

SENATE BILL No. 347

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-1-8-20.5; IC 36-7-32.5-14.5.

Synopsis: Indiana economic development corporation. Allows the fiscal body of a county, city, or town to adopt an ordinance to require the Indiana economic development corporation (corporation) to make payments in lieu of taxes (PILOTS) with respect to real property that satisfies each of the following conditions: (1) The corporation is the owner of any real property that is exempt from property taxes. (2) The corporation has been the owner of such real property for at least one year on the date that an ordinance is adopted. Specifies that the assessed value of the real property subject to PILOTS is equal to the assessed value of the real property on the assessment date of the calendar year in which the corporation purchased the real property while the ordinance is in effect. Provides for the submission of an annual report of the activities of an innovation development district as to financial information pertaining to tax increment financing districts in an innovation development district to the: (1) fiscal body of the county, city, or town; and (2) department of local government finance. Continuously appropriates from the state general fund the amount necessary for the corporation to pay the required PILOTS.

Effective: July 1, 2025.

Buchanan

January 13, 2025, read first time and referred to Committee on Tax and Fiscal Policy.



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.

SENATE BILL No. 347

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

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

1 SECTION 1. IC 36-1-8-20.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2025]: **Sec. 20.5. (a) As used in this section, the following terms**
4 **have the meanings set forth in IC 6-1.1-1:**
5 (1) **Assessed value.**
6 (2) **Assessment date.**
7 (3) **Exemption.**
8 (4) **Owner.**
9 (5) **Person.**
10 (6) **Property taxation.**
11 **(b) As used in this section, "assessor" means a:**
12 (1) **county assessor; or**
13 (2) **township assessor (if any).**
14 **(c) As used in this section, "PILOTS" means payments in lieu of**
15 **taxes.**
16 **(d) The fiscal body of a county, city, or town may adopt an**
17 **ordinance to require the corporation to pay PILOTS at times set**



1 **forth in the ordinance with respect to real property that meets each**
 2 **of the following conditions:**

3 **(1) The corporation is the owner of any real property that is**
 4 **exempt from property taxes.**

5 **(2) The corporation has been the owner of the real property**
 6 **described in subdivision (1) for at least one (1) year on the**
 7 **date that an ordinance is adopted under this section.**

8 **The ordinance remains in full force and effect until repealed or**
 9 **modified by the fiscal body.**

10 **(e) The PILOTS must be calculated so that the PILOTS do not**
 11 **exceed the amount of property taxes that would have been levied**
 12 **by the fiscal body for the county, city, or town upon the real**
 13 **property described in subsection (d) if the property were not**
 14 **exempt from property taxation. The PILOTS shall be imposed as**
 15 **are property taxes, and, subject to subsection (f), shall be based on**
 16 **the assessed value of the real property described in subsection (d).**

17 **(f) The assessor shall assess the real property described in**
 18 **subsection (d) as though the real property were not exempt.**
 19 **However, the assessed value of the real property subject to**
 20 **PILOTS is equal to the assessed value of the real property on the**
 21 **assessment date of the calendar year in which the corporation**
 22 **purchased the real property while the ordinance is in effect.**

23 **(g) PILOTS shall be deposited in the general fund of the county,**
 24 **city, or town and used for any purpose for which the general fund**
 25 **may be used.**

26 **(h) PILOTS shall be due as set forth in the ordinance and bear**
 27 **interest, if unpaid, as in the case of other taxes on property.**
 28 **PILOTS shall be treated in the same manner as property taxes for**
 29 **purposes of all procedural and substantive provisions of law.**

30 **(i) There is continuously appropriated from the state general**
 31 **fund the amount necessary for the corporation to pay the PILOTS**
 32 **required by an ordinance adopted under this section.**

33 **SECTION 2. IC 36-7-32.5-14.5 IS ADDED TO THE INDIANA**
 34 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 35 **[EFFECTIVE JULY 1, 2025]: Sec. 14.5. (a) Not later than April 15**
 36 **of each year, the corporation and the executive of a county, city, or**
 37 **town in which an innovation development district is designated**
 38 **under section 9 of this chapter shall submit a report setting out the**
 39 **innovation development district's activities during the preceding**
 40 **calendar year to the:**

41 **(1) fiscal body of the county, city, or town; and**

42 **(2) department of local government finance in an electronic**



- 1 **format.**
- 2 **(b) The report required under subsection (a) must also include**
- 3 **the following information set forth for each tax increment**
- 4 **financing district regarding the previous year:**
- 5 **(1) Revenues received.**
- 6 **(2) Expenses paid.**
- 7 **(3) Fund balances.**
- 8 **(4) The amount and maturity date for all outstanding**
- 9 **obligations.**
- 10 **(5) The amount paid on outstanding obligations.**
- 11 **(6) A list of all the parcels and the depreciable personal**
- 12 **property of any designated taxpayer included in each tax**
- 13 **increment financing district allocation area and the base**
- 14 **assessed value and incremental assessed value for each parcel**
- 15 **and the depreciable personal property of any designated**
- 16 **taxpayer in the list.**
- 17 **(7) Amounts distributed to cities, towns, counties, or school**
- 18 **corporations as described in section 19(e) of this chapter.**

