

SENATE BILL No. 522

DIGEST OF INTRODUCED BILL

Citations Affected: IC 14-23-3.

Synopsis: Payments in lieu of taxes. Provides that in those counties in which the aggregate territory in the county that is designated as state forest or national forest exceeds 10% of the territory in the county, the department of natural resources shall make payments in lieu of taxes on those properties designated as state forest or national forest.

Effective: July 1, 2017.

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January 17, 2017, read first time and referred to Committee on Natural Resources.



First Regular Session 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

SENATE BILL No. 522

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

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

1 SECTION 1. IC 14-23-3-4 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. The department shall
3 expend the fund for the following:
4 (1) The purchase, supervision, and development of state forests
5 and state forest land.
6 (2) The growing and distribution of forest tree seedlings for state
7 and private forest planting.
8 (3) The organized prevention, detection, control, and suppression
9 of forest fires in the forests, woodlands, and plantations within
10 Indiana.
11 (4) The providing of forestry assistance to farmers and private
12 forest landowners for the purpose of providing for the better
13 protection, management, development, and utilization of forest
14 products and forests located in Indiana.
15 **(5) Payments in lieu of taxes under section 6 of this chapter.**
16 SECTION 2. IC 14-23-3-6 IS ADDED TO THE INDIANA CODE
17 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY



1, 2017]: **Sec. 6. (a) This section applies only to a county in which the aggregate territory in the county that is designated as a state forest or a national forest exceeds ten percent (10%) of the territory of the county.**

(b) The following definitions apply throughout this section:

(1) "Assessed value" has the meaning set forth in IC 6-1.1-1-3.

(2) "Assessing official" means:

(A) a township assessor (if any); or

(B) a county assessor.

(3) "Exemption" has the meaning set forth in IC 6-1.1-1-6.

(4) "PILOTS" means payments in lieu of taxes.

(5) "Property taxation" has the meaning set forth in IC 6-1.1-1-14.

(c) PILOTS are imposed on property in a county to which this section applies that:

(1) is designated as a state forest or a national forest;

(2) is subject to an exemption from property taxation; and

(3) remains exempt from property taxation for all property tax assessment years that the PILOTS are applicable.

(d) PILOTS under this section may not be first imposed on a property until the later of:

(1) 2019; or

(2) the year property taxes would otherwise be payable for the first property tax assessment date occurring after the property is acquired.

(e) Before an allotment may be made from the fund in a property tax year, money shall be allocated from the fund for payment of any PILOTS imposed under this section that are due for the property tax year.

(f) At the same time assessments are performed in the county, an assessing official of a county to which this section applies shall determine the amount on which the PILOTS under this section are based for the property in the county described in subsection (c). The amount on which PILOTS are based under this section for property described in subsection (c) is equal to the assessed value of the property that would apply if the property were not subject to an exemption from property taxation. After the assessing official determines the amount on which the PILOTS are based, the assessing official shall submit the assessing official's determination to the county treasurer.

(g) The county treasurer shall calculate the amount of the PILOTS due under this section from the amount on which the



1 **PILOTS are based that is determined under subsection (f).**
2 **Whenever the county treasurer issues statements under**
3 **IC 6-1.1-22-8.1, the county treasurer shall prepare a similar**
4 **statement for the PILOTS owed under this section and transmit**
5 **the statement to the department.**
6 **(h) The department shall expend the necessary money from the**
7 **fund to pay the PILOTS owed under this section as billed by the**
8 **county treasurer.**
9 **(i) A county auditor shall distribute PILOTS collected under**
10 **this section in the same manner as if the PILOTS were property**
11 **taxes being distributed to taxing units in the county.**
12 **(j) A county auditor, a county treasurer, and an assessing**
13 **official shall treat PILOTS imposed under this section in the same**
14 **manner as taxes for purposes of all procedural and substantive**
15 **provisions of law, including the ability to appeal the assessed value**
16 **of the applicable property.**

