

# HOUSE BILL No. 1603

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1; IC 6-1.5.

**Synopsis:** Property tax appeals. Provides that when a deadline imposed upon a political subdivision, the department of local government finance, or the Indiana board in the property tax statutes is not a business day, the last day for the political subdivision, the department of local government finance, or the Indiana board to take the action required is the first business day after the stated deadline. Extends the deadline for filing a notice of review when a notice of assessment is not provided from the later of May 10 or 45 days after the date of the tax statement to the later of May 10 or 60 days after the date of the tax statement. Provides that affected taxing units are entitled to a quarterly status report concerning property tax appeals and are permitted to participate in each stage of an appeal. Specifies that disputed assessed value under appeal is subtracted from the net assessed value of a taxing district. Requires a county treasurer to establish a separate account known as the property tax assessment appeals account to hold certain disputed property tax receipts. Provides that money in the account may be used only to pay a county assessor's appeal expenses and property tax refunds. Expands the Indiana board of tax review from three to nine members. Divides Indiana into three districts each served by a three member panel of the Indiana board of tax review.

**Effective:** January 1, 2016.

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## Smaltz, Price

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January 20, 2015, read first time and referred to Committee on Ways and Means.

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First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1603

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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 6-1.1-1-25 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2016]: **Sec. 25. If a deadline imposed upon a political**  
4 **subdivision, the department of local government finance, or the**  
5 **Indiana board by this article is not a business day, the last day for**  
6 **the political subdivision, the department of local government**  
7 **finance, or the Indiana board to take the action required by this**  
8 **article is the first business day after the stated deadline.**  
9           SECTION 2. IC 6-1.1-15-0.7 IS ADDED TO THE INDIANA  
10 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
11 [EFFECTIVE JANUARY 1, 2016]: **Sec. 0.7. Unless the context**  
12 **clearly denotes otherwise, a reference to the "Indiana board" in**  
13 **this chapter is a reference to the district panel of the Indiana board**  
14 **of tax review responsible for conducting the particular property**  
15 **tax appeal under IC 6-1.5-4-1.**



1 SECTION 3. IC 6-1.1-15-1, AS AMENDED BY P.L.257-2013,  
 2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JANUARY 1, 2016]: Sec. 1. (a) A taxpayer may obtain a review by the  
 4 county board of a county or township official's action with respect to  
 5 either or both of the following:

6 (1) The assessment of the taxpayer's tangible property.

7 (2) A deduction for which a review under this section is  
 8 authorized by any of the following:

9 (A) IC 6-1.1-12-25.5.

10 (B) IC 6-1.1-12-28.5.

11 (C) IC 6-1.1-12-35.5.

12 (D) IC 6-1.1-12.1-5.

13 (E) IC 6-1.1-12.1-5.3.

14 (F) IC 6-1.1-12.1-5.4.

15 (b) At the time that notice of an action referred to in subsection (a)  
 16 is given to the taxpayer, the taxpayer shall also be informed in writing  
 17 of:

18 (1) the opportunity for a review under this section, including a  
 19 preliminary informal meeting under subsection (h)(2) with the  
 20 county or township official referred to in this subsection; and

21 (2) the procedures the taxpayer must follow in order to obtain a  
 22 review under this section.

23 (c) In order to obtain a review of an assessment or deduction  
 24 effective for the assessment date to which the notice referred to in  
 25 subsection (b) applies, the taxpayer must file a notice in writing with  
 26 the county or township official referred to in subsection (a) not later  
 27 than forty-five (45) days after the date of the notice referred to in  
 28 subsection (b).

29 (d) A taxpayer may obtain a review by the county board of the  
 30 assessment of the taxpayer's tangible property effective for an  
 31 assessment date for which a notice of assessment is not given as  
 32 described in subsection (b). To obtain the review, the taxpayer must file  
 33 a notice in writing with the township assessor, or the county assessor  
 34 if the township is not served by a township assessor. The right of a  
 35 taxpayer to obtain a review under this subsection for an assessment  
 36 date for which a notice of assessment is not given does not relieve an  
 37 assessing official of the duty to provide the taxpayer with the notice of  
 38 assessment as otherwise required by this article. The notice to obtain  
 39 a review must be filed not later than the later of:

40 (1) May 10 of the year; or

41 (2) ~~forty-five (45)~~ **sixty (60)** days after the date of the tax  
 42 statement mailed by the county treasurer, regardless of whether



- 1 the assessing official changes the taxpayer's assessment.
- 2 (e) A change in an assessment made as a result of a notice for  
3 review filed by a taxpayer under subsection (d) after the time  
4 prescribed in subsection (d) becomes effective for the next assessment  
5 date. A change in an assessment made as a result of a notice for review  
6 filed by a taxpayer under subsection (c) or (d) remains in effect from  
7 the assessment date for which the change is made until the next  
8 assessment date for which the assessment is changed under this article.
- 9 (f) The written notice filed by a taxpayer under subsection (c) or (d)  
10 must include the following information:
- 11 (1) The name of the taxpayer.  
12 (2) The address and parcel or key number of the property.  
13 (3) The address and telephone number of the taxpayer.
- 14 (g) The filing of a notice under subsection (c) or (d):  
15 (1) initiates a review under this section; and  
16 (2) constitutes a request by the taxpayer for a preliminary  
17 informal meeting with the official referred to in subsection (a).
- 18 (h) A county or township official who receives a notice for review  
19 filed by a taxpayer under subsection (c) or (d) shall:
- 20 (1) immediately forward the notice to the county board; and  
21 (2) attempt to hold a preliminary informal meeting with the  
22 taxpayer to resolve as many issues as possible by:
- 23 (A) discussing the specifics of the taxpayer's assessment or  
24 deduction;  
25 (B) reviewing the taxpayer's property record card;  
26 (C) explaining to the taxpayer how the assessment or  
27 deduction was determined;  
28 (D) providing to the taxpayer information about the statutes,  
29 rules, and guidelines that govern the determination of the  
30 assessment or deduction;  
31 (E) noting and considering objections of the taxpayer;  
32 (F) considering all errors alleged by the taxpayer; and  
33 (G) otherwise educating the taxpayer about:  
34 (i) the taxpayer's assessment or deduction;  
35 (ii) the assessment or deduction process; and  
36 (iii) the assessment or deduction appeal process.
- 37 (i) Not later than ten (10) days after the informal preliminary  
38 meeting, the official referred to in subsection (a) shall forward to the  
39 county auditor and the county board the results of the conference on a  
40 form prescribed by the department of local government finance that  
41 must be completed and signed by the taxpayer and the official. The  
42 form must indicate the following:



1 (1) If the taxpayer and the official agree on the resolution of all  
2 assessment or deduction issues in the review, a statement of:

3 (A) those issues; and

4 (B) the assessed value of the tangible property or the amount  
5 of the deduction that results from the resolution of those issues  
6 in the manner agreed to by the taxpayer and the official.

7 (2) If the taxpayer and the official do not agree on the resolution  
8 of all assessment or deduction issues in the review:

9 (A) a statement of those issues; and

10 (B) the identification of:

11 (i) the issues on which the taxpayer and the official agree;  
12 and

13 (ii) the issues on which the taxpayer and the official  
14 disagree.

15 (j) If the county board receives a form referred to in subsection  
16 (i)(1) before the hearing scheduled under subsection (k):

17 (1) the county board shall cancel the hearing;

18 (2) the county official referred to in subsection (a) shall give  
19 notice to the taxpayer, the county board, the county assessor, and  
20 the county auditor of the assessment or deduction in the amount  
21 referred to in subsection (i)(1)(B); and

22 (3) if the matter in issue is the assessment of tangible property,  
23 the county board may reserve the right to change the assessment  
24 under IC 6-1.1-13.

25 (k) If:

26 (1) subsection (i)(2) applies; or

27 (2) the county board does not receive a form referred to in  
28 subsection (i) not later than one hundred twenty (120) days after  
29 the date of the notice for review filed by the taxpayer under  
30 subsection (c) or (d);

31 the county board shall hold a hearing on a review under this subsection  
32 not later than one hundred eighty (180) days after the date of that  
33 notice. The county board shall, by mail, give at least thirty (30) days  
34 notice of the date, time, and place fixed for the hearing to the taxpayer  
35 and the county or township official with whom the taxpayer filed the  
36 notice for review. The taxpayer and the county or township official  
37 with whom the taxpayer filed the notice for review are parties to the  
38 proceeding before the county board. A taxpayer may request a  
39 continuance of the hearing by filing, at least twenty (20) days before  
40 the hearing date, a request for continuance with the board and the  
41 county or township official with evidence supporting a just cause for  
42 the continuance. The board shall, not later than ten (10) days after the



1 date the request for a continuance is filed, either find that the taxpayer  
 2 has demonstrated a just cause for a continuance and grant the taxpayer  
 3 the continuance, or deny the continuance. A taxpayer may request that  
 4 the board take action without the taxpayer being present and that the  
 5 board make a decision based on the evidence already submitted to the  
 6 board by filing, at least eight (8) days before the hearing date, a request  
 7 with the board and the county or township official. A taxpayer may  
 8 withdraw a petition by filing, at least eight (8) days before the hearing  
 9 date, a notice of withdrawal with the board and the county or township  
 10 official.

11 (l) At the hearing required under subsection (k):

12 (1) the taxpayer may present the taxpayer's reasons for  
 13 disagreement with the assessment or deduction; and

14 (2) the county or township official with whom the taxpayer filed  
 15 the notice for review must present:

16 (A) the basis for the assessment or deduction decision; and

17 (B) the reasons the taxpayer's contentions should be denied.

18 A penalty of fifty dollars (\$50) shall be assessed against the taxpayer  
 19 if the taxpayer or representative fails to appear at the hearing and,  
 20 under subsection (k), the taxpayer's request for continuance is denied,  
 21 or the taxpayer's request for continuance, request for the board to take  
 22 action without the taxpayer being present, or withdrawal is not timely  
 23 filed. A taxpayer may appeal the assessment of the penalty to the  
 24 Indiana board or directly to the tax court. The penalty may not be added  
 25 as an amount owed on the property tax statement under IC 6-1.1-22 or  
 26 IC 6-1.1-22.5.

27 (m) The official referred to in subsection (a) may not require the  
 28 taxpayer to provide documentary evidence at the preliminary informal  
 29 meeting under subsection (h). The county board may not require a  
 30 taxpayer to file documentary evidence or summaries of statements of  
 31 testimonial evidence before the hearing required under subsection (k).  
 32 If the action for which a taxpayer seeks review under this section is the  
 33 assessment of tangible property, the taxpayer is not required to have an  
 34 appraisal of the property in order to do the following:

35 (1) Initiate the review.

36 (2) Prosecute the review.

37 (n) The county board shall prepare a written decision resolving all  
 38 of the issues under review. The county board shall, by mail, give notice  
 39 of its determination not later than one hundred twenty (120) days after  
 40 the hearing under subsection (k) to:

41 (1) the taxpayer;

42 (2) the official referred to in subsection (a);



- 1           (3) the county assessor; and  
 2           (4) the county auditor.  
 3       (o) If the maximum time elapses:  
 4           (1) under subsection (k) for the county board to hold a hearing; or  
 5           (2) under subsection (n) for the county board to give notice of its  
 6           determination;  
 7       the taxpayer may initiate a proceeding for review before the Indiana  
 8       board by taking the action required by section 3 of this chapter at any  
 9       time after the maximum time elapses.  
 10       **(p) Upon receiving a request for a preliminary informal meeting**  
 11       **under subsection (b), the county or township official referred to in**  
 12       **subsection (a) shall notify the county auditor in writing that the**  
 13       **assessment is under appeal. With respect to an appeal of the**  
 14       **assessment of real property or personal property filed after June**  
 15       **30, 2015, the notice must include the appellant's name and address,**  
 16       **the assessed value of the appealed items for the assessment date**  
 17       **immediately preceding the assessment date for which the appeal**  
 18       **was filed, and the assessed value of the appealed items on the most**  
 19       **recent assessment date. The county auditor shall send a copy of the**  
 20       **notice to the fiscal officer of each taxing unit affected by the**  
 21       **appeal. The county auditor shall compile a list of the fiscal officers**  
 22       **that are notified under this subsection and shall forward the list to**  
 23       **the county assessor. A fiscal officer receiving notice of the appeal**  
 24       **may participate in the preliminary informal meeting, if any, held**  
 25       **under subsection (h)(2) and each successive stage of a review of the**  
 26       **assessment conducted under this chapter.**  
 27       SECTION 4. IC 6-1.1-15-4, AS AMENDED BY P.L.91-2014,  
 28       SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29       JANUARY 1, 2016]: Sec. 4. (a) After receiving a petition for review  
 30       which is filed under section 3 of this chapter, the Indiana board shall  
 31       conduct a hearing at its earliest opportunity. The Indiana board may  
 32       correct any errors that may have been made and adjust the assessment  
 33       or exemption in accordance with the correction.  
 34       (b) If the Indiana board conducts a site inspection of the property as  
 35       part of its review of the petition, the Indiana board shall give notice to  
 36       all parties of the date and time of the site inspection. The Indiana board  
 37       is not required to assess the property in question. The Indiana board  
 38       shall give notice of the date fixed for the hearing, by mail, to:  
 39           (1) the taxpayer; ~~and to~~  
 40           (2) the county assessor; ~~and~~  
 41           (3) **the fiscal officer of each taxing unit identified on the list**  
 42           **compiled by the county assessor under section 1(p) of this**



**chapter. The notice must include a statement that a fiscal officer receiving notice under this subsection may attend the hearing and offer testimony.**

The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing unless the parties agree to a shorter period. With respect to a petition for review filed by a county assessor, the county board that made the determination under review under this section may file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the county board in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment or exemption is under appeal is subject to assessment by that taxing unit.

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

(d) After the hearing, the Indiana board shall give the taxpayer, the county assessor, and any entity that filed an amicus curiae brief:

- (1) notice, by mail, of its final determination; and
- (2) for parties entitled to appeal the final determination, notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

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

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

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

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





- 1 (2) the date set in an extension order issued by the Indiana board.  
 2 (h) With respect to an appeal of a real property assessment that  
 3 takes effect on the assessment date on which a reassessment of real  
 4 property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the Indiana  
 5 board shall make a determination not later than the later of:  
 6 (1) one hundred eighty (180) days after the hearing; or  
 7 (2) the date set in an extension order issued by the Indiana board.  
 8 (i) The Indiana board may not extend the final determination date  
 9 under subsection (g) or (h) by more than one hundred eighty (180)  
 10 days. If the Indiana board fails to make a final determination within the  
 11 time allowed by this section, the entity that initiated the petition may:  
 12 (1) take no action and wait for the Indiana board to make a final  
 13 determination; or  
 14 (2) petition for judicial review under section 5 of this chapter.  
 15 (j) A final determination must include separately stated findings of  
 16 fact for all aspects of the determination. Findings of ultimate fact must  
 17 be accompanied by a concise statement of the underlying basic facts of  
 18 record to support the findings. Findings must be based exclusively  
 19 upon the evidence on the record in the proceeding and on matters  
 20 officially noticed in the proceeding. Findings must be based upon a  
 21 preponderance of the evidence.  
 22 (k) The Indiana board may limit the scope of the appeal to the issues  
 23 raised in the petition and the evaluation of the evidence presented to  
 24 the county board in support of those issues only if all parties  
 25 participating in the hearing required under subsection (a) agree to the  
 26 limitation. A party participating in the hearing required under  
 27 subsection (a) is entitled to introduce evidence that is otherwise proper  
 28 and admissible without regard to whether that evidence has previously  
 29 been introduced at a hearing before the county board.  
 30 (l) The Indiana board may require the parties to the appeal:  
 31 (1) to file not more than five (5) business days before the date of  
 32 the hearing required under subsection (a) documentary evidence  
 33 or summaries of statements of testimonial evidence; and  
 34 (2) to file not more than fifteen (15) business days before the date  
 35 of the hearing required under subsection (a) lists of witnesses and  
 36 exhibits to be introduced at the hearing.  
 37 (m) A party to a proceeding before the Indiana board shall provide  
 38 to all other parties to the proceeding the information described in  
 39 subsection (l) if the other party requests the information in writing at  
 40 least ten (10) days before the deadline for filing of the information  
 41 under subsection (l).  
 42 (n) The Indiana board may base its final determination on a



1 stipulation between the respondent and the petitioner. If the final  
 2 determination is based on a stipulated assessed valuation of tangible  
 3 property, the Indiana board may order the placement of a notation on  
 4 the permanent assessment record of the tangible property that the  
 5 assessed valuation was determined by stipulation. The Indiana board  
 6 may:

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

9 (2) specify a limited precedential value of a final determination  
 10 under this subsection.

11 (o) If a party to a proceeding, or a party's authorized representative,  
 12 elects to receive any notice under this section by electronic mail, the  
 13 notice is considered effective in the same manner as if the notice had  
 14 been sent by United States mail, with postage prepaid, to the party's or  
 15 representative's mailing address of record.

16 SECTION 5. IC 6-1.1-15-10.5 IS ADDED TO THE INDIANA  
 17 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 18 [EFFECTIVE JANUARY 1, 2016]: **Sec. 10.5. (a) As used in this**  
 19 **section, "disputed property tax receipts" means the amount of**  
 20 **property taxes paid by a taxpayer prosecuting an appeal under this**  
 21 **chapter that exceeds the amount of property taxes that would have**  
 22 **been due if the taxpayer had paid property taxes based on the**  
 23 **immediately preceding year's assessment of the taxpayer's real**  
 24 **property.**

25 **(b) If a taxpayer:**

26 **(1) appeals an assessment or an increase in an assessment of**  
 27 **real property under this chapter; and**

28 **(2) pays property taxes based on the appealed assessment or**  
 29 **increase in an assessment of the real property, rather than**  
 30 **paying property taxes based upon the immediately preceding**  
 31 **year's assessment as permitted by section 10(a)(2) of this**  
 32 **chapter;**

33 **the county treasurer shall deposit the disputed property tax**  
 34 **receipts received from the taxpayer into the county's property tax**  
 35 **assessment appeals account established under subsection (c).**

36 **(c) A county treasurer shall establish a separate account known**  
 37 **as the property tax assessment appeals account to hold disputed**  
 38 **property tax receipts deposited under subsection (b).**

39 **(d) Money in a county's property tax assessment appeals**  
 40 **account may be used only to pay the following:**

41 **(1) Expenses incurred by the county assessor in defending**  
 42 **appeals prosecuted under this chapter.**



1           **(2) Refunds under section 11 of this chapter.**

2           SECTION 6. IC 6-1.1-15-11, AS AMENDED BY P.L.141-2009,  
3           SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           JANUARY 1, 2016]: Sec. 11. (a) If a review or appeal authorized  
5           under this chapter results in a reduction of the amount of an assessment  
6           or if the department of local government finance on its own motion  
7           reduces an assessment, the taxpayer is entitled to a credit in the amount  
8           of any overpayment of tax on the next successive tax installment, if  
9           any, due in that year. After the credit is given, the county auditor shall:

10           (1) determine if a further amount is due the taxpayer; and

11           (2) if a further amount is due the taxpayer, notwithstanding  
12           IC 5-11-10-1 and IC 36-2-6-2, without a claim or an appropriation  
13           being required, pay the amount due the taxpayer.

14           **Refunds paid under this section must be paid first from the**  
15           **property tax assessment appeals account established under section**  
16           **10.5 of this chapter and from the county general fund only to the**  
17           **extent that the total amount of refunds due exceeds the balance in**  
18           **the property tax assessment appeals account.** The county auditor  
19           shall charge the amount refunded to the taxpayer against the accounts  
20           of the various taxing units to which the overpayment has been paid.  
21           The county auditor shall notify the county executive of the payment of  
22           the amount due.

23           (b) The notice provided under subsection (a) shall be treated as a  
24           claim by the taxpayer for the amount due referred to in subsection  
25           (a)(2).

26           SECTION 7. IC 6-1.1-15-19 IS ADDED TO THE INDIANA CODE  
27           AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE  
28           JANUARY 1, 2016]: **Sec. 19. (a) A county assessor shall quarterly**  
29           **send a notice to the fiscal officer of each taxing unit affected by an**  
30           **appeal prosecuted under this chapter. The notice must include the**  
31           **following information:**

32           **(1) The date on which a notice for review was filed.**

33           **(2) The name and address of the taxpayer who filed the notice**  
34           **for review.**

35           **(3) The assessed value for the assessment date the year before**  
36           **the appeal, and the assessed value on the most recent**  
37           **assessment date.**

38           **(4) The status of the taxpayer's appeal.**

39           **(b) A notice required by this section may be provided to the**  
40           **appropriate fiscal officer in an electronic format.**

41           SECTION 8. IC 6-1.1-17-0.5, AS AMENDED BY P.L.137-2012,  
42           SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JANUARY 1, 2016]: Sec. 0.5. (a) For purposes of this section, "net  
2 assessed value" means assessed value after the application of  
3 deductions, exemptions, and abatements.

4 (b) The county auditor may exclude and keep separate on the tax  
5 duplicate for taxes payable in a calendar year the net assessed value of  
6 tangible property that meets the following conditions:

7 (1) The net assessed value of the property is at least nine percent  
8 (9%) of the net assessed value of all tangible property subject to  
9 taxation by a taxing district.

10 (2) The property is or has been part of a bankruptcy estate that is  
11 subject to protection under the federal bankruptcy code.

12 (3) The owner of the property has discontinued all business  
13 operations on the property.

14 (4) There is a high probability that the taxpayer will not pay  
15 property taxes due on the property in the following year.

16 (c) This section does not limit, restrict, or reduce in any way the  
17 property tax liability on the property.

18 (d) For each taxing district located in the county, the county auditor  
19 ~~may~~ **shall** reduce for a calendar year the taxing district's net assessed  
20 value that is certified to the department of local government finance  
21 under section 1 of this chapter and used to set tax rates for the taxing  
22 district for taxes first due and payable in the immediately succeeding  
23 calendar year **by the amount of disputed assessed value in the taxing  
24 district that is subject to appeal under IC 6-1.1-15.**

25 (e) **In addition to any reductions made under subsection (d),** the  
26 county auditor may reduce a taxing district's net assessed value under  
27 this subsection only to enable the taxing district to absorb the effects of  
28 reduced property tax collections in the immediately succeeding  
29 calendar year that are expected to result from any or a combination of  
30 the following:

31 ~~(1) Successful appeals of the assessed value of property located  
32 in the taxing district.~~

33 ~~(2) (1)~~ Deductions under IC 6-1.1-12-37 and IC 6-1.1-12-37.5 that  
34 result from the granting of applications for the standard deduction  
35 for the calendar year under IC 6-1.1-12-37 or IC 6-1.1-12-44 after  
36 the county auditor certifies net assessed value as described in this  
37 section.

38 ~~(3) (2)~~ Deductions that result from the granting of applications for  
39 deductions for the calendar year under IC 6-1.1-12-44 after the  
40 county auditor certifies net assessed value as described in this  
41 section.

42 ~~(4) (3)~~ Reassessments of real property under IC 6-1.1-4-11.5.



1 Not later than December 31 of each year, the county auditor shall send  
 2 a certified statement, under the seal of the board of county  
 3 commissioners, to the fiscal officer of each political subdivision of the  
 4 county and to the department of local government finance. The  
 5 certified statement must list any adjustments to the amount of the  
 6 reduction under this subsection and the information submitted under  
 7 section 1 of this chapter that are necessary. The county auditor shall  
 8 keep separately on the tax duplicate the amount of any reductions made  
 9 under this subsection. The maximum amount of the reduction  
 10 authorized under this subsection is determined under subsection ~~(e)~~:  
 11 **(f)**.

12 ~~(e)~~ **(f)** The amount of the reduction in a taxing district's net assessed  
 13 value for a calendar year under subsection ~~(d)~~ **(e)** may not exceed two  
 14 percent (2%) of the net assessed value of tangible property subject to  
 15 assessment in the taxing district in that calendar year.

16 ~~(f)~~ **(g)** The amount of a reduction under subsection (d) **or** (e) may  
 17 not be offered in a proceeding before the:

- 18 (1) county property tax assessment board of appeals;
- 19 (2) Indiana board; or
- 20 (3) Indiana tax court;

21 as evidence that a particular parcel has been improperly assessed.

22 SECTION 9. IC 6-1.1-17-1, AS AMENDED BY P.L.137-2012,  
 23 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JANUARY 1, 2016]: Sec. 1. (a) On or before August 1 of each year,  
 25 the county auditor shall send a certified statement, under the seal of the  
 26 board of county commissioners, to the fiscal officer of each political  
 27 subdivision of the county and the department of local government  
 28 finance. The statement must contain:

- 29 (1) information concerning the assessed valuation in the political  
 30 subdivision for the next calendar year;
- 31 (2) an estimate of the taxes to be distributed to the political  
 32 subdivision during the last six (6) months of the current calendar  
 33 year;
- 34 (3) the current assessed valuation as shown on the abstract of  
 35 charges;
- 36 (4) the average growth in assessed valuation in the political  
 37 subdivision over the preceding three (3) budget years, adjusted  
 38 according to procedures established by the department of local  
 39 government finance to account for reassessment under  
 40 IC 6-1.1-4-4 or IC 6-1.1-4-4.2;
- 41 (5) the amount of the political subdivision's net assessed valuation  
 42 reduction determined under section 0.5(d) **and** 0.5(e) of this



- 1 chapter;
- 2 (6) for counties with taxing units that cross into or intersect with
- 3 other counties, the assessed valuation as shown on the most
- 4 current abstract of property; and
- 5 (7) any other information at the disposal of the county auditor that
- 6 might affect the assessed value used in the budget adoption
- 7 process.
- 8 (b) The estimate of taxes to be distributed shall be based on:
- 9 (1) the abstract of taxes levied and collectible for the current
- 10 calendar year, less any taxes previously distributed for the
- 11 calendar year; and
- 12 (2) any other information at the disposal of the county auditor
- 13 which might affect the estimate.
- 14 (c) The fiscal officer of each political subdivision shall present the
- 15 county auditor's statement to the proper officers of the political
- 16 subdivision.
- 17 (d) Subject to subsection (e), after the county auditor sends a
- 18 certified statement under subsection (a) or an amended certified
- 19 statement under this subsection with respect to a political subdivision
- 20 and before the department of local government finance certifies its
- 21 action with respect to the political subdivision under section 16(f) of
- 22 this chapter, the county auditor may amend the information concerning
- 23 assessed valuation included in the earlier certified statement. The
- 24 county auditor shall send a certified statement amended under this
- 25 subsection, under the seal of the board of county commissioners, to:
- 26 (1) the fiscal officer of each political subdivision affected by the
- 27 amendment; and
- 28 (2) the department of local government finance.
- 29 (e) Except as provided in subsection (f), before the county auditor
- 30 makes an amendment under subsection (d), the county auditor must
- 31 provide an opportunity for public comment on the proposed
- 32 amendment at a public hearing. The county auditor must give notice of
- 33 the hearing under IC 5-3-1. If the county auditor makes the amendment
- 34 as a result of information provided to the county auditor by an assessor,
- 35 the county auditor shall give notice of the public hearing to the
- 36 assessor.
- 37 (f) The county auditor is not required to hold a public hearing under
- 38 subsection (e) if:
- 39 (1) the amendment under subsection (d) is proposed to correct a
- 40 mathematical error made in the determination of the amount of
- 41 assessed valuation included in the earlier certified statement;
- 42 (2) the amendment under subsection (d) is proposed to add to the



1 amount of assessed valuation included in the earlier certified  
 2 statement assessed valuation of omitted property discovered after  
 3 the county auditor sent the earlier certified statement; or

4 (3) the county auditor determines that the amendment under  
 5 subsection (d) will not result in an increase in the tax rate or tax  
 6 rates of the political subdivision.

7 SECTION 10. IC 6-1.1-17-8.5, AS AMENDED BY P.L.137-2012,  
 8 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JANUARY 1, 2016]: Sec. 8.5. (a) If a county auditor reduces a taxing  
 10 unit's net assessed valuation under section 0.5(d) **or 0.5(e)** of this  
 11 chapter, the department of local government finance shall, in the  
 12 manner prescribed in section 16 of this chapter, review the budget, tax  
 13 rate, and tax levy of the taxing unit.

14 (b) The county auditor may appeal to the department of local  
 15 government finance to reduce a taxing unit's net assessed valuation by  
 16 an amount that exceeds the limits set forth in section ~~0.5(e)~~ **0.5(f)** of  
 17 this chapter. The department of local government finance:

18 (1) may require the county auditor to submit supporting  
 19 information with the county auditor's appeal;

20 (2) shall consider the appeal at the time of the review required by  
 21 subsection (a); and

22 (3) may approve, modify and approve, or reject the amount of the  
 23 reduction sought in the appeal.

24 SECTION 11. IC 6-1.5-2-0.5 IS ADDED TO THE INDIANA  
 25 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 26 [EFFECTIVE JANUARY 1, 2016]: **Sec. 0.5. (a) Indiana is divided**  
 27 **into three (3) geographic districts for purposes of this article.**

28 **(b) The first district consists of the following counties:**

29 **Adams County**

30 **Allen County**

31 **Benton County**

32 **Blackford County**

33 **Carroll County**

34 **Cass County**

35 **DeKalb County**

36 **Elkhart County**

37 **Fulton County**

38 **Huntington County**

39 **Jasper County**

40 **Jay County**

41 **Kosciusko County**

42 **LaGrange County**



1           **Lake County**  
2           **LaPorte County**  
3           **Marshall County**  
4           **Miami County**  
5           **Newton County**  
6           **Noble County**  
7           **Porter County**  
8           **Pulaski County**  
9           **Starke County**  
10          **St. Joseph County**  
11          **Steuben County**  
12          **Tippecanoe County**  
13          **Wabash County**  
14          **Warren County**  
15          **Wells County**  
16          **White County**  
17          **Whitley County**  
18          **(c) The second district consists of the following counties:**  
19          **Bartholomew County**  
20          **Boone County**  
21          **Brown County**  
22          **Clay County**  
23          **Clinton County**  
24          **Delaware County**  
25          **Fayette County**  
26          **Fountain County**  
27          **Grant County**  
28          **Hamilton County**  
29          **Hancock County**  
30          **Hendricks County**  
31          **Henry County**  
32          **Howard County**  
33          **Johnson County**  
34          **Madison County**  
35          **Marion County**  
36          **Monroe County**  
37          **Morgan County**  
38          **Montgomery County**  
39          **Owen County**  
40          **Parke County**  
41          **Putnam County**  
42          **Randolph County**





- 1           **Rush County**  
 2           **Shelby County**  
 3           **Tipton County**  
 4           **Union County**  
 5           **Vermillion County**  
 6           **Vigo County**  
 7           **Wayne County**  
 8           **(d) The third district consists of the following counties:**  
 9           **Clark County**  
 10          **Crawford County**  
 11          **Daviess County**  
 12          **Dearborn County**  
 13          **Decatur County**  
 14          **Dubois County**  
 15          **Floyd County**  
 16          **Franklin County**  
 17          **Gibson County**  
 18          **Greene County**  
 19          **Harrison County**  
 20          **Jackson County**  
 21          **Jefferson County**  
 22          **Jennings County**  
 23          **Knox County**  
 24          **Lawrence County**  
 25          **Martin County**  
 26          **Ohio County**  
 27          **Orange County**  
 28          **Perry County**  
 29          **Pike County**  
 30          **Posey County**  
 31          **Ripley County**  
 32          **Scott County**  
 33          **Spencer County**  
 34          **Sullivan County**  
 35          **Switzerland County**  
 36          **Vanderburgh County**  
 37          **Warrick County**  
 38          **Washington County**

39           SECTION 12. IC 6-1.5-2-1 IS AMENDED TO READ AS  
 40           FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 1. (a) A state  
 41           agency to be known as the Indiana board of tax review is established.  
 42           The Indiana board is composed of ~~three (3)~~ **nine (9)** lay members **who**



1 serve for the hearing and decision of cases in the three (3)  
 2 geographic districts designated by section 0.5 of this chapter. Three  
 3 (3) members of the board shall serve as a district panel to hear and  
 4 decide cases originating from each district. The governor shall  
 5 appoint the members of the Indiana board ~~The members of the Indiana~~  
 6 ~~board shall elect~~ and the chairperson of the board.

7 (b) **The following apply to each district panel of the Indiana**  
 8 **board:**

9 (1) Two (2) members of the ~~Indiana board~~ **district panel** must be  
 10 members of one (1) major political party, and one (1) member of  
 11 the ~~board~~ **district panel** must be a member of the other major  
 12 political party.

13 (2) **Any two (2) members of the district panel constitute a**  
 14 **quorum for the purpose of conducting property tax appeals**  
 15 **under IC 6-1.1-15.**

16 (3) **A district panel may make a final determination on a**  
 17 **property tax appeal conducted under IC 6-1.1-15 only upon**  
 18 **the vote of a majority of the whole panel.**

19 (c) Except as provided in ~~subsections~~ **subsection (d), and (e);** the  
 20 term of office of an Indiana board member is four (4) years.

21 ~~(d)~~ **The initial terms of office of the Indiana board are as follows:**

22 (1) ~~For one (1) board member, one (1) year.~~

23 (2) ~~For one (1) board member, two (2) years.~~

24 (3) ~~For one (1) board member, three (3) years.~~

25 ~~(e)~~ **(d)** An Indiana board member appointed to fill a vacancy shall  
 26 serve for the unexpired term of the member's predecessor.

27 ~~(f)~~ **(e)** **This subsection does not apply to a property tax appeal**  
 28 **conducted by a district panel under IC 6-1.1-15. Any two (2) five (5)**  
 29 **members of the Indiana board constitute a quorum for the transaction**  
 30 **of business. Action may be taken by the Indiana board only upon the**  
 31 **vote of a majority of the whole board.**

32 SECTION 13. IC 6-1.5-2-1.5 IS ADDED TO THE INDIANA  
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 34 [EFFECTIVE JANUARY 1, 2016]: **Sec. 1.5. (a) Except as provided**  
 35 **in subsection (b), a member of the Indiana board must be a**  
 36 **resident of the district served by the district panel on which the**  
 37 **member serves.**

38 **(b) A member of the Indiana board appointed before January**  
 39 **1, 2016, may serve any district designated by the governor and is**  
 40 **not required to have been a resident of that district.**

41 **(c) When a vacancy is created in the Indiana board, the**  
 42 **individual who is appointed by the governor to fill the vacancy**



- 1 **must be a resident of the district in which the vacancy occurred.**  
 2 SECTION 14. IC 6-1.5-4-1, AS AMENDED BY P.L.172-2011,  
 3 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 4 JANUARY 1, 2016]: Sec. 1. (a) The Indiana board shall conduct an  
 5 impartial review of all appeals concerning:  
 6 (1) the assessed valuation of tangible property;  
 7 (2) property tax deductions;  
 8 (3) property tax exemptions; or  
 9 (4) property tax credits;  
 10 that are made from a determination by an assessing official or a county  
 11 property tax assessment board of appeals to the Indiana board under  
 12 any law.  
 13 (b) Appeals described in this section shall be conducted under  
 14 IC 6-1.1-15. **The Indiana board shall ensure that each appeal is**  
 15 **conducted by the district panel for the district designated by**  
 16 **IC 6-1.5-2-0.5 from which the appeal arises. A decision of a district**  
 17 **panel is not subject to an en banc review by the entire Indiana**  
 18 **board.**  
 19 (c) A district panel of the Indiana board may conduct a hearing  
 20 under IC 6-1.1-15-4 in a county seat that is centrally located within  
 21 the district, as determined by the panel, or in a location within the  
 22 district that is mutually agreed upon by the taxpayer and the  
 23 county assessor that are parties to the appeal.  
 24 (d) The Indiana board shall assign an appeal pending on  
 25 January 1, 2016, to the appropriate district panel as soon as  
 26 practicable following the appointment of board members to that  
 27 district panel. However, the Indiana board (as constituted on  
 28 December 31, 2015) may retain responsibility for conducting a  
 29 pending appeal if the board determines, in its discretion, that  
 30 retaining responsibility for the appeal is in the best interests of the  
 31 board, the parties, or justice.  
 32 SECTION 15. IC 6-1.5-5-2, AS AMENDED BY P.L.146-2008,  
 33 SECTION 308, IS AMENDED TO READ AS FOLLOWS  
 34 [EFFECTIVE JANUARY 1, 2016]: Sec. 2. (a) After receiving a  
 35 petition for review that is filed under a statute listed in section 1(a) of  
 36 this chapter, the Indiana board shall, at its earliest opportunity:  
 37 (1) conduct a hearing; or  
 38 (2) cause a hearing to be conducted by an administrative law  
 39 judge.  
 40 The Indiana board may determine to conduct the hearing under  
 41 subdivision (1) on its own motion or on request of a party to the appeal.  
 42 (b) In its resolution of a petition, the Indiana board may correct any



1 errors that may have been made and adjust the assessment in  
2 accordance with the correction.

3 (c) The Indiana board shall give notice of the date fixed for the  
4 hearing by mail to:

- 5 (1) the taxpayer;  
6 (2) the department of local government finance; and  
7 (3) the appropriate:  
8 (A) township assessor (if any);  
9 (B) county assessor; and  
10 (C) county auditor.

11 (d) With respect to an appeal of the assessment of real property or  
12 personal property filed after June 30, 2005, the notices required under  
13 subsection (c) must include the following:

- 14 (1) The action of the department of local government finance with  
15 respect to the appealed items.  
16 (2) A statement that ~~a~~ **the fiscal officer of an affected** taxing unit  
17 receiving the notice from the county auditor under subsection (e)  
18 may:  
19 (A) attend the hearing;  
20 (B) offer testimony; and  
21 (C) file an amicus curiae brief in the proceeding.

22 (e) ~~If~~, After receiving notice of a hearing under subsection (c), the  
23 county auditor ~~determines that the assessed value of the appealed items~~  
24 ~~constitutes at least one percent (1%) of the total gross certified assessed~~  
25 ~~value of a particular taxing unit for the assessment date immediately~~  
26 ~~preceding the assessment date for which the appeal was filed, the~~  
27 ~~county auditor shall send a copy of the notice to the affected taxing~~  
28 ~~unit. **fiscal officer of each taxing unit affected by the appeal. The**~~  
29 ~~**fiscal officer** of a taxing unit that receives a notice from the county~~  
30 ~~auditor under this subsection is not a party to the appeal. Failure of the~~  
31 ~~county auditor to send a copy of the notice to the **fiscal officer of the**~~  
32 ~~affected taxing unit does not affect the validity of the appeal or delay~~  
33 ~~the appeal.~~

34 (f) The Indiana board shall give the notices required under  
35 subsection (c) at least thirty (30) days before the day fixed for the  
36 hearing.

37 SECTION 16. IC 6-1.5-5-5, AS AMENDED BY P.L.146-2008,  
38 SECTION 309, IS AMENDED TO READ AS FOLLOWS  
39 [EFFECTIVE JANUARY 1, 2016]: Sec. 5. After the hearing, the  
40 Indiana board shall give the petitioner, the township assessor (if any),  
41 the county assessor, the county auditor, and the department of local  
42 government finance:



1           (1) notice, by mail, of its final determination, findings of fact, and  
2           conclusions of law; and  
3           (2) notice of the procedures the petitioner or the department of  
4           local government finance must follow in order to obtain court  
5           review of the final determination of the Indiana board.  
6           The county auditor shall provide copies of the documents described in  
7           subdivisions (1) and (2) to the **fiscal officers of the** taxing units  
8           entitled to notice under section 2(e) of this chapter.

