

# SENATE BILL No. 218

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-12-14.

**Synopsis:** Property tax exemption for qualified veterans. Provides a property tax deduction for an individual or surviving spouse of an individual who has been rated by the United States Department of Veterans Affairs as individually unemployable.

**Effective:** July 1, 2022.

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## Mrvan

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January 6, 2022, read first time and referred to Committee on Tax and Fiscal Policy.

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Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

# SENATE BILL No. 218



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

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

1 SECTION 1. IC 6-1.1-12-14, AS AMENDED BY P.L.159-2020,  
2 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2022]: Sec. 14. (a) Except as provided in subsection (c) and  
4 except as provided in section 40.5 of this chapter, an individual may  
5 have the sum of fourteen thousand dollars (\$14,000) deducted from the  
6 assessed value of the real property, mobile home not assessed as real  
7 property, or manufactured home not assessed as real property that the  
8 individual owns (or the real property, mobile home not assessed as real  
9 property, or manufactured home not assessed as real property that the  
10 individual is buying under a contract that provides that the individual  
11 is to pay property taxes on the real property, mobile home, or  
12 manufactured home if the contract or a memorandum of the contract is  
13 recorded in the county recorder's office) if:  
14 (1) the individual served in the military or naval forces of the  
15 United States for at least ninety (90) days;  
16 (2) the individual received an honorable discharge;  
17 (3) the individual: ~~either:~~



- 1 (A) has a total disability; ~~or~~  
 2 **(B) for the January 1, 2023, assessment date and each**  
 3 **assessment date thereafter, has been rated by the United**  
 4 **States Department of Veterans Affairs as individually**  
 5 **unemployable; or**  
 6 ~~(B)~~ (C) is at least sixty-two (62) years old and has a disability  
 7 of at least ten percent (10%);  
 8 (4) the individual's disability is evidenced by:  
 9 (A) a pension certificate or an award of compensation issued  
 10 by the United States Department of Veterans Affairs; or  
 11 (B) a certificate of eligibility issued to the individual by the  
 12 Indiana department of veterans' affairs after the Indiana  
 13 department of veterans' affairs has determined that the  
 14 individual's disability qualifies the individual to receive a  
 15 deduction under this section; and  
 16 (5) the individual:  
 17 (A) owns the real property, mobile home, or manufactured  
 18 home; or  
 19 (B) is buying the real property, mobile home, or manufactured  
 20 home under contract;  
 21 on the date the statement required by section 15 of this chapter is  
 22 filed.  
 23 (b) Except as provided in subsections (c) and (d), the surviving  
 24 spouse of an individual may receive the deduction provided by this  
 25 section if:  
 26 (1) the individual satisfied the requirements of subsection (a)(1)  
 27 through (a)(4) at the time of death; or  
 28 (2) the individual:  
 29 (A) was killed in action;  
 30 (B) died while serving on active duty in the military or naval  
 31 forces of the United States; or  
 32 (C) died while performing inactive duty training in the military  
 33 or naval forces of the United States; and  
 34 the surviving spouse satisfies the requirement of subsection (a)(5) at  
 35 the time the deduction statement is filed. The surviving spouse is  
 36 entitled to the deduction regardless of whether the property for which  
 37 the deduction is claimed was owned by the deceased veteran or the  
 38 surviving spouse before the deceased veteran's death.  
 39 (c) Except as provided in subsection (f), no one is entitled to the  
 40 deduction provided by this section if the assessed value of the  
 41 individual's Indiana real property, Indiana mobile home not assessed as  
 42 real property, and Indiana manufactured home not assessed as real



1 property, as shown by the tax duplicate, exceeds the assessed value  
2 limit specified in subsection (d).

3 (d) Except as provided in subsection (f), for the:

4 (1) January 1, 2017, January 1, 2018, and January 1, 2019,  
5 assessment dates, the assessed value limit for purposes of  
6 subsection (c) is one hundred seventy-five thousand dollars  
7 (\$175,000); and

8 (2) January 1, 2020, assessment date and for each assessment date  
9 thereafter, the assessed value limit for purposes of subsection (c)  
10 is two hundred thousand dollars (\$200,000).

11 (e) An individual who has sold real property, a mobile home not  
12 assessed as real property, or a manufactured home not assessed as real  
13 property to another person under a contract that provides that the  
14 contract buyer is to pay the property taxes on the real property, mobile  
15 home, or manufactured home may not claim the deduction provided  
16 under this section against that real property, mobile home, or  
17 manufactured home.

18 (f) For purposes of determining the assessed value of the real  
19 property, mobile home, or manufactured home under subsection (d) for  
20 an individual who has received a deduction under this section in a  
21 particular year, increases in assessed value that occur after the later of:

22 (1) December 31, 2019; or

23 (2) the first year that the individual has received the deduction;  
24 are not considered unless the increase in assessed value is attributable  
25 to physical improvements to the property.

