



Reprinted
February 4, 2020

SENATE BILL No. 403

DIGEST OF SB 403 (Updated February 3, 2020 6:27 pm - DI 120)

Citations Affected: IC 6-1.1.

Synopsis: Property tax appeals. Prohibits a professional appraiser or a professional appraisal firm that conducts real property assessments under contract on behalf of the county or township assessor from also being employed under contract as a tax representative of the county or township assessor with regard to a review of an assessment before the county property tax assessment board of appeals (county board) with jurisdiction in that county or the Indiana board of tax review (Indiana board). Prohibits a tax representative, attorney, or law firm from representing a taxpayer in a review of an assessment before the county board or the Indiana board if a conflict of interest exists between the tax representative, attorney, or law firm and the professional appraiser that conducted the property tax assessment that is the subject of review. Provides certain limitations for representing a taxpayer in a review of an assessment beginning after June 30, 2021.

Effective: Upon passage.

**Buchanan, Rogers, Kruse,
Randolph Lonnie M**

January 14, 2020, read first time and referred to Committee on Tax and Fiscal Policy.
January 30, 2020, amended, reported favorably — Do Pass.
February 3, 2020, read second time, amended, ordered engrossed.

SB 403—LS 7010/DI 120



Reprinted
February 4, 2020

Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

SENATE BILL No. 403

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 6-1.1-15-17.3, AS AMENDED BY P.L.232-2017,
2 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 17.3. **(a) As used in this section, "conflict of
4 interest" means a circumstance where an appraiser who is a
5 contract employee or independent contractor of a county or
6 township assessor has a direct or indirect pecuniary interest in
7 relation to a tax representative's, an attorney's, or a law firm's
8 representation of a taxpayer in a review of an assessment by the
9 county board or the Indiana board.**
10 **(a) (b)** As used in this section, "tax official" means:
11 (1) a township assessor;
12 (2) a county assessor;
13 (3) a county auditor;
14 (4) a county treasurer;
15 (5) a member of a county board; or
16 (6) any employee, contract employee, or independent contractor
17 of an individual described in subdivisions (1) through (5).

SB 403—LS 7010/DI 120



1 ~~(b)~~ **(c)** Except as provided in subsection ~~(e)~~; **(d)**, a tax official in a
 2 county may not serve as a tax representative of any taxpayer with
 3 respect to property subject to property taxes in the county before the
 4 county board of that county or the Indiana board. The prohibition under
 5 this subsection applies regardless of whether or not the individual
 6 receives any compensation for the representation or assistance.

7 ~~(e)~~ **(d)** Subsection ~~(b)~~ **(c)** does not:

8 (1) prohibit a contract employee or independent contractor of a
 9 tax official from serving as a tax representative before the county
 10 board or Indiana board for a taxpayer with respect to property
 11 subject to property taxes in the county unless the contract
 12 employee or independent contractor personally and substantially
 13 participated in the assessment of the property; or

14 (2) prohibit an individual from appearing before the county board
 15 or Indiana board regarding property owned by the individual.

16 **(e) A tax representative, an attorney, or a law firm may not**
 17 **represent a taxpayer in a review of an assessment before the**
 18 **county board or the Indiana board if a conflict of interest exists**
 19 **between the tax representative, attorney, or law firm and the**
 20 **appraiser that conducted the property tax assessment that is the**
 21 **subject of review.**

22 **(f) This subsection applies after June 30, 2021. A professional**
 23 **appraiser or professional appraisal firm may represent a taxpayer**
 24 **in a review of an assessment before the county board, the Indiana**
 25 **board, the Indiana tax court, or any other court only if the**
 26 **taxpayer and the professional appraiser or professional appraisal**
 27 **firm entered into an appraisal agreement prior to the performance**
 28 **of the appraisal that included a provision requiring the**
 29 **professional appraiser or professional appraisal firm to represent**
 30 **the taxpayer in the event of an appeal without any additional cost.**

31 ~~(d)~~ **(g)** An individual who is a former county assessor, former
 32 township assessor, former employee or contract employee of a county
 33 assessor or township assessor, or an independent contractor formerly
 34 employed by a county assessor or township assessor may not serve as
 35 a tax representative for or otherwise assist another person in an
 36 assessment appeal before a county board or the Indiana board if:

37 (1) the appeal involves the assessment of property located in:

38 (A) the county in which the individual was the county assessor
 39 or was an employee, contract employee, or independent
 40 contractor of the county assessor; or

41 (B) the township in which the individual was the township
 42 assessor or was an employee, contract employee, or



1 independent contractor of the township assessor; and
 2 (2) while the individual was the county assessor or township
 3 assessor, was employed by or a contract employee of the county
 4 assessor or the township assessor, or was an independent
 5 contractor for the county assessor or the township assessor, the
 6 individual personally and substantially participated in the
 7 assessment of the property.

8 The prohibition under this subsection applies regardless of whether the
 9 individual receives any compensation for the representation or
 10 assistance. However, this subsection does not prohibit an individual
 11 from appearing before the Indiana board or county board regarding
 12 property owned by the individual.

13 ~~(e)~~ **(h)** The department shall prepare and make available to
 14 taxpayers a power of attorney form that allows the owner of property
 15 that is the subject of an appeal under this article to appoint a relative
 16 (as defined in IC 2-2.2-1-17) for specific assessment years to represent
 17 the owner concerning the appeal before the county board or the
 18 department of local government finance. A relative who is appointed
 19 by the owner of the property under this subsection:

20 (1) may represent the owner before the county board or the
 21 department of local government finance but not the Indiana board
 22 concerning the appeal; and

23 (2) is not required to be certified as a tax representative in order
 24 to represent the owner concerning the appeal.

25 SECTION 2. IC 6-1.1-35.7-2, AS AMENDED BY P.L.232-2017,
 26 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 2. As used in this chapter, "tax representative"
 28 means a person who represents another person at a proceeding before
 29 the property tax assessment board of appeals or the department. The
 30 term does not include:

31 (1) the owner of the property (or person liable for the taxes under
 32 IC 6-1.1-2-4) that is the subject of the appeal;

33 (2) an individual who is appointed as provided in
 34 ~~IC 6-1.1-15-17.3(e)~~ **IC 6-1.1-15-17.3(g)** to represent the owner of
 35 the property concerning the appeal;

36 (3) a permanent full-time employee of the owner of the property
 37 (or person liable for the taxes under IC 6-1.1-2-4) who is the
 38 subject of the appeal;

39 (4) a representative of a local unit of government appearing on
 40 behalf of the unit;

41 (5) a certified public accountant, when the certified public
 42 accountant is representing a client in a matter that relates only to



1 personal property taxation; or
 2 (6) an attorney who is a member in good standing of the Indiana
 3 bar or any person who is a member in good standing of any other
 4 state bar and who has been granted leave by the department to
 5 appear pro hac vice.

6 SECTION 3. IC 6-1.1-35.7-3, AS ADDED BY P.L.134-2014,
 7 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 UPON PASSAGE]: Sec. 3. (a) An individual who is a township
 9 assessor, a county assessor, an employee of the township assessor or
 10 county assessor, or an appraiser shall adhere to the Uniform Standards
 11 of Professional Appraisal Practice in the performance of the
 12 individual's duties.

13 (b) An individual who is a township assessor, a county assessor, an
 14 employee of the township assessor or county assessor, or an appraiser
 15 shall not do any of the following:

16 (1) Conduct an assessment that includes the reporting of a
 17 predetermined opinion or conclusion.

18 (2) Misrepresent the individual's role when providing valuation
 19 services that are outside the practice of property assessment.

20 (3) Communicate assessment results with the intent to mislead or
 21 defraud.

22 (4) Communicate a report that the individual knows is misleading
 23 or fraudulent.

24 (5) Knowingly permit an employee or other person to
 25 communicate a misleading or fraudulent report.

26 (6) Engage in criminal conduct.

27 (7) Willfully or knowingly violate the requirements of
 28 IC 6-1.1-35-9.

29 (8) Perform an assessment in a grossly negligent manner.

30 (9) Perform an assessment with bias.

31 (10) Advocate for an assessment. However, this subdivision does
 32 not prevent a township assessor, a county assessor, an employee
 33 of the county assessor or township assessor, or an appraiser from
 34 defending or explaining the accuracy of an assessment and any
 35 corresponding methodology used in the assessment at a
 36 preliminary informal hearing, during settlement discussions, at a
 37 public hearing, or at the appellate level.

38 **(c) A professional appraiser or professional appraisal firm that**
 39 **conducts real property assessments under contract on behalf of the**
 40 **county or township assessor may not also be employed under**
 41 **contract as a tax representative of the county or township assessor**
 42 **with regard to a review of an assessment before the county**



1 **property tax assessment board of appeals with jurisdiction in that**
2 **county or the Indiana board of tax review. However, this section**
3 **shall not be construed to prevent an appraiser from appearing at**
4 **a review hearing as a witness or otherwise participating in a review**
5 **to defend or explain the accuracy of an assessment, or from**
6 **receiving compensation for appearing as a witness or otherwise**
7 **participating in a review.**

8 **SECTION 4. An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 403, 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 2, between lines 21 and 22, begin a new paragraph and insert:

"(f) A professional appraiser or professional appraisal firm may represent a taxpayer in a review of an assessment before the county board or the Indiana board only if the taxpayer and the professional appraiser or professional appraisal firm entered into an appraisal agreement prior to the performance of the appraisal that included a provision requiring the professional appraiser or professional appraisal firm to represent the taxpayer in the event of an appeal without any additional cost."

Page 2, line 22, delete "(f)" and insert "(g)".

Page 3, line 4, delete "(g)" and insert "(h)".

and when so amended that said bill do pass.

(Reference is to SB 403 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 12, Nays 0.

 SENATE MOTION

Madam President: I move that Senate Bill 403 be amended to read as follows:

Page 2, line 22, after "(f)" insert "**This subsection applies after June 30, 2021.**".

Page 2, line 24, delete "or the Indiana board" and insert "**, the Indiana board, the Indiana tax court, or any other court**".

(Reference is to SB 403 as printed January 31, 2020.)

BUCHANAN

