(1) any time after the official's action, but
 20 not later than the following:

- 21 (1) For assessments before January 1, 2019, the earlier of:
 22 (A) forty-five (45) days after the date on which the notice of
 23 assessment is mailed by the county; or
 24 (B) forty-five (45) days after the date on which the tax
 25 statement is mailed by the county treasurer, regardless of
 26 whether the assessing official changes the taxpayer's
 27 assessment.
- 28 (2) For assessments after December 31, 2018, the earlier of:
 29 (A) June 15 of the assessment year, if the notice of assessment
 30 is mailed by the county before May 1 of the assessment year;
 31 or
 32 (B) June 15 of the year in which the tax statement is mailed by
 33 the county treasurer, if the notice of assessment is mailed by
 34 the county on or after May 1 of the assessment year.

35 A taxpayer may appeal an error in the assessment under subsection
 36 (a)(2), (a)(3), (a)(4), (a)(5), or (a)(6) not later than three (3) years after
 37 the taxes were first due.

38 (c) Except as provided in subsection (d), an appeal under this
 39 section applies only to the tax year corresponding to the tax statement
 40 or other notice of action.

41 (d) An appeal under this section applies to a prior tax year if a
 42 county official took action regarding a prior tax year, and such action



1 is reflected for the first time in the tax statement. A taxpayer who has
 2 timely filed a written notice of appeal under this section may be
 3 required to file a petition for each tax year, and each petition filed later
 4 must be considered timely.

5 (e) A taxpayer may not appeal under this section any claim of error
 6 related to the following:

7 (1) The denial of a deduction, exemption, abatement, or credit if
 8 the authority to approve or deny is not vested in the county board,
 9 county auditor, county assessor, or township assessor.

10 (2) The calculation of interest and penalties.

11 (3) A matter under subsection (a) if a separate appeal or review
 12 process is statutorily prescribed.

13 However, a claim may be raised under this section regarding the
 14 omission or application of a deduction approved by an authority other
 15 than the county board, county auditor, county assessor, or township
 16 assessor under subdivision (2).

17 (f) The filing of a written notice under this section constitutes a
 18 request by the taxpayer for a preliminary informal meeting with the
 19 township assessor, or the county assessor if the township is not served
 20 by a township assessor. **If a taxpayer files a written notice regarding**
 21 **a deduction described in subsection (a)(3) for real property or a**
 22 **mobile home assessed under IC 6-1.1-7, the township assessor, or**
 23 **the county assessor if the township is not served by a township**
 24 **assessor, upon receipt of the written notice shall notify the county**
 25 **auditor of the written notice and provide the county auditor with**
 26 **the date of the hearing before the county board.**

27 (g) A county or township official who receives a written notice
 28 under this section shall forward the notice to the county board.

29 SECTION 3. IC 6-1.1-15-1.2, AS ADDED BY P.L.232-2017,
 30 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2020]: Sec. 1.2. (a) **This section does not apply to a**
 32 **deduction under section 1.1(a)(3) of this chapter for real property**
 33 **or a mobile home assessed under IC 6-1.1-7.** A county or township
 34 official who receives a written notice under section 1.1 of this chapter
 35 shall schedule, at a time during business hours that is convenient to the
 36 taxpayer, a preliminary informal meeting with the taxpayer in order to
 37 resolve the appeal. At the preliminary informal meeting, in order to
 38 facilitate understanding and the resolution of disputed issues, a county
 39 or township official and the taxpayer shall exchange the information
 40 that each party is relying on at the time of the preliminary informal
 41 meeting to support the party's respective position on each disputed
 42 issue concerning the assessment or deduction. If additional information



1 is obtained by the county or township official or the taxpayer after the
2 preliminary informal meeting and before the hearing held by the county
3 board, the party obtaining the information shall provide the information
4 to the other party. If the county or township official or the taxpayer
5 obtains additional information and provides the information to the
6 other party for the first time at the hearing held by the county board, the
7 county board, unless waived by the receiving party, shall continue the
8 hearing until a future hearing date of the county board so that the
9 receiving party has an opportunity to review all the information that the
10 offering party is relying on to support the offering party's positions on
11 the disputed issues concerning the assessment or deduction.

12 (b) The official shall report on a form prescribed by the department
13 of local government finance the results of the informal meeting. If the
14 taxpayer and the official agree on the resolution of all issues in the
15 appeal, the report shall state the agreed resolution of the matter and be
16 signed by the official and the taxpayer. If an informal meeting is not
17 held, or the informal meeting is unsuccessful, the official shall report
18 those facts on the form. The official shall forward the report on the
19 informal meeting to the county board.

20 (c) If the county board receives a report on the informal meeting
21 indicating an agreed resolution of the matter, the county board shall
22 vote to accept or deny the agreed resolution. If the county board accepts
23 the agreed resolution, the county board shall issue a notification of final
24 assessment determination adopting the agreed resolution and vacating
25 the hearing if scheduled.

26 (d) The county board, upon receipt of a written notice under section
27 1.1 of this chapter, shall hold a hearing on the appeal not later than one
28 hundred eighty (180) days after the filing date of the written notice.
29 The county board shall, by mail, give at least thirty (30) days notice of
30 the date, time, and place fixed for the hearing to the taxpayer, the
31 county or township official with whom the taxpayer filed the written
32 notice, and the county auditor. If the county board has notice that the
33 taxpayer is represented by a third person, any hearing notice shall be
34 mailed to the representative.

35 (e) If good cause is shown, the county board shall grant a request for
36 continuance filed in writing at least ten (10) days before the hearing,
37 and reschedule the hearing under subsection (d).

38 (f) A taxpayer may withdraw an appeal by filing a written request
39 at least ten (10) days before the hearing. The county board shall issue
40 a notification of final assessment determination indicating the
41 withdrawal and no change in the assessment. A withdrawal waives a
42 taxpayer's right to appeal to the Indiana board of tax review.



1 (g) The county board shall determine an appeal without a hearing if
 2 requested by the taxpayer in writing at least twenty (20) days before the
 3 hearing.

4 (h) If a taxpayer appeals the assessment of tangible property under
 5 section 1.1 of this chapter, the taxpayer is not required to have an
 6 appraisal of the property in order to initiate the appeal or prosecute the
 7 appeal.

8 (i) At a hearing under subsection (d), the taxpayer shall have the
 9 opportunity to present testimony and evidence regarding the matters on
 10 appeal. If the matters on appeal are in the discretion of the county
 11 auditor, the county auditor or the county auditor's representative shall
 12 attend the hearing. A county or township official, or the county auditor
 13 or the county auditor's representative, shall have an opportunity to
 14 present testimony and evidence regarding the matters on appeal. The
 15 county board may adjourn and continue the hearing to a later date in
 16 order to make a physical inspection or consider the evidence presented.

17 (j) The county board shall determine the assessment by motion and
 18 majority vote. A county board may, based on the evidence before it,
 19 increase an assessment. The county board shall issue a written
 20 decision. Written notice of the decision shall be given to the township
 21 official, county official, county auditor, and the taxpayer.

22 (k) If more than one hundred eighty (180) days have passed since
 23 the date the notice of appeal was filed, and the county board has not
 24 issued a determination, a taxpayer may initiate any appeal with the
 25 Indiana board of tax review under section 3 of this chapter.

26 (l) The county assessor may assess a penalty of fifty dollars (\$50)
 27 against the taxpayer if the taxpayer or representative fails to appear at
 28 a hearing under subsection (d) and, under subsection (e), the taxpayer's
 29 request for continuance is denied, or the taxpayer's request for
 30 continuance, request for the board to take action without a hearing, or
 31 withdrawal is not timely filed. A taxpayer may appeal the assessment
 32 of the penalty to the Indiana board or directly to the tax court. The
 33 penalty may not be added as an amount owed on the property tax
 34 statement under IC 6-1.1-22 or IC 6-1.1-22.5.

35 SECTION 4. IC 6-1.1-15-1.4 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2020]: **Sec. 1.4. (a) A county auditor**
 38 **who receives a written notice under section 1.1 of this chapter**
 39 **concerning a deduction shall schedule, at a time during business**
 40 **hours that is convenient to the taxpayer, a preliminary informal**
 41 **meeting with the taxpayer in order to resolve the appeal. At the**
 42 **preliminary informal meeting, in order to facilitate understanding**



1 and the resolution of disputed issues, a county auditor and the
2 taxpayer shall exchange the information that each party is relying
3 on at the time of the preliminary informal meeting to support the
4 party's respective position on each disputed issue concerning the
5 deduction. If additional information is obtained by the county
6 auditor or the taxpayer after the preliminary informal meeting and
7 before the hearing held by the county board, the party obtaining
8 the information shall provide the information to the other party.
9 If the county auditor or the taxpayer obtains additional
10 information and provides the information to the other party for the
11 first time at the hearing held by the county board, the county
12 board, unless waived by the receiving party, shall continue the
13 hearing until a future hearing date of the county board so that the
14 receiving party has an opportunity to review all the information
15 that the offering party is relying on to support the offering party's
16 positions on the disputed issues concerning the deduction.

17 (b) The county auditor shall report on a form prescribed by the
18 department of local government finance the results of the informal
19 meeting. If the taxpayer and the county auditor agree on the
20 resolution of all issues in the appeal, the report shall state the
21 agreed resolution of the matter and be signed by the county auditor
22 and the taxpayer. If an informal meeting is not held, or the
23 informal meeting is unsuccessful, the county auditor shall report
24 those facts on the form. The county auditor shall forward the
25 report on the informal meeting to the county board.

26 (c) If the county board receives a report on the informal meeting
27 indicating an agreed resolution of the matter, the county board
28 shall vote to accept or deny the agreed resolution. If the county
29 board accepts the agreed resolution, the county board shall issue
30 a notification of final assessment determination adopting the
31 agreed resolution and vacating the hearing if scheduled.

32 (d) The county board, upon receipt of a written notice under this
33 section, shall hold a hearing on the appeal not later than one
34 hundred eighty (180) days after the filing date of the written notice.
35 The county board shall, by mail, give at least thirty (30) days notice
36 of the date, time, and place fixed for the hearing to the taxpayer
37 and the county auditor with whom the taxpayer filed the written
38 notice. If the county board has notice that the taxpayer is
39 represented by a third person, any hearing notice shall be mailed
40 to the representative.

41 (e) If good cause is shown, the county board shall grant a
42 request for continuance filed in writing at least ten (10) days before



1 the hearing, and reschedule the hearing under subsection (d).

2 (f) A taxpayer may withdraw an appeal by filing a written
3 request at least ten (10) days before the hearing. The county board
4 shall issue a notification of final assessment determination
5 indicating the withdrawal and no change in the assessment. A
6 withdrawal waives a taxpayer's right to appeal to the Indiana
7 board of tax review.

8 (g) The county board shall determine an appeal without a
9 hearing if requested by the taxpayer in writing at least twenty (20)
10 days before the hearing.

11 (h) At a hearing under subsection (d), the taxpayer shall have
12 the opportunity to present testimony and evidence regarding the
13 matters on appeal. The county auditor or the county auditor's
14 representative shall attend the hearing. The county auditor or the
15 county auditor's representative shall have an opportunity to
16 present testimony and evidence regarding the matters on appeal.
17 The county board may adjourn and continue the hearing to a later
18 date in order to make a physical inspection or consider the
19 evidence presented.

20 (i) The county board shall determine the assessment by motion
21 and majority vote. A county board may, based on the evidence
22 before it, increase an assessment. The county board shall issue a
23 written decision. Written notice of the decision shall be given to the
24 county auditor and the taxpayer.

25 (j) If more than one hundred eighty (180) days have passed since
26 the date the notice of appeal was filed, and the county board has
27 not issued a determination, a taxpayer may initiate any appeal with
28 the Indiana board under section 3 of this chapter.

29 (k) The county auditor may assess a penalty of fifty dollars (\$50)
30 against the taxpayer if the taxpayer or representative fails to
31 appear at a hearing under subsection (d) and, under subsection (e),
32 the taxpayer's request for continuance is denied, or the taxpayer's
33 request for continuance, request for the board to take action
34 without a hearing, or withdrawal is not timely filed. A taxpayer
35 may appeal the assessment of the penalty to the Indiana board or
36 directly to the tax court. The penalty may not be added as an
37 amount owed on the property tax statement under IC 6-1.1-22 or
38 IC 6-1.1-22.5.

39 SECTION 5. IC 6-1.1-15-2.5, AS AMENDED BY P.L.232-2017,
40 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JANUARY 1, 2020]: Sec. 2.5. (a) This section applies to a notice filed
42 by a taxpayer under section 1.1 of this chapter with respect to the



1 assessment of the taxpayer's tangible property.

2 (b) Instead of a hearing before the county board, a taxpayer and a
 3 township or county official **or, in the case of a deduction under**
 4 **section 1.1(a)(3) of this chapter concerning real property or a**
 5 **mobile home assessed under IC 6-1.1-7, the county auditor** may
 6 enter into an agreement in which both parties:

7 (1) agree to waive a determination by the county board and
 8 submit the dispute directly to the Indiana board; or

9 (2) stipulate to the assessed value of the tangible property in
 10 dispute as determined by an independent appraisal under terms
 11 and conditions in subsection (e).

12 A taxpayer and a township or county official may still enter into a
 13 agreement under section 1.2(b) of this chapter and not be subject to the
 14 requirements of this section.

15 (c) An agreement under this section may not be entered into more
 16 than one hundred twenty (120) days after the date of the notice under
 17 subsection (a).

18 (d) The township or county official **or county auditor, whichever**
 19 **applies**, shall immediately forward an agreement entered into under
 20 this section to the county board.

21 (e) An agreement entered into by a taxpayer and a township or
 22 county official under subsection (b)(2) must include the following
 23 provisions:

24 (1) The county board shall select three (3) Indiana registered
 25 appraisers as potential appraisers to conduct an independent
 26 appraisal under the agreement.

27 (2) Not later than fifteen (15) days after the county board's
 28 selection of potential appraisers, the:

29 (A) taxpayer; and

30 (B) township or county official;

31 may each strike one (1) appraiser from the list of potential
 32 appraisers by providing written notice to the county board of the
 33 name of the appraiser to strike from the list.

34 (3) Not later than sixty (60) days after the date of the agreement,
 35 an appraisal shall be conducted by the Indiana registered
 36 appraiser who is:

37 (A) not struck from the list of potential appraisers, if two (2)
 38 potential appraisers are struck from the list under subdivision
 39 (2); or

40 (B) selected by the county board from the list of potential
 41 appraisers, if fewer than two (2) potential appraisers are struck
 42 from the list under subdivision (2).



- 1 (4) The appraisal conducted under subdivision (3) shall be:
 2 (A) prepared in accordance with usual and customary
 3 professional standards for an Indiana registered appraiser;
 4 (B) notarized; and
 5 (C) filed with the county board not later than three (3) days
 6 after its completion.
- 7 (5) The taxpayer and the township or county official stipulate for
 8 purposes of review by the county board that the correct assessed
 9 value of the tangible property in dispute is the appraised value of
 10 the tangible property as determined by the appraisal conducted
 11 under subdivision (3).
- 12 (6) The taxpayer and the township or county official retain the
 13 right to initiate a proceeding for review of a stipulated
 14 determination entered by the county board under subsection (g)
 15 before the Indiana board under section 3 of this chapter.
- 16 (7) Any other provision the department of local government
 17 finance considers appropriate.
- 18 (f) The department of local government finance shall prescribe a
 19 standard form agreement that must be used for purposes of this section.
 20 The department shall require the form agreement to be notarized.
- 21 (g) Upon receipt of an independent appraisal conducted under this
 22 section, the county board shall enter a stipulated determination of
 23 assessed value:
 24 (1) based on the agreement of the parties under subsection (b)(2);
 25 and
 26 (2) equal to the appraised value of the property as determined by
 27 the independent appraisal.
- 28 (h) A taxpayer or a township or county official may initiate a
 29 proceeding for review of a stipulated determination entered by a county
 30 board under this section before the Indiana board as required by section
 31 3 of this chapter.
- 32 SECTION 6. IC 6-1.1-15-3, AS AMENDED BY P.L.196-2016,
 33 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JANUARY 1, 2020]: Sec. 3. (a) A taxpayer may obtain a review by the
 35 Indiana board of a county board's action with respect to the following:
 36 (1) The assessment of that taxpayer's tangible property if the
 37 county board's action requires the giving of notice to the taxpayer.
 38 (2) The exemption of that taxpayer's tangible property if the
 39 taxpayer receives a notice of an exemption determination by the
 40 county board under IC 6-1.1-11-7.
 41 (3) **A deduction under this article for that taxpayer's real**
 42 **property or mobile home assessed under IC 6-1.1-7 if the**



- 1 **county board's action requires the giving of notice to the**
 2 **taxpayer.**
- 3 (b) The county assessor is the party to the review under this section
 4 to defend the determination of the county board **unless the**
 5 **determination concerns an appeal under section 1.1(a)(3) of this**
 6 **chapter for a deduction under this article for real property or a**
 7 **mobile home assessed under IC 6-1.1-7. The county auditor is the**
 8 **party to the review under this section to defend the determination**
 9 **of the county board if the determination concerns an appeal under**
 10 **section 1.1(a)(3) of this chapter for a deduction under this article**
 11 **for real property or a mobile home assessed under IC 6-1.1-7. At**
 12 **the time the notice of that determination is given to the taxpayer, the**
 13 **taxpayer shall also be informed in writing of:**
- 14 (1) the taxpayer's opportunity for review under this section; and
 15 (2) the procedures the taxpayer must follow in order to obtain
 16 review under this section.
- 17 (c) A county assessor who dissents from the determination of an
 18 assessment or an exemption by the county board may obtain a review
 19 of the assessment or the exemption by the Indiana board. **A county**
 20 **auditor who dissents from the determination by the county board**
 21 **concerning a deduction under this article for real property or a**
 22 **mobile home assessed under IC 6-1.1-7 may obtain a review of the**
 23 **determination by the Indiana board.**
- 24 (d) In order to obtain a review by the Indiana board under this
 25 section, the party must, not later than forty-five (45) days after the date
 26 of the notice given to the party or parties of the determination of the
 27 county board:
- 28 (1) file a petition for review with the Indiana board; and
 29 (2) mail a copy of the petition to the other party.
- 30 (e) The Indiana board shall prescribe the form of the petition for
 31 review of an assessment determination, **or** an exemption, **or a**
 32 **deduction under this article** by the county board. The Indiana board
 33 shall issue instructions for completion of the form. The form and the
 34 instructions must be clear, simple, and understandable to the average
 35 individual. A petition for review of such a determination must be made
 36 on the form prescribed by the Indiana board. The form must require the
 37 petitioner to specify the reasons why the petitioner believes that the
 38 assessment determination, **or** the exemption determination, **or the**
 39 **determination of a deduction under this article** by the county board
 40 is erroneous.
- 41 (f) If the action for which a taxpayer seeks review under this section
 42 is the assessment of tangible property, the taxpayer is not required to



1 have an appraisal of the property in order to do the following:

2 (1) Initiate the review.

3 (2) Prosecute the review.

4 (g) If an owner petitions the Indiana board under IC 6-1.1-11-7(d),
5 the Indiana board is authorized to approve or disapprove an exemption
6 application:

7 (1) previously submitted to a county board under IC 6-1.1-11-6;

8 and

9 (2) that is not approved or disapproved by the county board within
10 one hundred eighty (180) days after the owner filed the
11 application for exemption under IC 6-1.1-11.

12 The county assessor is a party to a petition to the Indiana board under
13 IC 6-1.1-11-7(d).

14 SECTION 7. IC 6-1.1-15-4, AS AMENDED BY P.L.86-2018,
15 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JANUARY 1, 2020]: Sec. 4. (a) After receiving a petition for review
17 which is filed under section 3 of this chapter, the Indiana board shall
18 conduct a hearing at its earliest opportunity. The Indiana board may
19 correct any errors that may have been made and adjust the assessment,
20 ~~or~~ exemption, **or deduction described in section 1.1(f) of this chapter**
21 in accordance with the correction.

22 (b) If the Indiana board conducts a site inspection of the property as
23 part of its review of the petition, the Indiana board shall give notice to
24 all parties of the date and time of the site inspection. The Indiana board
25 is not required to assess the property in question. The Indiana board
26 shall give notice of the date fixed for the hearing, by mail, to the
27 taxpayer and to the county assessor **or, in the case of a deduction**
28 **described in section 1.1(f) of this chapter, to the county auditor.**
29 The Indiana board shall give these notices at least thirty (30) days
30 before the day fixed for the hearing unless the parties agree to a shorter
31 period. With respect to a petition for review filed by a county assessor,
32 the county board that made the determination under review under this
33 section may file an amicus curiae brief in the review proceeding under
34 this section. The expenses incurred by the county board in filing the
35 amicus curiae brief shall be paid from the property reassessment fund
36 under IC 6-1.1-4-27.5 of the county in which the property is located.
37 The executive of a taxing unit may file an amicus curiae brief in the
38 review proceeding under this section if the property whose assessment,
39 ~~or~~ exemption, **or deduction described in section 1.1(f) of this chapter**
40 is under appeal is subject to assessment by that taxing unit.

41 (c) If a petition for review does not comply with the Indiana board's
42 instructions for completing the form prescribed under section 3 of this



1 chapter, the Indiana board shall return the petition to the petitioner and
 2 include a notice describing the defect in the petition. The petitioner
 3 then has thirty (30) days from the date on the notice to cure the defect
 4 and file a corrected petition. The Indiana board shall deny a corrected
 5 petition for review if it does not substantially comply with the Indiana
 6 board's instructions for completing the form prescribed under section
 7 3 of this chapter.

8 (d) After the hearing, the Indiana board shall give the taxpayer, the
 9 county assessor, **or, in the case of a deduction described in section**
 10 **1.1(f) of this chapter, the county auditor**, and any entity that filed an
 11 amicus curiae brief:

12 (1) notice, by mail, of its final determination; and

13 (2) for parties entitled to appeal the final determination, notice of
 14 the procedures they must follow in order to obtain court review
 15 under section 5 of this chapter.

16 (e) Except as provided in subsection (f), the Indiana board shall
 17 conduct a hearing not later than nine (9) months after a petition in
 18 proper form is filed with the Indiana board, excluding any time due to
 19 a delay reasonably caused by the petitioner.

20 (f) With respect to an appeal of a real property assessment that takes
 21 effect on the assessment date on which a reassessment of real property
 22 takes effect under IC 6-1.1-4-4.2, the Indiana board shall conduct a
 23 hearing not later than one (1) year after a petition in proper form is
 24 filed with the Indiana board, excluding any time due to a delay
 25 reasonably caused by the petitioner.

26 (g) Except as provided in subsection (h), the Indiana board shall
 27 make a determination not later than the later of:

28 (1) ninety (90) days after the hearing; or

29 (2) the date set in an extension order issued by the Indiana board.

30 (h) With respect to an appeal of a real property assessment that
 31 takes effect on the assessment date on which a reassessment of real
 32 property takes effect under IC 6-1.1-4-4.2, the Indiana board shall make
 33 a determination not later than the later of:

34 (1) one hundred eighty (180) days after the hearing; or

35 (2) the date set in an extension order issued by the Indiana board.

36 (i) The Indiana board may not extend the final determination date
 37 under subsection (g) or (h) by more than one hundred eighty (180)
 38 days. If the Indiana board fails to make a final determination within the
 39 time allowed by this section, the entity that initiated the petition may:

40 (1) take no action and wait for the Indiana board to make a final
 41 determination; or

42 (2) petition for judicial review under section 5 of this chapter.



1 (j) A final determination must include separately stated findings of
2 fact for all aspects of the determination. Findings of ultimate fact must
3 be accompanied by a concise statement of the underlying basic facts of
4 record to support the findings. Findings must be based exclusively
5 upon the evidence on the record in the proceeding and on matters
6 officially noticed in the proceeding. Findings must be based upon a
7 preponderance of the evidence.

8 (k) The Indiana board may limit the scope of the appeal to the issues
9 raised in the petition and the evaluation of the evidence presented to
10 the county board in support of those issues only if all parties
11 participating in the hearing required under subsection (a) agree to the
12 limitation. A party participating in the hearing required under
13 subsection (a) is entitled to introduce evidence that is otherwise proper
14 and admissible without regard to whether that evidence has previously
15 been introduced at a hearing before the county board.

16 (l) The Indiana board may require the parties to the appeal:

17 (1) to file not more than five (5) business days before the date of
18 the hearing required under subsection (a) documentary evidence
19 or summaries of statements of testimonial evidence; and

20 (2) to file not more than fifteen (15) business days before the date
21 of the hearing required under subsection (a) lists of witnesses and
22 exhibits to be introduced at the hearing.

23 (m) A party to a proceeding before the Indiana board shall provide
24 to all other parties to the proceeding the information described in
25 subsection (l) if the other party requests the information in writing at
26 least ten (10) days before the deadline for filing of the information
27 under subsection (l).

28 (n) The Indiana board may base its final determination on a
29 stipulation between the respondent and the petitioner. If the final
30 determination is based on a stipulated assessed valuation of tangible
31 property, the Indiana board may order the placement of a notation on
32 the permanent assessment record of the tangible property that the
33 assessed valuation was determined by stipulation. The Indiana board
34 may:

35 (1) order that a final determination under this subsection has no
36 precedential value; or

37 (2) specify a limited precedential value of a final determination
38 under this subsection.

39 (o) If a party to a proceeding, or a party's authorized representative,
40 elects to receive any notice under this section by electronic mail, the
41 notice is considered effective in the same manner as if the notice had
42 been sent by United States mail, with postage prepaid, to the party's or



1 representative's mailing address of record.

2 (p) At a hearing under this section, the Indiana board shall admit
3 into evidence an appraisal report, prepared by an appraiser, unless the
4 appraisal report is ruled inadmissible on grounds besides a hearsay
5 objection. This exception to the hearsay rule shall not be construed to
6 limit the discretion of the Indiana board, as trier of fact, to review the
7 probative value of an appraisal report.

8 SECTION 8. IC 6-1.1-15-5, AS AMENDED BY P.L.219-2007,
9 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JANUARY 1, 2020]: Sec. 5. (a) Not later than fifteen (15) days after
11 the Indiana board gives notice of its final determination under section
12 4 of this chapter to the party or the maximum allowable time for the
13 issuance of a final determination by the Indiana board under section 4
14 of this chapter expires, a party to the proceeding may request a
15 rehearing before the Indiana board. The Indiana board may conduct a
16 rehearing and affirm or modify its final determination, giving the same
17 notices after the rehearing as are required by section 4 of this chapter.
18 The Indiana board has fifteen (15) days after receiving a petition for a
19 rehearing to determine whether to grant a rehearing. Failure to grant a
20 rehearing not later than fifteen (15) days after receiving the petition
21 shall be treated as a final determination to deny the petition. A petition
22 for a rehearing does not toll the time in which to file a petition for
23 judicial review unless the petition for rehearing is granted. If the
24 Indiana board determines to rehear a final determination, the Indiana
25 board:

26 (1) may conduct the additional hearings that the Indiana board
27 determines necessary or review the written record without
28 additional hearings; and

29 (2) shall issue a final determination not later than ninety (90) days
30 after notifying the parties that the Indiana board will rehear the
31 final determination.

32 If the Indiana board fails to make a final determination within the time
33 allowed under subdivision (2), the entity that initiated the petition for
34 rehearing may take no action and wait for the Indiana board to make a
35 final determination or petition for judicial review under subsection (g).

36 (b) A party may petition for judicial review of the final
37 determination of the Indiana board regarding the assessment or
38 exemption of tangible property **or the deduction described in section**
39 **1.1(f) of this chapter.** In order to obtain judicial review under this
40 section, a party must:

41 (1) file a petition with the Indiana tax court;

42 (2) serve a copy of the petition on:



- 1 (A) the county assessor **or, in the case of a deduction**
 2 **described in section 1.1(f) of this chapter, the county**
 3 **auditor;**
 4 (B) the attorney general; and
 5 (C) any entity that filed an amicus curiae brief with the Indiana
 6 board; and
 7 (3) file a written notice of appeal with the Indiana board
 8 informing the Indiana board of the party's intent to obtain judicial
 9 review.
- 10 Petitions for judicial review may be consolidated at the request of the
 11 appellants if it can be done in the interest of justice. The department of
 12 local government finance may intervene in an action taken under this
 13 subsection if the interpretation of a rule of the department is at issue in
 14 the action. The county assessor is a party to the review under this
 15 section.
- 16 (c) Except as provided in subsection (g), to initiate a proceeding for
 17 judicial review under this section, a party must take the action required
 18 by subsection (b) not later than:
- 19 (1) forty-five (45) days after the Indiana board gives the person
 20 notice of its final determination, unless a rehearing is conducted
 21 under subsection (a); or
 22 (2) forty-five (45) days after the Indiana board gives the person
 23 notice under subsection (a) of its final determination, if a
 24 rehearing is conducted under subsection (a) or the maximum time
 25 elapses for the Indiana board to make a determination under this
 26 section.
- 27 (d) The failure of the Indiana board to conduct a hearing within the
 28 period prescribed in section 4(e) or 4(f) of this chapter does not
 29 constitute notice to the party of an Indiana board final determination.
- 30 (e) The county assessor may petition for judicial review to the tax
 31 court in the manner prescribed in this section **unless the appeal**
 32 **concerns a deduction described in section 1.1(f) of this chapter. The**
 33 **county auditor may petition for judicial review to the tax court in**
 34 **the manner prescribed in this section if the determination concerns**
 35 **a deduction described in section 1.1(f) of this chapter.**
- 36 (f) The county assessor **or county auditor** may not be represented
 37 by the attorney general in a judicial review initiated under subsection
 38 (b) by the county assessor.
- 39 (g) If the maximum time elapses for the Indiana board to give notice
 40 of its final determination under subsection (a) or section 4 of this
 41 chapter, a party may initiate a proceeding for judicial review by taking
 42 the action required by subsection (b) at any time after the maximum



1 time elapses. If:

- 2 (1) a judicial proceeding is initiated under this subsection; and
 3 (2) the Indiana board has not issued a determination;

4 the tax court shall determine the matter de novo.

5 SECTION 9. IC 6-1.1-15-8, AS AMENDED BY P.L.232-2017,
 6 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JANUARY 1, 2020]: Sec. 8. (a) If a final determination by the Indiana
 8 board regarding the assessment or exemption of any tangible property
 9 **or the deduction described in section 1.1(f) of this chapter** is not
 10 affirmed under the decision of the tax court, the matter of the
 11 assessment or exemption of the property **or the deduction described**
 12 **in section 1.1(f) of this chapter** shall be remanded to the Indiana
 13 board with instructions to the Indiana board. The Indiana board may,
 14 under the tax court's instructions, conduct further proceedings or refer
 15 the matter to the:

- 16 (1) department of local government finance with respect to an
 17 appeal of a determination made by the department; or
 18 (2) county board with respect to an appeal of a determination
 19 made by the county board;

20 to make another assessment, ~~or~~ exemption, **or deduction described in**
 21 **section 1.1(f) of this chapter** determination. Upon remand, the Indiana
 22 board may take action only on those issues specified in the decision of
 23 the tax court.

24 (b) The department of local government finance or the county board
 25 shall take action on a case referred to it by the Indiana board under
 26 subsection (a) not later than ninety (90) days after the date the referral
 27 is made. The department of local government finance or the county
 28 board may petition the Indiana board at any time for an extension of the
 29 ninety (90) day period. An extension shall be granted upon a showing
 30 of reasonable cause.

31 (c) The taxpayer in a case remanded under subsection (a) may
 32 petition the tax court for an order requiring the department of local
 33 government finance or the county board to show cause why action has
 34 not been taken pursuant to the Indiana board's referral under subsection
 35 (a) if:

- 36 (1) at least ninety (90) days have elapsed since the referral was
 37 made;
 38 (2) the department of local government finance or the county
 39 board has not taken action on the issues specified in the tax court's
 40 decision; and
 41 (3) an appeal of the tax court's decision has not been filed.

42 (d) If a case remanded under subsection (a) is appealed under



1 section 5 of this chapter, the ninety (90) day period provided in
2 subsection (b) is tolled until the appeal is concluded.

3 SECTION 10. IC 6-1.1-15-9, AS AMENDED BY P.L.232-2017,
4 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2020]: Sec. 9. (a) If the assessment or exemption of
6 tangible property **or the deduction described in section 1.1(f) of this**
7 **chapter** is corrected by the Indiana board after further proceedings
8 under section 8 of this chapter, a party has a right to appeal the final
9 determination by the Indiana board.

10 (b) An appeal under this section must be initiated in the manner
11 prescribed in section 5 of this chapter.

12 SECTION 11. IC 6-1.1-15-10, AS AMENDED BY P.L.137-2012,
13 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JANUARY 1, 2020]: Sec. 10. (a) If a petition for review to any board
15 or a proceeding for judicial review in the tax court regarding an
16 assessment or increase in assessment **or a deduction described in**
17 **section 1.1(f) of this chapter** is pending, the taxes resulting from the
18 assessment or increase in assessment **or denial of the deduction**
19 **described in section 1.1(f) of this chapter** are, notwithstanding the
20 provisions of IC 6-1.1-22-9, not due until after the petition for review,
21 or the proceeding for judicial review, is finally adjudicated and the
22 assessment, ~~or~~ increase in assessment, **or deduction described in**
23 **section 1.1(f) of this chapter** is finally determined. However, even
24 though a petition for review or a proceeding for judicial review is
25 pending, the taxpayer shall pay taxes on the tangible property when the
26 property tax installments come due, unless the collection of the taxes
27 is enjoined under IC 33-26-6-2 pending a final determination in the
28 proceeding for judicial review. The amount of taxes which the taxpayer
29 is required to pay, pending the final determination of the assessment,
30 ~~or~~ increase in assessment, **or deduction described in section 1.1(f) of**
31 **this chapter** shall be based on:

32 (1) the assessed value reported by the taxpayer on the taxpayer's
33 personal property return if a personal property assessment, or an
34 increase in such an assessment, is involved; or

35 (2) an amount based on the immediately preceding year's
36 assessment of real property if an assessment, or increase in
37 assessment, of real property **or a deduction described in section**
38 **1.1(f) of this chapter** is involved.

39 (b) If the petition for review or the proceeding for judicial review is
40 not finally determined by the last installment date for the taxes, the
41 taxpayer, upon showing of cause by a taxing official or at the tax court's
42 discretion, may be required to post a bond or provide other security in



1 an amount not to exceed the taxes resulting from the contested
 2 assessment, ~~or~~ increase in assessment, **or deduction described in**
 3 **section 1.1(f) of this chapter.**

4 (c) Each county auditor shall keep separate on the tax duplicate a
 5 record of that portion of the assessed value of property that is described
 6 in IC 6-1.1-17-0.5(b). When establishing rates and calculating state
 7 school support, the department of local government finance shall
 8 exclude from assessed value in the county the net assessed value of
 9 property kept separate on the tax duplicate by the county auditor under
 10 IC 6-1.1-17-0.5.

11 SECTION 12. IC 6-1.1-15-10.5, AS AMENDED BY P.L.232-2017,
 12 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JANUARY 1, 2020]: Sec. 10.5. (a) The fiscal officer of a taxing unit
 14 may establish a separate fund known as the property tax assessment
 15 appeals fund to hold property tax receipts that are attributable to an
 16 increase in the taxing unit's tax rate caused by a reduction in the taxing
 17 unit's net assessed value under IC 6-1.1-17-0.5.

18 (b) A taxing unit may transfer property tax receipts from a fund that
 19 is not a debt service fund to the taxing unit's property tax assessment
 20 appeals fund. A taxing unit may not transfer property tax receipts from
 21 a debt service fund to the taxing unit's property tax assessment appeals
 22 fund.

23 (c) A taxing unit may use money in the taxing unit's property tax
 24 assessment appeals fund only to pay the following:

- 25 (1) Expenses incurred by a county assessor **or county auditor** in
 26 defending appeals prosecuted under this chapter with respect to
 27 property located in the taxing unit.
- 28 (2) Refunds under IC 6-1.1-26-3.1.

29 (d) The balance in a taxing unit's property tax assessment appeals
 30 fund may not exceed five percent (5%) of the amount budgeted by the
 31 taxing unit for a particular year.

32 (e) Money transferred to a taxing unit's property tax assessment
 33 appeals fund is not considered miscellaneous revenue. Both the taxing
 34 unit and the department of local government finance shall disregard
 35 any balance in the taxing unit's property tax assessment appeals fund
 36 in the determination of the taxing unit's property tax levy, property tax
 37 rate, and budget (except for appropriations for the purposes permitted
 38 by subsection (c)) for a particular calendar year.

39 (f) Property tax receipts that qualify as levy excess under
 40 IC 6-1.1-18.5-17 and IC 20-44-3 must be treated as levy excess and are
 41 not eligible for transfer to a taxing unit's property tax assessment
 42 appeals fund.



1 SECTION 13. IC 6-1.1-15-15, AS AMENDED BY P.L.232-2017,
 2 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 2020]: Sec. 15. A class action suit against an assessing
 4 official, **a county auditor**, or the department of local government
 5 finance may not be maintained in any court, including the Indiana tax
 6 court, on behalf of a person who has not complied with the
 7 requirements of this chapter or IC 6-1.1-26 before the certification of
 8 the class.

9 SECTION 14. IC 6-1.1-15-19, AS ADDED BY P.L.244-2015,
 10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JANUARY 1, 2020]: Sec. 19. (a) A county assessor shall quarterly
 12 send a notice to the fiscal officer of each taxing unit affected by an
 13 appeal prosecuted under this chapter, **except an appeal concerning a**
 14 **deduction described in section 1.1(f) of this chapter**, including the
 15 fiscal officer of an affected redevelopment commission established
 16 under IC 36-7. The notice must include the following information:

- 17 (1) The date on which a notice for review was filed.
- 18 (2) The name and address of the taxpayer who filed the notice for
 19 review.
- 20 (3) The assessed value for the assessment date the year before the
 21 appeal, and the assessed value on the most recent assessment
 22 date.
- 23 (4) The status of the taxpayer's appeal.

24 (b) Each township assessor (if any) shall furnish to the county
 25 assessor all requested information necessary for purposes of providing
 26 the quarterly notices under this section.

27 (c) A notice required by this section may be provided to the
 28 appropriate fiscal officer in an electronic format.

29 SECTION 15. IC 6-1.1-26-3.1, AS ADDED BY P.L.232-2017,
 30 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2020]: Sec. 3.1. (a) If a determination in a review or
 32 appeal authorized under IC 6-1.1-15 results in an overpayment by the
 33 taxpayer during the same tax year to which the ~~assessment~~ appeal
 34 relates, the taxpayer is entitled to a credit in the amount of the
 35 overpayment of tax on the next successive tax installment, if any, due
 36 in that tax year. After the credit is given, the county auditor shall:

- 37 (1) determine if a further amount is due the taxpayer; and
- 38 (2) if a further amount is due the taxpayer, notwithstanding
 39 IC 5-11-10-1 and IC 36-2-6-2, without a claim or an appropriation
 40 being required, pay the amount due the taxpayer.

41 The county auditor shall charge the amount refunded to the taxpayer as
 42 provided in section 2.1 of this chapter.



1 (b) If the taxpayer no longer owns the property on which the tax was
 2 assessed and paid and is no longer the lawful claimant, the county
 3 auditor shall pay the refund to the lawful claimant.

4 (c) If a credit is not applied or a refund is not paid within ninety (90)
 5 days of the final resolution of an appeal, the taxpayer or lawful
 6 claimant may seek a refund of the overpayment under section 1.1 of
 7 this chapter.

8 SECTION 16. IC 6-1.1-28-12, AS AMENDED BY P.L.232-2017,
 9 SECTION 36, AND AS AMENDED BY P.L.255-2017, SECTION 17,
 10 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JANUARY 1, 2020]: Sec. 12. (a) This section applies
 12 beginning January 1, 2016.

13 (b) Each county property tax assessment board of appeals (referred
 14 to as the "county PTABOA" in this section) shall submit annually a
 15 report of the notices for *review an appeal* filed with the county
 16 PTABOA under ~~IC 6-1.1-15-1(c) and IC 6-1.1-15-1(d)~~
 17 *IC 6-1.1-15-1.1(a)* in the preceding year to the department of local
 18 government finance, the Indiana board of tax review, and the legislative
 19 services agency before April 1 of each year. A report submitted to the
 20 legislative services agency must be in an electronic format under
 21 IC 5-14-6.

22 (c) The report required by subsection (b) must include the following
 23 information:

24 (1) The total number of notices *for review* filed with the county
 25 PTABOA.

26 (2) The notices, *for review*, either filed or pending during the
 27 year, that were resolved during the year by a preliminary informal
 28 meeting under ~~IC 6-1.1-15-1(h)(2) and IC 6-1.1-15-1(j)~~
 29 *IC 6-1.1-15-1.2 or IC 6-1.1-15-1.4.*

30 (3) The notices, *for review*, either filed or pending during the
 31 year, in which a hearing was conducted during the year by the
 32 county PTABOA under ~~IC 6-1.1-15-1(k)~~ *IC 6-1.1-15-1.2 or*
 33 **IC 6-1.1-15-1.4.**

34 (4) The number of written decisions issued during the year by the
 35 county PTABOA under ~~IC 6-1.1-15-1(n)~~ *IC 6-1.1-15-1.2(j) or*
 36 **IC 6-1.1-15-1.4(i).**

37 (5) The number of notices *for review* pending with the county
 38 PTABOA on December 31 of the reporting year.

39 (6) The number of *reviews appeals* resolved through a
 40 preliminary informal meeting under ~~IC 6-1.1-15-1(h)(2) and~~
 41 ~~IC 6-1.1-15-1(j)~~ *IC 6-1.1-15-1.2 or IC 6-1.1-15-1.4* that were:

42 (A) resolved in favor of the taxpayer;



1 (B) resolved in favor of the assessor; or
 2 (C) resolved in some other manner.
 3 (7) The number of ~~reviews~~ *appeals* resolved through a written
 4 decision issued during the year by the county PTABOA under
 5 ~~IC 6-1.1-15-1(n)~~ *IC 6-1.1-15-1.2(j)* or **IC 6-1.1-15-1.4(i)** that
 6 were:
 7 (A) resolved in favor of the taxpayer;
 8 (B) resolved in favor of the assessor; or
 9 (C) resolved in some other manner.
 10 The report may not include any confidential information.
 11 *(d) A multiple county PTABOA shall submit a separate report under*
 12 *this section for each county participating in the multiple county*
 13 *PTABOA. A report filed under this subsection for a county*
 14 *participating in a multiple county PTABOA must provide information*
 15 *on the notices for review that originated within the county.*
 16 SECTION 17. IC 6-1.1-36-17, AS AMENDED BY P.L.85-2017,
 17 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JANUARY 1, 2020]: Sec. 17. (a) As used in this section, "nonreverting
 19 fund" refers to a nonreverting fund established under subsection (d).
 20 (b) If a county auditor makes a determination that property was not
 21 eligible for a standard deduction under IC 6-1.1-12-37 in a particular
 22 year within three (3) years after the date on which taxes for the
 23 particular year are first due, the county auditor may issue a notice of
 24 taxes, interest, and penalties due to the owner that improperly received
 25 the standard deduction and include a statement that the payment is to
 26 be made payable to the county auditor. The additional taxes and civil
 27 penalties that result from the removal of the deduction, if any, are
 28 imposed for property taxes first due and payable for an assessment date
 29 occurring before the earlier of the date of the notation made under
 30 subsection (c)(2)(A) or the date a notice of an ineligible homestead lien
 31 is recorded under subsection (e)(2) in the office of the county recorder.
 32 The notice must require full payment of the amount owed within:
 33 (1) one (1) year with no penalties and interest, if:
 34 (A) the taxpayer did not comply with the requirement to return
 35 the homestead verification form under IC 6-1.1-22-8.1(b)(9)
 36 (expired January 1, 2015); and
 37 (B) the county auditor allowed the taxpayer to receive the
 38 standard deduction in error; or
 39 (2) thirty (30) days, if subdivision (1) does not apply.
 40 With respect to property subject to a determination made under this
 41 subsection that is owned by a bona fide purchaser without knowledge
 42 of the determination, no lien attaches for any additional taxes and civil



- 1 penalties that result from the removal of the deduction.
- 2 (c) If a county auditor issues a notice of taxes, interest, and penalties
- 3 due to an owner under subsection (b), the county auditor shall:
- 4 (1) notify the county treasurer of the determination; and
- 5 (2) do one (1) or more of the following:
- 6 (A) Make a notation on the tax duplicate that the property is
- 7 ineligible for the standard deduction and indicate the date the
- 8 notation is made.
- 9 (B) Record a notice of an ineligible homestead lien under
- 10 subsection (e)(2).
- 11 (d) Each county auditor shall establish a nonreverting fund. Upon
- 12 collection of the adjustment in tax due (and any interest and penalties
- 13 on that amount) after the termination of a deduction or credit as
- 14 specified in subsection (b), the county treasurer shall deposit that
- 15 amount:
- 16 (1) in the nonreverting fund, if the county contains a consolidated
- 17 city; or
- 18 (2) if the county does not contain a consolidated city:
- 19 (A) in the nonreverting fund, to the extent that the amount
- 20 collected, after deducting the direct cost of any contract,
- 21 including contract related expenses, under which the
- 22 contractor is required to identify homestead deduction
- 23 eligibility, does not cause the total amount deposited in the
- 24 nonreverting fund under this subsection for the year during
- 25 which the amount is collected to exceed one hundred thousand
- 26 dollars (\$100,000); or
- 27 (B) in the county general fund, to the extent that the amount
- 28 collected exceeds the amount that may be deposited in the
- 29 nonreverting fund under clause (A).
- 30 (e) Any part of the amount due under subsection (b) that is not
- 31 collected by the due date is subject to collection under one (1) or more
- 32 of the following:
- 33 (1) After being placed on the tax duplicate for the affected
- 34 property and collected in the same manner as other property taxes.
- 35 (2) Through a notice of an ineligible homestead lien recorded in
- 36 the county recorder's office without charge.
- 37 The adjustment in tax due (and any interest and penalties on that
- 38 amount) after the termination of a deduction or credit as specified in
- 39 subsection (b) shall be deposited as specified in subsection (d) only in
- 40 the first year in which that amount is collected. Upon the collection of
- 41 the amount due under subsection (b) or the release of a lien recorded
- 42 under subdivision (2), the county auditor shall submit the appropriate



1 documentation to the county recorder, who shall amend the information
 2 recorded under subdivision (2) without charge to indicate that the lien
 3 has been released or the amount has been paid in full.

4 (f) The amount to be deposited in the nonreverting fund or the
 5 county general fund under subsection (d) includes adjustments in the
 6 tax due as a result of the termination of deductions or credits available
 7 only for property that satisfies the eligibility for a standard deduction
 8 under IC 6-1.1-12-37, including the following:

9 (1) Supplemental deductions under IC 6-1.1-12-37.5.

10 (2) Homestead credits under IC 6-1.1-20.4, IC 6-3.6-5,
 11 IC 6-3.6-11-3, or any other law.

12 (3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or
 13 IC 6-1.1-20.6-8.5.

14 Any amount paid that exceeds the amount required to be deposited
 15 under subsection (d)(1) or (d)(2) shall be distributed as property taxes.

16 (g) Money deposited under subsection (d)(1) or (d)(2) shall be
 17 treated as miscellaneous revenue. Distributions shall be made from the
 18 nonreverting fund established under this section upon appropriation by
 19 the county fiscal body and shall be made only for the following
 20 purposes:

21 (1) Fees and other costs incurred by the county auditor to discover
 22 property that is eligible for a standard deduction under
 23 IC 6-1.1-12-37.

24 (2) Other expenses of the office of the county auditor, **including**
 25 **the defense of a deduction described in IC 6-1.1-15-1.1(f) in**
 26 **the manner set forth in IC 6-1.1-15.**

27 The amount of deposits in a reverting fund, the balance of a
 28 nonreverting fund, and expenditures from a reverting fund may not be
 29 considered in establishing the budget of the office of the county auditor
 30 or in setting property tax levies that will be used in any part to fund the
 31 office of the county auditor.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1056, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 10, line 1, delete "Except as provided in section 1.3".

Page 10, line 2, delete "of this chapter, a" and insert "A".

Page 10, line 11, delete ", except a homestead standard" and insert ".".

Page 10, delete line 12.

Page 11, line 22, after "assessor." insert **"If a taxpayer files a written notice regarding a deduction described in subsection (a)(3) for real property or a mobile home assessed under IC 6-1.1-7, the township assessor, or the county assessor if the township is not served by a township assessor, upon receipt of the written notice shall notify the county auditor of the written notice and provide the county auditor with the date of the hearing before the county board."**

Page 11, delete lines 25 through 42.

Page 12, delete lines 1 through 14, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-15-1.2, AS ADDED BY P.L.232-2017, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 1.2. (a) **This section does not apply to a deduction under section 1.1(a)(3) of this chapter for real property or a mobile home assessed under IC 6-1.1-7.** A county or township official who receives a written notice under section 1.1 of this chapter shall schedule, at a time during business hours that is convenient to the taxpayer, a preliminary informal meeting with the taxpayer in order to resolve the appeal. At the preliminary informal meeting, in order to facilitate understanding and the resolution of disputed issues, a county or township official and the taxpayer shall exchange the information that each party is relying on at the time of the preliminary informal meeting to support the party's respective position on each disputed issue concerning the assessment or deduction. If additional information is obtained by the county or township official or the taxpayer after the preliminary informal meeting and before the hearing held by the county board, the party obtaining the information shall provide the information to the other party. If the county or township official or the taxpayer obtains additional information and provides the information to the other party for the first time at the hearing held by the county board, the



county board, unless waived by the receiving party, shall continue the hearing until a future hearing date of the county board so that the receiving party has an opportunity to review all the information that the offering party is relying on to support the offering party's positions on the disputed issues concerning the assessment or deduction.

(b) The official shall report on a form prescribed by the department of local government finance the results of the informal meeting. If the taxpayer and the official agree on the resolution of all issues in the appeal, the report shall state the agreed resolution of the matter and be signed by the official and the taxpayer. If an informal meeting is not held, or the informal meeting is unsuccessful, the official shall report those facts on the form. The official shall forward the report on the informal meeting to the county board.

(c) If the county board receives a report on the informal meeting indicating an agreed resolution of the matter, the county board shall vote to accept or deny the agreed resolution. If the county board accepts the agreed resolution, the county board shall issue a notification of final assessment determination adopting the agreed resolution and vacating the hearing if scheduled.

(d) The county board, upon receipt of a written notice under section 1.1 of this chapter, shall hold a hearing on the appeal not later than one hundred eighty (180) days after the filing date of the written notice. The county board shall, by mail, give at least thirty (30) days notice of the date, time, and place fixed for the hearing to the taxpayer, the county or township official with whom the taxpayer filed the written notice, and the county auditor. If the county board has notice that the taxpayer is represented by a third person, any hearing notice shall be mailed to the representative.

(e) If good cause is shown, the county board shall grant a request for continuance filed in writing at least ten (10) days before the hearing, and reschedule the hearing under subsection (d).

(f) A taxpayer may withdraw an appeal by filing a written request at least ten (10) days before the hearing. The county board shall issue a notification of final assessment determination indicating the withdrawal and no change in the assessment. A withdrawal waives a taxpayer's right to appeal to the Indiana board of tax review.

(g) The county board shall determine an appeal without a hearing if requested by the taxpayer in writing at least twenty (20) days before the hearing.

(h) If a taxpayer appeals the assessment of tangible property under section 1.1 of this chapter, the taxpayer is not required to have an appraisal of the property in order to initiate the appeal or prosecute the



appeal.

(i) At a hearing under subsection (d), the taxpayer shall have the opportunity to present testimony and evidence regarding the matters on appeal. If the matters on appeal are in the discretion of the county auditor, the county auditor or the county auditor's representative shall attend the hearing. A county or township official, or the county auditor or the county auditor's representative, shall have an opportunity to present testimony and evidence regarding the matters on appeal. The county board may adjourn and continue the hearing to a later date in order to make a physical inspection or consider the evidence presented.

(j) The county board shall determine the assessment by motion and majority vote. A county board may, based on the evidence before it, increase an assessment. The county board shall issue a written decision. Written notice of the decision shall be given to the township official, county official, county auditor, and the taxpayer.

(k) If more than one hundred eighty (180) days have passed since the date the notice of appeal was filed, and the county board has not issued a determination, a taxpayer may initiate any appeal with the Indiana board of tax review under section 3 of this chapter.

(l) The county assessor may assess a penalty of fifty dollars (\$50) against the taxpayer if the taxpayer or representative fails to appear at a hearing under subsection (d) and, under subsection (e), the taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without a hearing, or withdrawal is not timely filed. A taxpayer may appeal the assessment of the penalty to the Indiana board or directly to the tax court. The penalty may not be added as an amount owed on the property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5."

Page 12, line 18, delete "1.3" and insert "**1.1**".

Page 12, line 18, after "chapter" insert "**concerning a deduction**".

Page 14, line 22, delete "or 1.3".

Page 14, line 25, delete "an agreement" and insert "**a deduction**".

Page 14, line 26, delete "subdivision (1)" and insert "**section 1.1(a)(3) of this chapter concerning real property or a mobile home assessed under IC 6-1.1-7**".

Page 16, delete lines 11 through 42.

Page 17, delete lines 1 through 30, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-15-3, AS AMENDED BY P.L.196-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 3. (a) A taxpayer may obtain a review by the Indiana board of a county board's action with respect to the following:



(1) The assessment of that taxpayer's tangible property if the county board's action requires the giving of notice to the taxpayer.

(2) The exemption of that taxpayer's tangible property if the taxpayer receives a notice of an exemption determination by the county board under IC 6-1.1-11-7.

(3) A deduction under this article for that taxpayer's real property or mobile home assessed under IC 6-1.1-7 if the county board's action requires the giving of notice to the taxpayer.

(b) The county assessor is the party to the review under this section to defend the determination of the county board **unless the determination concerns an appeal under section 1.1(a)(3) of this chapter for a deduction under this article for real property or a mobile home assessed under IC 6-1.1-7. The county auditor is the party to the review under this section to defend the determination of the county board if the determination concerns an appeal under section 1.1(a)(3) of this chapter for a deduction under this article for real property or a mobile home assessed under IC 6-1.1-7.** At the time the notice of that determination is given to the taxpayer, the taxpayer shall also be informed in writing of:

- (1) the taxpayer's opportunity for review under this section; and
- (2) the procedures the taxpayer must follow in order to obtain review under this section.

(c) A county assessor who dissents from the determination of an assessment or an exemption by the county board may obtain a review of the assessment or the exemption by the Indiana board. **A county auditor who dissents from the determination by the county board concerning a deduction under this article for real property or a mobile home assessed under IC 6-1.1-7 may obtain a review of the determination by the Indiana board.**

(d) In order to obtain a review by the Indiana board under this section, the party must, not later than forty-five (45) days after the date of the notice given to the party or parties of the determination of the county board:

- (1) file a petition for review with the Indiana board; and
- (2) mail a copy of the petition to the other party.

(e) The Indiana board shall prescribe the form of the petition for review of an assessment determination, **or** an exemption, **or a deduction under this article** by the county board. The Indiana board shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. A petition for review of such a determination must be made



on the form prescribed by the Indiana board. The form must require the petitioner to specify the reasons why the petitioner believes that the assessment determination, ~~or~~ the exemption determination, **or the determination of a deduction under this article** by the county board is erroneous.

(f) If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

- (1) Initiate the review.
- (2) Prosecute the review.

(g) If an owner petitions the Indiana board under IC 6-1.1-11-7(d), the Indiana board is authorized to approve or disapprove an exemption application:

- (1) previously submitted to a county board under IC 6-1.1-11-6; and
- (2) that is not approved or disapproved by the county board within one hundred eighty (180) days after the owner filed the application for exemption under IC 6-1.1-11.

The county assessor is a party to a petition to the Indiana board under IC 6-1.1-11-7(d)."

Page 17, line 37, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 18, line 2, delete "homestead".

Page 18, line 3, delete "standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 18, line 14, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 18, line 26, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 21, line 12, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 21, line 16, delete "homestead".

Page 21, line 17, delete "standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 22, line 4, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 22, line 7, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 22, line 23, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 22, line 25, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".



Page 22, line 33, delete "homestead standard".

Page 22, line 34, after "deduction" insert "**described in section 1.1(f) of this chapter**".

Page 23, line 18, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 23, line 28, delete "homestead standard".

Page 23, line 29, after "deduction" insert "**described in section 1.1(f) of this chapter**".

Page 23, line 30, delete "homestead standard".

Page 23, line 31, after "deduction" insert "**described in section 1.1(f) of this chapter**".

Page 23, line 34, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 23, line 41, delete "homestead standard".

Page 23, line 42, after "deduction" insert "**described in section 1.1(f) of this chapter**".

Page 24, line 6, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 24, line 13, delete "homestead standard".

Page 24, line 14, after "deduction" insert "**described in section 1.1(f) of this chapter**".

Page 25, line 25, delete "homestead standard deduction" and insert "**deduction described in section 1.1(f) of this chapter**".

Page 26, line 28, delete "or IC 6-1.1-15-1.3(a)".

Page 27, after line 26, begin a new paragraph and insert:

"SECTION 17. IC 6-1.1-36-17, AS AMENDED BY P.L.85-2017, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 17. (a) As used in this section, "nonreverting fund" refers to a nonreverting fund established under subsection (d).

(b) If a county auditor makes a determination that property was not eligible for a standard deduction under IC 6-1.1-12-37 in a particular year within three (3) years after the date on which taxes for the particular year are first due, the county auditor may issue a notice of taxes, interest, and penalties due to the owner that improperly received the standard deduction and include a statement that the payment is to be made payable to the county auditor. The additional taxes and civil penalties that result from the removal of the deduction, if any, are imposed for property taxes first due and payable for an assessment date occurring before the earlier of the date of the notation made under subsection (c)(2)(A) or the date a notice of an ineligible homestead lien is recorded under subsection (e)(2) in the office of the county recorder. The notice must require full payment of the amount owed within:



- (1) one (1) year with no penalties and interest, if:
 - (A) the taxpayer did not comply with the requirement to return the homestead verification form under IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015); and
 - (B) the county auditor allowed the taxpayer to receive the standard deduction in error; or
- (2) thirty (30) days, if subdivision (1) does not apply.

With respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.

(c) If a county auditor issues a notice of taxes, interest, and penalties due to an owner under subsection (b), the county auditor shall:

- (1) notify the county treasurer of the determination; and
- (2) do one (1) or more of the following:
 - (A) Make a notation on the tax duplicate that the property is ineligible for the standard deduction and indicate the date the notation is made.
 - (B) Record a notice of an ineligible homestead lien under subsection (e)(2).

(d) Each county auditor shall establish a nonreverting fund. Upon collection of the adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b), the county treasurer shall deposit that amount:

- (1) in the nonreverting fund, if the county contains a consolidated city; or
- (2) if the county does not contain a consolidated city:
 - (A) in the nonreverting fund, to the extent that the amount collected, after deducting the direct cost of any contract, including contract related expenses, under which the contractor is required to identify homestead deduction eligibility, does not cause the total amount deposited in the nonreverting fund under this subsection for the year during which the amount is collected to exceed one hundred thousand dollars (\$100,000); or
 - (B) in the county general fund, to the extent that the amount collected exceeds the amount that may be deposited in the nonreverting fund under clause (A).

(e) Any part of the amount due under subsection (b) that is not collected by the due date is subject to collection under one (1) or more of the following:



(1) After being placed on the tax duplicate for the affected property and collected in the same manner as other property taxes.

(2) Through a notice of an ineligible homestead lien recorded in the county recorder's office without charge.

The adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b) shall be deposited as specified in subsection (d) only in the first year in which that amount is collected. Upon the collection of the amount due under subsection (b) or the release of a lien recorded under subdivision (2), the county auditor shall submit the appropriate documentation to the county recorder, who shall amend the information recorded under subdivision (2) without charge to indicate that the lien has been released or the amount has been paid in full.

(f) The amount to be deposited in the nonreverting fund or the county general fund under subsection (d) includes adjustments in the tax due as a result of the termination of deductions or credits available only for property that satisfies the eligibility for a standard deduction under IC 6-1.1-12-37, including the following:

(1) Supplemental deductions under IC 6-1.1-12-37.5.

(2) Homestead credits under IC 6-1.1-20.4, IC 6-3.6-5, IC 6-3.6-11-3, or any other law.

(3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or IC 6-1.1-20.6-8.5.

Any amount paid that exceeds the amount required to be deposited under subsection (d)(1) or (d)(2) shall be distributed as property taxes.

(g) Money deposited under subsection (d)(1) or (d)(2) shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

(1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under IC 6-1.1-12-37.

(2) Other expenses of the office of the county auditor, **including the defense of a deduction described in IC 6-1.1-15-1.1(f) in the manner set forth in IC 6-1.1-15.**

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor



or in setting property tax levies that will be used in any part to fund the office of the county auditor."

Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.

(Reference is to HB 1056 as introduced.)

ZENT

Committee Vote: yeas 10, nays 0.

