



February 17, 2021

SENATE BILL No. 72

DIGEST OF SB 72 (Updated February 16, 2021 11:02 am - DI 142)

Citations Affected: IC 6-1.1.

Synopsis: Taxation of farm property. Makes new farm equipment and new agricultural improvements eligible for local tax abatement using the same procedures for tax abatement under current law for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and new information technology equipment, or redevelopment and rehabilitation in the case of new agricultural improvements. Limits an abatement schedule for new farm equipment and new agricultural improvements to not more than five years. Specifies how agricultural improvements shall be assessed for tax purposes.

Effective: July 1, 2021.

Niemeyer, Charbonneau

January 4, 2021, read first time and referred to Committee on Tax and Fiscal Policy.
February 16, 2021, amended, reported favorably — Do Pass.

SB 72—LS 6469/DI 120



February 17, 2021

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

SENATE BILL No. 72

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 6-1.1-4-4.5, AS AMENDED BY P.L.86-2018,
2 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 4.5. (a) The department of local government
4 finance shall adopt rules establishing a system for annually adjusting
5 the assessed value of real property to account for changes in value in
6 those years since a reassessment under section 4.2 of this chapter for
7 the property last took effect.

8 (b) Subject to subsection ~~(e)~~, **(f)**, the system must be applied to
9 adjust assessed values beginning with the 2006 assessment date and
10 each year thereafter that is not a year in which a reassessment under
11 section 4.2 of this chapter for the property becomes effective.

12 (c) The rules adopted under subsection (a) must include the
13 following characteristics in the system:

14 (1) Promote uniform and equal assessment of real property within
15 and across classifications.

16 (2) Require that assessing officials:

17 (A) reevaluate the factors that affect value;

SB 72—LS 6469/DI 120



- 1 (B) express the interactions of those factors mathematically;
 2 (C) use mass appraisal techniques to estimate updated property
 3 values within statistical measures of accuracy; and
 4 (D) provide notice to taxpayers of an assessment increase that
 5 results from the application of annual adjustments.
 6 (3) Prescribe procedures that permit the application of the
 7 adjustment percentages in an efficient manner by assessing
 8 officials.
 9 (d) The department of local government finance must review and
 10 certify each annual adjustment determined under this section.
 11 **(e) For an assessment beginning after December 31, 2021,**
 12 **agricultural improvements such as but not limited to barns, grain**
 13 **bins, or silos on land assessed as agricultural shall not be adjusted**
 14 **using factors, such as neighborhood delineation, that are**
 15 **appropriate for use in adjusting residential, commercial, and**
 16 **industrial real property. Those portions of agricultural parcels that**
 17 **include land and buildings not used for an agricultural purpose,**
 18 **such as homes, homesites, and excess residential land and**
 19 **commercial or industrial land and buildings, shall be adjusted by**
 20 **the factor or factors developed for other similar property within**
 21 **the geographic stratification. The residential portion of**
 22 **agricultural properties will be adjusted by the factors applied to**
 23 **similar residential purposes.**
 24 ~~(e)~~ (f) In making the annual determination of the base rate to satisfy
 25 the requirement for an annual adjustment for each assessment date, the
 26 department of local government finance shall not later than March 1 of
 27 each year determine the base rate using the methodology reflected in
 28 Table 2-18 of Book 1, Chapter 2 of the department of local government
 29 finance's Real Property Assessment Guidelines (as in effect on January
 30 1, 2005), except that the department shall adjust the methodology as
 31 follows:
 32 (1) Use a six (6) year rolling average adjusted under subdivision
 33 (3) instead of a four (4) year rolling average.
 34 (2) Use the data from the six (6) most recent years preceding the
 35 year in which the assessment date occurs for which data is
 36 available, before one (1) of those six (6) years is eliminated under
 37 subdivision (3) when determining the rolling average.
 38 (3) Eliminate in the calculation of the rolling average the year
 39 among the six (6) years for which the highest market value in use
 40 of agricultural land is determined.
 41 (4) After determining a preliminary base rate that would apply for
 42 the assessment date without applying the adjustment under this



1 subdivision, the department of local government finance shall
2 adjust the preliminary base rate as follows:

3 (A) If the preliminary base rate for the assessment date would
4 be at least ten percent (10%) greater than the final base rate
5 determined for the preceding assessment date, a capitalization
6 rate of eight percent (8%) shall be used to determine the final
7 base rate.

8 (B) If the preliminary base rate for the assessment date would
9 be at least ten percent (10%) less than the final base rate
10 determined for the preceding assessment date, a capitalization
11 rate of six percent (6%) shall be used to determine the final
12 base rate.

13 (C) If neither clause (A) nor clause (B) applies, a capitalization
14 rate of seven percent (7%) shall be used to determine the final
15 base rate.

16 (D) In the case of a market value in use for a year that is used
17 in the calculation of the six (6) year rolling average under
18 subdivision (1) for purposes of determining the base rate for
19 the assessment date:

20 (i) that market value in use shall be recalculated by using the
21 capitalization rate determined under clauses (A) through (C)
22 for the calculation of the base rate for the assessment date;
23 and

24 (ii) the market value in use recalculated under item (i) shall
25 be used in the calculation of the six (6) year rolling average
26 under subdivision (1).

27 ~~(g)~~ (g) For assessment dates after December 31, 2009, an adjustment
28 in the assessed value of real property under this section shall be based
29 on the estimated true tax value of the property on the assessment date
30 that is the basis for taxes payable on that real property.

31 ~~(g)~~ (h) The department shall release the department's annual
32 determination of the base rate on or before March 1 of each year.

33 SECTION 2. IC 6-1.1-12.1-1, AS AMENDED BY P.L.288-2013,
34 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2021]: Sec. 1. For purposes of this chapter:

36 (1) "Economic revitalization area" means an area which is within
37 the corporate limits of a city, town, or county which has become
38 undesirable for, or impossible of, normal development and
39 occupancy because of a lack of development, cessation of growth,
40 deterioration of improvements or character of occupancy, age,
41 obsolescence, substandard buildings, or other factors which have
42 impaired values or prevent a normal development of property or



1 use of property. The term "economic revitalization area" also
2 includes:

3 (A) any area where a facility or a group of facilities that are
4 technologically, economically, or energy obsolete are located
5 and where the obsolescence may lead to a decline in
6 employment and tax revenues; ~~and~~

7 (B) a residentially distressed area, except as otherwise
8 provided in this chapter; **and**

9 **(C) an area of land classified as agricultural land for**
10 **property tax purposes that, as a condition of being**
11 **designated an economic revitalization area, will be**
12 **predominately used for agricultural purposes for a period**
13 **specified by the designating body.**

14 (2) "City" means any city in this state, and "town" means any town
15 incorporated under IC 36-5-1.

16 (3) "New manufacturing equipment" means tangible personal
17 property that a deduction applicant:

18 (A) installs on or before the approval deadline determined
19 under section 9 of this chapter, in an area that is declared an
20 economic revitalization area in which a deduction for tangible
21 personal property is allowed;

22 (B) uses in the direct production, manufacture, fabrication,
23 assembly, extraction, mining, processing, refining, or finishing
24 of other tangible personal property, including but not limited
25 to use to dispose of solid waste or hazardous waste by
26 converting the solid waste or hazardous waste into energy or
27 other useful products;

28 (C) acquires for use as described in clause (B):

29 (i) in an arms length transaction from an entity that is not an
30 affiliate of the deduction applicant, if the tangible personal
31 property has been previously used in Indiana before the
32 installation described in clause (A); or

33 (ii) in any manner, if the tangible personal property has
34 never been previously used in Indiana before the installation
35 described in clause (A); and

36 (D) has never used for any purpose in Indiana before the
37 installation described in clause (A).

38 (4) "Property" means a building or structure, but does not include
39 land.

40 (5) "Redevelopment" means the construction of new structures,
41 in economic revitalization areas, either:

42 (A) on unimproved real estate; or



- 1 (B) on real estate upon which a prior existing structure is
 2 demolished to allow for a new construction.
- 3 (6) "Rehabilitation" means the remodeling, repair, or betterment
 4 of property in any manner or any enlargement or extension of
 5 property.
- 6 (7) "Designating body" means the following:
 7 (A) For a county that does not contain a consolidated city, the
 8 fiscal body of the county, city, or town.
 9 (B) For a county containing a consolidated city, the
 10 metropolitan development commission.
- 11 (8) "Deduction application" means:
 12 (A) the application filed in accordance with section 5 of this
 13 chapter by a property owner who desires to obtain the
 14 deduction provided by section 3 of this chapter;
 15 (B) the application filed in accordance with section 5.4 of this
 16 chapter by a person who desires to obtain the deduction
 17 provided by section 4.5 of this chapter; or
 18 (C) the application filed in accordance with section 5.3 of this
 19 chapter by a property owner that desires to obtain the
 20 deduction provided by section 4.8 of this chapter.
- 21 (9) "Designation application" means an application that is filed
 22 with a designating body to assist that body in making a
 23 determination about whether a particular area should be
 24 designated as an economic revitalization area.
- 25 (10) "Hazardous waste" has the meaning set forth in
 26 IC 13-11-2-99(a). The term includes waste determined to be a
 27 hazardous waste under IC 13-22-2-3(b).
- 28 (11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a).
 29 However, the term does not include dead animals or any animal
 30 solid or semisolid wastes.
- 31 (12) "New research and development equipment" means tangible
 32 personal property that:
 33 (A) a deduction applicant installs on or before the approval
 34 deadline determined under section 9 of this chapter, in an
 35 economic revitalization area in which a deduction for tangible
 36 personal property is allowed;
 37 (B) consists of:
 38 (i) laboratory equipment;
 39 (ii) research and development equipment;
 40 (iii) computers and computer software;
 41 (iv) telecommunications equipment; or
 42 (v) testing equipment;



- 1 (C) the deduction applicant uses in research and development
 2 activities devoted directly and exclusively to experimental or
 3 laboratory research and development for new products, new
 4 uses of existing products, or improving or testing existing
 5 products;
 6 (D) the deduction applicant acquires for purposes described in
 7 this subdivision:
 8 (i) in an arms length transaction from an entity that is not an
 9 affiliate of the deduction applicant, if the tangible personal
 10 property has been previously used in Indiana before the
 11 installation described in clause (A); or
 12 (ii) in any manner, if the tangible personal property has
 13 never been previously used in Indiana before the installation
 14 described in clause (A); and
 15 (E) the deduction applicant has never used for any purpose in
 16 Indiana before the installation described in clause (A).
 17 The term does not include equipment installed in facilities used
 18 for or in connection with efficiency surveys, management studies,
 19 consumer surveys, economic surveys, advertising or promotion,
 20 or research in connection with literacy, history, or similar
 21 projects.
 22 (13) "New logistical distribution equipment" means tangible
 23 personal property that:
 24 (A) a deduction applicant installs on or before the approval
 25 deadline determined under section 9 of this chapter, in an
 26 economic revitalization area in which a deduction for tangible
 27 personal property is allowed;
 28 (B) consists of:
 29 (i) racking equipment;
 30 (ii) scanning or coding equipment;
 31 (iii) separators;
 32 (iv) conveyors;
 33 (v) fork lifts or lifting equipment (including "walk
 34 behinds");
 35 (vi) transitional moving equipment;
 36 (vii) packaging equipment;
 37 (viii) sorting and picking equipment; or
 38 (ix) software for technology used in logistical distribution;
 39 (C) the deduction applicant acquires for the storage or
 40 distribution of goods, services, or information:
 41 (i) in an arms length transaction from an entity that is not an
 42 affiliate of the deduction applicant, if the tangible personal



1 property has been previously used in Indiana before the
2 installation described in clause (A); and

3 (ii) in any manner, if the tangible personal property has
4 never been previously used in Indiana before the installation
5 described in clause (A); and

6 (D) the deduction applicant has never used for any purpose in
7 Indiana before the installation described in clause (A).

8 **(14) "New farm equipment" means tangible personal**
9 **property that:**

10 **(A) a deduction applicant installs after June 30, 2021, and**
11 **on or before the approval deadline determined under**
12 **section 9 of this chapter, in an area that will be**
13 **predominately used for agricultural purposes for a period**
14 **specified by the designating body as a condition of being**
15 **declared an economic revitalization area;**

16 **(B) is used in the direct production, extraction, harvesting,**
17 **or processing of agricultural commodities for sale on land**
18 **classified as agricultural land for property tax purposes;**

19 **(C) was acquired for use as described in clause (B) in an**
20 **arms length transaction from an entity that is not an**
21 **affiliate of the deduction applicant; and**

22 **(D) the deduction applicant never used for any purpose in**
23 **Indiana before the installation described in clause (A).**

24 **(15) "New agricultural improvement" means any**
25 **improvement made to land classified as agricultural land for**
26 **tax purposes that is placed in service after December 31, 2021,**
27 **and that will be predominately used for agricultural purposes**
28 **for a period specified by the designating body as a condition**
29 **of being declared an economic revitalization area. The term**
30 **includes a barn, grain bin, or silo.**

31 **(16) "New information technology equipment" means**
32 **tangible personal property that:**

33 **(A) a deduction applicant installs on or before the approval**
34 **deadline determined under section 9 of this chapter, in an**
35 **economic revitalization area in which a deduction for tangible**
36 **personal property is allowed;**

37 **(B) consists of equipment, including software, used in the**
38 **fields of:**

39 (i) information processing;

40 (ii) office automation;

41 (iii) telecommunication facilities and networks;

42 (iv) informatics;



- 1 (v) network administration;
- 2 (vi) software development; and
- 3 (vii) fiber optics;
- 4 (C) the deduction applicant acquires in an arms length
- 5 transaction from an entity that is not an affiliate of the
- 6 deduction applicant; and
- 7 (D) the deduction applicant never used for any purpose in
- 8 Indiana before the installation described in clause (A).
- 9 ~~(15)~~ **(17)** "Deduction applicant" means an owner of tangible
- 10 personal property who makes a deduction application.
- 11 ~~(16)~~ **(18)** "Affiliate" means an entity that effectively controls or is
- 12 controlled by a deduction applicant or is associated with a
- 13 deduction applicant under common ownership or control, whether
- 14 by shareholdings or other means.
- 15 ~~(17)~~ **(19)** "Eligible vacant building" means a building that:
- 16 (A) is zoned for commercial or industrial purposes; and
- 17 (B) is unoccupied for at least one (1) year before the owner of
- 18 the building or a tenant of the owner occupies the building, as
- 19 evidenced by a valid certificate of occupancy, paid utility
- 20 receipts, executed lease agreements, or any other evidence of
- 21 occupation that the department of local government finance
- 22 requires.

23 SECTION 3. IC 6-1.1-12.1-2, AS AMENDED BY P.L.288-2013,
 24 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2021]: Sec. 2. (a) A designating body may find that a
 26 particular area within its jurisdiction is an economic revitalization area.
 27 However, the deduction provided by this chapter for economic
 28 revitalization areas not within a city or town shall not be available to
 29 retail businesses.

30 (b) In a county containing a consolidated city or within a city or
 31 town, a designating body may find that a particular area within its
 32 jurisdiction is a residentially distressed area. Designation of an area as
 33 a residentially distressed area has the same effect as designating an
 34 area as an economic revitalization area, except that the amount of the
 35 deduction shall be calculated as specified in section 4.1 of this chapter
 36 and the deduction is allowed for not more than the number of years
 37 specified by the designating body under section 17 of this chapter. In
 38 order to declare a particular area a residentially distressed area, the
 39 designating body must follow the same procedure that is required to
 40 designate an area as an economic revitalization area and must make all
 41 the following additional findings or all the additional findings
 42 described in subsection (c):



1 (1) The area is comprised of parcels that are either unimproved or
 2 contain only one (1) or two (2) family dwellings or multifamily
 3 dwellings designed for up to four (4) families, including accessory
 4 buildings for those dwellings.

5 (2) Any dwellings in the area are not permanently occupied and
 6 are:

7 (A) the subject of an order issued under IC 36-7-9; or

8 (B) evidencing significant building deficiencies.

9 (3) Parcels of property in the area:

10 (A) have been sold and not redeemed under IC 6-1.1-24 and

11 IC 6-1.1-25; or

12 (B) are owned by a unit of local government.

13 However, in a city in a county having a population of more than two
 14 hundred fifty thousand (250,000) but less than two hundred seventy
 15 thousand (270,000), the designating body is only required to make one
 16 (1) of the additional findings described in this subsection or one (1) of
 17 the additional findings described in subsection (c).

18 (c) In a county containing a consolidated city or within a city or
 19 town, a designating body that wishes to designate a particular area a
 20 residentially distressed area may make the following additional
 21 findings as an alternative to the additional findings described in
 22 subsection (b):

23 (1) A significant number of dwelling units within the area are not
 24 permanently occupied or a significant number of parcels in the
 25 area are vacant land.

26 (2) A significant number of dwelling units within the area are:

27 (A) the subject of an order issued under IC 36-7-9; or

28 (B) evidencing significant building deficiencies.

29 (3) The area has experienced a net loss in the number of dwelling
 30 units, as documented by census information, local building and
 31 demolition permits, or certificates of occupancy, or the area is
 32 owned by Indiana or the United States.

33 (4) The area (plus any areas previously designated under this
 34 subsection) will not exceed ten percent (10%) of the total area
 35 within the designating body's jurisdiction.

36 However, in a city in a county having a population of more than two
 37 hundred fifty thousand (250,000) but less than two hundred seventy
 38 thousand (270,000), the designating body is only required to make one
 39 (1) of the additional findings described in this subsection as an
 40 alternative to one (1) of the additional findings described in subsection
 41 (b).

42 (d) A designating body is required to attach the following conditions



- 1 to the grant of a residentially distressed area designation:
- 2 (1) The deduction will not be allowed unless the dwelling is
- 3 rehabilitated to meet local code standards for habitability.
- 4 (2) If a designation application is filed, the designating body may
- 5 require that the redevelopment or rehabilitation be completed
- 6 within a reasonable period of time.
- 7 (e) To make a designation described in subsection (a) or (b), the
- 8 designating body shall use procedures prescribed in section 2.5 of this
- 9 chapter.
- 10 (f) The property tax deductions provided by section 3, 4.5, or 4.8 of
- 11 this chapter are only available within an area which the designating
- 12 body finds to be an economic revitalization area.
- 13 (g) The designating body may adopt a resolution establishing
- 14 general standards to be used, along with the requirements set forth in
- 15 the definition of economic revitalization area, by the designating body
- 16 in finding an area to be an economic revitalization area. The standards
- 17 must have a reasonable relationship to the development objectives of
- 18 the area in which the designating body has jurisdiction. The following
- 19 ~~four~~ **(4) five (5)** sets of standards may be established:
- 20 (1) One (1) relative to the deduction under section 3 of this
- 21 chapter for economic revitalization areas that are not residentially
- 22 distressed areas.
- 23 (2) One (1) relative to the deduction under section 3 of this
- 24 chapter for residentially distressed areas.
- 25 (3) One (1) relative to the deduction allowed under section 4.5 of
- 26 this chapter.
- 27 (4) One (1) relative to the deduction allowed under section 4.8 of
- 28 this chapter.
- 29 **(5) One (1) relative to property granted a deduction for an**
- 30 **agricultural purpose.**
- 31 (h) A designating body may impose a fee for filing a designation
- 32 application for a person requesting the designation of a particular area
- 33 as an economic revitalization area. The fee may be sufficient to defray
- 34 actual processing and administrative costs. However, the fee charged
- 35 for filing a designation application for a parcel that contains one (1) or
- 36 more owner-occupied, single-family dwellings may not exceed the cost
- 37 of publishing the required notice.
- 38 (i) In declaring an area an economic revitalization area, the
- 39 designating body may:
- 40 (1) limit the time period to a certain number of calendar years
- 41 during which the economic revitalization area shall be so
- 42 designated;



- 1 (2) limit the type of deductions that will be allowed within the
- 2 economic revitalization area to the deduction allowed under
- 3 section 3 of this chapter, the deduction allowed under section 4.5
- 4 of this chapter, the deduction allowed under section 4.8 of this
- 5 chapter, or any combination of these deductions;
- 6 (3) limit the dollar amount of the deduction that will be allowed
- 7 with respect to new manufacturing equipment, **new farm**
- 8 **equipment**, new research and development equipment, new
- 9 logistical distribution equipment, and new information technology
- 10 equipment;
- 11 (4) limit the dollar amount of the deduction that will be allowed
- 12 with respect to redevelopment and rehabilitation occurring in
- 13 areas that are designated as economic revitalization areas;
- 14 (5) limit the dollar amount of the deduction that will be allowed
- 15 under section 4.8 of this chapter with respect to the occupation of
- 16 an eligible vacant building; or
- 17 (6) impose reasonable conditions related to the purpose of this
- 18 chapter or to the general standards adopted under subsection (g)
- 19 for allowing the deduction for the redevelopment or rehabilitation
- 20 of the property or the installation of the new manufacturing
- 21 equipment, **new farm equipment**, new research and development
- 22 equipment, new logistical distribution equipment, or new
- 23 information technology equipment.

24 To exercise one (1) or more of these powers, a designating body must
 25 include this fact in the resolution passed under section 2.5 of this
 26 chapter.

27 (j) Notwithstanding any other provision of this chapter, if a
 28 designating body limits the time period during which an area is an
 29 economic revitalization area, that limitation does not:

- 30 (1) prevent a taxpayer from obtaining a deduction for new
- 31 manufacturing equipment, **new farm equipment**, new research
- 32 and development equipment, new logistical distribution
- 33 equipment, or new information technology equipment installed on
- 34 or before the approval deadline determined under section 9 of this
- 35 chapter, but after the expiration of the economic revitalization
- 36 area if the new manufacturing equipment, **new farm equipment**,
- 37 new research and development equipment, new logistical
- 38 distribution equipment, or new information technology equipment
- 39 was described in a statement of benefits submitted to and
- 40 approved by the designating body in accordance with section 4.5
- 41 of this chapter before the expiration of the economic revitalization
- 42 area designation; or



1 (2) limit the length of time a taxpayer is entitled to receive a
 2 deduction to a number of years that is less than the number of
 3 years designated under section 17 of this chapter.

4 (k) In addition to the other requirements of this chapter, if property
 5 located in an economic revitalization area is also located in an
 6 allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), a
 7 taxpayer's statement of benefits concerning that property may not be
 8 approved under this chapter unless a resolution approving the
 9 statement of benefits is adopted by the legislative body of the unit that
 10 approved the designation of the allocation area.

11 SECTION 4. IC 6-1.1-12.1-3, AS AMENDED BY P.L.288-2013,
 12 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2021]: Sec. 3. (a) An applicant must provide a statement of
 14 benefits to the designating body. If the designating body requires
 15 information from the applicant for economic revitalization area status
 16 for use in making its decision about whether to designate an economic
 17 revitalization area, the applicant shall provide the completed statement
 18 of benefits form to the designating body before the hearing required by
 19 section 2.5(c) of this chapter. Otherwise, the statement of benefits form
 20 must be submitted to the designating body before the initiation of the
 21 redevelopment or rehabilitation, **or a new agricultural improvement**
 22 for which the person desires to claim a deduction under this chapter.
 23 The department of local government finance shall prescribe a form for
 24 the statement of benefits. The statement of benefits must include the
 25 following information:

26 (1) A description of the proposed redevelopment or rehabilitation,
 27 **or new agricultural improvement.**

28 (2) An estimate of the number of individuals who will be
 29 employed or whose employment will be retained by the person as
 30 a result of the redevelopment or rehabilitation, **or new**
 31 **agricultural improvement** and an estimate of the annual salaries
 32 of these individuals.

33 (3) An estimate of the value of the redevelopment or
 34 rehabilitation, **or new agricultural improvement.**

35 With the approval of the designating body, the statement of benefits
 36 may be incorporated in a designation application. Notwithstanding any
 37 other law, a statement of benefits is a public record that may be
 38 inspected and copied under IC 5-14-3-3.

39 (b) The designating body must review the statement of benefits
 40 required under subsection (a). The designating body shall determine
 41 whether an area should be designated an economic revitalization area
 42 or whether a deduction should be allowed, based on (and after it has



- 1 made) the following findings:
- 2 (1) Whether the estimate of the value of the redevelopment or
- 3 rehabilitation, **or new agricultural improvement** is reasonable
- 4 for projects of that nature.
- 5 (2) Whether the estimate of the number of individuals who will be
- 6 employed or whose employment will be retained can be
- 7 reasonably expected to result from the proposed described
- 8 redevelopment or rehabilitation, **or new agricultural**
- 9 **improvement.**
- 10 (3) Whether the estimate of the annual salaries of those
- 11 individuals who will be employed or whose employment will be
- 12 retained can be reasonably expected to result from the proposed
- 13 described redevelopment or rehabilitation, **or new agricultural**
- 14 **improvement.**
- 15 (4) Whether any other benefits about which information was
- 16 requested are benefits that can be reasonably expected to result
- 17 from the proposed described redevelopment or rehabilitation, **or**
- 18 **new agricultural improvement.**
- 19 (5) Whether the totality of benefits is sufficient to justify the
- 20 deduction.
- 21 A designating body may not designate an area an economic
- 22 revitalization area or approve a deduction unless the findings required
- 23 by this subsection are made in the affirmative.
- 24 (c) Except as provided in subsections (a) through (b), the owner of
- 25 property which is located in an economic revitalization area is entitled
- 26 to a deduction from the assessed value of the property. For all
- 27 economic revitalization areas, the period is the number of years
- 28 determined under section 17 of this chapter. The owner is entitled to a
- 29 deduction if:
- 30 (1) the property has been rehabilitated; ~~or~~
- 31 (2) the property is located on real estate which has been
- 32 redeveloped; **or**
- 33 **(3) the property is a new agricultural improvement.**
- 34 The owner is entitled to the deduction for the first year, and any
- 35 successive year or years, in which an increase in assessed value
- 36 resulting from the rehabilitation or redevelopment, **or new**
- 37 **agricultural improvement** occurs and for the following years
- 38 determined under section 17 of this chapter.
- 39 (d) The designating body's determination must be made:
- 40 (1) as part of the resolution adopted under section 2.5 of this
- 41 chapter; or
- 42 (2) by resolution adopted within sixty (60) days after receiving a



1 copy of a property owner's certified deduction application from
 2 the county auditor. A certified copy of the resolution must be sent
 3 to the county auditor, who shall make the deduction as provided
 4 in section 5 of this chapter.

5 A determination about the number of years the deduction is allowed
 6 that is made under subdivision (1) is final and may not be changed by
 7 following the procedure under subdivision (2).

8 (e) Except for deductions related to redevelopment or rehabilitation
 9 of real property in a county containing a consolidated city, a deduction
 10 for the redevelopment or rehabilitation of real property may not be
 11 approved for the following facilities:

- 12 (1) Private or commercial golf course.
- 13 (2) Country club.
- 14 (3) Massage parlor.
- 15 (4) Tennis club.
- 16 (5) Skating facility (including roller skating, skateboarding, or ice
 17 skating).
- 18 (6) Racquet sport facility (including any handball or racquetball
 19 court).
- 20 (7) Hot tub facility.
- 21 (8) Suntan facility.
- 22 (9) Racetrack.
- 23 (10) Any facility the primary purpose of which is:
 - 24 (A) retail food and beverage service;
 - 25 (B) automobile sales or service; or
 - 26 (C) other retail;
 unless the facility is located in an economic development target
 27 area established under section 7 of this chapter.
- 28 (11) Residential, unless:
 - 29 (A) the facility is a multifamily facility that contains at least
 30 twenty percent (20%) of the units available for use by low and
 31 moderate income individuals;
 - 32 (B) the facility is located in an economic development target
 33 area established under section 7 of this chapter; or
 - 34 (C) the area is designated as a residentially distressed area.
- 35 (12) A package liquor store that holds a liquor dealer's permit
 36 under IC 7.1-3-10 or any other entity that is required to operate
 37 under a license issued under IC 7.1.

39 SECTION 5. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.80-2014,
 40 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2021]: Sec. 4.5. (a) An applicant must provide a statement of
 42 benefits to the designating body. The applicant must provide the



1 completed statement of benefits form to the designating body before
 2 the hearing specified in section 2.5(c) of this chapter or before the
 3 installation of the new manufacturing equipment, **new farm**
 4 **equipment**, new research and development equipment, new logistical
 5 distribution equipment, or new information technology equipment for
 6 which the person desires to claim a deduction under this chapter. The
 7 department of local government finance shall prescribe a form for the
 8 statement of benefits. The statement of benefits must include the
 9 following information:

10 (1) A description of the new manufacturing equipment, **new farm**
 11 **equipment**, new research and development equipment, new
 12 logistical distribution equipment, or new information technology
 13 equipment that the person proposes to acquire. **A statement of**
 14 **benefits for new farm equipment must describe each piece of**
 15 **new farm equipment with sufficient detail to afford**
 16 **identification.**

17 (2) With respect to:

18 (A) new manufacturing equipment not used to dispose of solid
 19 waste or hazardous waste by converting the solid waste or
 20 hazardous waste into energy or other useful products; and

21 (B) **new farm equipment**, new research and development
 22 equipment, new logistical distribution equipment, or new
 23 information technology equipment;

24 an estimate of the number of individuals who will be employed or
 25 whose employment will be retained by the person as a result of
 26 the installation of the new manufacturing equipment, **new farm**
 27 **equipment**, new research and development equipment, new
 28 logistical distribution equipment, or new information technology
 29 equipment and an estimate of the annual salaries of these
 30 individuals.

31 (3) An estimate of the cost of the new manufacturing equipment,
 32 **new farm equipment**, new research and development equipment,
 33 new logistical distribution equipment, or new information
 34 technology equipment.

35 (4) With respect to new manufacturing equipment used to dispose
 36 of solid waste or hazardous waste by converting the solid waste
 37 or hazardous waste into energy or other useful products, an
 38 estimate of the amount of solid waste or hazardous waste that will
 39 be converted into energy or other useful products by the new
 40 manufacturing equipment.

41 The statement of benefits may be incorporated in a designation
 42 application. Notwithstanding any other law, a statement of benefits is



1 a public record that may be inspected and copied under IC 5-14-3-3.

2 (b) The designating body must review the statement of benefits
3 required under subsection (a). The designating body shall determine
4 whether an area should be designated an economic revitalization area
5 or whether the deduction shall be allowed, based on (and after it has
6 made) the following findings:

7 (1) Whether the estimate of the cost of the new manufacturing
8 equipment, **new farm equipment**, new research and development
9 equipment, new logistical distribution equipment, or new
10 information technology equipment is reasonable for equipment of
11 that type.

12 (2) With respect to:

13 (A) new manufacturing equipment not used to dispose of solid
14 waste or hazardous waste by converting the solid waste or
15 hazardous waste into energy or other useful products; and

16 (B) **new farm equipment**, new research and development
17 equipment, new logistical distribution equipment, or new
18 information technology equipment;

19 whether the estimate of the number of individuals who will be
20 employed or whose employment will be retained can be
21 reasonably expected to result from the installation of the new
22 manufacturing equipment, **new farm equipment**, new research
23 and development equipment, new logistical distribution
24 equipment, or new information technology equipment.

25 (3) Whether the estimate of the annual salaries of those
26 individuals who will be employed or whose employment will be
27 retained can be reasonably expected to result from the proposed
28 installation of new manufacturing equipment, **new farm**
29 **equipment**, new research and development equipment, new
30 logistical distribution equipment, or new information technology
31 equipment.

32 (4) With respect to new manufacturing equipment used to dispose
33 of solid waste or hazardous waste by converting the solid waste
34 or hazardous waste into energy or other useful products, whether
35 the estimate of the amount of solid waste or hazardous waste that
36 will be converted into energy or other useful products can be
37 reasonably expected to result from the installation of the new
38 manufacturing equipment.

39 (5) Whether any other benefits about which information was
40 requested are benefits that can be reasonably expected to result
41 from the proposed installation of new manufacturing equipment,
42 **new farm equipment**, new research and development equipment,



- 1 new logistical distribution equipment, or new information
 2 technology equipment.
- 3 (6) Whether the totality of benefits is sufficient to justify the
 4 deduction.
- 5 The designating body may not designate an area an economic
 6 revitalization area or approve the deduction unless it makes the
 7 findings required by this subsection in the affirmative.
- 8 (c) Except as provided in subsection (f), and subject to subsection
 9 (g) and section 15 of this chapter, an owner of new manufacturing
 10 equipment, **new farm equipment**, new research and development
 11 equipment, new logistical distribution equipment, or new information
 12 technology equipment whose statement of benefits is approved is
 13 entitled to a deduction from the assessed value of that equipment for
 14 the number of years determined by the designating body under section
 15 17 or 18 of this chapter. Except as provided in subsection (d) and in
 16 section 2(i)(3) of this chapter, and subject to subsection (g) and section
 17 15 of this chapter, the amount of the deduction that an owner is entitled
 18 to for a particular year equals the product of:
- 19 (1) the assessed value of the new manufacturing equipment, **new**
 20 **farm equipment**, new research and development equipment, new
 21 logistical distribution equipment, or new information technology
 22 equipment in the year of deduction under the abatement schedule
 23 established under section 17 or 18 of this chapter; multiplied by
 24 (2) the percentage prescribed by the designating body under
 25 section 17 or 18 of this chapter.
- 26 (d) With respect to new manufacturing equipment and new research
 27 and development equipment installed before March 2, 2001, the
 28 deduction under this section is the amount that causes the net assessed
 29 value of the property after the application of the deduction under this
 30 section to equal the net assessed value after the application of the
 31 deduction under this section that results from computing:
- 32 (1) the deduction under this section as in effect on March 1, 2001;
 33 and
 34 (2) the assessed value of the property under 50 IAC 4.2, as in
 35 effect on March 1, 2001, or, in the case of property subject to
 36 IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.
- 37 (e) The designating body shall determine the number of years the
 38 deduction is allowed under section 17 or 18 of this chapter. Except as
 39 provided by section 18 of this chapter, the deduction may not be
 40 allowed for more than ten (10) years. This determination shall be made:
- 41 (1) as part of the resolution adopted under section 2.5 of this
 42 chapter; or



- 1 (2) by resolution adopted within sixty (60) days after receiving a
 2 copy of a property owner's certified deduction application from
 3 the county auditor. A certified copy of the resolution shall be sent
 4 to the county auditor.
- 5 A determination about the number of years the deduction is allowed
 6 that is made under subdivision (1) is final and may not be changed by
 7 following the procedure under subdivision (2).
- 8 (f) The owner of new manufacturing equipment that is directly used
 9 to dispose of hazardous waste is not entitled to the deduction provided
 10 by this section for a particular assessment year if during that
 11 assessment year the owner:
- 12 (1) is convicted of a criminal violation under IC 13, including
 13 IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or
 14 (2) is subject to an order or a consent decree with respect to
 15 property located in Indiana based on a violation of a federal or
 16 state rule, regulation, or statute governing the treatment, storage,
 17 or disposal of hazardous wastes that had a major or moderate
 18 potential for harm.
- 19 (g) For purposes of subsection (c), the assessed value of new
 20 manufacturing equipment, **new farm equipment**, new research and
 21 development equipment, new logistical distribution equipment, or new
 22 information technology equipment that is part of an owner's assessable
 23 depreciable personal property in a single taxing district subject to the
 24 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product
 25 of:
- 26 (1) the assessed value of the equipment determined without
 27 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50
 28 IAC 5.1-6-9; multiplied by
 29 (2) the quotient of:
- 30 (A) the amount of the valuation limitation determined under
 31 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's
 32 depreciable personal property in the taxing district; divided by
 33 (B) the total true tax value of all of the owner's depreciable
 34 personal property in the taxing district that is subject to the
 35 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9
 36 determined:
- 37 (i) under the depreciation schedules in the rules of the
 38 department of local government finance before any
 39 adjustment for abnormal obsolescence; and
 40 (ii) without regard to the valuation limitation in 50
 41 IAC 4.2-4-9 or 50 IAC 5.1-6-9.
- 42 SECTION 6. IC 6-1.1-12.1-5, AS AMENDED BY P.L.203-2016,



1 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2021]: Sec. 5. (a) A property owner who desires to obtain the
3 deduction provided by section 3 of this chapter must file a certified
4 deduction application, on forms prescribed by the department of local
5 government finance, with the auditor of the county in which the
6 property is located. Except as otherwise provided in subsection (b) or
7 (e), the deduction application must be filed before May 10 of the year
8 in which the addition to assessed valuation is made.

9 (b) If notice of the addition to assessed valuation or new assessment
10 for any year is not given to the property owner before April 10 of that
11 year, the deduction application required by this section may be filed not
12 later than thirty (30) days after the date such a notice is mailed to the
13 property owner at the address shown on the records of the township or
14 county assessor.

15 (c) The deduction application required by this section must contain
16 the following information:

- 17 (1) The name of the property owner.
- 18 (2) A description of the property for which a deduction is claimed
19 in sufficient detail to afford identification.
- 20 (3) The assessed value of the improvements before rehabilitation.
- 21 (4) The increase in the assessed value of improvements resulting
22 from the rehabilitation.
- 23 (5) The assessed value of the new structure in the case of
24 redevelopment.
- 25 (6) The amount of the deduction claimed for the first year of the
26 deduction.
- 27 (7) If the deduction application is for a deduction in a
28 residentially distressed area, the assessed value of the
29 improvement or new structure for which the deduction is claimed.
- 30 **(8) The assessed value of the new agricultural improvement,
31 if applicable.**

32 (d) A deduction application filed under subsection (a) or (b) is
33 applicable for the year in which the addition to assessed value or
34 assessment of a new structure is made and in the following years the
35 deduction is allowed without any additional deduction application
36 being filed.

37 (e) A property owner who desires to obtain the deduction provided
38 by section 3 of this chapter but who has failed to file a deduction
39 application within the dates prescribed in subsection (a) or (b) may file
40 a deduction application between January 1 and May 10 of a subsequent
41 year which shall be applicable for the year filed and the subsequent
42 years without any additional deduction application being filed for the



1 amounts of the deduction which would be applicable to such years
 2 pursuant to section 4 of this chapter if such a deduction application had
 3 been filed in accordance with subsection (a) or (b).

4 (f) Subject to subsection (i), the county auditor shall act as follows:

5 (1) If:

6 (A) a determination about the number of years the deduction
 7 is allowed has been made in the resolution adopted under
 8 section 2.5 of this chapter; and

9 (B) an abatement schedule has been established under section
 10 17 of this chapter;

11 the county auditor shall make the appropriate deduction.

12 (2) If:

13 (A) a determination about the number of years the deduction
 14 is allowed has not been made in the resolution adopted under
 15 section 2.5 of this chapter; or

16 (B) an abatement schedule has not been established under
 17 section 17 of this chapter;

18 the county auditor shall send a copy of the deduction application
 19 to the designating body. Upon receipt of the resolution stating the
 20 number of years the deduction will be allowed or establishing the
 21 abatement schedule, as applicable, the county auditor shall make
 22 the appropriate deduction.

23 (3) If the deduction application is for rehabilitation or
 24 redevelopment in a residentially distressed area, the county
 25 auditor shall make the appropriate deduction.

26 (g) The amount and period of the deduction provided for property
 27 by section 3 of this chapter are not affected by a change in the
 28 ownership of the property if the new owner of the property:

29 (1) continues to use the property in compliance with any
 30 standards established under section 2(g) of this chapter; and

31 (2) files an application in the manner provided by subsection (e).

32 (h) The township or county assessor shall include a notice of the
 33 deadlines for filing a deduction application under subsections (a) and
 34 (b) with each notice to a property owner of an addition to assessed
 35 value or of a new assessment.

36 (i) Before the county auditor acts under subsection (f), the county
 37 auditor may request that the township assessor of the township in
 38 which the property is located, or the county assessor if there is no
 39 township assessor for the township, review the deduction application.

40 (j) A property owner may appeal a determination of the county
 41 auditor under subsection (f) to deny or alter the amount of the
 42 deduction by requesting in writing a preliminary conference with the



1 county auditor not more than forty-five (45) days after the county
 2 auditor gives the person notice of the determination. An appeal
 3 initiated under this subsection is processed and determined in the same
 4 manner that an appeal is processed and determined under IC 6-1.1-15.

5 SECTION 7. IC 6-1.1-12.1-5.1, AS AMENDED BY P.L.288-2013,
 6 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2021]: Sec. 5.1. (a) This subsection applies to all deductions
 8 under section 3 of this chapter for property located in a residentially
 9 distressed area. In addition to the requirements of section 5(c) of this
 10 chapter, a deduction application filed under section 5 of this chapter
 11 must contain information showing the extent to which there has been
 12 compliance with the statement of benefits approved under section 3 of
 13 this chapter.

14 (b) This subsection applies to each deduction (other than a
 15 deduction for property located in a residentially distressed area) for
 16 which a statement of benefits was approved under section 3 of this
 17 chapter, **including a deduction for a new agricultural improvement.**
 18 In addition to the requirements of section 5(c) of this chapter, a
 19 property owner who files a deduction application under section 5 of
 20 this chapter must provide the county auditor and the designating body
 21 with information showing the extent to which there has been
 22 compliance with the statement of benefits approved under section 3 of
 23 this chapter. This information must be included in the deduction
 24 application and must also be updated each year in which the deduction
 25 is applicable at the same time that the property owner is required to file
 26 a personal property tax return in the taxing district in which the
 27 property for which the deduction was granted is located. If the taxpayer
 28 does not file a personal property tax return in the taxing district in
 29 which the property is located, the information must be provided before
 30 May 15.

31 (c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
 32 information is a public record if filed under this section:

- 33 (1) The name and address of the taxpayer.
- 34 (2) The location and description of the property for which the
 35 deduction was granted.
- 36 (3) Any information concerning the number of employees at the
 37 property for which the deduction was granted, including estimated
 38 totals that were provided as part of the statement of benefits.
- 39 (4) Any information concerning the total of the salaries paid to
 40 those employees, including estimated totals that were provided as
 41 part of the statement of benefits.
- 42 (5) Any information concerning the assessed value of the



1 property, including estimates that were provided as part of the
2 statement of benefits.

3 (d) The following information is confidential if filed under this
4 section:

5 (1) Any information concerning the specific salaries paid to
6 individual employees by the property owner.

7 (2) Any information concerning the cost of the property.

8 SECTION 8. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.245-2015,
9 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2021]: Sec. 5.4. (a) A person that desires to obtain the
11 deduction provided by section 4.5 of this chapter must file a certified
12 deduction schedule with the person's personal property return on a form
13 prescribed by the department of local government finance with the
14 township assessor of the township in which the new manufacturing
15 equipment, **new farm equipment**, new research and development
16 equipment, new logistical distribution equipment, or new information
17 technology equipment is located, or with the county assessor if there is
18 no township assessor for the township. Except as provided in
19 subsection (e), the deduction is applied in the amount claimed in a
20 certified schedule that a person files with:

21 (1) a timely personal property return under IC 6-1.1-3-7(a) or
22 IC 6-1.1-3-7(b); or

23 (2) a timely amended personal property return under
24 IC 6-1.1-3-7.5.

25 The township or county assessor shall forward to the county auditor a
26 copy of each certified deduction schedule filed under this subsection.
27 The township assessor shall forward to the county assessor a copy of
28 each certified deduction schedule filed with the township assessor
29 under this subsection.

30 (b) The deduction schedule required by this section must contain the
31 following information:

32 (1) The name of the owner of the new manufacturing equipment,
33 **new farm equipment**, new research and development equipment,
34 new logistical distribution equipment, or new information
35 technology equipment.

36 (2) A description of the new manufacturing equipment, **new farm**
37 **equipment**, new research and development equipment, new
38 logistical distribution equipment, or new information technology
39 equipment.

40 (3) The amount of the deduction claimed for the first year of the
41 deduction.

42 (c) If a determination about the number of years the deduction is



1 allowed has not been made in the resolution adopted under section 2.5
 2 of this chapter, the county auditor shall notify the designating body, and
 3 the designating body shall adopt a resolution under section 4.5(e)(2) of
 4 this chapter.

5 (d) A deduction schedule must be filed under this section in the year
 6 in which the new manufacturing equipment, **new farm equipment**,
 7 new research and development equipment, new logistical distribution
 8 equipment, or new information technology equipment is installed and
 9 in each of the immediately succeeding years the deduction is allowed.

10 (e) The township assessor, or the county assessor if there is no
 11 township assessor for the township, may:

12 (1) review the deduction schedule; and

13 (2) before the assessment date that next succeeds the assessment
 14 date for which the deduction is claimed, deny or alter the amount
 15 of the deduction.

16 If the township or county assessor does not deny the deduction, the
 17 county auditor shall apply the deduction in the amount claimed in the
 18 deduction schedule or in the amount as altered by the township or
 19 county assessor. A township or county assessor who denies a deduction
 20 under this subsection or alters the amount of the deduction shall notify
 21 the person that claimed the deduction and the county auditor of the
 22 assessor's action. The county auditor shall notify the designating body
 23 and the county property tax assessment board of appeals of all
 24 deductions applied under this section.

25 (f) If the ownership of new manufacturing equipment, **new farm**
 26 **equipment**, new research and development equipment, new logistical
 27 distribution equipment, or new information technology equipment
 28 changes, the deduction provided under section 4.5 of this chapter
 29 continues to apply to that equipment if the new owner:

30 (1) continues to use the equipment:

31 (A) in compliance with any standards established under
 32 section 2(g) of this chapter; and

33 (B) **in the case of new farm equipment, on the same**
 34 **agricultural land for which the deduction applies; and**

35 (2) files the deduction schedules required by this section.

36 (g) The amount of the deduction is the percentage under section 4.5
 37 of this chapter that would have applied if the ownership of the property
 38 had not changed multiplied by the assessed value of the equipment for
 39 the year the deduction is claimed by the new owner.

40 (h) A person may appeal a determination of the township or county
 41 assessor under subsection (e) to deny or alter the amount of the
 42 deduction by requesting in writing a preliminary conference with the



1 township or county assessor not more than forty-five (45) days after the
 2 township or county assessor gives the person notice of the
 3 determination. Except as provided in subsection (i), an appeal initiated
 4 under this subsection is processed and determined in the same manner
 5 that an appeal is processed and determined under IC 6-1.1-15.

6 (i) The county assessor is recused from any action the county
 7 property tax assessment board of appeals takes with respect to an
 8 appeal under subsection (h) of a determination by the county assessor.

9 SECTION 9. IC 6-1.1-12.1-5.6, AS AMENDED BY P.L.288-2013,
 10 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2021]: Sec. 5.6. (a) In addition to the requirements of section
 12 5.4(b) of this chapter, a property owner who files a deduction schedule
 13 under section 5.4 of this chapter must provide the county auditor and
 14 the designating body with information showing the extent to which
 15 there has been compliance with the statement of benefits approved
 16 under section 4.5 of this chapter.

17 (b) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
 18 information is a public record if filed under this section:

19 (1) The name and address of the taxpayer.

20 (2) The location and description of the new manufacturing
 21 equipment, **new farm equipment**, new research and development
 22 equipment, new logistical distribution equipment, or new
 23 information technology equipment for which the deduction was
 24 granted.

25 (3) Any information concerning the number of employees at the
 26 facility where the new manufacturing equipment, **new farm**
 27 **equipment**, new research and development equipment, new
 28 logistical distribution equipment, or new information technology
 29 equipment is located, including estimated totals that were
 30 provided as part of the statement of benefits.

31 (4) Any information concerning the total of the salaries paid to
 32 those employees, including estimated totals that were provided as
 33 part of the statement of benefits.

34 (5) Any information concerning the amount of solid waste or
 35 hazardous waste converted into energy or other useful products by
 36 the new manufacturing equipment.

37 (6) Any information concerning the assessed value of the new
 38 manufacturing equipment, **new farm equipment**, new research
 39 and development equipment, new logistical distribution
 40 equipment, or new information technology equipment including
 41 estimates that were provided as part of the statement of benefits.

42 (c) The following information is confidential if filed under this



1 section:

2 (1) Any information concerning the specific salaries paid to
3 individual employees by the owner of the new manufacturing
4 equipment, **new farm equipment**, new research and development
5 equipment, new logistical distribution equipment, or new
6 information technology equipment.

7 (2) Any information concerning the cost of the new
8 manufacturing equipment, **new farm equipment**, new research
9 and development equipment, new logistical distribution
10 equipment, or new information technology equipment.

11 SECTION 10. IC 6-1.1-12.1-5.8, AS AMENDED BY P.L.146-2008,
12 SECTION 127, IS AMENDED TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2021]: Sec. 5.8. In lieu of providing the
14 statement of benefits required by section 3 or 4.5 of this chapter and the
15 additional information required by section 5.1 or 5.6 of this chapter, the
16 designating body may, by resolution, waive the statement of benefits if
17 the designating body finds that the purposes of this chapter are served
18 by allowing the deduction and the property owner has, during the
19 thirty-six (36) months preceding the first assessment date to which the
20 waiver would apply, installed new manufacturing equipment, **new**
21 **farm equipment**, new research and development equipment, new
22 logistical distribution equipment, or new information technology
23 equipment or developed or rehabilitated property at a cost of at least
24 ten million dollars (\$10,000,000) as determined by the assessor of the
25 township in which the property is located, or by the county assessor if
26 there is no township assessor for the township.

27 SECTION 11. IC 6-1.1-12.1-8, AS AMENDED BY P.L.154-2006,
28 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2021]: Sec. 8. (a) Not later than December 31 of each year,
30 the county auditor shall publish the following in a newspaper of general
31 interest and readership and not one of limited subject matter:

32 (1) A list of the deduction applications that were filed under this
33 chapter during that year that resulted in deductions being applied
34 under this chapter for that year. The list must contain the
35 following:

36 (A) The name and address of each person approved for or
37 receiving a deduction that was filed for during the year.

38 (B) The amount of each deduction that was filed for during the
39 year.

40 (C) The number of years for which each deduction that was
41 filed for during the year will be available.

42 (D) The total amount for all deductions that were filed for and



- 1 applied during the year.
- 2 (2) The total amount of all deductions for real property that were
- 3 in effect under section 3 of this chapter during the year.
- 4 (3) The total amount of all deductions for new manufacturing
- 5 equipment, **new farm equipment**, new research and development
- 6 equipment, new logistical distribution equipment, or new
- 7 information technology equipment that were in effect under
- 8 section 4.5 of this chapter during the year.
- 9 (4) The total amount of all deductions for eligible vacant
- 10 buildings that were in effect under section 4.8 of this chapter
- 11 during the year.
- 12 (b) The county auditor shall file the information described in
- 13 subsection (a)(2), (a)(3), and (a)(4) with the department of local
- 14 government finance not later than December 31 of each year.
- 15 SECTION 12. IC 6-1.1-12.1-11.3, AS AMENDED BY
- 16 P.L.288-2013, SECTION 18, IS AMENDED TO READ AS
- 17 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11.3. (a) This section
- 18 applies only to the following requirements:
- 19 (1) Failure to provide the completed statement of benefits form to
- 20 the designating body before the hearing required by section 2.5(c)
- 21 of this chapter.
- 22 (2) Failure to submit the completed statement of benefits form to
- 23 the designating body before the:
- 24 (A) initiation of the redevelopment or rehabilitation;
- 25 (B) installation of new manufacturing equipment, **new farm**
- 26 **equipment**, new research and development equipment, new
- 27 logistical distribution equipment, or new information
- 28 technology equipment; or
- 29 (C) occupation of an eligible vacant building;
- 30 for which the person desires to claim a deduction under this
- 31 chapter.
- 32 (3) Failure to designate an area as an economic revitalization area
- 33 before the initiation of the:
- 34 (A) redevelopment;
- 35 (B) installation of new manufacturing equipment, **new farm**
- 36 **equipment**, new research and development equipment, new
- 37 logistical distribution equipment, or new information
- 38 technology equipment;
- 39 (C) rehabilitation; or
- 40 (D) occupation of an eligible vacant building;
- 41 for which the person desires to claim a deduction under this
- 42 chapter.



1 (4) Failure to make the required findings of fact before
 2 designating an area as an economic revitalization area or
 3 authorizing a deduction for new manufacturing equipment, **new**
 4 **farm equipment**, new research and development equipment, new
 5 logistical distribution equipment, or new information technology
 6 equipment under section 2, 3, 4.5, or 4.8 of this chapter.

7 (5) Failure to file a:

8 (A) timely; or

9 (B) complete;

10 deduction application under section 5, 5.3, or 5.4 of this chapter.

11 (b) This section does not grant a designating body the authority to
 12 exempt a person from filing a statement of benefits or exempt a
 13 designating body from making findings of fact.

14 (c) A designating body may by resolution waive noncompliance
 15 described under subsection (a) under the terms and conditions specified
 16 in the resolution. Before adopting a waiver under this subsection, the
 17 designating body shall conduct a public hearing on the waiver.

18 SECTION 13. IC 6-1.1-12.1-17, AS AMENDED BY P.L.80-2014,
 19 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2021]: Sec. 17. (a) A designating body may provide to a
 21 business that is established in or relocated to a revitalization area and
 22 that receives a deduction under section 4 or 4.5 of this chapter an
 23 abatement schedule based on the following factors:

24 (1) The total amount of the taxpayer's investment in real and
 25 personal property.

26 (2) The number of new full-time equivalent jobs created.

27 (3) The average wage of the new employees compared to the state
 28 minimum wage.

29 (4) The infrastructure requirements for the taxpayer's investment.

30 **(5) In the case of a deduction for new farm equipment or new**
 31 **agricultural improvement, an agreement by the deduction**
 32 **applicant to predominately use the area for agricultural**
 33 **purposes for a period specified by the designating body.**

34 (b) This subsection applies to a statement of benefits approved after
 35 June 30, 2013. A designating body shall establish an abatement
 36 schedule for each deduction allowed under this chapter. An abatement
 37 schedule must specify the percentage amount of the deduction for each
 38 year of the deduction. Except as provided in **subsection (d) and** section
 39 18 of this chapter, an abatement schedule may not exceed ten (10)
 40 years.

41 (c) An abatement schedule approved for a particular taxpayer before
 42 July 1, 2013, remains in effect until the abatement schedule expires



1 under the terms of the resolution approving the taxpayer's statement of
2 benefits.

3 **(d) An abatement schedule for new farm equipment or new**
4 **agricultural improvement may not exceed five (5) years.**



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 72, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 8, reset in roman "subsection".

Page 1, line 8, delete "subsections (e) and (h)," and insert "(f)".

Page 2, between lines 11 and 12, begin a new paragraph and insert:

"(e) For an assessment beginning after December 31, 2021, agricultural improvements such as but not limited to barns, grain bins, or silos on land assessed as agricultural shall not be adjusted using factors, such as neighborhood delineation, that are appropriate for use in adjusting residential, commercial, and industrial real property. Those portions of agricultural parcels that include land and buildings not used for an agricultural purpose, such as homes, homesites, and excess residential land and commercial or industrial land and buildings, shall be adjusted by the factor or factors developed for other similar property within the geographic stratification. The residential portion of agricultural properties will be adjusted by the factors applied to similar residential purposes."

Page 2, line 12, strike "(e)" and insert "(f)".

Page 3, line 15, strike "(f)" and insert "(g)".

Page 3, line 19, strike "(g)" and insert "(h)".

Page 3, delete lines 21 through 42.

Page 4, delete lines 1 through 18.

Page 8, between lines 9 and 10, begin a new line block indented and insert:

"(15) "New agricultural improvement" means any improvement made to land classified as agricultural land for tax purposes that is placed in service after December 31, 2021, and that will be predominately used for agricultural purposes for a period specified by the designating body as a condition of being declared an economic revitalization area. The term includes a barn, grain bin, or silo."

Page 8, line 10, delete "(15)" and insert "(16)".

Page 8, line 30, delete "(16)" and insert "(17)".

Page 8, line 32, delete "(17)" and insert "(18)".

Page 8, line 36, delete "(18)" and insert "(19)".

Page 12, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-12.1-3, AS AMENDED BY P.L.288-2013,



SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) An applicant must provide a statement of benefits to the designating body. If the designating body requires information from the applicant for economic revitalization area status for use in making its decision about whether to designate an economic revitalization area, the applicant shall provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter. Otherwise, the statement of benefits form must be submitted to the designating body before the initiation of the redevelopment or rehabilitation, **or a new agricultural improvement** for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

- (1) A description of the proposed redevelopment or rehabilitation, **or new agricultural improvement.**
- (2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the redevelopment or rehabilitation, **or new agricultural improvement** and an estimate of the annual salaries of these individuals.
- (3) An estimate of the value of the redevelopment or rehabilitation, **or new agricultural improvement.**

With the approval of the designating body, the statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether a deduction should be allowed, based on (and after it has made) the following findings:

- (1) Whether the estimate of the value of the redevelopment or rehabilitation, **or new agricultural improvement** is reasonable for projects of that nature.
- (2) Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation, **or new agricultural improvement.**
- (3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be



retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation, **or new agricultural improvement.**

(4) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation, **or new agricultural improvement.**

(5) Whether the totality of benefits is sufficient to justify the deduction.

A designating body may not designate an area an economic revitalization area or approve a deduction unless the findings required by this subsection are made in the affirmative.

(c) Except as provided in subsections (a) through (b), the owner of property which is located in an economic revitalization area is entitled to a deduction from the assessed value of the property. For all economic revitalization areas, the period is the number of years determined under section 17 of this chapter. The owner is entitled to a deduction if:

- (1) the property has been rehabilitated; **or**
- (2) the property is located on real estate which has been redeveloped; **or**
- (3) the property is a new agricultural improvement.**

The owner is entitled to the deduction for the first year, and any successive year or years, in which an increase in assessed value resulting from the rehabilitation or redevelopment, **or new agricultural improvement** occurs and for the following years determined under section 17 of this chapter.

(d) The designating body's determination must be made:

- (1) as part of the resolution adopted under section 2.5 of this chapter; or
- (2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution must be sent to the county auditor, who shall make the deduction as provided in section 5 of this chapter.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(e) Except for deductions related to redevelopment or rehabilitation of real property in a county containing a consolidated city, a deduction for the redevelopment or rehabilitation of real property may not be approved for the following facilities:



- (1) Private or commercial golf course.
- (2) Country club.
- (3) Massage parlor.
- (4) Tennis club.
- (5) Skating facility (including roller skating, skateboarding, or ice skating).
- (6) Racquet sport facility (including any handball or racquetball court).
- (7) Hot tub facility.
- (8) Suntan facility.
- (9) Racetrack.
- (10) Any facility the primary purpose of which is:
 - (A) retail food and beverage service;
 - (B) automobile sales or service; or
 - (C) other retail;
 unless the facility is located in an economic development target area established under section 7 of this chapter.
- (11) Residential, unless:
 - (A) the facility is a multifamily facility that contains at least twenty percent (20%) of the units available for use by low and moderate income individuals;
 - (B) the facility is located in an economic development target area established under section 7 of this chapter; or
 - (C) the area is designated as a residentially distressed area.
- (12) A package liquor store that holds a liquor dealer's permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1."

Page 16, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-12.1-5, AS AMENDED BY P.L.203-2016, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or



county assessor.

(c) The deduction application required by this section must contain the following information:

- (1) The name of the property owner.
- (2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.
- (3) The assessed value of the improvements before rehabilitation.
- (4) The increase in the assessed value of improvements resulting from the rehabilitation.
- (5) The assessed value of the new structure in the case of redevelopment.
- (6) The amount of the deduction claimed for the first year of the deduction.
- (7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.
- (8) The assessed value of the new agricultural improvement, if applicable.**

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the following years the deduction is allowed without any additional deduction application being filed.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between January 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall act as follows:

- (1) If:
 - (A) a determination about the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter; and
 - (B) an abatement schedule has been established under section 17 of this chapter;
 the county auditor shall make the appropriate deduction.
- (2) If:
 - (A) a determination about the number of years the deduction



is allowed has not been made in the resolution adopted under section 2.5 of this chapter; or

(B) an abatement schedule has not been established under section 17 of this chapter;

the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed or establishing the abatement schedule, as applicable, the county auditor shall make the appropriate deduction.

(3) If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) continues to use the property in compliance with any standards established under section 2(g) of this chapter; and

(2) files an application in the manner provided by subsection (e).

(h) The township or county assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

(i) Before the county auditor acts under subsection (f), the county auditor may request that the township assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, review the deduction application.

(j) A property owner may appeal a determination of the county auditor under subsection (f) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the person notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

SECTION 7. IC 6-1.1-12.1-5.1, AS AMENDED BY P.L.288-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.1. (a) This subsection applies to all deductions under section 3 of this chapter for property located in a residentially distressed area. In addition to the requirements of section 5(c) of this chapter, a deduction application filed under section 5 of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 3 of this chapter.



(b) This subsection applies to each deduction (other than a deduction for property located in a residentially distressed area) for which a statement of benefits was approved under section 3 of this chapter, **including a deduction for a new agricultural improvement**. In addition to the requirements of section 5(c) of this chapter, a property owner who files a deduction application under section 5 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 3 of this chapter. This information must be included in the deduction application and must also be updated each year in which the deduction is applicable at the same time that the property owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located. If the taxpayer does not file a personal property tax return in the taxing district in which the property is located, the information must be provided before May 15.

(c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

- (1) The name and address of the taxpayer.
- (2) The location and description of the property for which the deduction was granted.
- (3) Any information concerning the number of employees at the property for which the deduction was granted, including estimated totals that were provided as part of the statement of benefits.
- (4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.
- (5) Any information concerning the assessed value of the property, including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

- (1) Any information concerning the specific salaries paid to individual employees by the property owner.
- (2) Any information concerning the cost of the property."

Page 22, line 15, after "equipment" insert "**or new agricultural improvement**".

Page 22, line 30, after "equipment" insert "**or new agricultural improvement**".

Renumber all SECTIONS consecutively.



and when so amended that said bill do pass.

(Reference is to SB 72 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 13, Nays 0.

