

HOUSE BILL No. 1616

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-24-18.1; IC 6-3.1-22-8; IC 14-8-2; IC 14-20-5; IC 14-31-4.

Synopsis: Department of natural resources. Establishes a procedure to be followed when there are unpaid taxes assessed on a mineral interest. Adds a \$10,000 cap on a tax credit for a taxpayer who completes preservation or rehabilitation of a historic property. Provides that: (1) an instrument that is recorded with the office of recorder for Franklin County on or before January 1, 1950, is deemed to meet the requirements to transfer title to the state; and (2) an action relating to title of real property transferred from the Whitewater Canal Association to the state must be brought not more than 50 years after January 1, 1950. Provides conditions and guidelines under which the department of natural resources may establish submerged lands preserves.

Effective: July 1, 2025.

Lindauer

January 21, 2025, read first time and referred to Committee on Natural Resources.



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. 1616



A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

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

1 SECTION 1. IC 6-1.1-24-18.1 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2025]: **Sec. 18.1. (a) As used in this section,**
4 **"eligible property" means a parcel of real property that contains**
5 **minerals subject to a mineral interest:**
6 **(1) in, on, or under the real property; or**
7 **(2) which may be taken from beneath the surface of the real**
8 **property.**
9 **(b) As used in this section, "eligible tax sale" means a tax sale**
10 **conducted under section 5 or 6.1 of this chapter on or after July 1,**
11 **2025.**
12 **(c) As used in this section, "mineral interest" has the meaning**
13 **set forth in IC 32-23-10-1.**
14 **(d) In the event taxes assessed on a mineral interest under this**
15 **article remain unpaid and the mineral interest would ordinarily be**
16 **eligible for a tax sale:**
17 **(1) the eligible property and mineral interest must not be**



1 offered at an eligible tax sale;

2 (2) a list of delinquent owners of mineral interests must be
3 certified by the county treasurer to the county auditor using
4 the process set forth in section 1(a) of this chapter;

5 (3) the mineral interest delinquency list must be mailed by the
6 county auditor to all the mineral interest owners and their
7 corresponding eligible property owners, if they can be
8 reasonably identified, under the process set forth in section
9 1(d) of this chapter;

10 (4) the mineral interest owner has one (1) year from the date
11 of the mailing of the notice in subdivision (3) to redeem the
12 mineral interest by paying all delinquent taxes, special
13 assessments, interest, and costs;

14 (5) if the mineral interest has not been redeemed within the
15 one (1) year redemption period as set forth in subdivision (4),
16 the county treasurer and county auditor shall apply for
17 judgment and order of reversion with a court of competent
18 jurisdiction;

19 (6) the court shall set the application for judgment and order
20 of reversion for a hearing at least seven (7) days after
21 notification of the hearing is provided by certified mail to the
22 mineral interest owners;

23 (7) any defense to the application of judgment must be filed
24 with the court before the date designated for the hearing; and

25 (8) if, following the hearing, the court grants judgment and
26 orders reversion of the mineral interest, the county recorder
27 shall certify, upon the face of the deed or other instrument
28 granting the reservation of rights, that the reservation is
29 canceled for nonpayment of taxes.

30 SECTION 2. IC 6-3.1-22-8, AS AMENDED BY P.L.166-2014,
31 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2025]: Sec. 8. (a) Subject to section 14 of this chapter, a
33 taxpayer is entitled to a credit against the taxpayer's state tax liability
34 in the taxable year in which the taxpayer completes the preservation or
35 rehabilitation of historic property and obtains the certifications required
36 under section 9 of this chapter.

37 (b) The amount of the credit is equal to twenty percent (20%) or **ten**
38 **thousand dollars (\$10,000), whichever is less**, of the qualified
39 expenditures that:

40 (1) the taxpayer makes for the preservation or rehabilitation of
41 historic property; and

42 (2) are approved by the office.



1 (c) In the case of a husband and wife who:

- 2 (1) own and rehabilitate a historic property jointly; and
 3 (2) file separate tax returns;

4 the husband and wife may take the credit in equal shares or one (1)
 5 spouse may take the whole credit.

6 SECTION 3. IC 14-8-2-1.1 IS ADDED TO THE INDIANA CODE
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 8 1, 2025]: **Sec. 1.1. "Abandoned property", for purposes of**
 9 **IC 14-31-4, means:**

- 10 (1) a submerged aircraft;
 11 (2) a submerged watercraft, including a ship, boat, canoe,
 12 skiff, raft, or barge;
 13 (3) the rigging, gear, fittings, trappings, and equipment of a
 14 submerged aircraft or watercraft;
 15 (4) the personal property of the officers, crew, and passengers
 16 of a submerged aircraft or watercraft; or
 17 (5) the cargo of a submerged aircraft or watercraft that has
 18 been deserted, relinquished, cast away, or left behind;

19 **for which attempts at reclamation have been abandoned by the**
 20 **owners and insurers.**

21 SECTION 4. IC 14-8-2-126.5 IS ADDED TO THE INDIANA
 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2025]: **Sec. 126.5. "Historical value", for**
 24 **purposes of IC 14-31-4, means the quality of significance**
 25 **exemplified by:**

- 26 (1) an object;
 27 (2) a structure;
 28 (3) a site; or
 29 (4) a district;

30 **that is included in or eligible for inclusion in the National Register**
 31 **of Historic Places.**

32 SECTION 5. IC 14-20-5-2 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 2. (a)** The real property
 34 is accepted on condition that the officers of the Whitewater Canal
 35 Association transfer the property to the state free of encumbrances. In
 36 consideration the state pledges the state's faith to maintain the real
 37 property conveyed and transferred as a public memorial. The title to the
 38 real property conveyed and transferred:

- 39 (1) must be good and sufficient;
 40 (2) must be approved by the attorney general; and
 41 (3) shall be taken in the name of the state of Indiana.

42 **(b) An instrument that is recorded with the office of recorder**



1 **for Franklin County on or before January 1, 1950, is deemed to**
 2 **meet the requirements of this chapter to transfer title to the state.**

3 SECTION 6. IC 14-20-5-3 IS ADDED TO THE INDIANA CODE
 4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 5 1, 2025]: **Sec. 3. An action relating to title of real property**
 6 **transferred from the Whitewater Canal Association to the state**
 7 **under this chapter must be brought not later than fifty (50) years**
 8 **after January 1, 1950.**

9 SECTION 7. IC 14-31-4 IS ADDED TO THE INDIANA CODE AS
 10 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 11 1, 2025]:

12 **Chapter 4. Submerged Lands Preserves**

13 **Sec. 1. The purpose of this chapter is to:**

- 14 (1) fulfill the requirements to be met by the state under the
 15 federal Abandoned Shipwreck Act of 1987; and
 16 (2) provide special protection in perpetuity for abandoned
 17 property and features and formations in Lake Michigan and
 18 other lakes and rivers in Indiana that have historical,
 19 archeological, recreational, ecological, geological,
 20 environmental, educational, scenic, or scientific value.

21 **Sec. 2. (a) The department may establish a submerged lands**
 22 **preserve for any area of submerged lands that:**

23 (1) contains:

24 (A) a watercraft; or

25 (B) an aircraft;

26 of historical value;

27 (2) contains:

28 (A) a watercraft; or

29 (B) an aircraft;

30 constituting abandoned property; or

31 (3) contains other features of historical, archeological,
 32 recreational, ecological, geological, environmental,
 33 educational, scenic, or scientific value.

34 (b) When establishing a submerged lands preserve, the
 35 department shall consider whether creating the preserve is
 36 necessary to:

37 (1) protect either abandoned property possessing historical or
 38 recreational value; or

39 (2) protect significant underwater geological or
 40 environmental features.

41 (c) Each submerged lands preserve established must encompass
 42 the designated submerged land area and extend upward to include



1 the surface of the water.
2 (d) Within each submerged lands preserve established, the
3 department shall govern access to and use of the submerged lands
4 preserve, including regulating or prohibiting the alteration,
5 destruction, or removal of abandoned property, features, or
6 formations within a preserve.
7 (e) The department may adopt rules under IC 4-22-2 to
8 implement this chapter.
9 Sec. 3. If a nature preserve dedicated under IC 14-31-1 includes
10 abandoned property, the department shall reclassify the nature
11 preserve as a submerged lands preserve.

