

HOUSE BILL No. 1084

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12-37; IC 24-5-0.5-3; IC 32-29.5.

Synopsis: Real estate land contracts. Defines "principal dwelling land contract" (contract) as a land contract for the sale of real property: (1) designed for the occupancy of one to two families; and (2) that is or will be occupied by the buyer as the buyer's principal dwelling. Provides that a buyer who has completed the buyer's obligations under the contract is entitled to the homestead deduction regardless of whether the seller has conveyed title. Provides that the seller under a contract must provide the buyer with certain information concerning any liens that encumber the property 10 days before the contract is executed. Sets forth disclosures that must be included in a contract. Requires all preexisting liens on the property to be satisfied by the seller by the end of the contract term. Provides that a contract must permit a buyer to pay the balance owed and receive the deed at any time. Prohibits prepayment penalties or additional charges for an early payoff. Provides a three day cancellation period for both the buyer and seller. Allows the seller and the buyer to transfer their respective interests in the contract to other parties, subject to certain conditions. Requires the seller to provide the buyer with an annual statement of account. Sets forth certain rights and responsibilities of the parties upon default by either the buyer or the seller. Sets forth acts and omissions constituting violations and establishes remedies for these violations. Provides that a violation of these provisions constitutes an incurable deceptive act that is actionable by the attorney general under the deceptive consumer sales act. Authorizes the attorney general, in consultation with the department of financial institutions, to adopt rules to implement these provisions. Requires that the executed contract or a memorandum of land contract be notarized.

Effective: Upon passage.

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January 8, 2025, read first time and referred to Committee on Judiciary.



First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1084

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

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.156-2024,
2 SECTION 11, AND AS AMENDED BY P.L.136-2024, SECTION 14,
3 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL
4 OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND
5 AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
6 PASSAGE]: Sec. 37. (a) The following definitions apply throughout
7 this section:

- 8 (1) "Dwelling" means any of the following:
 - 9 (A) Residential real property improvements that an individual
 - 10 uses as the individual's residence, limited to a single house and
 - 11 a single garage, regardless of whether the single garage is
 - 12 attached to the single house or detached from the single house.
 - 13 (B) A mobile home that is not assessed as real property that an
 - 14 individual uses as the individual's residence.
 - 15 (C) A manufactured home that is not assessed as real property
 - 16 that an individual uses as the individual's residence.
- 17 (2) "Homestead" means an individual's principal place of



1 residence:

2 (A) that is located in Indiana;

3 (B) that:

4 (i) the individual owns;

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

12 (iii) the individual is entitled to occupy as a
13 tenant-stockholder (as defined in 26 U.S.C. 216) of a
14 cooperative housing corporation (as defined in 26 U.S.C.
15 216); or

16 (iv) is a residence described in section 17.9 of this chapter
17 that is owned by a trust if the individual is an individual
18 described in section 17.9 of this chapter; and

19 (C) that consists of a dwelling and includes up to one (1) acre
20 of land immediately surrounding that dwelling, and any of the
21 following improvements:

22 (i) Any number of decks, patios, gazebos, or pools.

23 (ii) One (1) additional building that is not part of the
24 dwelling if the building is predominantly used for a
25 residential purpose and is not used as an investment property
26 or as a rental property.

27 (iii) One (1) additional residential yard structure other than
28 a deck, patio, gazebo, or pool.

29 **For purposes of clause (B)(ii), the term includes the principal**
30 **residence of an individual who has completed all of the**
31 **individual's obligations under a principal dwelling land**
32 **contract (as defined in IC 32-29.5-2-3), regardless of whether**
33 **or not the seller has conveyed the title. Except as provided in**
34 **subsection ~~(q)~~, (r), the term does not include property owned by**
35 **a corporation, partnership, limited liability company, or other**
36 **entity not described in this subdivision.**

37 (b) Each year a homestead is eligible for a standard deduction from
38 the assessed value of the homestead for an assessment date. Except as
39 provided in subsection ~~(m)~~, (n), the deduction provided by this section
40 applies to property taxes first due and payable for an assessment date
41 only if an individual has an interest in the homestead described in
42 subsection (a)(2)(B) on:



- 1 (1) the assessment date; or
 2 (2) any date in the same year after an assessment date that
 3 statement is filed under subsection (e) or section 44 of this
 4 chapter, if the property consists of real property.

5 If more than one (1) individual or entity qualifies property as a
 6 homestead under subsection (a)(2)(B) for an assessment date, only one
 7 (1) standard deduction from the assessed value of the homestead may
 8 be applied for the assessment date. Subject to subsection (c), the
 9 auditor of the county shall record and make the deduction for the
 10 individual or entity qualifying for the deduction.

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

- 14 (1) sixty percent (60%) of the assessed value of the real property,
 15 mobile home not assessed as real property, or manufactured home
 16 not assessed as real property; or

17 (2) for assessment dates:

18 (A) before January 1, 2023, forty-five thousand dollars
 19 (\$45,000); or

20 (B) after December 31, 2022, forty-eight thousand dollars
 21 (\$48,000).

22 (d) A person who has sold real property, a mobile home not assessed
 23 as real property, or a manufactured home not assessed as real property
 24 to another person under a contract that provides that the contract buyer
 25 is to pay the property taxes on the real property, mobile home, or
 26 manufactured home may not claim the deduction provided under this
 27 section with respect to that real property, mobile home, or
 28 manufactured home.

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

35 (1) the parcel number or key number of the property and the name
 36 of the city, town, or township in which the property is located;

37 (2) the name of any other location in which the applicant or the
 38 applicant's spouse owns, is buying, or has a beneficial interest in
 39 residential real property;

40 (3) the names of:

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

42 (i) as the names appear in the records of the United States



1 Social Security Administration for the purposes of the
 2 issuance of a Social Security card and Social Security
 3 number; or
 4 (ii) that they use as their legal names when they sign their
 5 names on legal documents;
 6 if the applicant is an individual; or
 7 (B) each individual who qualifies property as a homestead
 8 under subsection (a)(2)(B) and the individual's spouse (if any):
 9 (i) as the names appear in the records of the United States
 10 Social Security Administration for the purposes of the
 11 issuance of a Social Security card and Social Security
 12 number; or
 13 (ii) that they use as their legal names when they sign their
 14 names on legal documents;
 15 if the applicant is not an individual; and
 16 (4) either:
 17 (A) the last five (5) digits of the applicant's Social Security
 18 number and the last five (5) digits of the Social Security
 19 number of the applicant's spouse (if any); or
 20 (B) if the applicant or the applicant's spouse (if any) does not
 21 have a Social Security number, any of the following for that
 22 individual:
 23 (i) The last five (5) digits of the individual's driver's license
 24 number.
 25 (ii) The last five (5) digits of the individual's state
 26 identification card number.
 27 (iii) The last five (5) digits of a preparer tax identification
 28 number that is obtained by the individual through the
 29 Internal Revenue Service of the United States.
 30 (iv) If the individual does not have a driver's license, a state
 31 identification card, or an Internal Revenue Service preparer
 32 tax identification number, the last five (5) digits of a control
 33 number that is on a document issued to the individual by the
 34 United States government.
 35 If a form or statement provided to the county auditor under this section,
 36 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 37 part or all of the Social Security number of a party or other number
 38 described in subdivision (4)(B) of a party, the telephone number and
 39 the Social Security number or other number described in subdivision
 40 (4)(B) included are confidential. The statement may be filed in person
 41 or by mail. If the statement is mailed, the mailing must be postmarked
 42 on or before the last day for filing. The statement applies for that first



1 year and any succeeding year for which the deduction is allowed. ~~To~~
 2 ~~obtain the deduction for a desired calendar year in which property~~
 3 ~~taxes are first due and payable, the statement must be completed and~~
 4 ~~dated in the immediately preceding calendar year and filed with the~~
 5 ~~county auditor on or before January 5 of the calendar year in which~~
 6 ~~the property taxes are first due and payable.~~

7 (f) To obtain the deduction for a desired calendar year under this
 8 section in which property taxes are first due and payable, the
 9 individual desiring to claim the deduction must do the following as
 10 applicable:

11 (1) Complete, date, and file the certified statement described in
 12 subsection (e) on or before January 15 of the calendar year in
 13 which the property taxes are first due and payable.

14 (2) Satisfy any recording requirements on or before January 15
 15 of the calendar year in which the property taxes are first due and
 16 payable for a homestead described in subsection (a)(2).

17 ~~(f)~~ (g) Except as provided in subsection ~~(k)~~, (l), if a person who is
 18 receiving, or seeks to receive, the deduction provided by this section in
 19 the person's name:

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

23 (2) is not eligible for a deduction under this section because the
 24 person is already receiving:

25 (A) a deduction under this section in the person's name as an
 26 individual or a spouse; or

27 (B) a deduction under the law of another state that is
 28 equivalent to the deduction provided by this section;

29 the person must file a certified statement with the auditor of the county,
 30 notifying the auditor of the person's ineligibility, not more than sixty
 31 (60) days after the date of the change in eligibility. A person who fails
 32 to file the statement required by this subsection may, under
 33 IC 6-1.1-36-17, be liable for any additional taxes that would have been
 34 due on the property if the person had filed the statement as required by
 35 this subsection plus a civil penalty equal to ten percent (10%) of the
 36 additional taxes due. The civil penalty imposed under this subsection
 37 is in addition to any interest and penalties for a delinquent payment that
 38 might otherwise be due. One percent (1%) of the total civil penalty
 39 collected under this subsection shall be transferred by the county to the
 40 department of local government finance for use by the department in
 41 establishing and maintaining the homestead property data base under
 42 subsection ~~(f)~~ (j) and, to the extent there is money remaining, for any



1 other purposes of the department. This amount becomes part of the
 2 property tax liability for purposes of this article.

3 ~~(g)~~ (h) The department of local government finance may adopt rules
 4 or guidelines concerning the application for a deduction under this
 5 section.

6 ~~(h)~~ (i) This subsection does not apply to property in the first year for
 7 which a deduction is claimed under this section if the sole reason that
 8 a deduction is claimed on other property is that the individual or
 9 married couple maintained a principal residence at the other property
 10 on the assessment date in the same year in which an application for a
 11 deduction is filed under this section or, if the application is for a
 12 homestead that is assessed as personal property, on the assessment date
 13 in the immediately preceding year and the individual or married couple
 14 is moving the individual's or married couple's principal residence to the
 15 property that is the subject of the application. Except as provided in
 16 subsection ~~(k)~~ (l), the county auditor may not grant an individual or a
 17 married couple a deduction under this section if:

18 (1) the individual or married couple, for the same year, claims the
 19 deduction on two (2) or more different applications for the
 20 deduction; and

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

22 ~~(i)~~ (j) The department of local government finance shall provide
 23 secure access to county auditors to a homestead property data base that
 24 includes access to the homestead owner's name and the numbers
 25 required from the homestead owner under subsection (e)(4) for the sole
 26 purpose of verifying whether an owner is wrongly claiming a deduction
 27 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 28 IC 6-3.6-5 (after December 31, 2016). Each county auditor shall submit
 29 data on deductions applicable to the current tax year on or before
 30 March 15 of each year in a manner prescribed by the department of
 31 local government finance.

32 ~~(j)~~ (k) A county auditor may require an individual to provide
 33 evidence proving that the individual's residence is the individual's
 34 principal place of residence as claimed in the certified statement filed
 35 under subsection (e). The county auditor may limit the evidence that an
 36 individual is required to submit to a state income tax return, a valid
 37 driver's license, or a valid voter registration card showing that the
 38 residence for which the deduction is claimed is the individual's
 39 principal place of residence. The county auditor may not deny an
 40 application filed under section 44 of this chapter because the applicant
 41 does not have a valid driver's license or state identification card with
 42 the address of the homestead property. The department of local



1 government finance shall work with county auditors to develop
 2 procedures to determine whether a property owner that is claiming a
 3 standard deduction or homestead credit is not eligible for the standard
 4 deduction or homestead credit because the property owner's principal
 5 place of residence is outside Indiana.

6 ~~(l)~~ (l) A county auditor shall grant an individual a deduction under
 7 this section regardless of whether the individual and the individual's
 8 spouse claim a deduction on two (2) different applications and each
 9 application claims a deduction for different property if the property
 10 owned by the individual's spouse is located outside Indiana and the
 11 individual files an affidavit with the county auditor containing the
 12 following information:

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

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

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

20 (B) That neither the individual nor the individual's spouse has
 21 an ownership interest in the other's principal place of
 22 residence.

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

27 A county auditor may require an individual or an individual's spouse to
 28 provide evidence of the accuracy of the information contained in an
 29 affidavit submitted under this subsection. The evidence required of the
 30 individual or the individual's spouse may include state income tax
 31 returns, excise tax payment information, property tax payment
 32 information, ~~driver~~ driver's license information, and voter registration
 33 information.

34 ~~(m)~~ (m) If:

35 (1) a property owner files a statement under subsection (e) to
 36 claim the deduction provided by this section for a particular
 37 property; and

38 (2) the county auditor receiving the filed statement determines
 39 that the property owner's property is not eligible for the deduction;
 40 the county auditor shall inform the property owner of the county
 41 auditor's determination in writing. If a property owner's property is not
 42 eligible for the deduction because the county auditor has determined



1 that the property is not the property owner's principal place of
 2 residence, the property owner may appeal the county auditor's
 3 determination as provided in IC 6-1.1-15. The county auditor shall
 4 inform the property owner of the owner's right to appeal when the
 5 county auditor informs the property owner of the county auditor's
 6 determination under this subsection.

7 ~~(m)~~ (n) An individual is entitled to the deduction under this section
 8 for a homestead for a particular assessment date if:

9 (1) either:

10 (A) the individual's interest in the homestead as described in
 11 subsection (a)(2)(B) is conveyed to the individual after the
 12 assessment date, but within the calendar year in which the
 13 assessment date occurs; or

14 (B) the individual contracts to purchase the homestead after
 15 the assessment date, but within the calendar year in which the
 16 assessment date occurs;

17 (2) on the assessment date:

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

20 (B) the construction of the dwelling that constitutes the
 21 homestead was not completed; and

22 (3) either:

23 (A) the individual files the certified statement required by
 24 subsection (e); or

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

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

40 ~~(m)~~ (o) This subsection applies to an application for the deduction
 41 provided by this section that is filed for an assessment date occurring
 42 after December 31, 2013. Notwithstanding any other provision of this



1 section, an individual buying a mobile home that is not assessed as real
 2 property or a manufactured home that is not assessed as real property
 3 under a contract providing that the individual is to pay the property
 4 taxes on the mobile home or manufactured home is not entitled to the
 5 deduction provided by this section unless the parties to the contract
 6 comply with IC 9-17-6-17.

7 ~~(p)~~ (p) This subsection:

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

11 (2) does not apply to an individual described in subsection ~~(n)~~
 12 (o).

13 The owner of a mobile home that is not assessed as real property or a
 14 manufactured home that is not assessed as real property must attach a
 15 copy of the owner's title to the mobile home or manufactured home to
 16 the application for the deduction provided by this section.

17 ~~(p)~~ (q) For assessment dates after 2013, the term "homestead"
 18 includes property that is owned by an individual who:

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

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

22 (3) was otherwise eligible, without regard to this subsection, for
 23 the deduction under this section for the property for the
 24 assessment date immediately preceding the transfer date specified
 25 in the order described in subdivision (2).

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



1 Indiana. Property that qualifies as a homestead under this subsection
 2 shall also be construed as a homestead for purposes of section 37.5 of
 3 this chapter.

4 ~~(q)~~ (r) As used in this section, "homestead" includes property that
 5 satisfies each of the following requirements:

6 (1) The property is located in Indiana and consists of a dwelling
 7 and includes up to one (1) acre of land immediately surrounding
 8 that dwelling, and any of the following improvements:

9 (A) Any number of decks, patios, gazebos, or pools.

10 (B) One (1) additional building that is not part of the dwelling
 11 if the building is predominately used for a residential purpose
 12 and is not used as an investment property or as a rental
 13 property.

14 (C) One (1) additional residential yard structure other than a
 15 deck, patio, gazebo, or pool.

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

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

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

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

24 SECTION 2. IC 24-5-0.5-3, AS AMENDED BY P.L.104-2024,
 25 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 3. (a) A supplier may not commit an unfair,
 27 abusive, or deceptive act, omission, or practice in connection with a
 28 consumer transaction. Such an act, omission, or practice by a supplier
 29 is a violation of this chapter whether it occurs before, during, or after
 30 the transaction. An act, omission, or practice prohibited by this section
 31 includes both implicit and explicit misrepresentations.

32 (b) Without limiting the scope of subsection (a), the following acts,
 33 and the following representations as to the subject matter of a
 34 consumer transaction, made orally, in writing, or by electronic
 35 communication, by a supplier, are deceptive acts:

36 (1) That such subject of a consumer transaction has sponsorship,
 37 approval, performance, characteristics, accessories, uses, or
 38 benefits it does not have which the supplier knows or should
 39 reasonably know it does not have.

40 (2) That such subject of a consumer transaction is of a particular
 41 standard, quality, grade, style, or model, if it is not and if the
 42 supplier knows or should reasonably know that it is not.



- 1 (3) That such subject of a consumer transaction is new or unused,
2 if it is not and if the supplier knows or should reasonably know
3 that it is not.
- 4 (4) That such subject of a consumer transaction will be supplied
5 to the public in greater quantity than the supplier intends or
6 reasonably expects.
- 7 (5) That replacement or repair constituting the subject of a
8 consumer transaction is needed, if it is not and if the supplier
9 knows or should reasonably know that it is not.
- 10 (6) That a specific price advantage exists as to such subject of a
11 consumer transaction, if it does not and if the supplier knows or
12 should reasonably know that it does not.
- 13 (7) That the supplier has a sponsorship, approval, or affiliation in
14 such consumer transaction the supplier does not have, and which
15 the supplier knows or should reasonably know that the supplier
16 does not have.
- 17 (8) That such consumer transaction involves or does not involve
18 a warranty, a disclaimer of warranties, or other rights, remedies,
19 or obligations, if the representation is false and if the supplier
20 knows or should reasonably know that the representation is false.
- 21 (9) That the consumer will receive a rebate, discount, or other
22 benefit as an inducement for entering into a sale or lease in return
23 for giving the supplier the names of prospective consumers or
24 otherwise helping the supplier to enter into other consumer
25 transactions, if earning the benefit, rebate, or discount is
26 contingent upon the occurrence of an event subsequent to the time
27 the consumer agrees to the purchase or lease.
- 28 (10) That the supplier is able to deliver or complete the subject of
29 the consumer transaction within a stated period of time, when the
30 supplier knows or should reasonably know the supplier could not.
31 If no time period has been stated by the supplier, there is a
32 presumption that the supplier has represented that the supplier
33 will deliver or complete the subject of the consumer transaction
34 within a reasonable time, according to the course of dealing or the
35 usage of the trade.
- 36 (11) That the consumer will be able to purchase the subject of the
37 consumer transaction as advertised by the supplier, if the supplier
38 does not intend to sell it.
- 39 (12) That the replacement or repair constituting the subject of a
40 consumer transaction can be made by the supplier for the estimate
41 the supplier gives a customer for the replacement or repair, if the
42 specified work is completed and:



- 1 (A) the cost exceeds the estimate by an amount equal to or
- 2 greater than ten percent (10%) of the estimate;
- 3 (B) the supplier did not obtain written permission from the
- 4 customer to authorize the supplier to complete the work even
- 5 if the cost would exceed the amounts specified in clause (A);
- 6 (C) the total cost for services and parts for a single transaction
- 7 is more than seven hundred fifty dollars (\$750); and
- 8 (D) the supplier knew or reasonably should have known that
- 9 the cost would exceed the estimate in the amounts specified in
- 10 clause (A).
- 11 (13) That the replacement or repair constituting the subject of a
- 12 consumer transaction is needed, and that the supplier disposes of
- 13 the part repaired or replaced earlier than seventy-two (72) hours
- 14 after both:
 - 15 (A) the customer has been notified that the work has been
 - 16 completed; and
 - 17 (B) the part repaired or replaced has been made available for
 - 18 examination upon the request of the customer.
- 19 (14) Engaging in the replacement or repair of the subject of a
- 20 consumer transaction if the consumer has not authorized the
- 21 replacement or repair, and if the supplier knows or should
- 22 reasonably know that it is not authorized.
- 23 (15) The act of misrepresenting the geographic location of the
- 24 supplier by listing an alternate business name or an assumed
- 25 business name (as described in IC 23-0.5-3-4) in a local telephone
- 26 directory if:
 - 27 (A) the name misrepresents the supplier's geographic location;
 - 28 (B) the listing fails to identify the locality and state of the
 - 29 supplier's business;
 - 30 (C) calls to the local telephone number are routinely forwarded
 - 31 or otherwise transferred to a supplier's business location that
 - 32 is outside the calling area covered by the local telephone
 - 33 directory; and
 - 34 (D) the supplier's business location is located in a county that
 - 35 is not contiguous to a county in the calling area covered by the
 - 36 local telephone directory.
- 37 (16) The act of listing an alternate business name or assumed
- 38 business name (as described in IC 23-0.5-3-4) in a directory
- 39 assistance data base if:
 - 40 (A) the name misrepresents the supplier's geographic location;
 - 41 (B) calls to the local telephone number are routinely forwarded
 - 42 or otherwise transferred to a supplier's business location that



- 1 is outside the local calling area; and
2 (C) the supplier's business location is located in a county that
3 is not contiguous to a county in the local calling area.
4 (17) The violation by a supplier of IC 24-3-4 concerning
5 cigarettes for import or export.
6 (18) The act of a supplier in knowingly selling or reselling a
7 product to a consumer if the product has been recalled, whether
8 by the order of a court or a regulatory body, or voluntarily by the
9 manufacturer, distributor, or retailer, unless the product has been
10 repaired or modified to correct the defect that was the subject of
11 the recall.
12 (19) The violation by a supplier of 47 U.S.C. 227, including any
13 rules or regulations issued under 47 U.S.C. 227.
14 (20) The violation by a supplier of the federal Fair Debt
15 Collection Practices Act (15 U.S.C. 1692 et seq.), including any
16 rules or regulations issued under the federal Fair Debt Collection
17 Practices Act (15 U.S.C. 1692 et seq.).
18 (21) A violation of IC 24-5-7 (concerning health spa services), as
19 set forth in IC 24-5-7-17.
20 (22) A violation of IC 24-5-8 (concerning business opportunity
21 transactions), as set forth in IC 24-5-8-20.
22 (23) A violation of IC 24-5-10 (concerning home consumer
23 transactions), as set forth in IC 24-5-10-18.
24 (24) A violation of IC 24-5-11 (concerning real property
25 improvement contracts), as set forth in IC 24-5-11-14.
26 (25) A violation of IC 24-5-12 (concerning telephone
27 solicitations), as set forth in IC 24-5-12-23.
28 (26) A violation of IC 24-5-13.5 (concerning buyback motor
29 vehicles), as set forth in IC 24-5-13.5-14.
30 (27) A violation of IC 24-5-14 (concerning automatic
31 dialing-announcing devices), as set forth in IC 24-5-14-13.
32 (28) A violation of IC 24-5-15 (concerning credit services
33 organizations), as set forth in IC 24-5-15-11.
34 (29) A violation of IC 24-5-16 (concerning unlawful motor
35 vehicle subleasing), as set forth in IC 24-5-16-18.
36 (30) A violation of IC 24-5-17 (concerning environmental
37 marketing claims), as set forth in IC 24-5-17-14.
38 (31) A violation of IC 24-5-19 (concerning deceptive commercial
39 solicitation), as set forth in IC 24-5-19-11.
40 (32) A violation of IC 24-5-21 (concerning prescription drug
41 discount cards), as set forth in IC 24-5-21-7.
42 (33) A violation of IC 24-5-23.5-7 (concerning real estate



- 1 appraisals), as set forth in IC 24-5-23.5-9.
 2 (34) A violation of IC 24-5-26 (concerning identity theft), as set
 3 forth in IC 24-5-26-3.
 4 (35) A violation of IC 24-5.5 (concerning mortgage rescue fraud),
 5 as set forth in IC 24-5.5-6-1.
 6 (36) A violation of IC 24-8 (concerning promotional gifts and
 7 contests), as set forth in IC 24-8-6-3.
 8 (37) A violation of IC 21-18.5-6 (concerning representations
 9 made by a postsecondary credit bearing proprietary educational
 10 institution), as set forth in IC 21-18.5-6-22.5.
 11 (38) A violation of IC 24-5-15.5 (concerning collection actions of
 12 a plaintiff debt buyer), as set forth in IC 24-5-15.5-6.
 13 (39) A violation of IC 24-14 (concerning towing services), as set
 14 forth in IC 24-14-10-1.
 15 (40) A violation of IC 24-5-14.5 (concerning misleading or
 16 inaccurate caller identification information), as set forth in
 17 IC 24-5-14.5-12.
 18 (41) A violation of IC 24-5-27 (concerning intrastate inmate
 19 calling services), as set forth in IC 24-5-27-27.
 20 (42) A violation of IC 15-21 (concerning sales of dogs by retail
 21 pet stores), as set forth in IC 15-21-7-4.
 22 (43) A violation of IC 24-4-23 (concerning the security of
 23 information collected and transmitted by an adult oriented website
 24 operator), as set forth in IC 24-4-23-14.
 25 **(44) A violation of IC 32-29.5 (concerning principal dwelling**
 26 **land contracts), as set forth in IC 32-29.5-6-4.**
 27 (c) Any representations on or within a product or its packaging or
 28 in advertising or promotional materials which would constitute a
 29 deceptive act shall be the deceptive act both of the supplier who places
 30 such representation thereon or therein, or who authored such materials,
 31 and such other suppliers who shall state orally or in writing that such
 32 representation is true if such other supplier shall know or have reason
 33 to know that such representation was false.
 34 (d) If a supplier shows by a preponderance of the evidence that an
 35 act resulted from a bona fide error notwithstanding the maintenance of
 36 procedures reasonably adopted to avoid the error, such act shall not be
 37 deceptive within the meaning of this chapter.
 38 (e) It shall be a defense to any action brought under this chapter that
 39 the representation constituting an alleged deceptive act was one made
 40 in good faith by the supplier without knowledge of its falsity and in
 41 reliance upon the oral or written representations of the manufacturer,
 42 the person from whom the supplier acquired the product, any testing



1 organization, or any other person provided that the source thereof is
2 disclosed to the consumer.

3 (f) For purposes of subsection (b)(12), a supplier that provides
4 estimates before performing repair or replacement work for a customer
5 shall give the customer a written estimate itemizing as closely as
6 possible the price for labor and parts necessary for the specific job
7 before commencing the work.

8 (g) For purposes of subsection (b)(15) and (b)(16), a telephone
9 company or other provider of a telephone directory or directory
10 assistance service or its officer or agent is immune from liability for
11 publishing the listing of an alternate business name or assumed
12 business name of a supplier in its directory or directory assistance data
13 base unless the telephone company or other provider of a telephone
14 directory or directory assistance service is the same person as the
15 supplier who has committed the deceptive act.

16 (h) For purposes of subsection (b)(18), it is an affirmative defense
17 to any action brought under this chapter that the product has been
18 altered by a person other than the defendant to render the product
19 completely incapable of serving its original purpose.

20 SECTION 3. IC 32-29.5 IS ADDED TO THE INDIANA CODE AS
21 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
22 PASSAGE]:

23 **ARTICLE 29.5. PRINCIPAL DWELLING LAND**
24 **CONTRACTS**

25 **Chapter 1. Application**

26 **Sec. 1. This article applies only to a principal dwelling land**
27 **contract entered into after June 30, 2025.**

28 **Sec. 2. This article applies to a seller who sells real property**
29 **under a principal dwelling land contract.**

30 **Sec. 3. This article does not apply to the following:**

31 **(1) A depository institution regulated by a state or federal**
32 **agency, and subsidiaries owned and controlled by the**
33 **depository institution.**

34 **(2) A first lien mortgage lender licensed under IC 24-4.4, and**
35 **subsidiaries owned and controlled by the first lien mortgage**
36 **lender.**

37 **(3) Transactions between family members.**

38 **Chapter 2. Definitions**

39 **Sec. 1. The definitions set forth in this chapter apply throughout**
40 **this article.**

41 **Sec. 2. "Land contract" has the meaning set forth in**
42 **IC 24-4.4-1-301(36).**



1 **Sec. 3. (a) "Principal dwelling land contract" means a land**
 2 **contract for the sale of real property:**

3 **(1) designed primarily for the occupancy of one (1) to two (2)**
 4 **families; and**

5 **(2) that is or will be occupied by a buyer as the buyer's**
 6 **principal dwelling.**

7 **(b) The term does not include a land contract for the sale of:**

8 **(1) more than ten (10) acres of land; or**

9 **(2) vacant land.**

10 **Chapter 3. Principal Dwelling Land Contracts and Disclosures**

11 **Sec. 1. (a) At least ten (10) days before a principal dwelling land**
 12 **contract is executed by the parties, the seller shall provide the**
 13 **buyer with a complete record of any liens encumbering the**
 14 **property, including any property tax liens or special assessment**
 15 **liens.**

16 **(b) The principal dwelling land contract must include the date**
 17 **that the record of any liens was provided to the buyer, as required**
 18 **under subsection (a).**

19 **Sec. 2. A principal dwelling land contract must include the**
 20 **following information:**

21 **(1) If the real property is encumbered by one (1) or more**
 22 **liens, a statement of the amount of the liens and an agreement**
 23 **by the seller that the seller shall use a specified portion of**
 24 **funds received from the buyer under the contract to satisfy**
 25 **the liens.**

26 **(2) The sale price, address, and legal description of the**
 27 **residential real estate that is the subject of the contract.**

28 **(3) A statement of the amount of any down payment or**
 29 **purchase option fee applied to the purchase price, including**
 30 **the resulting principal amount remaining to be paid by the**
 31 **buyer for the remainder of the contract.**

32 **(4) The term of the contract expressed in years and months,**
 33 **and the total number of periodic payments due under the**
 34 **contract.**

35 **(5) The amount of any balloon payment, and when the balloon**
 36 **payment is due.**

37 **(6) A statement setting forth whether the seller or buyer is**
 38 **responsible for paying real estate taxes and insurance with**
 39 **respect to the real estate, including the procedures necessary**
 40 **for the timely invoicing and payment of those amounts. In any**
 41 **case in which responsibility for the payment of real estate**
 42 **taxes and insurance with respect to the property is not clearly**



- 1 set forth in the contract, the seller:
- 2 (A) is responsible for paying real estate taxes and
- 3 insurance when due; and
- 4 (B) may not seek reimbursement for those amounts from
- 5 the buyer.
- 6 (7) Subject to subdivision (6), the amount that will be charged
- 7 periodically, if any, during the first year of the contract to pay
- 8 real estate taxes.
- 9 (8) Subject to subdivision (6), the amount that will be charged
- 10 periodically, if any, during the first year of the contract to pay
- 11 for insurance.
- 12 (9) A statement that any amounts listed under subdivision (7)
- 13 or (8) are subject to change each year.
- 14 (10) A listing of any unpaid amounts owed for real estate taxes
- 15 with respect to the property.
- 16 (11) The types of insurance coverage, including property
- 17 insurance and title insurance, for the buyer and seller that are
- 18 required under, or are to be provided in connection with, the
- 19 contract.
- 20 (12) A statement setting forth any repairs the buyer is
- 21 financially responsible for making to the residential real
- 22 estate that is subject to the contract.
- 23 (13) A statement setting forth any types of alterations to the
- 24 property that must be approved by both the buyer and the
- 25 seller before being made, including any requirements to
- 26 provide evidence of necessary permits, insurance, and lien
- 27 waiver agreements.
- 28 **Sec. 3. All preexisting liens must be satisfied by the seller by the**
- 29 **end of the principal dwelling land contract term. The payment of**
- 30 **liens that arise after the execution of the principal dwelling land**
- 31 **contract shall be satisfied by the seller before the end of the**
- 32 **contract term unless otherwise set forth in the contract.**
- 33 **Sec. 4. A principal dwelling land contract must permit a buyer**
- 34 **to pay the balance owed on the contract and receive the deed at any**
- 35 **time. A principal dwelling land contract may not impose a**
- 36 **prepayment penalty or additional charge for an early payoff.**
- 37 **Sec. 5. At the time the parties execute the principal dwelling**
- 38 **land contract, the seller shall provide the buyer with one (1) copy**
- 39 **of the executed contract. The principal dwelling land contract**
- 40 **must:**
- 41 (1) be notarized; and
- 42 (2) conform to the requirements set forth in IC 36-2-11 for the



1 recording of documents.

2 Sec. 6. The buyer or seller is not bound by a principal dwelling
3 land contract during the three (3) business days immediately
4 following the date of execution of the contract in the contract's full
5 and final form. At any time during the three (3) day period
6 described in this section, the buyer or the seller may deliver to the
7 other party a written notice of cancellation that has the legal effect
8 of canceling the transaction. If a notice of cancellation is delivered
9 by either the buyer or the seller to the other party during the three
10 (3) day period described in this section, the following apply:

11 (1) The buyer shall, not later than twenty-four (24) hours
12 after receipt or delivery of the notice of cancellation:

13 (A) surrender possession of the real estate that is the
14 subject of the transaction back to the seller; and

15 (B) return any keys or other devices that may be used to
16 access the property to the seller or the seller's agent.

17 (2) The seller shall, not later than two (2) business days after
18 being placed back into possession of the real estate, return all
19 monies paid by the buyer, including any down payments, fees,
20 or regular payments made in connection with the transaction.

21 Neither the buyer nor the seller may waive the three (3) day
22 cancellation period provided for by this section, by contract or
23 otherwise.

24 Sec. 7. The seller shall record the executed principal dwelling
25 land contract or memorandum of land contract not later than
26 thirty (30) days after the contract or memorandum is executed and
27 notarized. The buyer may record the executed and notarized
28 principal dwelling land contract or memorandum of land contract
29 at any time. The recording shall be done in the county where the
30 real property is located.

31 Sec. 8. After a principal dwelling land contract is recorded
32 under section 7 of this chapter, the seller may transfer the seller's
33 interest in the real estate that is the subject of the principal
34 dwelling land contract to another person through a recorded deed.
35 The interest transferred is subject to the recorded principal
36 dwelling land contract. The transferee shall provide to the buyer
37 under the principal dwelling land contract written notice of the
38 transfer. The notice required by this section shall be provided by
39 first class mail and by certified mail, return receipt requested, and
40 must include the following:

41 (1) A copy of the recorded warranty deed transferring the
42 seller's interest in the real estate to the transferee.



- 1 (2) The telephone number of the transferee.
- 2 (3) The address to which payments under the principal
- 3 dwelling land contract must be sent.
- 4 **Sec. 9. (a) Subject to subsection (b), after a principal dwelling**
- 5 **land contract is recorded under section 7 of this chapter, the buyer**
- 6 **under the principal dwelling land contract may transfer the**
- 7 **buyer's:**
 - 8 (1) interest in the real estate that is the subject of the contract,
 - 9 as of the date of the transfer; and
 - 10 (2) rights and obligations under the contract, as of the date of
 - 11 the transfer;
 - 12 to a subsequent buyer.
 - 13 **(b) A transfer of a buyer's interest, rights, and obligations**
 - 14 **described in subsection (a) is subject to the following:**
 - 15 (1) The recorded principal dwelling land contract must not
 - 16 contain a provision specifying that the buyer's:
 - 17 (A) interest in the real estate; and
 - 18 (B) rights and obligations under the contract;
 - 19 are not transferable or assignable during the term of the
 - 20 contract.
 - 21 (2) The buyer and seller under the recorded principal
 - 22 dwelling land contract must provide the subsequent buyer
 - 23 with the following:
 - 24 (A) All applicable information, forms, and statements
 - 25 required under section 1 of this chapter, current as of the
 - 26 date of the transfer.
 - 27 (B) All disclosures required under section 2 of this chapter,
 - 28 current as of the date of the transfer.
 - 29 (3) After the buyer's:
 - 30 (A) interest in the real estate; and
 - 31 (B) rights and obligations under the recorded principal
 - 32 dwelling land contract;
 - 33 are transferred to the subsequent buyer, sections 4 through 8
 - 34 of this chapter apply with respect to the seller and the
 - 35 subsequent buyer.
 - 36 **Chapter 4. Statement of Account**
 - 37 **Sec. 1. Before January 31 of each year, the seller shall provide**
 - 38 **the buyer with a written statement of account for the previous**
 - 39 **calendar year. The statement must include the following:**
 - 40 (1) A record of all payments made by the buyer.
 - 41 (2) If applicable, a record of all payments made by the seller
 - 42 to satisfy any liens, and to whom the payments were made.



1 (3) The payoff amount as of the end of the previous calendar
2 year.

3 **Chapter 5. Buyer Default**

4 **Sec. 1. If a buyer fails to make three (3) consecutive, timely**
5 **payments as required under a principal dwelling land contract, the**
6 **buyer is in default of the contract. If:**

- 7 (1) the buyer has made timely payments under the contract
8 for at least one (1) year; or
9 (2) the amount of all payments made by the buyer under the
10 contract, including any down payment or prepayment, is at
11 least thirty percent (30%) of the purchase price;

12 the seller shall send the buyer, not later than ten (10) days after the
13 missed payments, a notice of default.

14 **Sec. 2. A seller shall give a buyer an opportunity to cure within**
15 **sixty (60) days after the date of receipt of the notice provided to the**
16 **buyer under section 1 of this chapter. If the buyer fails to exercise**
17 **the right to cure, the seller may begin foreclosure proceedings**
18 **against the buyer.**

19 **Sec. 3. Forfeiture of possession of the real estate that is the**
20 **subject of a principal dwelling land contract is available as a**
21 **remedy to the seller upon any act or omission of the buyer that**
22 **constitutes a default under the terms of the contract, only if either**
23 **or both of the following apply:**

- 24 (1) The real estate has been abandoned by the buyer.
25 (2) Both of the following apply:
26 (A) The amount of all payments made by the buyer under
27 the contract, including any down payment or prepayment,
28 is less than ten percent (10%) of the purchase price.
29 (B) The seller's security interest in the real estate has been
30 jeopardized by the acts or omissions of the buyer.

31 **Sec. 4. At any time during the term of a principal dwelling land**
32 **contract, a seller shall not force a buyer's default by failing or**
33 **refusing to accept a payment.**

34 **Chapter 6. Violations**

35 **Sec. 1. (a) If a seller fails to provide a complete record of any**
36 **liens encumbering the property under IC 32-29.5-3-1, the buyer**
37 **has the right, not later than sixty (60) days after the parties execute**
38 **the principal dwelling land contract, to:**

- 39 (1) rescind the contract, subject to subsection (b); or
40 (2) obtain liquidated damages of up to one (1) month's
41 payment under the contract.
42 **(b) If, at the time a buyer seeks to rescind a principal dwelling**



1 land contract under subsection (a)(1), the contract has been
2 recorded, the buyer shall:

- 3 (1) execute a quitclaim deed to the seller with respect to the
4 buyer's interest in the real estate as of the date of the
5 rescission; and
6 (2) record the quitclaim deed in the county in which the real
7 estate is located.

8 The quitclaim deed required under this subsection must contain a
9 cross-reference to the recorded principal dwelling land contract.
10 The seller is responsible for all expenses incurred in the drafting
11 and recording of a quitclaim deed required under this subsection.
12 However, if the buyer vacates the property and does not execute
13 and record a release of the principal dwelling land contract not
14 later than ten (10) days after vacating the property, the seller may
15 file an action for forfeiture.

16 (c) If a buyer brings an action under this section and prevails,
17 the court may award the buyer court costs and reasonable
18 attorney's fees.

19 Sec. 2. If a seller fails to send a written statement of account:

- 20 (1) that substantially complies with IC 32-29.5-4; and
21 (2) before March 1 of the year in which it is due;

22 the buyer is entitled to liquidated damages of up to one (1) month's
23 payment under the principal dwelling land contract. If a buyer
24 brings an action under this section and prevails, the court may
25 award the buyer court costs and reasonable attorney's fees.

26 Sec. 3. (a) This subsection applies to a principal dwelling land
27 contract entered into after June 30, 2025. If a seller prepares a
28 principal dwelling land contract that does not substantially comply
29 with IC 32-29.5-3, the buyer is entitled to:

- 30 (1) liquidated damages of up to one (1) month's payment
31 under the contract; and
32 (2) a new principal dwelling land contract containing
33 substantially identical terms to the original contract, prepared
34 at the seller's expense, that complies with IC 32-29.5-3.

35 However, if the seller fails to present the buyer with a new
36 principal dwelling land contract containing substantially identical
37 terms that complies with IC 32-29.5-3 within sixty (60) days of
38 being requested to do so in writing, the buyer is entitled to rescind
39 the contract, subject to subsection (b).

40 (b) If, at the time a buyer seeks to rescind a principal dwelling
41 land contract under subsection (a), the contract has been recorded,
42 the buyer shall:



1 (1) execute a quitclaim deed to the seller with respect to the
 2 buyer's interest in the real estate as of the date of the
 3 rescission; and

4 (2) record the quitclaim deed in the county in which the real
 5 estate is located.

6 **The quitclaim deed required under this subsection must contain a**
 7 **cross-reference to the recorded principal dwelling land contract.**
 8 **The seller is responsible for all expenses incurred in the drafting**
 9 **and recording of a quitclaim deed required under this subsection.**
 10 **However, if the buyer vacates the property and does not execute**
 11 **and record a release of the principal dwelling land contract not**
 12 **later than ten (10) days after vacating the property, the seller may**
 13 **file an action for forfeiture.**

14 (c) If a buyer brings an action under this section and prevails,
 15 the court may award the buyer court costs and reasonable
 16 attorney's fees.

17 **Sec. 4. A violation of this article is an incurable deceptive act**
 18 **that is:**

19 (1) actionable by the attorney general under IC 24-5-0.5-4(c);
 20 and

21 (2) subject to the penalties and remedies available to the
 22 attorney general under IC 24-5-0.5.

23 **Chapter 7. Seller Default**

24 **Sec. 1. (a) If:**

25 (1) the buyer has fulfilled the requirements of the principal
 26 dwelling land contract; and

27 (2) the seller is unable to transfer title to the buyer without
 28 any assumed liens on the property;

29 **the seller shall pay the buyer liquidated damages in the amount of**
 30 **twenty-five dollars (\$25) per day until each unassumed lien is**
 31 **satisfied. If a buyer brings an action under this section and**
 32 **prevails, the court may award the buyer court costs and reasonable**
 33 **attorney's fees.**

34 (b) This section does not affect the seller's obligation to satisfy
 35 any unassumed lien.

36 (c) A buyer who has fulfilled the requirements of the principal
 37 dwelling land contract is entitled to possession of the real property
 38 with no further payments due to the seller.

39 **Chapter 8. Rulemaking**

40 **Sec. 1. The attorney general, in consultation with the**
 41 **department of financial institutions, may adopt rules under**
 42 **IC 4-22-2 to implement this article.**



1 **SECTION 4. An emergency is declared for this act.**

