First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1454

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 4-4-38.5-3, AS AMENDED BY P.L.89-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "eligible broadband service" means a connection to the Internet that provides an actual speed of at least:

(1) one thousand (1,000) megabits per second downstream with respect to grants awarded under section 9(b)(1) or 9(b)(2) of this chapter; or

(2) ~~fifty (50)~~ **one hundred (100)** megabits per second downstream and at least ~~five (5)~~ **twenty (20)** megabits per second upstream with respect to grants awarded under section 9(b)(3) or 9(b)(4) of this chapter;

regardless of the technology or medium used to provide the connection.

SECTION 2. IC 4-4-38.5-5.6, AS ADDED BY P.L.121-2021, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.6. As used in this chapter, "minimum broadband Internet" means a terrestrial connection to the Internet that provides an actual speed of at least ~~twenty-five (25)~~ **one hundred (100)** megabits per second downstream and at least ~~three (3)~~ **twenty (20)** megabits per second upstream, regardless of the technology or medium used to provide the connection.

SECTION 3. IC 4-4-38.5-9, AS AMENDED BY P.L.89-2021,

SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The office shall establish procedures for the awarding of grants from the fund after July 31, 2019, by state agencies to eligible broadband service providers for eligible broadband projects.

(b) The procedures established under this section must establish the following priorities for the awarding of grants under this chapter:

(1) First, extending the deployment of eligible broadband service (as defined in section 3(1) of this chapter) to any building:

(A) that is used by a public school corporation primarily for educating students; and

(B) with respect to which the only available connections to the Internet are at actual speeds of less than one thousand (1,000) megabits per second downstream.

(2) Second, extending the deployment of eligible broadband service (as defined in section 3(1) of this chapter) to any rural health clinic with respect to which the only available connections to the Internet are at actual speeds of less than one thousand (1,000) megabits per second downstream.

(3) Third, extending the deployment of eligible broadband service (as defined in section 3(2) of this chapter) so as to ensure that every eligible student has at the student's primary Indiana residence an access point that provides a connection to the Internet at actual speeds of at least the speed set forth in section 3(2) of this chapter.

(4) Fourth, extending the deployment of eligible broadband service (as defined in section 3(2) of this chapter) to rural areas in which the only available connections to the Internet are at actual speeds of less than ~~twenty-five (25)~~ **one hundred (100)** megabits per second downstream.

(5) Projects:

(A) described in subdivision (2) shall not be funded before projects described in subdivision (1);

(B) described in subdivision (3) shall not be funded before projects described in subdivision (1) or (2); and

(C) described in subdivision (4) shall not be funded before projects described in subdivision (1), (2), or (3).

However, a state agency may fund an eligible broadband project that is designated as a lower priority under this subsection if no competitive applications for eligible broadband projects designated as a higher priority under this subsection are submitted with respect to any particular round of grant funding under this

chapter.

(c) Except for a project described in subsection (b)(1) or (b)(2), the procedures established under this section may not permit the awarding of a grant from the fund for any proposed broadband project to deploy broadband infrastructure to a specific address for which a connection to the Internet that provides an actual speed of at least ~~twenty-five (25)~~ **one hundred (100)** megabits per second downstream is available.

(d) The procedures established under this section may not permit the office to award a grant from the fund:

(1) for any project to extend the deployment of eligible broadband service to one (1) or more service addresses with respect to which funding from the federal government has been used or will be disbursed to extend broadband service at actual speeds of at least ~~twenty-five (25)~~ **one hundred (100)** megabits per second downstream to those same addresses; or

(2) if the awarding of the grant would jeopardize funding that has been awarded by the federal government for purposes of expanding broadband service in Indiana, including funding from the:

(A) Connect America Fund;

(B) Rural Digital Opportunity Fund;

(C) Broadband Technology Opportunities Program; or

(D) State Broadband Initiative;

or from any other similar federal funding program.

(e) The procedures established under this section must establish a system of priorities for awarding grants under this chapter, weighted as determined by the office in guidelines adopted under section 10 of this chapter, that gives preference to eligible broadband projects that meet the following criteria:

(1) Projects that will provide eligible broadband service to unincorporated areas in Indiana.

(2) Projects for which the applicant commits to providing more than fifty percent (50%) of the cost to deploy the proposed broadband infrastructure.

(3) Projects that require a lower contribution from the fund per passing, as determined by calculating:

(A) the amount of the grant to be awarded under this chapter; divided by

(B) the total number of unserved homes and unserved businesses at which eligible broadband service will be made available by completion of the eligible broadband project.

(4) Projects that permit the applicant to use existing facilities or

infrastructure to enable the applicant to offer eligible broadband service to buildings or locations described in subsection (b).

(f) The procedures established under this section must prohibit a state agency, in awarding any grant from the fund, from discriminating between different types of technology used to provide eligible broadband service in connection with proposed eligible broadband projects.

(g) The procedures established under this section must, subject to section 14 of this chapter, require the office to publish on the office's ~~Internet web site~~ **website** all grant applications, including the specific addresses for which state funds would be used to provide eligible broadband service, received by the office under this chapter. For each grant application received, the office shall establish a period of at least thirty (30) days from the date the application is published on the office's ~~Internet web site~~ **website** under this subsection, during which time the office will accept comments or objections concerning the application. The office shall consider, in making a determination as to whether to award a grant to an applicant under this chapter, all comments or objections received under this subsection, including any new grant application that:

(1) is submitted by another eligible broadband service provider; and

(2) indicates that such other eligible broadband service provider would be willing to provide eligible broadband service to the same addresses included in the posted application at a lower cost to the state.

Any new grant application submitted by another eligible broadband service provider under subdivisions (1) and (2) in response to a grant application published on the office's ~~Internet web site~~ **website** must be submitted to the office within the time frame established by the office under this subsection for the submission of comments and objections with respect to the published grant application. The office shall publish any new grant applications submitted under subdivisions (1) and (2) on the office's ~~Internet web site~~ **website** and shall notify the original grant applicant of the publication. However, the submission of one (1) or more new grant applications under subdivisions (1) and (2) does not trigger a new comment period under this subsection with respect to those new applications. Any amended grant application by the original applicant in response to any new grant application under subdivisions (1) and (2) must be submitted within a time frame that is established by the office and that commences with the publication of the new application on the office's ~~Internet web site.~~ **website.** The office is not

required to allow the submission of new applications in response to any amended application by the original broadband service provider.

SECTION 4. IC 5-1-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. **(a)** The county council may, in its discretion, authorize the issuance and sale of judgment funding bonds of the county for the purpose of procuring funds to pay any judgment taken against the county. Such bonds shall be authorized, issued and sold pursuant to statutes governing the issuance of refunding bonds of the county, and the amount thereof shall not exceed the face of the judgment or judgments being funded, plus the accrued interest thereon, together with the costs taxed by the court.

(b) The term of any judgment funding bond under subsection (a) with regard to either:

(1) the city of Hobart; or

(2) the Merrillville Community School Corporation;

issued for the purpose of paying a property tax judgment rendered against Lake County for assessment year 2011, 2012, 2013, or 2014 shall be twenty-five (25) years.

SECTION 5. IC 5-1-11-1, AS AMENDED BY P.L.38-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. (a) Except as otherwise provided in this chapter or in the statute authorizing their issuance, all bonds issued by or in the name of counties, townships, cities, towns, school corporations, and special taxing districts, agencies or instrumentalities thereof, or by entities required to sell bonds pursuant to ~~IC 5-1-11,~~ **this chapter,** whether the bonds are general obligations or issued in anticipation of the collection of special taxes or are payable out of revenues, may be sold:

(1) at a public sale; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023,~~ **2025,** in the case of:

(A) counties;

(B) townships;

(C) cities;

(D) towns; ~~and~~

(E) taxing districts;

(F) special taxing districts; and

~~(E)~~ **(G)** school corporations.

(b) The word "bonds" as used in this chapter means any obligations issued by or in the name of any of the political subdivisions or bodies referred to in subsection (a), except obligations payable in the year in which they are issued, obligations issued in anticipation of the

collection of delinquent taxes, and obligations issued in anticipation of the collection of frozen bank deposits.

(c) Notwithstanding any of the provisions of subsection (a) or any of the provisions of section 2 of this chapter, any bonds may be sold to the federal government or any agency thereof, at private sale and without a public offering.

SECTION 6. IC 5-1-11-6, AS AMENDED BY P.L.38-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 6. (a) In cases where other statutes authorize the issuance and exchange of new bonds for the purpose of refunding or redeeming outstanding bonds for the payment of which no funds are available, it shall be the duty of the officers charged with issuance and exchange of the new bonds to cause the bonds to be offered:

(1) at a public sale as provided in this chapter; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023,~~ **2025,** in the case of:

(A) counties;

(B) townships;

(C) cities;

(D) towns; ~~and~~

(E) taxing districts;

(F) special taxing districts; and

~~(E)~~ **(G)** school corporations.

(b) In cases where it is necessary to provide for the refunding of bonds or interest coupons maturing at various times over a period not exceeding six (6) months, the bodies and officials charged with the duty of issuing and selling the refunding bonds may, for the purpose of reducing the cost of issuance of the bonds, issue and sell one (1) issue of bonds in an amount sufficient to provide for the refunding of all of the bonds and interest coupons required to be refunded during the six (6) month period.

SECTION 7. IC 5-1-14-10, AS AMENDED BY P.L.229-2011, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. (a) If an issuer has issued obligations under a statute that establishes a maximum term or repayment period for the obligations, notwithstanding that statute, the issuer may continue to make payments of principal, interest, or both, on the obligations after the expiration of the term or period if principal or interest owed to owners of the obligations remains unpaid.

(b) This section does not authorize the use of revenues or funds to make payments of principal and interest other than those revenues or funds that were pledged for the payments before the expiration of the

term or period.

(c) Except as otherwise provided by this section, IC 5-1-5-2.5, **IC 5-1-8-1(b),** IC 16-22-8-43, IC 36-7-12-27, IC 36-7-14-25.1, or IC 36-9-13-30 (but only with respect to any bonds issued under IC 36-9-13-30 that are secured by a lease entered into by a political subdivision organized and existing under IC 16-22-8), the maximum term or repayment period for obligations issued after June 30, 2008, that are wholly or partially payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes may not exceed:

(1) the maximum applicable period under federal law, for obligations that are issued to evidence loans made or guaranteed by the federal government or a federal agency;

(2) twenty-five (25) years, for obligations that are wholly or partially payable from tax increment revenues derived from property taxes; or

(3) twenty (20) years, for obligations that are not described in subdivision (1) or (2), and are wholly or partially payable from ad valorem property taxes or special benefit taxes on property.

SECTION 8. IC 5-13-7-8, AS ADDED BY P.L.101-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) During the annual meeting required by section 6 of this chapter, the superintendent of a school corporation shall submit a written report to the local board of finance for the school corporation. The report must assess the financial condition of the school corporation using the fiscal and qualitative indicators determined under IC 20-19-7-4 by the ~~fiscal and qualitative indicators committee.~~ **distressed unit appeal board established by IC 6-1.1-20.3-4.**

(b) The local board of finance shall review the report made under subsection (a).

(c) The superintendent of a school corporation may delegate the duty to submit a report under subsection (a) to an employee or representative of the school corporation.

SECTION 9. IC 5-13-9-2, AS AMENDED BY P.L.104-2022, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) Each officer designated in section 1 of this chapter may invest or reinvest any funds that are held by the officer and available for investment in any of the following:

(1) Securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by any of the following:

(A) The United States Treasury.

(B) A federal agency.

(C) A federal instrumentality.

(D) A federal government sponsored enterprise.

(2) Securities fully guaranteed and issued by any of the following:

(A) A federal agency.

(B) A federal instrumentality.

(C) A federal government sponsored enterprise.

(3) Municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, ~~or~~ a unit of government, municipal corporation, or special taxing district in Indiana, **or a nonprofit building corporation created by a municipal corporation,** if the issuer has not defaulted on any of the issuer's obligations within the twenty (20) years preceding the date of the purchase. A security purchased by the treasurer of state under this subdivision must have a stated final maturity of not more than ten (10) years after the date of purchase. **However, a security purchased by the treasurer of state from the Indiana bond bank under this subdivision must have a stated final maturity of not more than twenty-five (25) years after the date of purchase.**

(b) If an investment under subsection (a) is made at a cost in excess of the par value of the securities purchased, any premium paid for the securities shall be deducted from the first interest received and returned to the fund from which the investment was purchased, and only the net amount is considered interest income.

(c) The officer making the investment may sell any securities acquired and may do anything necessary to protect the interests of the funds invested, including the exercise of exchange privileges which may be granted with respect to maturing securities in cases where the new securities offered in exchange meet the requirements for initial investment.

(d) The investing officers of the political subdivisions are the legal custodians of securities under this chapter. They shall accept safekeeping receipts or other reporting for securities from:

(1) a duly designated depository as prescribed in this article; or

(2) a financial institution located either in or out of Indiana having custody of securities with a combined capital and surplus of at least ten million dollars ($10,000,000) according to the last statement of condition filed by the financial institution with its governmental supervisory body.

(e) The state board of accounts may rely on safekeeping receipts or

other reporting from any depository or financial institution.

(f) In addition to any other investments allowed under this chapter, an officer of a conservancy district located in a city having a population of more than five thousand (5,000) and less than five thousand one hundred thirty (5,130) may also invest in:

(1) municipal securities; and

(2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the officer of a conservancy district. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the officer of a conservancy district causes the percentage of investments outstanding under this subsection to exceed twenty-five percent (25%).

(g) In addition to any other investments allowed under this chapter, the clerk-treasurer of a town with a population of more than ten thousand (10,000) and less than twenty thousand (20,000) located in a county having a population of more than one hundred seventy-four thousand (174,000) and less than one hundred eighty thousand (180,000) may also invest money in a host community agreement future fund established by ordinance of the town in:

(1) municipal securities; and

(2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the clerk-treasurer of a town. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the clerk-treasurer of a town causes the percentage of investments outstanding under this subsection to exceed twenty-five percent (25%).

SECTION 10. IC 5-16-1-1.9, AS AMENDED BY P.L.143-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.9. (a) Notwithstanding this article, a state educational institution may award a contract for any construction or repair work to any building, structure, or improvement of the institution without advertising for bids and meeting other contract awarding requirements of this article whenever the estimated cost of the project is less than ~~one hundred fifty thousand dollars ($150,000).~~ **three**

hundred thousand dollars ($300,000). However, in awarding any contract under this section the state educational institution must do the following:

(1) Invite quotes from at least three (3) persons, firms, limited liability companies, or corporations known to deal in the work required to be done.

(2) Give notice of the project if the estimated cost of the project is more than ~~one hundred fifty thousand dollars ($150,000).~~ **three hundred thousand dollars ($300,000).** If required, notice must include a description of the work to be done and be given in at least one (1) newspaper of general circulation printed and published in the county in which the work is to be done.

(3) Award the contract to the person who submits the lowest and best quote.

(b) A state educational institution that awards a contract under this section to a minority business enterprise may include the contract when assessing the state educational institution's performance in meeting the goal set under section 7 of this chapter.

SECTION 11. IC 5-28-41-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 17. In addition to the purposes described in section 7 of this chapter, the following expenses are eligible to be funded by the fund:**

(1) Costs associated with increasing housing and associated infrastructure, including strategies that lead to permanent housing for individuals experiencing homelessness.

(2) Costs related to programs to support community mental health and public health.

(3) Costs related to providing broadband services, but only if:

(A) all other funding sources for the provision of broadband have been exhausted; and

(B) the projects funded in whole or in part by a grant or loan from the fund satisfy the criteria and requirements described in IC 4-4-38.5.

(4) Costs related to improving the quality of life in the region.

SECTION 12. IC 6-1.1-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. (a) In completing a personal property return for a year, a taxpayer shall make a complete disclosure of all information required by the department of local government finance that is related to the value, nature, ~~or~~ **and** location of personal property:

(1) that the taxpayer owned on the assessment date of that year;

or

(2) that the taxpayer held, possessed, or controlled on the assessment date of that year.

(b) The taxpayer shall certify to the truth of:

(1) all information appearing in a personal property return; and

(2) all data accompanying the return.

SECTION 13. IC 6-1.1-3-23.5, AS ADDED BY P.L.138-2022, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23.5. (a) For purposes of this section:

(1) "adjusted cost" has the meaning set forth in section 23(b)(1) of this chapter;

(2) "depreciable personal property" has the meaning set forth in section 23(b)(2) of this chapter;

(3) "mini-mill" means a person, including a subsidiary of a corporation, that produces steel using an electric arc furnace in Indiana;

(4) "permanently retired depreciable personal property" has the meaning set forth in section 23(b)(5) of this chapter;

(5) "pool" has the meaning set forth in section 23(b)(6) of this chapter;

(6) "mini-mill equipment" means depreciable personal property, other than special tools and permanently retired depreciable personal property, that is owned, leased, or used by a mini-mill or an entity that is at least fifty percent (50%) owned by an affiliate of a mini-mill in the production of steel;

(7) "special tools" has the meaning set forth in section 23(b)(8) of this chapter; and

(8) "year of acquisition" for purposes of applying the table in section 23(c) of this chapter, has the meaning set forth in section 23(b)(9) of this chapter.

(b) Notwithstanding 50 IAC 4.2-4-4, 50 IAC 4.2-4-6, and 50 IAC 4.2-4-7, ~~but subject to subsection (c),~~ beginning with the January 1, 2023, assessment date, a taxpayer may elect to calculate the true tax value of the taxpayer's mini-mill equipment by multiplying the adjusted cost of that equipment by the applicable percentage set forth in the table designated as "Pool No. 5" under section 23(c) and 23(d) of this chapter.

~~(c) A taxpayer may not make an election to calculate the true tax value of the taxpayer's mini-mill equipment under subsection (b) if there are any outstanding bond obligations that would be impaired as a result of the election, as certified by the department of local government finance.~~

~~(d)~~ **(c)** The percentage factors in the table under section 23(c) of this chapter automatically reflect all adjustments for depreciation and obsolescence, including abnormal obsolescence, for mini-mill equipment. The equipment is entitled to all exemptions, credits, and deductions for which it qualifies.

~~(e)~~ **(d)** The minimum valuation limitations under 50 IAC 4.2-4-9 do not apply to mini-mill equipment valued under this section. The value of the equipment is not included in the calculation of that minimum valuation limitation for the taxpayer's other assessable depreciable personal property in the taxing district.

~~(f)~~ **(e)** An election to value mini-mill equipment under this section:

(1) must be made by reporting the equipment under this section on a business personal property tax return;

(2) applies to all of the taxpayer's mini-mill equipment located in the state (whether owned or leased, or used as an integrated part of the equipment); and

(3) is binding on the taxpayer for the assessment date for which the election is made.

The department of local government finance shall prescribe the forms to make the election beginning with the January 1, 2023, assessment date. Any mini-mill equipment acquired by a taxpayer that has made an election under this section is valued under this section.

~~(g)~~ **(f)** If fifty percent (50%) or more of the adjusted cost of a taxpayer's property that would, notwithstanding this section, be reported in a pool other than "Pool No. 5" (as designated under section 23 of this chapter) is attributable to mini-mill equipment, the taxpayer may elect to calculate the true tax value of all of that property as mini-mill equipment. The true tax value of property for which an election is made under this subsection is calculated under subsections (b) through ~~(f).~~ **(e).**

SECTION 14. IC 6-1.1-4-4.2, AS AMENDED BY P.L.111-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.2. (a) The county assessor of each county shall, before July 1, 2013, and before May 1 of every fourth year thereafter, prepare and submit to the department of local government finance a reassessment plan for the county. The following apply to a reassessment plan prepared and submitted under this section:

(1) The reassessment plan is subject to approval by the department of local government finance. The department of local government finance shall complete its review and approval of the reassessment plan before:

(A) March 1, 2015; and

(B) January 1 of each subsequent year that follows a year in which the reassessment plan is submitted by the county.

(2) The department of local government finance shall determine the classes of real property to be used for purposes of this section.

(3) Except as provided in subsection (b), the reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county.

(4) Except as provided in subsection (b), all real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle.

(5) The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year.

(6) The reassessment of parcels:

(A) must include a physical inspection of each parcel of real property in the group of parcels that is being reassessed; and

(B) shall be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins.

(7) For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed.

(8) The reassessment plan must specify the dates by which the assessor must submit land values under section 13.6 of this chapter to the county property tax assessment board of appeals.

(9) The department may not approve the reassessment plan until the assessor provides verification that the land values determination under section 13.6 of this chapter has been completed.

~~(9)~~ **(10)** Subject to review and approval by the department of local government finance, the county assessor may modify the reassessment plan.

(b) A county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each reassessment cycle.

(c) The reassessment of the first group of parcels under a county's

reassessment plan shall begin on July 1, 2014, and shall be completed on or before January 1, 2015.

(d) The department of local government finance may adopt rules to govern the reassessment of property under county reassessment plans.

SECTION 15. IC 6-1.1-4-4.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 4.9. (a) This section applies to an assessment:**

(1) under section 4.2 or 4.5 of this chapter or another law; and

(2) occurring after December 31, 2023.

(b) If the township assessor, or the county assessor if there is no township assessor for the township, changes the underlying parcel characteristics, including age, grade, or condition, of a property from the previous year's assessment date, the township or county assessor shall document:

(1) each change; and

(2) the reason that each change was made.

SECTION 16. IC 6-1.1-4-13.6, AS AMENDED BY P.L.112-2012, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 13.6. (a) The county assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. The assessor determining the values of land shall submit the values **and any supporting document** to the county property tax assessment board of appeals **and the department of local government finance** by the dates specified in the county's reassessment plan under section 4.2 of this chapter.

(b) If the county assessor fails to determine land values under subsection (a) before the deadlines in the county's reassessment plan under section 4.2 of this chapter, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the land values become effective, the department of local government finance shall determine the values.

(c) The county assessor shall notify all township assessors in the county (if any) of the values. Assessing officials shall use the values determined under this section.

(d) A petition for the review of the land values determined by a county assessor under this section may be filed with the department of local government finance not later than forty-five (45) days after the county assessor makes the determination of the land values. The

petition must be signed by at least the lesser of:

(1) one hundred (100) property owners in the county; or

(2) five percent (5%) of the property owners in the county.

(e) Upon receipt of a petition for review under subsection (d), the department of local government finance:

(1) shall review the land values determined by the county assessor; and

(2) after a public hearing, shall:

(A) approve;

(B) modify; or

(C) disapprove;

the land values.

SECTION 17. IC 6-1.1-4-18.5, AS AMENDED BY P.L.257-2019, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 18.5. (a) A county assessor may not use the services of a professional appraiser for assessment or reassessment purposes without a written contract. The contract used must be either a standard contract developed by the department of local government finance or a contract that has been specifically approved by the department. The department shall ensure that the contract:

(1) includes all of the provisions required under section 19.5(b) of this chapter; and

(2) adequately provides for the creation and transmission of real property assessment data in the form required by the legislative services agency and ~~the division of data analysis of~~ the department.

(b) No contract shall be made with any professional appraiser to act as technical advisor in the assessment of property, before the giving of notice and the receiving of bids from anyone desiring to furnish this service. Notice of the time and place for receiving bids for the contract shall be given by publication by one (1) insertion in two (2) newspapers of general circulation published in the county and representing each of the two (2) leading political parties in the county. If only one (1) newspaper is there published, notice in that one (1) newspaper is sufficient to comply with the requirements of this subsection. The contract shall be awarded to the lowest and best bidder who meets all requirements under law for entering a contract to serve as technical advisor in the assessment of property. However, any and all bids may be rejected, and new bids may be asked.

(c) The county council of each county shall appropriate the funds needed to meet the obligations created by a professional appraisal services contract which is entered into under this chapter.

(d) A county assessor who enters into a contract with a professional appraiser shall submit a contract to the department through the Indiana transparency Internet web site in the manner prescribed by the department. The county shall upload the contract not later than thirty (30) days after execution of the contract.

(e) The department may review any contracts uploaded under subsection (d) to ensure compliance with section 19.5 of this chapter.

SECTION 18. IC 6-1.1-4-39, AS AMENDED BY P.L.111-2014, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

(1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences.

(2) Sales comparison approach, using data for generally comparable property.

(3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.

(b) The gross rent multiplier method is the preferred method of valuing:

(1) real property that has at least one (1) and not more than four (4) rental units; and

(2) mobile homes assessed under IC 6-1.1-7.

(c) A township assessor (if any) or the county assessor is not required to appraise real property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. If a taxpayer wishes to

have the income capitalization method or the gross rent multiplier method used in the initial formulation of the assessment of the taxpayer's property, the taxpayer must submit the necessary information to the assessor not later than the assessment date. However, the taxpayer is not prejudiced in any way and is not restricted in pursuing an appeal, if the data is not submitted by the assessment date. A taxpayer must verify under penalties for perjury any information provided to the township or county assessor for use in the application of either method. All information related to earnings, income, profits, losses, or expenditures that is provided to the assessor under this section is confidential under IC 6-1.1-35-9 to the same extent as information related to earnings, income, profits, losses, or expenditures of personal property is confidential under IC 6-1.1-35-9.

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

(f) Notwithstanding IC 6-1.1-4-4.5, for assessment dates beginning after December 31, 2023, the county assessor or township assessor making the assessment shall perform an assessment of property qualifying under subsection (a) annually, and for each assessment year, perform a valuation of the property qualifying under subsection (a) using each of the appraisal approaches in subsection (a)(1) through (a)(3) and annually report to the taxpayer each of the values under those approaches as determined by the assessor on a form as prescribed under subsection (i). The assessor shall use the department cost schedules without modifiers, adjustments, or other trending factors.

(g) The county assessor or township assessor making the assessment of property qualifying under subsection (a) has the burden of proof to establish that the assessment is correct and that the assessed value is the lowest value of those determined using the three (3) appraisal approaches performed by the county assessor or township assessor regardless of the percentage change in the assessed value.

(h) Upon request of the taxpayer, the county assessor or township assessor making the assessment shall provide an explanation to the taxpayer concerning how the assessed value of the property was calculated.

(i) The department shall prescribe a specific form for property qualifying under subsection (a).

SECTION 19. IC 6-1.1-8-27, AS AMENDED BY P.L.174-2022, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 27. (a) On or before July 1 **of each year,** ~~for years ending before January 1, 2017, and on or before June 15 for years beginning after December 31, 2016,~~ the department of local government finance shall certify to the county assessor and the county auditor of each county the distributable property assessed values which the department determines are distributable to the taxing districts of the county. In addition, if a public utility company has appealed the department of local government finance's assessment of the company's distributable property, the department shall notify the county auditor of the appeal.

(b) The county assessor shall review the department of local government finance's certification under subsection (a) to determine if any of a public utility company's property which has a definite situs in the county has been omitted. The county auditor shall enter for taxation the assessed valuation of a public utility company's distributable property which the department distributes to a taxing district of the county.

(c) The county assessor may exempt designated infrastructure development zone broadband assets. This includes the eligible broadband infrastructure assets located in a designated infrastructure development zone of a centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter).

(d) A centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter) that makes eligible infrastructure investments in a designated infrastructure development zone established under the provisions of IC 6-1.1-12.5-5 in facilities and technologies used:

(1) in the deployment and transmission of broadband service;

(2) in advanced services that increase the availability of broadband service;

(3) in advanced service; or

(4) under any combination of subdivisions (1), (2), or (3);

is exempt from property taxation as set forth under IC 6-1.1-12.5-5.

(e) Upon conclusion of the certification process by the department of local government finance under this section, the centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter) shall produce and submit, not later than July 1 of each assessment year, an annual report to the county assessor that includes sufficient information necessary for the county assessor or county auditor to identify the broadband infrastructure investments that are

eligible to be exempt from property taxes.

(f) The county auditor shall reduce the department of local government finance's certified values for each applicable state assessed personal property record that qualifies for the exemption prior to the certification of the county's net assessed values to the department. This shall include the certified values for the centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter.

SECTION 20. IC 6-1.1-8.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]:

Chapter 8.1. Controlled Environment Agriculture Property

Sec. 1. This section applies to assessment dates after December 31, 2022.

Sec. 2. As used in this chapter, "controlled environment agriculture property" means land and improvements of an agricultural greenhouse that is used to produce fresh vegetables, fruits, or other agricultural produce grown indoors under climate-controlled conditions, year-round, and for commercial purposes.

Sec. 3. Land of controlled environment agricultural property shall be classified and assessed as agricultural, and the improvements shall be classified and assessed as an agricultural greenhouse.

SECTION 21. IC 6-1.1-10-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 27. (a) Subject to the limitations contained in subsections (b) and (c), the following tangible property is exempt from property taxation if it is owned by a cemetery corporation, firm, ~~or~~ **not-for-profit corporation, or** association which is organized under the laws of this state, **a church, or a religious society:**

(1) The real property, including mausoleums and other structures in which human remains are buried or interred but not including crematories, funeral homes, offices, or maintenance structures. However, **crematories, funeral homes,** offices, and maintenance structures are exempt if they are owned by, or held in trust for the use of, a church or religious society, or if they are owned by a not-for-profit corporation or association.

(2) The personal property which is used exclusively in the establishment, operation, administration, preservation, repair, or maintenance of the cemetery, **funeral home, or crematory.**

(b) The exemption under subsection (a) does not apply to real property unless:

(1) it has been dedicated or platted for cemetery, **crematory, or funeral home** use, **or a variance has been granted for one (1) or more of those uses;**

(2) a plat of it **or variance from the plat** has been recorded in the county in which the property is located; and

(3) it is exclusively used for cemetery, ~~or~~ burial, **crematory, or funeral** purposes.

(c) The exemption under subsection (a) does not apply to personal property unless it is used exclusively for cemetery, **funeral home, or crematory** purposes and:

(1) it is owned by, or held in trust for the use of, a church or religious society; or

(2) it is owned by a not-for-profit corporation or association.

SECTION 22. IC 6-1.1-12-35.5, AS AMENDED BY P.L.257-2019, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 33 or 34 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. To obtain the deduction for a desired calendar year in which property taxes are first due and payable, the person must complete and date the certified statement in the immediately preceding calendar year and file the certified statement with the county auditor on or before January 5 of the calendar year in which the property taxes are first due and payable. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 33 or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) If the department of environmental management receives an

application for certification, the department shall determine whether the system or device qualifies for a deduction. If the department fails to make a determination under this subsection before December 31 of the year in which the application is received, the system or device is considered certified.

(d) A denial of a deduction claimed under section 33 or 34 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) Notwithstanding any other law, if there is a change in ownership of real property, or a mobile home that is not assessed as real property:

(1) that is equipped with a geothermal energy heating or cooling device; and

(2) whose previous owner received a property tax deduction under section 34 of this chapter for the geothermal energy heating or cooling device prior to the change in ownership;

the new owner shall be eligible for the property tax deduction following the change in ownership and, in subsequent taxable years, shall not be required to obtain a determination of qualification from the department of environmental management under subsection (b) and shall not be required to file a certified statement of qualification with the county auditor under subsection (a) to remain eligible for the property tax deduction.

SECTION 23. IC 6-1.1-12-37, AS AMENDED BY SEA 325-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, limited to a single house and a single garage, regardless of whether the single garage is attached to the single house or detached from the single house.

(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence:

(A) that is located in Indiana;

(B) that:

(i) the individual owns;

(ii) the individual is buying under a contract recorded in the county recorder's office, or evidenced by a memorandum of contract recorded in the county recorder's office under IC 36-2-11-20, that provides that the individual is to pay the property taxes on the residence, and that obligates the owner to convey title to the individual upon completion of all of the individual's contract obligations;

(iii) the individual is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C. 216); or

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust if the individual is an individual described in section 17.9 of this chapter; and

(C) that consists of a dwelling and includes up to one (1) acre of land immediately surrounding that dwelling, and any of the following improvements:

(i) Any number of decks, patios, gazebos, or pools.

(ii) One (1) additional building that is not part of the dwelling if the building is predominantly used for a residential purpose and is not used as an investment property or as a rental property.

(iii) One (1) additional residential yard structure other than a deck, patio, gazebo, or pool.

The term does not include property owned by a corporation, partnership, limited liability company, or other entity not described in this subdivision.

(b) Each year a homestead is eligible for a standard deduction from the assessed value of the homestead for an assessment date. Except as provided in subsection (m), the deduction provided by this section applies to property taxes first due and payable for an assessment date only if an individual has an interest in the homestead described in subsection (a)(2)(B) on:

(1) the assessment date; or

(2) any date in the same year after an assessment date that a statement is filed under subsection (e) or section 44 of this chapter, if the property consists of real property.

If more than one (1) individual or entity qualifies property as a homestead under subsection (a)(2)(B) for an assessment date, only one (1) standard deduction from the assessed value of the homestead may be applied for the assessment date. Subject to subsection (c), the

auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or

(2) for assessment dates:

(A) before January 1, 2023, forty-five thousand dollars ($45,000); or

(B) after December 31, 2022, forty-eight thousand dollars ($48,000).

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

(1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;

(2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;

(3) the names of:

(A) the applicant and the applicant's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is an individual; or

(B) each individual who qualifies property as a homestead under subsection (a)(2)(B) and the individual's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is not an individual; and

(4) either:

(A) the last five (5) digits of the applicant's Social Security number and the last five (5) digits of the Social Security number of the applicant's spouse (if any); or

(B) if the applicant or the applicant's spouse (if any) does not have a Social Security number, any of the following for that individual:

(i) The last five (5) digits of the individual's driver's license number.

(ii) The last five (5) digits of the individual's state identification card number.

(iii) The last five (5) digits of a preparer tax identification number that is obtained by the individual through the Internal Revenue Service of the United States.

(iv) If the individual does not have a driver's license, a state identification card, or an Internal Revenue Service preparer tax identification number, the last five (5) digits of a control number that is on a document issued to the individual by the United States government.

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. To obtain the deduction for a desired calendar year in which property taxes are first due and payable, the statement must be completed and dated in the immediately preceding calendar year and filed with the county auditor on or before January 5 of the calendar year in which the property taxes are first due and payable.

(f) Except as provided in subsection (k), if a person who is receiving, or seeks to receive, the deduction provided by this section in

the person's name:

(1) changes the use of the individual's property so that part or all of the property no longer qualifies for the deduction under this section; or

(2) is not eligible for a deduction under this section because the person is already receiving:

(A) a deduction under this section in the person's name as an individual or a spouse; or

(B) a deduction under the law of another state that is equivalent to the deduction provided by this section;

the person must file a certified statement with the auditor of the county, notifying the auditor of the person's ineligibility, not more than sixty (60) days after the date of the change in eligibility. A person who fails to file the statement required by this subsection may, under IC 6-1.1-36-17, be liable for any additional taxes that would have been due on the property if the person had filed the statement as required by this subsection plus a civil penalty equal to ten percent (10%) of the additional taxes due. The civil penalty imposed under this subsection is in addition to any interest and penalties for a delinquent payment that might otherwise be due. One percent (1%) of the total civil penalty collected under this subsection shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under subsection (i) and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article.

(g) The department of local government finance may adopt rules or guidelines concerning the application for a deduction under this section.

(h) This subsection does not apply to property in the first year for which a deduction is claimed under this section if the sole reason that a deduction is claimed on other property is that the individual or married couple maintained a principal residence at the other property on the assessment date in the same year in which an application for a deduction is filed under this section or, if the application is for a homestead that is assessed as personal property, on the assessment date in the immediately preceding year and the individual or married couple is moving the individual's or married couple's principal residence to the property that is the subject of the application. Except as provided in subsection (k), the county auditor may not grant an individual or a married couple a deduction under this section if:

(1) the individual or married couple, for the same year, claims the

deduction on two (2) or more different applications for the deduction; and

(2) the applications claim the deduction for different property.

(i) The department of local government finance shall provide secure access to county auditors to a homestead property data base that includes access to the homestead owner's name and the numbers required from the homestead owner under subsection (e)(4) for the sole purpose of verifying whether an owner is wrongly claiming a deduction under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or IC 6-3.6-5 (after December 31, 2016). Each county auditor shall submit data on deductions applicable to the current tax year on or before March 15 of each year in a manner prescribed by the department of local government finance.

(j) A county auditor may require an individual to provide evidence proving that the individual's residence is the individual's principal place of residence as claimed in the certified statement filed under subsection (e). The county auditor may limit the evidence that an individual is required to submit to a state income tax return, a valid driver's license, or a valid voter registration card showing that the residence for which the deduction is claimed is the individual's principal place of residence. **The county auditor may not deny an application filed under section 44 of this chapter because the applicant does not have a valid driver's license or state identification card with the address of the homestead property.** The department of local government finance shall work with county auditors to develop procedures to determine whether a property owner that is claiming a standard deduction or homestead credit is not eligible for the standard deduction or homestead credit because the property owner's principal place of residence is outside Indiana.

(k) A county auditor shall grant an individual a deduction under this section regardless of whether the individual and the individual's spouse claim a deduction on two (2) different applications and each application claims a deduction for different property if the property owned by the individual's spouse is located outside Indiana and the individual files an affidavit with the county auditor containing the following information:

(1) The names of the county and state in which the individual's spouse claims a deduction substantially similar to the deduction allowed by this section.

(2) A statement made under penalty of perjury that the following are true:

(A) That the individual and the individual's spouse maintain

separate principal places of residence.

(B) That neither the individual nor the individual's spouse has an ownership interest in the other's principal place of residence.

(C) That neither the individual nor the individual's spouse has, for that same year, claimed a standard or substantially similar deduction for any property other than the property maintained as a principal place of residence by the respective individuals.

A county auditor may require an individual or an individual's spouse to provide evidence of the accuracy of the information contained in an affidavit submitted under this subsection. The evidence required of the individual or the individual's spouse may include state income tax returns, excise tax payment information, property tax payment information, driver license information, and voter registration information.

(l) If:

(1) a property owner files a statement under subsection (e) to claim the deduction provided by this section for a particular property; and

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction;

the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal when the county auditor informs the property owner of the county auditor's determination under this subsection.

(m) An individual is entitled to the deduction under this section for a homestead for a particular assessment date if:

(1) either:

(A) the individual's interest in the homestead as described in subsection (a)(2)(B) is conveyed to the individual after the assessment date, but within the calendar year in which the assessment date occurs; or

(B) the individual contracts to purchase the homestead after the assessment date, but within the calendar year in which the assessment date occurs;

(2) on the assessment date:

(A) the property on which the homestead is currently located

was vacant land; or

(B) the construction of the dwelling that constitutes the homestead was not completed; and

(3) either:

(A) the individual files the certified statement required by subsection (e); or

(B) a sales disclosure form that meets the requirements of section 44 of this chapter is submitted to the county assessor on or before December 31 of the calendar year for the individual's purchase of the homestead.

An individual who satisfies the requirements of subdivisions (1) through (3) is entitled to the deduction under this section for the homestead for the assessment date, even if on the assessment date the property on which the homestead is currently located was vacant land or the construction of the dwelling that constitutes the homestead was not completed. The county auditor shall apply the deduction for the assessment date and for the assessment date in any later year in which the homestead remains eligible for the deduction. A homestead that qualifies for the deduction under this section as provided in this subsection is considered a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6.

(n) This subsection applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013. Notwithstanding any other provision of this section, an individual buying a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property under a contract providing that the individual is to pay the property taxes on the mobile home or manufactured home is not entitled to the deduction provided by this section unless the parties to the contract comply with IC 9-17-6-17.

(o) This subsection:

(1) applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013; and

(2) does not apply to an individual described in subsection (n).

The owner of a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property must attach a copy of the owner's title to the mobile home or manufactured home to the application for the deduction provided by this section.

(p) For assessment dates after 2013, the term "homestead" includes property that is owned by an individual who:

(1) is serving on active duty in any branch of the armed forces of

the United States;

(2) was ordered to transfer to a location outside Indiana; and

(3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date specified in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided by this section, the individual described in subdivisions (1) through (3) must submit to the county auditor a copy of the individual's transfer orders or other information sufficient to show that the individual was ordered to transfer to a location outside Indiana. The property continues to qualify for the deduction provided by this section until the individual ceases to be on active duty, the property is sold, or the individual's ownership interest is otherwise terminated, whichever occurs first. Notwithstanding subsection (a)(2), the property remains a homestead regardless of whether the property continues to be the individual's principal place of residence after the individual transfers to a location outside Indiana. The property continues to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana and is serving on active duty, if the individual has lived at the property at any time during the past ten (10) years. Otherwise, the property ceases to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana. Property that qualifies as a homestead under this subsection shall also be construed as a homestead for purposes of section 37.5 of this chapter.

SECTION 24. IC 6-1.1-12-44, AS AMENDED BY P.L.87-2009, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead (as defined in section 37 of this chapter) assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser;

constitutes an application for the deductions provided by sections 26, 29, 33, 34, and 37 of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1). **The county auditor may not deny an application for the deductions provided by section 37 of this chapter because the applicant does not have a valid driver's license or state identification card with the address of the homestead property.**

(b) Except as provided in subsection (c), if:

(1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.

SECTION 25. IC 6-1.1-15-1.1, AS AMENDED BY P.L.159-2020, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.1. (a) A taxpayer may appeal an assessment of a taxpayer's tangible property by filing a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. Except as provided in subsections (e) and (h), an appeal under this section may raise any claim of an error related to the following:

(1) The assessed value of the property.

(2) The assessment was against the wrong person.

(3) The approval denial or omission of a deduction, credit, exemption, abatement, or tax cap.

(4) a clerical, mathematical, or typographical mistake.

(5) The description of the real property.

(6) The legality or constitutionality of a property tax or assessment.

A written notice under this section must be made on a form designated by the department of local government finance. A taxpayer must file a separate petition for each parcel.

(b) A taxpayer may appeal an error in the assessed value of the

property under subsection (a)(1) any time after the official's action, but not later than the following:

(1) For assessments before January 1, 2019, the earlier of:

(A) forty-five (45) days after the date on which the notice of assessment is mailed by the county; or

(B) forty-five (45) days after the date on which the tax statement is mailed by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment.

(2) For assessments of real property, after December 31, 2018, the earlier of:

(A) June 15 of the assessment year, if the notice of assessment is mailed by the county before May 1 of the assessment year; or

(B) June 15 of the year in which the tax statement is mailed by the county treasurer, if the notice of assessment is mailed by the county on or after May 1 of the assessment year.

(3) For assessments of personal property, forty-five (45) days after the date on which the county mails the notice under IC 6-1.1-3-20.

A taxpayer may appeal an error in the assessment under subsection (a)(2), (a)(3), (a)(4) (a)(5), or (a)(6) not later than three (3) years after the taxes were first due.

(c) Except as provided in subsection (d), an appeal under this section applies only to the tax year corresponding to the tax statement or other notice of action.

(d) An appeal under this section applies to a prior tax year if a county official took action regarding a prior tax year, and such action is reflected for the first time in the tax statement. A taxpayer who has timely filed a written notice of appeal under this section may be required to file a petition for each tax year, and each petition filed later must be considered timely.

(e) A taxpayer may not appeal under this section any claim of error related to the following:

(1) The denial of a deduction, exemption, abatement, or credit if the authority to approve or deny is not vested in the county board, county auditor, county assessor, or township assessor.

(2) The calculation of interest and penalties.

(3) A matter under subsection (a) if a separate appeal or review process is statutorily prescribed.

However, a claim may be raised under this section regarding the omission or application of a deduction approved by an authority other

than the county board, county auditor, county assessor, or township assessor.

(f) The filing of a written notice under this section constitutes a request by the taxpayer for a preliminary informal meeting with the township assessor, or the county assessor if the township is not served by a township assessor.

(g) A county or township official who receives a written notice under this section shall forward the notice to:

(1) the county board; and

(2) the county auditor, if the taxpayer raises a claim regarding a matter that is in the discretion of the county auditor.

(h) A taxpayer may not raise any claim in an appeal under this section related to the legality or constitutionality of:

(1) a user fee (as defined in IC 33-23-1-10.5);

(2) any other charge, fee, or rate imposed by a political subdivision under any other law; or

(3) any tax imposed by a political subdivision other than a property tax.

(i) This subsection applies only to an appeal based a claim of error in the determination of property that is or is not eligible for a standard homestead deduction under IC 6-1.1-12-37 and only for an assessment date occurring before January 1, 2024. A taxpayer may appeal an error in the assessment of property as described in this subsection any time after the official's action, but not later than one (1) year after the date on which the property that is the subject of the appeal was assessed.

SECTION 26. IC 6-1.1-15-1.2, AS AMENDED BY P.L.121-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.2. (a) A county or township official who receives a written notice under section 1.1 of this chapter shall schedule, at a time during business hours that is convenient to the taxpayer, a preliminary informal meeting with the taxpayer in order to resolve the appeal. If the taxpayer raises a claim regarding a matter that is in the discretion of the county auditor, the informal meeting must include the county auditor. At the preliminary informal meeting, in order to facilitate understanding and the resolution of disputed issues, a county or township official, the county auditor, if the matter is in the discretion of the county auditor, and the taxpayer shall exchange the information that each party is relying on at the time of the preliminary informal meeting to support the party's respective position on each disputed issue concerning the assessment or deduction. If additional information is obtained by the county or township official, the county

auditor, or the taxpayer after the preliminary informal meeting and before the hearing held by the county board, the party obtaining the information shall provide the information to the other party. If the county or township official, the county auditor, or the taxpayer obtains additional information and provides the information to the other party for the first time at the hearing held by the county board, the county board, unless waived by the receiving party, shall continue the hearing until a future hearing date of the county board so that the receiving party has an opportunity to review all the information that the offering party is relying on to support the offering party's positions on the disputed issues concerning the assessment or deduction.

(b) The official shall report on a form prescribed by the department of local government finance the results of the informal meeting. If the taxpayer and the official agree on the resolution of all issues in the appeal, the report shall state the agreed resolution of the matter and be signed by the official and the taxpayer. If an informal meeting is not held, or the informal meeting is unsuccessful, the official shall report those facts on the form. The official shall forward the report on the informal meeting to the county board.

(c) If the county board receives a report on the informal meeting indicating an agreed resolution of the matter, the county board shall vote to accept or deny the agreed resolution. If the county board accepts the agreed resolution, the county board shall issue a notification of final assessment determination adopting the agreed resolution and vacating the hearing if scheduled.

(d) The county board, upon receipt of a written notice under section 1.1 of this chapter, shall hold a hearing on the appeal not later than one hundred eighty (180) days after the filing date of the written notice. The county board shall, by mail, give at least thirty (30) days notice of the date, time, and place fixed for the hearing to the taxpayer, the county or township official with whom the taxpayer filed the written notice, and the county auditor. If the county board has notice that the taxpayer is represented by a third person, any hearing notice shall be mailed to the representative.

(e) If good cause is shown, the county board shall grant a request for continuance filed in writing at least ten (10) days before the hearing, and reschedule the hearing under subsection (d).

(f) A taxpayer may withdraw an appeal by filing a written request at least ten (10) days before the hearing. The county board shall issue a notification of final assessment determination indicating the withdrawal and no change in the assessment. A withdrawal waives a taxpayer's right to appeal to the Indiana board.

(g) The county board shall determine an appeal without a hearing if requested by the taxpayer in writing at least twenty (20) days before the hearing.

(h) If a taxpayer appeals the assessment of tangible property under section 1.1 of this chapter, the taxpayer is not required to have an appraisal of the property in order to initiate the appeal or prosecute the appeal.

(i) At a hearing under subsection (d), the taxpayer shall have the opportunity to present testimony and evidence regarding the matters on appeal. If the matters on appeal are in the discretion of the county auditor, the county auditor or the county auditor's representative shall attend the hearing. A county or township official, or the county auditor or the county auditor's representative, shall have an opportunity to present testimony and evidence regarding the matters on appeal. The county board may adjourn and continue the hearing to a later date in order to make a physical inspection or consider the evidence presented.

(j) The county board shall determine the assessment by motion and majority vote. **Except as provided in subsection (m),** a county board may, based on the evidence before it, increase an assessment. The county board shall issue a written decision. Written notice of the decision shall be given to the township official, county official, county auditor, and the taxpayer.

(k) If more than one hundred eighty (180) days have passed since the date the notice of appeal was filed, and the county board has not issued a determination, a taxpayer may initiate any appeal with the Indiana board of tax review under section 3 of this chapter.

(l) The county assessor may assess a penalty of fifty dollars ($50) against the taxpayer if the taxpayer or representative fails to appear at a hearing under subsection (d) and, under subsection (e), the taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without a hearing, or withdrawal is not timely filed. A taxpayer may appeal the assessment of the penalty to the Indiana board or directly to the tax court. The penalty may not be added as an amount owed on the property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(m) The determination of an appealed assessed value of tangible property by a county or township official resulting from an informal meeting under subsection (a), or by a county board resulting from an appeal hearing under subsection (d), may be less than or equal to the tangible property's original appealed assessed value at issue, but may not exceed the original appealed assessed value at issue. However, an increase in assessed value that is

attributable to substantial renovation, new improvements, zoning change, or use change is excluded from the limitation under this subsection.

SECTION 27. IC 6-1.1-17-1, AS AMENDED BY P.L.174-2022, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall submit a certified statement of the assessed value for the ensuing year to the department of local government finance in the manner prescribed by the department.

(b) The department of local government finance shall make the certified statement available on the department's computer gateway.

(c) Subject to subsection (d), after the county auditor submits a certified statement under subsection (a) or an amended certified statement under this subsection with respect to a political subdivision and before the department of local government finance certifies its action with respect to the political subdivision under section 16(i) of this chapter, the county auditor may amend the information concerning assessed valuation included in the earlier certified statement. The county auditor shall submit a certified statement amended under this subsection to the department of local government finance not later than September 1 in the manner prescribed by the department.

(d) Before the county auditor makes an amendment under subsection (c), the county auditor must provide an opportunity for public comment on the proposed amendment at a public hearing. The county auditor must give notice of the hearing under IC 5-3-1. If the county auditor makes the amendment as a result of information provided to the county auditor by an assessor, the county auditor shall give notice of the public hearing to the assessor.

(e) Beginning in 2018, each county auditor shall submit to the department of local government finance parcel level data of certified net assessed values as required by the department. A county auditor shall submit the parcel level data in the manner and format required by the department and according to a schedule determined by the department.

(f) When the county auditor submits the certified statement under subsection (a), the county auditor shall exclude the amount of assessed value for any property located in the county for which:

(1) an appeal has been filed under IC 6-1.1-15; and

(2) there is no final disposition of the appeal as of the date the county auditor submits the certified statement under subsection (a).

The county auditor may appeal to the department of local

government finance to include the amount of assessed value under appeal within a taxing district for that calendar year.

SECTION 28. IC 6-1.1-18-28, AS ADDED BY P.L.154-2020, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 28. (a) The executive of a township may, upon approval by the township fiscal body, submit a petition to the department of local government finance for an increase in the township's maximum permissible ad valorem property tax levy for its township firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** for property taxes ~~first due and payable in 2021 or~~ for any year ~~thereafter~~ for which a petition is submitted under this section.

(b) If the township submits a petition as provided in subsection (a) before ~~August 1, 2020, or~~ April 1 of a year, ~~thereafter,~~ the department of local government finance shall increase the township's maximum permissible ad valorem property tax levy for the township firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** for property taxes first due and payable in the immediately succeeding year by using the following formula for purposes of subsection (c)(2):

STEP ONE: Determine the percentage increase in the population, as determined by the township fiscal body and as may be prescribed by the department of local government finance, that is within the fire protection and emergency services area of the township during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The township fiscal body may use the most recently available population data issued by the Bureau of the Census during the ten (10) year period immediately preceding the petition.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the STEP ONE percentage; minus

(B) six percent (6%);

expressed as a decimal.

STEP THREE: Determine a rate that is the lesser of:

(A) fifteen-hundredths (0.15); or

(B) the STEP TWO result.

STEP FOUR: Reduce the STEP THREE rate by any rate increase in the township's property tax rate **or rates** for its township

firefighting **and emergency services** fund, **township firefighting fund, or township emergency services fund, as applicable,** within the immediately preceding ten (10) year period that was made based on a petition submitted by the township under this section.

(c) The township's maximum permissible ad valorem property tax levy for its township firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2)** for property taxes first due and payable in a given year, as adjusted under this section, shall be calculated as:

(1) the amount of the ad valorem property tax levy increase for the township firefighting **and emergency services** fund **under IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** without regard to this section; plus

(2) an amount equal to the result of:

(A) the rate determined under the formula in subsection (b); multiplied by

(B) the net assessed value of the fire protection and emergency services area divided by one hundred (100).

The calculation under this subsection shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 36-8-13-4 for property taxes first due and payable in the first year of the increase and thereafter.

SECTION 29. IC 6-1.1-18-34 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 34. (a) Except as otherwise provided in this section, this section:**

(1) does not apply until the expiration of IC 20-45-8 under IC 20-45-8-29(a); and

(2) upon the expiration of IC 20-45-8 under IC 20-45-8-29(a), applies only to a school corporation that has under its jurisdiction any territory located in Dearborn County.

(b) Subject to subsection (c), the superintendent of a school corporation may, after approval by the governing body of the school corporation, and before September 1 of the year immediately preceding the expiration of IC 20-45-8, submit a petition to the department of local government finance requesting an increase in the school corporation's maximum permissible ad

valorem property tax levy under IC 20-46-8-1 for its operations fund for property taxes first due and payable in the year after the expiration of IC 20-45-8.

(c) Before the governing body of the school corporation may approve a petition under subsection (b), the governing body of the school corporation must hold a public hearing on the petition. The governing body of the school corporation shall give notice of the public hearing under IC 5-3-1. At the public hearing, the governing body of the school corporation shall make available to the public the following:

(1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.

(2) A statement that the proposed increase will be a permanent increase to the school corporation's maximum permissible ad valorem property tax levy under IC 20-46-8-1 for its operations fund.

(3) The estimated effect of the proposed increase on taxpayers.

(4) The anticipated property tax rates and levies for property taxes first due and payable in the year after the expiration of IC 20-45-8.

After the governing body of the school corporation approves the petition, the school corporation shall immediately notify the other civil taxing units and school corporations in the county that are located in a taxing district where the school corporation is also located.

(d) If the superintendent of a school corporation submits a petition under subsection (b), the department of local government finance shall increase the school corporation's maximum permissible ad valorem property tax levy under IC 20-46-8-1 for the operations fund for property taxes first due and payable in the year after the expiration of IC 20-45-8 by the amount of the distribution that the school corporation received in the year immediately preceding the expiration of IC 20-45-8, as determined by the department of local government finance.

(e) The school corporation's maximum permissible ad valorem property tax levy for property taxes first due and payable in the year after the expiration of IC 20-45-8, as adjusted under this section, shall be used in the determination of the school corporation's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in the

year following the year after the expiration of IC 20-45-8 and thereafter.

SECTION 30. IC 6-1.1-18.5-1, AS AMENDED BY P.L.197-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year. **However, if a township elects to establish both a township firefighting levy and a township emergency services levy under IC 36-8-13-4(b)(2), the township firefighting levy and township emergency services levy shall be combined and considered as a single levy for purposes of this chapter.**

"Civil taxing unit" means any taxing unit except a school corporation.

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means, for purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for an assessment date after January 15, 2011, ~~the term means~~ the civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter (regardless of whether the taxing unit imposed the entire amount of the maximum permissible ad valorem property tax levy in the immediately preceding year).

"Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

SECTION 31. IC 6-1.1-18.5-21, AS AMENDED BY P.L.182-2009(ss), SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 21. **(a)** A civil taxing unit may determine that the ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under either or both of the following:

(1) IC 6-1.1-21.3.

(2) IC 6-1.1-21.9.

(b) This subsection applies to a civil taxing unit or school corporation located in Lake County that has received or is receiving a loan under IC 6-1.1-22.1. The ad valorem property tax

levy limits imposed in section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under IC 6-1.1-22.1 for the ensuing calendar year if:

(1) the civil taxing unit or school corporation provides to the department the information the department considers necessary to determine the amount of ad valorem property taxes imposed to repay the loan in the ensuing calendar year; and

(2) the information described in subdivision (1) is provided to the department not later than December 1 of the year preceding the ensuing calendar year.

SECTION 32. IC 6-1.1-18.5-25, AS AMENDED BY P.L.159-2020, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 25. (a) The ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to a municipality in a year if all the following apply:

(1) The percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year is at least two (2) times the maximum levy growth quotient determined under section 2 of this chapter for the preceding year.

(2) The municipality's population increased by at least one hundred fifty percent (150%) between the last two (2) decennial censuses. **The computation of an increase of one hundred fifty percent (150%) under this subdivision shall be determined according to the last STEP of the following STEPS:**

STEP ONE: Determine the municipality's population as tabulated following the first decennial census.

STEP TWO: Determine the municipality's population as tabulated following the second decennial census.

STEP THREE: Multiply the amount determined under STEP ONE by a factor of two and five-tenths (2.5).

STEP FOUR: Determine whether the population determined under STEP TWO is greater than or equal to the STEP THREE product.

(b) A municipality that meets all the requirements under subsection (a) may increase its ad valorem property tax levy in excess of the limits imposed under section 3 of this chapter by a percentage equal to the lesser of:

(1) the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year; or

(2) six percent (6%).

(c) A municipality's maximum levy growth that results from either annexation or the pass through of assessed value from a tax increment financing district may not be included for the purposes of determining a municipality's maximum levy growth under this section.

(d) This section applies to property tax levies imposed after December 31, 2016.

SECTION 33. IC 6-1.1-18.5-28, AS ADDED BY P.L.174-2022, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) This section applies only to the Sugar Creek Township Fire Protection District in Vigo County.

(b) Subject to subsection (c), the executive of a district described in subsection (a) may, after approval by the fiscal body of the district, and before August 1, ~~2022,~~ **2023,** submit a petition to the department of local government finance requesting an increase in the district's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023.~~ **2024.**

(c) Before the fiscal body of the district may approve a petition under subsection (b), the fiscal body of the district shall hold a public hearing on the petition. The fiscal body shall give notice of the public hearing under IC 5-3-1. At the public hearing, the fiscal body shall make available to the public the following:

(1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.

(2) A statement that the proposed increase will be a permanent increase to the district's maximum permissible ad valorem property tax levy.

(3) The estimated effect of the proposed increase on taxpayers.

After the fiscal body approves the petition, the district shall immediately notify the other civil taxing units and school corporations in the county that are located in a taxing district where the district is also located.

(d) If the executive of the district submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~ **2024** by not more than one hundred **fifty** thousand dollars ~~($100,000).~~ **($150,000).**

(e) The district's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023,~~ **2024,** as adjusted under this section, shall be used in the determination of the district's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxed first due and payable in ~~2024~~ **2025** and

thereafter.

(f) This section expires June 30, ~~2026.~~ **2028.**

SECTION 34. IC 6-1.1-18.5-29, AS ADDED BY P.L.174-2022, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) This section applies only to the Otter Creek Township in Vigo County.

(b) Subject to subsection (c), the executive of a township described in subsection (a) may, after approval by the fiscal body of the township, and before August 1, ~~2022,~~ **2023,** submit a petition to the department of local government finance requesting an increase in the township's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023.~~ **2024.**

(c) Before the fiscal body of the township may approve a petition under subsection (b), the fiscal body of the township shall hold a public hearing on the petition. The fiscal body shall give notice of the public hearing under IC 5-3-1. At the public hearing, the fiscal body shall make available to the public the following:

(1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.

(2) A statement that the proposed increase will be a permanent increase to the township's maximum permissible ad valorem property tax levy.

(3) The estimated effect of the proposed increase on taxpayers.

After the fiscal body approves the petition, the township shall immediately notify the other civil taxing units and school corporations in the county that are located in a taxing district where the township is also located.

(d) If the executive of the township submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for property taxes first due and payable in 2023 by not more than ~~seventy-five~~ **one hundred** thousand dollars ~~($75,000).~~ **($100,000).**

(e) The township's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023,~~ **2024,** as adjusted under this section, shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in ~~2024~~ **2025** and thereafter.

(f) This section expires June 30, ~~2026.~~ **2028.**

SECTION 35. IC 6-1.1-20-1.1, AS AMENDED BY P.L.32-2021, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2023]: Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease, except for the following:

(1) A project for which the political subdivision reasonably expects to pay:

(A) debt service; or

(B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.

(2) A project that will not cost the political subdivision more than the lesser of the following:

(A) An amount equal to the following:

(i) In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, two million dollars ($2,000,000).

(ii) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, five million dollars ($5,000,000).

(iii) In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, an amount (as determined by the department of local government finance) equal to the result of the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the amount determined under this clause for the preceding calendar year.

The department of local government finance shall publish the threshold determined under item (iii) in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the maximum levy growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(B) An amount equal to the following:

(i) One percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars ($100,000,000).

(ii) One million dollars ($1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars ($100,000,000).

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that:

(A) is required by a court order holding that a federal law mandates the project; **or**

(B) is in response to a court order holding that:

(i) a federal law has been violated; and

(ii) the project is to address the deficiency or violation.

(6) A project that is in response to:

(A) a natural disaster;

(B) an accident; or

(C) an emergency;

in the political subdivision that makes a building or facility unavailable for its intended use.

(7) A project that was not a controlled project under this section as in effect on June 30, 2008, and for which:

(A) the bonds or lease for the project were issued or entered into before July 1, 2008; or

(B) the issuance of the bonds or the execution of the lease for the project was approved by the department of local government finance before July 1, 2008.

(8) A project of the Little Calumet River basin development commission for which bonds are payable from special assessments collected under IC 14-13-2-18.6.

(9) A project for engineering, land and right-of-way acquisition, construction, resurfacing, maintenance, restoration, and rehabilitation exclusively for or of:

(A) local road and street systems, including bridges that are designated as being in a local road and street system;

(B) arterial road and street systems, including bridges that are designated as being in an arterial road and street system; or

(C) any combination of local and arterial road and street systems, including designated bridges.

SECTION 36. IC 6-1.1-20.3-5, AS AMENDED BY

P.L.213-2018(ss), SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. (a) The board may employ ~~an executive director~~ **staff** who shall serve at the pleasure of the board and carry out the administrative responsibilities assigned by the board. The board may delegate a specific duty, authority, or responsibility assigned to the board under this chapter to the ~~executive director.~~ **staff.**

(b) The department of local government finance shall provide the board with the staff and assistance that the board reasonably requires.

(c) The department of local government finance ~~shall~~ **may** provide from the department's budget funding to support the board's duties under this chapter.

(d) The board may contract with accountants, financial experts, and other advisors and consultants as necessary to carry out the board's duties under this chapter.

(e) The board may adopt rules to implement the board's duties, authorities, or responsibilities, including those in this chapter and those in IC 20-19-7.

SECTION 37. IC 6-1.1-20.3-7.1 IS REPEALED [EFFECTIVE JULY 1, 2023]. ~~Sec. 7.1. (a) This section applies only to the Muncie Community Schools.~~

~~(b) The general assembly finds that the provisions of this section:~~

~~(1) are necessary to address the unique issues faced by the Muncie Community Schools;~~

~~(2) are not precedent for and may not be appropriate for addressing issues faced by other school corporations; and~~

~~(3) are consistent with the board designating the Muncie Community school corporation as a distressed political subdivision effective January 1, 2018.~~

~~(c) Notwithstanding section 7.5(d) of this chapter, the board shall determine the compensation of the emergency manager, pay the emergency manager's compensation, and reimburse the emergency manager for actual and necessary expenses from funds appropriated to the board.~~

~~(d) In addition to any other actions that the board may take under this chapter concerning a distressed political subdivision, the board may recommend, before July 1, 2020, to the state board of finance that the state board of finance make an interest free loan to the school corporation from the common school fund. The distressed unit appeal board shall determine the payment schedule and the commencement date for the loan. If the board makes a recommendation that such a loan be made, the state board of finance may, notwithstanding IC 20-49,~~

~~make the loan for a term of not more than ten (10) years.~~

SECTION 38. IC 6-1.1-20.3-15, AS AMENDED BY P.L.213-2018(ss), SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) The executive of a political subdivision or a majority of the members of the fiscal body of a political subdivision may request technical assistance from the board in helping prevent the political subdivision from becoming a distressed political subdivision. The board, by using the ~~health~~ fiscal **and qualitative** indicators developed under IC 20-19-7 or **the fiscal health indicators developed under** IC 5-14-3.8-8, shall determine whether to provide assistance to the political subdivision.

(b) The board may do any of the following for a political subdivision that receives assistance under subsection (a):

(1) Provide information and technical assistance with respect to the data management, accounting, or other aspects of the fiscal management of the political subdivision.

(2) Assist the political subdivision in obtaining assistance from state agencies and other resources.

SECTION 39. IC 6-1.1-20.6-9.9, AS AMENDED BY P.L.238-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9.9. (a) **This subsection applies to credits allocated before January 1, 2024.** If:

(1) a school corporation after July 1, 2016, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than:

(A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or

(B) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and

(2) the school corporation's:

(A) total debt service levy is greater than the school corporation's total debt service levy in 2016; and

(B) total debt service tax rate is greater than the school corporation's total debt service tax rate in 2016;

the school corporation is not eligible to allocate credits proportionately under this section.

(b) This subsection applies to credits allocated after December 31, 2023. A school corporation is not eligible to allocate credits proportionately under this section, if a school corporation after July 1, 2023, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will

impose a debt service levy other than:

(1) to refinance or renew prior bond or lease rental obligations existing before January 1, 2024, but only if the refinancing or renewal is for a lower interest rate; or

(2) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law.

~~(b)~~ **(c)** Subject to subsection (a) **(before January 1, 2024) and subsection (b) (after December 31, 2023),** a school corporation is eligible to allocate credits proportionately under this section for 2019, 2020, 2021, 2022, ~~or~~ 2023, **2024, 2025, or 2026** if the school corporation's percentage computed under this subsection is at least ten percent (10%) for its operations fund levy as certified by the department of local government finance. A school corporation shall compute its percentage under this subsection as determined under the following formula:

STEP ONE: Determine the amount of credits granted under this chapter against the school corporation's levy for the school corporation's operations fund.

STEP TWO: Determine the amount of the school corporation's levy that is attributable to new debt incurred after June 30, 2019, but is not attributable to the debt service levy described in subsection (a)(1)(B) **(before January 1, 2024) or subsection (b)(2) (after December 31, 2023).**

STEP THREE: Determine the result of the school corporation's total levy minus any referendum levy.

STEP FOUR: Subtract the STEP TWO amount from the STEP THREE amount.

STEP FIVE: Divide the STEP FOUR amount by the STEP THREE amount expressed as a percentage.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE percentage.

STEP SEVEN: Determine the school corporation's levy for the school corporation's operations fund.

STEP EIGHT: Divide the STEP SIX amount by the STEP SEVEN amount expressed as a percentage.

The computation must be made by taking into account the requirements of section 9.8 of this chapter regarding protected taxes and the impact of credits granted under this chapter on the revenue to be distributed to the school corporation's operations fund for the particular year.

~~(c)~~ **(d)** A school corporation that desires to be an eligible school corporation under this section must, before May 1 of the year for which it wants a determination, submit a written request for a certification by

the department of local government finance that the computation of the school corporation's percentage under subsection ~~(b)~~ **(c)** is correct. The department of local government finance shall, not later than June 1 of that year, determine whether the percentage computed by the school corporation under subsection ~~(b)~~ **(c)** is accurate and certify whether the school corporation is eligible under this section.

~~(d)~~ **(e)** For a school corporation that is certified as eligible under this section, the school corporation may allocate the effect of the credits granted under this chapter proportionately among all the school corporation's property tax funds that are not exempt under section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund and without taking into account the requirements of section 9.8 of this chapter regarding protected taxes as determined under the following formula:

STEP ONE: Determine the product of:

(A) the percentage determined under STEP EIGHT of subsection ~~(b);~~ **(c);** multiplied by

(B) five (5).

STEP TWO: Determine the lesser of the STEP ONE percentage or one hundred percent (100%).

STEP THREE: Determine the product of:

(A) the amount determined under STEP SIX of subsection ~~(b);~~ **(c);** multiplied by

(B) the STEP TWO percentage.

The school corporation may allocate the amount of credits determined under STEP THREE proportionately under this section. The department of local government finance shall include in its certification of an eligible school corporation under subsection ~~(c)~~ **(d)** the amount of credits that the school corporation may allocate proportionately as determined under this subsection.

~~(e)~~ **(f)** This section expires January 1, ~~2024.~~ **2027.**

SECTION 40. IC 6-1.1-21.2-8, AS AMENDED BY P.L.203-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 8. As used in this chapter, "special fund" means:

(1) the special funds referred to in IC 6-1.1-39-5;

(2) the special funds referred to in IC 8-22-3.5-9(e);

(3) the allocation fund referred to in ~~IC 36-7-14-39(b)(3);~~ **IC 36-7-14-39(b)(4);**

(4) the allocation fund referred to in IC 36-7-14.5-12.5(d);

(5) the special fund referred to in IC 36-7-15.1-26(b)(3);

(6) the special fund referred to in IC 36-7-15.1-53(b)(3);

(7) the allocation fund referred to in IC 36-7-30-25(b)(3); or

(8) the allocation fund referred to in IC 36-7-30.5-30(b)(3).

SECTION 41. IC 6-1.1-21.3-3, AS ADDED BY P.L.182-2009(ss), SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) The board, after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

(1) The loan must be repaid not later than ten (10) years after the date on which the loan is made.

(2) The terms of the loan must allow for prepayment of the loan without penalty.

(3) The maximum amount of the loan that a qualified taxing unit may receive with respect to a default described in section 1(c)(3) of this chapter on one (1) or more payments of property taxes first due and payable in a calendar year is the amount, as determined by the board, of revenue shortfall for the qualified taxing unit that results from the default for that calendar year.

(b) The board may disburse in installments the proceeds of a loan made under this chapter.

(c) A qualified taxing unit may repay a loan made under this chapter from any of the following:

(1) Property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5.

(2) Property tax revenues of the qualified taxing unit that are not subject to levy limitations as provided in ~~IC 6-1.1-18.5-21.~~ **IC 6-1.1-18.5-21(a).**

(3) The qualified taxing unit's debt service fund.

(4) Any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment on a loan made under this chapter constitutes a first charge against the property tax revenues described in subdivision (1) or (2) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

(d) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 20-44-3.

(e) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

SECTION 42. IC 6-1.1-21.9-3, AS AMENDED BY P.L.1-2009, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) The board, not later than December 31,

2009, and after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

(1) The board may not charge interest on the loan.

(2) The loan must be repaid not later than ten (10) years after the date on which the loan was made.

(3) The terms of the loan must allow for prepayment of the loan without penalty.

(4) The maximum amount of the loan that a qualifying taxing unit may receive with respect to a default described in section 1(c)(3) of this chapter on one (1) or more payments of property taxes first due and payable in a calendar year is the amount, as determined by the board, of revenue shortfall for the qualifying taxing unit that results from the default for that calendar year.

(5) The total amount of all loans under this chapter for all calendar years may not exceed thirteen million dollars ($13,000,000).

(b) The board may disburse in installments the proceeds of a loan made under this chapter.

(c) A qualified taxing unit may repay a loan made under this chapter from any of the following:

(1) Property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5 or (before January 1, 2009) IC 6-1.1-19.

(2) Property tax revenues of the qualified taxing unit that are not subject to levy limitations as provided in ~~IC 6-1.1-18.5-21~~ **IC 6-1.1-18.5-21(a)** or (before January 1, 2009) IC 6-1.1-19-13.

(3) The qualified taxing unit's debt service fund.

(4) Any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment on a loan made under this chapter constitutes a first charge against the property tax revenues described in subdivision (1) or (2) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

(d) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or (before January 1, 2009) IC 6-1.1-19.

(e) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

SECTION 43. IC 6-1.1-22.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 22.1. Loans to Qualified Taxing Units in Lake County

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

Sec. 2. As used in this chapter, "qualified taxing unit" means a city, township, or school corporation located in Lake County that experienced a property tax revenue shortfall in one (1) or more tax years:

(1) that resulted from erroneous assessed valuation figures being provided to the city, township, or school corporation; and

(2) for which the aggregate property tax revenue shortfall the city, township, or school corporation experienced, or will experience, is at least:

(A) five million dollars ($5,000,000); or

(B) twenty percent (20%) of its net tax levy;

in any single tax year as a result of the erroneous assessed valuation figures referred to in subdivision (1).

Sec. 3. A qualified taxing unit, subject to the approval of the fiscal body of the qualified taxing unit, may apply to the treasurer of state for a loan from the counter-cyclical revenue and economic stabilization fund.

Sec. 4. Subject to this chapter, the treasurer of state, after review by the budget committee, shall determine the terms of any loan made under this chapter.

Sec. 5. The treasurer of state may:

(1) impose interest on a loan under this chapter at a rate determined by the treasurer of state; or

(2) determine that no interest is required to be charged on a loan under this chapter.

Sec. 6. (a) The total amount of all loans under this chapter for all calendar years may not exceed the total amount of property tax revenue shortfall for all qualified taxing units that resulted from erroneous assessed valuation amounts being provided to the qualified taxing units, as determined by the treasurer of state.

(b) Subject to subsection (d), the amount of loans provided under this chapter to a qualified taxing unit may not exceed the remainder of:

(1) two percent (2%) of the true tax value of property in the qualified taxing unit as of the date of the loan; minus

(2) the amount of any loans previously received by the qualified taxing unit under this chapter, together with the amount of any other indebtedness of the qualified taxing unit

regardless of the nature of the indebtedness, other than items payable out of current expenses.

(c) The qualified taxing unit may use the proceeds of a loan under this chapter to refund any bonds of the qualified taxing unit previously issued to offset the qualified taxing unit's property tax revenue shortfall.

(d) The amount of loans provided to all qualified taxing units under this chapter may not exceed thirty-five million dollars ($35,000,000).

Sec. 7. If a qualified taxing unit receives a loan under this chapter, the qualified taxing unit must repay the loan within twenty-five (25) years after the date on which the loan is made. No penalty may be imposed for repaying a loan under this chapter before the term of the loan expires.

Sec. 8. The treasurer of state may disburse in installments the proceeds of a loan made under this chapter.

Sec. 9. A qualified taxing unit may repay a loan under this chapter from any source or sources of revenue.

Sec. 10. An obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy.

Sec. 11. When the treasurer of state receives a payment with respect to a loan under this chapter, the treasurer of state shall deposit the amount received in the counter-cyclical revenue and economic stabilization fund.

Sec. 12. The proceeds of a loan under this chapter received by an eligible taxing unit are not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating levy excess.

Sec. 13. Notes associated with loans under this chapter, and the authorization, issuance, sale, and delivery of the notes, are not subject to any general statute concerning obligations issued by the local governmental entity borrower. This chapter contains full and complete authority for the making of a loan under this chapter, the authorization, issuance, sale, and delivery of a note associated with a loan made under this chapter, and repayment of the loan by the borrower. No law, procedure, proceeding, publication, notice, consent, approval, order, or act by any officer, department, agency, or instrument of the state, or of any political subdivision, is required to make a loan under this chapter, issue a note associated with a loan under this chapter, or repay a loan, except as

prescribed under this chapter.

Sec. 14. Upon the failure of a qualified taxing unit to make any of the qualified taxing unit's payments on a loan granted under this chapter when due, the treasurer of state, upon being notified of the failure by the board, may pay the unpaid amount that is due from the funds held by the state that would otherwise be distributable to the qualified taxing unit.

Sec. 15. A loan under this chapter is not bonded indebtedness for purposes of IC 6-1.1-18.5 or IC 6-1.1-20.

SECTION 44. IC 6-1.1-24-2, AS AMENDED BY SEA 157-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This section does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under section 1.5 of this chapter.

(b) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

(1) A list of tracts or real property eligible for sale under this chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.

(3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:

(A) the delinquent taxes and special assessments on each tract or item of real property;

(B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;

(C) all penalties due on the delinquencies;

(D) an amount prescribed by the county auditor that equals the sum of:

(i) the greater of twenty-five dollars ($25) or postage and publication costs; and

(ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (c) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:

(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was

offered at the time of sale if the tract or item of real property is redeemed not more than six (6) months after the date of sale;

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus five percent (5%) interest per annum, on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of five percent (5%) per annum, on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, or the county assessor if there is no township assessor for the township, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

(i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and

(ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be:

(i) filed with the court; and

(ii) served on the county auditor and the county treasurer;

before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the county auditor and the county treasurer are entitled to receive all pleadings, motions, petitions, and other filings related to the defense to the application for judgment.

(D) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (e), a statement that tracts or items will be sold together.

(15) A statement that if a tract or item of real property has been offered for sale at a county treasurer's tax sale in accordance with section 5 of this chapter and a county executive's tax sale in

accordance with section 6.1 of this chapter on two (2) or more occasions without a bid, the tract or item of real property may be subject to an ordinance adopted under IC 6-1.1-25-4.9.

(16) With respect to a tract or an item of real property that is subject to sale under this chapter after October 31, 2023, and before November 1, 2024, a statement declaring whether an ordinance adopted under IC 6-1.1-37-16 is in effect in the county and, if applicable, an explanation of the circumstances in which interest and penalties on the delinquent taxes and special assessments will be waived.

(c) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (b)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(d) The amount of unpaid costs entered upon a tax duplicate under subsection (c) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (c) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(e) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

SECTION 45. IC 6-1.1-24-4, AS AMENDED BY P.L.251-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under section 1.5 of this chapter.

(b) Not less than twenty-one (21) days before the earliest date on which the application for judgment and order for sale of real property eligible for sale may be made, the county auditor shall send a notice of the sale by certified mail, return receipt requested, and by first class mail to:

(1) the owner of record of real property with a single owner; or

(2) at least one (1) of the owners, as of the date of certification, of

real property with multiple owners;

at the last address of the owner for the property as indicated in the transfer book records of the county auditor under IC 6-1.1-5-4 on the date that the tax sale list is certified. If both notices are returned, the county auditor shall take an additional reasonable step to notify the property owner, if the county auditor determines that an additional reasonable step to notify the property owner is practical. The county auditor shall prepare the notice in the form prescribed by the state board of accounts. The notice must set forth the key number, if any, of the real property and a street address, if any, or other common description of the property other than a legal description. The notice must include the statement set forth in section 2(b)(4) of this chapter. **With respect to a tract or an item of real property that is subject to sale under this chapter after October 31, 2023, and before November 1, 2024, the notice must include a statement declaring whether an ordinance adopted under IC 6-1.1-37-16 is in effect in the county and, if applicable, an explanation of the circumstances in which interest and penalties on the delinquent taxes and special assessments will be waived.** The county auditor must present proof of this mailing to the court along with the application for judgment and order for sale. Failure by an owner to receive or accept the notice required by this section does not affect the validity of the judgment and order. The owner of real property shall notify the county auditor of the owner's correct address. The notice required under this section is considered sufficient if the notice is mailed to the address or addresses required by this section.

(c) On or before the day of sale, the county auditor shall list, on the tax sale record required by IC 6-1.1-25-8, all properties that will be offered for sale.

SECTION 46. IC 6-1.1-24-5, AS AMENDED BY P.L.251-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) When a tract or an item of real property is subject to sale under this chapter, it must be sold in compliance with this section.

(b) The sale must be held at the times and place stated in the notice of sale.

(c) A tract or an item of real property may not be sold under this chapter to collect:

(1) delinquent personal property taxes; or

(2) taxes or special assessments which are chargeable to other real property.

(d) A tract or an item of real property may not be sold under this

chapter if all the delinquent taxes, penalties, and special assessments on the tract or an item of real property and the amount prescribed by section 1.5 or 2(b)(3)(D) of this chapter, whichever applies, reflecting the costs incurred by the county due to the sale, are paid before the time of sale.

(e) The county treasurer shall sell the tract or item of real property, subject to the right of redemption, to the highest bidder at public auction. The right of redemption after a sale does not apply to an item of real property that is on the vacant and abandoned property list prepared by the county auditor under section 1.5 of this chapter. Except as provided in section 1.5 of this chapter, a tract or an item of real property may not be sold for an amount which is less than the sum of:

(1) the delinquent taxes and special assessments on each tract or item of real property;

(2) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, regardless of whether the taxes and special assessments are delinquent;

(3) all penalties which are due on the delinquencies;

(4) the amount prescribed by section 2(b)(3)(D) of this chapter reflecting the costs incurred by the county due to the sale;

(5) any unpaid costs which are due under section 2(c) of this chapter from a prior tax sale; and

(6) other reasonable expenses of collection, including title search expenses, uniform commercial code expenses, and reasonable attorney's fees incurred by the date of the sale.

The amount of penalties due on the delinquencies under subdivision (3) must be adjusted in accordance with IC 6-1.1-37-16, if applicable.

(f) For purposes of the sale, it is not necessary for the county treasurer to first attempt to collect the real property taxes or special assessments out of the personal property of the owner of the tract or real property.

(g) The county auditor shall serve as the clerk of the sale.

(h) Real property certified to the county auditor under section 1.5 of this chapter must be offered for sale in a different phase of the tax sale or on a different day of the tax sale than the phase or day during which other real property is offered for sale.

(i) The public auction required under subsection (e) may be conducted by electronic means, at the option of the county treasurer. The electronic sale must comply with the other statutory requirements of this section. If an electronic sale is conducted under this subsection,

the county treasurer shall provide access to the electronic sale by providing computer terminals open to the public at a designated location. A county treasurer who elects to conduct an electronic sale may receive electronic payments and establish rules necessary to secure the payments in a timely fashion. The county treasurer may not add an additional cost of sale charge to a parcel for the purpose of conducting the electronic sale.

SECTION 47. IC 6-1.1-28-1, AS AMENDED BY P.L.86-2018, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. (a) This section applies only to a county that is not participating in a multiple county property tax assessment board of appeals.

(b) Each county shall have a county property tax assessment board of appeals composed of individuals who are at least eighteen (18) years of age and knowledgeable in the valuation of property. At the election of the board of commissioners of the county, a county property tax assessment board of appeals may consist of three (3) or five (5) members appointed in accordance with this section.

(c) This subsection applies to a county in which the board of commissioners elects to have a five (5) member county property tax assessment board of appeals. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. Subject to subsections (h) and (i), the fiscal body of the county shall appoint two (2) individuals to the board. At least one (1) of the members appointed by the county fiscal body must be a certified level two or level three assessor-appraiser. The fiscal body may waive the requirement in this subsection that one (1) of the members appointed by the fiscal body must be a certified level two or level three assessor-appraiser. Subject to subsections (h) and (i), the board of commissioners of the county shall appoint three (3) freehold members so that not more than three (3) of the five (5) members may be of the same political party and so that at least three (3) of the five (5) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser. The board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser.

(d) This subsection applies to a county in which the board of commissioners elects to have a three (3) member county property tax

assessment board of appeals. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. Subject to subsections (h) and (i), the fiscal body of the county shall appoint one (1) individual to the board. The member appointed by the county fiscal body must be a certified level two or level three assessor-appraiser. The fiscal body may waive the requirement in this subsection that the member appointed by the fiscal body must be a certified level two or level three assessor-appraiser. Subject to subsections (e) and (f), the board of commissioners of the county shall appoint two (2) freehold members so that not more than two (2) of the three (3) members may be of the same political party and so that at least two (2) of the three (3) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser. The board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser.

(e) A person appointed to a property tax assessment board of appeals may serve on the property tax assessment board of appeals of another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor is a nonvoting member of the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the board ~~that includes at least one (1) certified level two or level three assessor-appraiser~~ constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board.

(f) The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement in subsection (c) or (d) that not more than three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two or level three Indiana assessor-appraisers:

(1) who are willing to serve on the board; and

(2) whose political party membership status would satisfy the

requirement in subsection (c) or (d).

(g) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

(1) residents of the county;

(2) certified level two or level three Indiana assessor-appraisers; and

(3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals be residents of the county.

(h) Except as provided in subsection (i), the term of a member of the county property tax assessment board of appeals appointed under this section:

(1) is one (1) year; and

(2) begins January 1.

(i) If:

(1) the term of a member of the county property tax assessment board of appeals appointed under this section expires;

(2) the member is not reappointed; and

(3) a successor is not appointed;

the term of the member continues until a successor is appointed.

(j) An:

(1) employee of the township assessor or county assessor; or

(2) appraiser, as defined in IC 6-1.1-31.7-1;

may not serve as a voting member of a county property tax assessment board of appeals in a county where the employee or appraiser is employed.

SECTION 48. IC 6-1.1-30-14, AS AMENDED BY P.L.219-2007, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 14. The department of local government finance:

(1) shall see that the property taxes due this state are collected;

(2) shall ensure that property taxes levied by political subdivisions are timely billed and mailed under the provisions of this article;

(3) shall ensure that assessments of properties under this article are uniform and equal;

(4) shall ensure that the restrictions on budgets and levies prescribed under this article are enforced;

~~(2)~~ **(5)** shall ~~see~~ **ensure** that the penalties prescribed under this article are enforced;

~~(3)~~ **(6)** shall investigate the property tax laws and systems of other states and countries;

~~(4)~~ **(7)** for assessment dates after December 31, 2008, shall conduct all ratio studies required for:

(A) equalization under 50 IAC 14; and

(B) annual adjustments under 50 IAC 21; and

~~(5)~~ **(8)** may recommend changes in this state's property tax laws to the general assembly.

SECTION 49. IC 6-1.1-30-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18. (a) Before March 1, 2024, and before March 1 of every year thereafter, each local unit that imposes a food and beverage tax under IC 6-9 shall provide a report to the state board of accounts that includes:**

(1) every expenditure of funds by the local unit;

(2) each local governmental entity, or instrumentality of a local governmental entity, that received a distribution; and

(3) every expenditure of funds by each local governmental entity described in subdivision (2);

from amounts received from the food and beverage tax imposed by the local unit during the previous calendar year.

(b) The report required under subsection (a) must include for each check, expenditure, distribution, or payment:

(1) the date and amount of the check, expenditure, distribution, or payment;

(2) the payee or recipient;

(3) the specific purpose, including whether the check, expenditure, distribution, or payment was for an employee salary or a capital project; and

(4) if applicable, a description of the project for which the check, expenditure, distribution, or payment was made.

(c) The report required under subsection (a) must be in a format and on a form prescribed by the state board of accounts.

(d) The state board of accounts shall post a report received under subsection (a) on the department of local government finance's computer gateway.

(e) The requirements under subsection (a) do not apply to taxes collected under:

(1) IC 6-9-12 that are distributed to the capital improvement board of managers created by IC 36-10-9-3;

(2) IC 6-9-35 that are distributed to the capital improvement board of managers created by IC 36-10-9-3; and

(3) IC 6-9-33 that are distributed to the capital improvement board of managers created by IC 36-10-8.

SECTION 50. IC 6-1.1-31-2, AS AMENDED BY P.L.203-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) The department of local government finance may:

(1) adopt rules in the manner prescribed in IC 4-22-2; and

(2) prescribe forms, including property tax forms, property tax returns, and notice forms.

(b) The department of local government finance may, through the Indiana archives and records administration, amend at any time the forms that the department of local government finance prescribes under this ~~section.~~ **article.**

(c) The department of local government finance may enforce the use of forms that the department of local government finance prescribes under this ~~section.~~ **article.**

(d) The department of local government finance may enforce the manner of submission for forms that the department of local government finance prescribes under this article.

~~(d)~~ **(e)** Forms that were prescribed by the department of local government finance and approved by the Indiana archives and records administration before July 1, 2016, are legalized and validated.

SECTION 51. IC 6-1.1-33.5-1 IS REPEALED [EFFECTIVE JULY 1, 2023]. ~~Sec. 1. A division of the department of local government finance is established, to be known as the division of data analysis.~~

SECTION 52. IC 6-1.1-33.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. The ~~division of data analysis~~ **department of local government finance** shall do the following:

(1) Compile an electronic data base that includes the following:

(A) The local government data base.

(B) Information on sales of real and personal property, including nonconfidential information from sales disclosure forms filed under IC 6-1.1-5.5.

(C) Personal property assessed values and data entries on personal property return forms.

(D) Real property assessed values and data entries on real property assessment records.

(E) Information on property tax exemptions, deductions, and credits.

(F) Any other data relevant to the accurate determination of real property and personal property tax assessments.

(2) Make available to each county and township software that permits the transfer of the data described in subdivision (1) to the ~~division~~ **department of local government finance** in a uniform format through a secure connection over the Internet.

(3) Analyze the data compiled under this section for the purpose of performing the functions under section 3 of this chapter.

(4) Conduct continuing studies of personal and real property tax deductions, abatements, and exemptions used throughout Indiana.

The ~~division of data analysis~~ **department of local government finance** shall, before May 1 of each even-numbered year, report on the studies at a meeting of the budget committee and submit a report on the studies to the legislative services agency for distribution to the members of the legislative council. The report must be in an electronic format under IC 5-14-6.

SECTION 53. IC 6-1.1-33.5-3, AS AMENDED BY P.L.203-2016, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. The ~~division of data analysis~~ **department of local government finance** shall:

(1) conduct continuing studies in the areas in which the department of local government finance operates;

(2) make periodic field surveys and audits of:

(A) tax rolls;

(B) plat books;

(C) building permits;

(D) real estate transfers; and

(E) other data that may be useful in checking property valuations or taxpayer returns;

(3) assist with the department of local government finance's test checks of property valuations to serve as the basis for special reassessments under this article;

(4) assist with the department of local government finance's review of each coefficient of dispersion study for each township and county;

(5) assist with the department of local government finance's review of each sales assessment ratio study for each township and county; and

(6) report annually to the executive director of the legislative services agency, in an electronic format under IC 5-14-6, the information obtained or determined under this section for use by the executive director and the general assembly, including:

(A) all information obtained by the ~~division of data analysis~~ **department of local government finance** from units of local

government; and

(B) all information included in:

(i) the local government data base; and

(ii) any other data compiled by the ~~division of data analysis.~~ **department of local government finance.**

SECTION 54. IC 6-1.1-33.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. To perform its duties, the ~~division of data analysis~~ **department of local government finance** may do the following:

(1) Request access to any local or state official records.

(2) Secure information from the federal government or from public or private agencies.

(3) Inspect a person's books, records, or property.

(4) Conduct a review of either all or a random sampling of personal or real property assessments.

(5) Employ professional appraisal firms to assist in making test checks of property valuations.

(6) Recommend changes in property tax administration.

(7) Use any other device or technique to equalize tax burdens or to implement this chapter.

SECTION 55. IC 6-1.1-33.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. Information that has been provided to the legislative services agency or the ~~division of data analysis~~ **department of local government finance** by the federal government or by a public agency is subject to the provider's rules, if any, that concern the confidential nature of the information.

SECTION 56. IC 6-1.1-33.5-6, AS AMENDED BY P.L.86-2018, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 6. (a) With respect to any township or county for any year, the department of local government finance may initiate a review to determine whether to order a special reassessment under this chapter. The review may apply to real property or personal property, or both.

(b) If the department of local government finance determines under subsection (a) to initiate a review with respect to the real property subject to reassessment under IC 6-1.1-4-4.2 within a township or county, or a portion of the real property within a township or county, ~~the division of data analysis of~~ the department **of local government finance** shall determine for the real property under consideration and for the township or county the variance between:

(1) the total assessed valuation of the real property within the township or county; and

(2) the total assessed valuation that would result if the real property within the township or county were valued in the manner provided by law.

(c) If the department of local government finance determines under subsection (a) to initiate a review with respect to the real property within a particular cycle under a county's reassessment plan prepared under IC 6-1.1-4-4.2 or a part of the real property within a cycle, ~~the division of data analysis of~~ the department **of local government finance** shall determine for the real property under consideration and for all groups of parcels within a particular cycle the variance between:

(1) the total assessed valuation of the real property within all groups of parcels within a particular cycle; and

(2) the total assessed valuation that would result if the real property within all groups of parcels within a particular cycle were valued in the manner provided by law.

(d) If the department of local government finance determines under subsection (a) to initiate a review with respect to personal property within a township or county, or a part of the personal property within a township or county, ~~the division of data analysis of~~ the department **of local government finance** shall determine for the personal property under consideration and for the township or county the variance between:

(1) the total assessed valuation of the personal property within the township or county; and

(2) the total assessed valuation that would result if the personal property within the township or county were valued in the manner provided by law.

(e) The determination of the department of local government finance under section 2 or 3 of this chapter must be based on a statistically valid assessment ratio study.

(f) If a determination of the department of local government finance to order a special reassessment under this chapter is based on a coefficient of dispersion study, the department shall publish the coefficient of dispersion study for the township or county in accordance with IC 5-3-1-2(b).

(g) If:

(1) the variance determined under subsection (b), (c), or (d) exceeds twenty percent (20%); and

(2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;

the department shall contract for a special reassessment to be

conducted to correct the valuation of the property.

(h) If the variance determined under subsection (b), (c), or (d) is twenty percent (20%) or less, the department of local government finance shall determine whether to correct the valuation of the property under:

(1) IC 6-1.1-4-9 and IC 6-1.1-4-10; or

(2) IC 6-1.1-14.

(i) The department of local government finance shall give notice to a taxpayer, by individual notice or by publication at the discretion of the department, of a hearing concerning the department's intent to cause the assessment of the taxpayer's property to be adjusted under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed or published. The department may conduct a single hearing under this section with respect to multiple properties. The notice must state:

(1) the time of the hearing;

(2) the location of the hearing; and

(3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the department's intent to adjust the assessment of property under this chapter.

(j) If the department of local government finance determines after the hearing that the assessment of property should be adjusted under this chapter, the department shall:

(1) cause the assessment of the property to be adjusted;

(2) mail a certified notice of its final determination to the county auditor of the county in which the property is located; and

(3) notify the taxpayer as required under IC 6-1.1-14.

(k) A reassessment or adjustment may be made under this section only if the notice of the final determination is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

(l) If the department of local government finance contracts for a special reassessment of property under this chapter, the department shall forward the bill for services of the reassessment contractor to the county auditor, and the county shall pay the bill from the county reassessment fund.

SECTION 57. IC 6-1.1-33.5-7, AS ADDED BY P.L.199-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. (a) Not later than May 1 of each calendar year, the ~~division of data analysis~~ **department of local government finance** shall:

(1) prepare a report that includes:

(A) each political subdivision's total amount of expenditures

per person during the immediately preceding calendar year, based on the political subdivision's population determined by the most recent federal decennial census; and

(B) based on the information prepared for all political subdivisions under clause (A), the highest, lowest, median, and average amount of expenditures per person for each type of political subdivision throughout Indiana;

(2) post the report on the ~~web site~~ **website** maintained by the department of local government finance; and

(3) file the report:

(A) with the governor; and

(B) in an electronic format under IC 5-14-6 with the general assembly.

The report must be presented in a format that is understandable to the average individual and that permits easy comparison of the information prepared for each political subdivision under subdivision (1)(A) to the statewide information prepared for that type of political subdivision under subdivision (1)(B).

(b) The department of local government finance shall organize the report under subsection (a) to present together the information derived from each type of political subdivision.

SECTION 58. IC 6-1.1-35-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. At least one (1) representative of the department of local government finance shall visit **or virtually meet with** each county in this state at least once each year. During the visit, the representative of the department shall:

(1) gather information concerning complaints with and the operation of the property tax laws;

(2) see that property tax officials are complying with this article; and

(3) see that persons who violate this article are being punished.

SECTION 59. IC 6-1.1-35-9, AS AMENDED BY P.L.172-2011, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. (a) All information that is related to earnings, income, profits, losses, or expenditures and that is:

(1) given by a person to:

(A) an assessing official;

(B) an employee of an assessing official; or

(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; or

(2) acquired by:

(A) an assessing official;

(B) an employee of an assessing official; or

(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12;

in the performance of the person's duties;

is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential. Confidential information may be disclosed only in a manner that is authorized under subsection (b), (c), (d), or (g).

(b) Confidential information may be disclosed to:

(1) an official or employee of:

(A) this state or another state;

(B) the United States; ~~or~~

(C) the county assessor;

(D) the county auditor; or

~~(C)~~ **(E)** an agency or subdivision of this state, another state, or the United States;

if the information is required in the performance of the official duties of the official or employee;

(2) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee; or

(3) a state educational institution in order to develop data required under IC 6-1.1-4-42.

(c) The following state agencies, or their authorized representatives, shall have access to the confidential farm property records and schedules that are on file in the office of a county assessor:

(1) The Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases.

(2) The department of agricultural statistics of Purdue University, in order to perform its duties concerning the compilation and dissemination of agricultural statistics.

(3) Any other state agency that needs the information in order to perform its duties.

(d) Confidential information may be disclosed during the course of a judicial proceeding in which the regularity of an assessment is questioned.

(e) Confidential information that is disclosed to a person under subsection (b) or (c) retains its confidential status. Thus, that person

may disclose the information only in a manner that is authorized under subsection (b), (c), or (d).

(f) Notwithstanding any other provision of law:

(1) a person who:

(A) is an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; and

(B) obtains confidential information under this section;

may not disclose that confidential information to any other person; and

(2) a person referred to in subdivision (1) must return all confidential information to the taxpayer not later than fourteen (14) days after the earlier of:

(A) the completion of the examination of the taxpayer's personal property return under IC 6-1.1-36-12; or

(B) the termination of the contract.

(g) Confidential information concerning an oil or gas interest, as described in IC 6-1.1-4-12.4, may be disclosed by an assessing official if the interest has been listed on the delinquent property tax list pursuant to IC 6-1.1-24-1 and is not otherwise removed from the property tax sale under IC 6-1.1-24. A person who establishes that the person may bid on an oil or gas interest in the context of a property tax sale may request from an assessing official all information necessary to properly identify and determine the value of the gas or oil interest that is the subject of the property tax sale. The information that may be disclosed includes the following:

(1) Lease information.

(2) The type of property interest being sold.

(3) The applicable percentage interest and the allocation of the applicable percentage interest among the owners of the oil or gas interest (including the names and addresses of all owners).

The official shall make information covered by this subsection available for inspection and copying in accordance with IC 5-14-3. Confidential information that is disclosed to a person under this subsection loses its confidential status. A person that is denied the right to inspect or copy information covered by this subsection may file a formal complaint with the public access counselor under the procedure prescribed by IC 5-14-5. However, a person is not required to file a complaint under IC 5-14-5 before filing an action under IC 5-14-3.

SECTION 60. IC 6-1.1-35.2-2, AS AMENDED BY P.L.207-2016, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) In any year in which an assessing official

takes office for the first time, the department of local government finance shall conduct training sessions determined under the rules adopted by the department under IC 4-22-2 for the new assessing officials. The sessions must be held at the locations described in subsection (b).

(b) To ensure that all newly elected or appointed assessing officials have an opportunity to attend the training sessions required by this section, the department of local government finance shall conduct the training sessions **virtually or in person** at a minimum of four (4) separate regional locations. The department shall determine the locations of the training sessions, but:

(1) at least one (1) training session must be held in the northeastern part of Indiana;

(2) at least one (1) training session must be held in the northwestern part of Indiana;

(3) at least one (1) training session must be held in the southeastern part of Indiana; and

(4) at least one (1) training session must be held in the southwestern part of Indiana.

The four (4) regional training sessions may not be held in Indianapolis. However, the department of local government finance may, after the conclusion of the four (4) training sessions, provide additional training sessions at locations determined by the department.

(c) Any new assessing official who attends:

(1) a required session during the official's term of office; or

(2) training between the date the person is elected to office and January 1 of the year the person takes office for the first time;

is entitled to receive the per diem per session set by the department of local government finance by rule adopted under IC 4-22-2 and a mileage allowance from the county in which the official resides. However, in the case of a multiple county property tax assessment board of appeals under IC 6-1.1-28-0.1, the costs of the per diem and mileage allowance shall be apportioned among the participating counties in the manner specified in the ordinance establishing the multiple county property tax assessment board of appeals.

(d) A person is entitled to a mileage allowance under this section only for travel between the person's place of work and the training session nearest to the person's place of work.

SECTION 61. IC 6-1.1-37-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16. (a) The fiscal body of a county may, before November 1, 2023, adopt an ordinance to have**

this section apply throughout the county. If the fiscal body of a county adopts an ordinance under this subsection, the ordinance applies after October 31, 2023, and before November 1, 2024. The fiscal body shall deliver a copy of the ordinance to the county treasurer and the county auditor.

(b) Subject to subsection (d), the county treasurer of a county to which this section applies shall waive all interest and penalties added before January 1, 2023, to a delinquent property tax installment or special assessment on a tract or an item of real property if:

(1) all of the delinquent taxes and special assessments on the tract or item of real property were first due and payable before January 1, 2023; and

(2) before November 1, 2024, the taxpayer has paid:

(A) all of the delinquent taxes and special assessments described in subdivision (1); and

(B) all of the taxes and special assessments that are first due and payable on the tract or item of real property after December 31, 2022, and before November 1, 2024 (and any interest and penalties on these taxes and special assessments).

(c) Subject to subsection (d), the county treasurer of a county to which this section applies shall waive interest and penalties as provided in subsection (b) if the conditions of subsection (b) are satisfied, notwithstanding any payment arrangement entered into by the county treasurer and the taxpayer under IC 6-1.1-24-1.2 or under any other law.

(d) This section shall not apply to interest and penalties added to delinquent property tax installments or special assessments on a tract or item of real property that was purchased or sold in any prior tax sale.

SECTION 62. IC 6-1.1-39-1, AS AMENDED BY P.L.95-2022, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 1. (a) This chapter applies to all counties, cities, and towns (referred to in this chapter as units).

(b) Notwithstanding any other law: ~~for economic development districts established:~~

(1) **for economic development districts established** after January 1, 1992, this chapter does not apply to fire protection districts established under IC 36-8-11; and

(2) ~~after December 31, 2021,~~ this chapter does not apply to the

part of a participating unit's proceeds of property taxes imposed for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory established under IC 36-8-19 **after December 31, 2022.**

SECTION 63. IC 6-3-1-3.5, AS AMENDED BY P.L.1-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Except as provided in subsection (c), add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars ($1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars ($1,000).

(4) Subtract one thousand dollars ($1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code (as effective January 1, 2017);

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) One thousand five hundred dollars ($1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004).

(B) One thousand five hundred dollars ($1,500) for each exemption allowed under Section 151(c) of the Internal Revenue Code (as effective January 1, 2017) for an individual:

(i) who is less than nineteen (19) years of age or is a full-time student who is less than twenty-four (24) years of age;

(ii) for whom the taxpayer is the legal guardian; and

(iii) for whom the taxpayer does not claim an exemption under clause (A).

(C) Five hundred dollars ($500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the federal adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars ($40,000). In the case of a married individual filing a separate return, the qualifying income amount in this clause is equal to twenty thousand dollars ($20,000).

(D) Three thousand dollars ($3,000) for each exemption allowed under Section 151(c) of the Internal Revenue Code (as effective January 1, 2017) for an individual who is:

(i) an adopted child of the taxpayer; and

(ii) less than nineteen (19) years of age or is a full-time student who is less than twenty-four (24) years of age.

This amount is in addition to any amount subtracted under clause (A) or (B).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(7) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(8) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(9) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), and (5) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(10) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's

adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(11) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(12) Subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse if the taxpayer and the taxpayer's spouse file a joint income tax return or the taxpayer is otherwise entitled to a deduction under this subdivision for the taxpayer's spouse, or both.

(13) Subtract an amount equal to the lesser of:

(A) two thousand five hundred dollars ($2,500), or one thousand two hundred fifty dollars ($1,250) in the case of a married individual filing a separate return; or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(14) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(16) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal

Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(18) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.

(19) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the individual's federal adjusted gross income under the Internal Revenue Code.

(20) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract the amount necessary from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(21) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(22) Subtract an amount as described in Section 1341(a)(2) of the Internal Revenue Code to the extent, if any, that the amount was previously included in the taxpayer's adjusted gross income for a prior taxable year.

(23) For taxable years beginning after December 25, 2016, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code.

(24) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(25) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(26) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount of the deduction claimed under Section 62(a)(22) of the Internal Revenue Code.

(27) For taxable years beginning after December 31, 2019, for payments made by an employer under an education assistance program after March 27, 2020:

(A) add the amount of payments by an employer that are excluded from the taxpayer's federal gross income under Section 127(c)(1)(B) of the Internal Revenue Code; and

(B) deduct the interest allowable under Section 221 of the Internal Revenue Code, if the disallowance under Section 221(e)(1) of the Internal Revenue Code did not apply to the payments described in clause (A). For purposes of applying Section 221(b) of the Internal Revenue Code to the amount allowable under this clause, the amount under clause (A) shall

not be added to adjusted gross income.

(28) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(29) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (15) and (17) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (15), then to the modification under subdivision (17).

(30) Add an amount equal to the amount excluded from federal gross income under Section 108(f)(5) of the Internal Revenue Code. For purposes of this subdivision:

(A) if an amount excluded under Section 108(f)(5) of the Internal Revenue Code would be excludible under Section 108(a)(1)(B) of the Internal Revenue Code, the exclusion under Section 108(a)(1)(B) of the Internal Revenue Code shall take precedence; and

(B) if an amount would have been excludible under Section 108(f)(5) of the Internal Revenue Code as in effect on January 1, 2020, the amount is not required to be added back under this subdivision.

(31) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(32) Subtract the amount of an annual grant amount distributed to a taxpayer's Indiana education scholarship account under IC 20-51.4-4-2 that is used for a qualified expense (as defined in IC 20-51.4-2-9) or to an Indiana enrichment scholarship account under IC 20-52 that is used for qualified expenses (as defined in IC 20-52-2-6), to the extent the distribution used for the qualified expense is included in the taxpayer's federal adjusted gross income under the Internal Revenue Code.

(33) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount equal to the amount of unemployment compensation excluded from federal gross income under Section 85(c) of the Internal Revenue Code.

(34) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(35) Subtract any other amounts the taxpayer is entitled to deduct under IC 6-3-2.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code (concerning charitable contributions).

(3) Except as provided in subsection (c), add an amount equal to

any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code (concerning foreign tax credits).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Add to the extent required by IC 6-3-2-20:

(A) the amount of intangible expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes; and

(B) any directly related interest expenses (as defined in IC 6-3-2-20) that reduced the corporation's adjusted gross income (determined without regard to this subdivision). For purposes of this clause, any directly related interest expense that constitutes business interest within the meaning of Section 163(j) of the Internal Revenue Code shall be considered to have reduced the taxpayer's federal taxable income only in the first taxable year in which the deduction otherwise would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(9) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).

(10) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the corporation's taxable income under the Internal Revenue Code.

(11) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(12) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(13) For taxable years beginning after December 25, 2016:

(A) for a corporation other than a real estate investment trust, add:

(i) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(ii) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(B) for a real estate investment trust, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code, but only to the extent that the taxpayer included income pursuant to Section 965 of the Internal Revenue Code in its taxable income for federal income tax purposes or is required to add back dividends paid under subdivision (9).

(14) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(15) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(16) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the

Internal Revenue Code for taxable years ending after December 22, 2017.

(17) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(18) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(19) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(20) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(c) The following apply to taxable years beginning after December 31, 2018, for purposes of the add back of any deduction allowed on the taxpayer's federal income tax return for wagering taxes, as provided in subsection (a)(2) if the taxpayer is an individual or subsection (b)(3) if the taxpayer is a corporation:

(1) For taxable years beginning after December 31, 2018, and before January 1, 2020, a taxpayer is required to add back under this section eighty-seven and five-tenths percent (87.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(2) For taxable years beginning after December 31, 2019, and before January 1, 2021, a taxpayer is required to add back under this section seventy-five percent (75%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(3) For taxable years beginning after December 31, 2020, and before January 1, 2022, a taxpayer is required to add back under this section sixty-two and five-tenths percent (62.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(4) For taxable years beginning after December 31, 2021, and before January 1, 2023, a taxpayer is required to add back under this section fifty percent (50%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(5) For taxable years beginning after December 31, 2022, and before January 1, 2024, a taxpayer is required to add back under this section thirty-seven and five-tenths percent (37.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(6) For taxable years beginning after December 31, 2023, and before January 1, 2025, a taxpayer is required to add back under this section twenty-five percent (25%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(7) For taxable years beginning after December 31, 2024, and before January 1, 2026, a taxpayer is required to add back under this section twelve and five-tenths percent (12.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(8) For taxable years beginning after December 31, 2025, a taxpayer is not required to add back under this section any amount of a deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(d) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code (concerning charitable contributions).

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code (concerning foreign tax credits).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income

that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(9) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business

indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(12) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

(13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first

taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(18) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(19) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(e) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code (concerning charitable contributions).

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the

company's taxable income under Section 78 of the Internal Revenue Code (concerning foreign tax credits).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(9) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(12) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

(13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(14) Subtract any interest expense paid or accrued in the current

taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(18) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(19) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(f) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September

11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(6) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the taxpayer's taxable income under the Internal Revenue Code.

(7) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(8) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(9) For taxable years beginning after December 25, 2016, add an amount equal to:

(A) the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1;

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(C) with regard to any amounts of income under Section 965 of the Internal Revenue Code distributed by the taxpayer, the deduction under Section 965(c) of the Internal Revenue Code attributable to such distributed amounts and not reported to the beneficiary.

For purposes of this article, the amount required to be added back under clause (B) is not considered to be distributed or distributable to a beneficiary of the estate or trust for purposes of Sections 651 and 661 of the Internal Revenue Code.

(10) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed

under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(11) Add an amount equal to the deduction for qualified business income that was claimed by the taxpayer for the taxable year under Section 199A of the Internal Revenue Code.

(12) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(13) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(14) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (3) and (5) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (3), then to the modification under subdivision (5).

(15) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(16) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(17) Except as provided in subsection (c), for taxable years beginning after December 31, 2022, add an amount equal to any deduction or deductions allowed or allowable in determining taxable income under Section 641(b) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(18) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(g) For purposes of IC 6-3-2.1, IC 6-3-4-12, IC 6-3-4-13, and IC 6-3-4-15 for taxable years beginning after December 31, 2022, "adjusted gross income" of a pass through entity means the ~~aggregate of~~ items of ordinary income and loss in the case of a partnership or a corporation described in IC 6-3-2-2.8(2), or ~~aggregate distributable net income of a trust or estate as defined in Section 643 of the Internal Revenue Code,~~ **distributions subject to tax for state and federal income tax for beneficiaries in the case of a trust or estate,** whichever is applicable, for the taxable year modified as follows:

(1) Add the separately stated items of income and gains, or the equivalent items that must be considered separately by a

beneficiary, as determined for federal purposes, attributed to the partners, shareholders, or beneficiaries of the pass through entity, determined without regard to whether the owner is permitted to exclude all or part of the income or gain or deduct any amount against the income or gain.

(2) Subtract the separately stated items of deductions or losses or items that must be considered separately by beneficiaries, as determined for federal purposes, attributed to partners, shareholders, or beneficiaries of the pass through entity and that are deductible by an individual in determining adjusted gross income as defined under Section 62 of the Internal Revenue Code:

(A) limited as if the partners, shareholders, and beneficiaries deducted the maximum allowable loss or deduction allowable for the taxable year prior to any amount deductible from the pass through entity; but

(B) not considering any disallowance of deductions resulting from federal basis limitations for the partner, shareholder, or beneficiary.

(3) Add or subtract any modifications to adjusted gross income that would be required both for individuals under subsection (a) and corporations under subsection (b) to the extent otherwise provided in those subsections, including amounts that are allowable for which such modifications are necessary to account for separately stated items in subdivision (1) or (2).

(h) Subsections (a)(35), (b)(20), (d)(19), (e)(19), or (f)(18) may not be construed to require an add back or allow a deduction or exemption more than once for a particular add back, deduction, or exemption.

(i) For taxable years beginning after December 25, 2016, if:

(1) a taxpayer is a shareholder, either directly or indirectly, in a corporation that is an E&P deficit foreign corporation as defined in Section 965(b)(3)(B) of the Internal Revenue Code, and the earnings and profit deficit, or a portion of the earnings and profit deficit, of the E&P deficit foreign corporation is permitted to reduce the federal adjusted gross income or federal taxable income of the taxpayer, the deficit, or the portion of the deficit, shall also reduce the amount taxable under this section to the extent permitted under the Internal Revenue Code, however, in no case shall this permit a reduction in the amount taxable under Section 965 of the Internal Revenue Code for purposes of this section to be less than zero (0); and

(2) the Internal Revenue Service issues guidance that such an

income or deduction is not reported directly on a federal tax return or is to be reported in a manner different than specified in this section, this section shall be construed as if federal adjusted gross income or federal taxable income included the income or deduction.

(j) If a partner is required to include an item of income, a deduction, or another tax attribute in the partner's adjusted gross income tax return pursuant to IC 6-3-4.5, such item shall be considered to be includible in the partner's federal adjusted gross income or federal taxable income, regardless of whether such item is actually required to be reported by the partner for federal income tax purposes. For purposes of this subsection:

(1) items for which a valid election is made under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9 shall not be required to be included in the partner's adjusted gross income or taxable income; and

(2) items for which the partnership did not make an election under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9, but for which the partnership is required to remit tax pursuant to IC 6-3-4.5-18, shall be included in the partner's adjusted gross income or taxable income.

SECTION 64. IC 6-3-2.1-4, AS ADDED BY P.L.1-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 4. (a) A tax shall be imposed on the adjusted gross income of an electing entity for the taxable year of the election. The adjusted gross income of the electing entity shall be the aggregate of the direct owners' share of the electing entity's adjusted gross income. For purposes of this section:

(1) the electing entity shall determine each nonresident direct owner's share after allocation and apportionment pursuant to IC 6-3-2-2; and

(2) the electing entity shall determine the resident direct owner's share either before allocation and apportionment pursuant to IC 6-3-2-2 or after allocation and apportionment pursuant to IC 6-3-2-2. The electing entity must use the same method for all resident direct owners.

(b) The tax rate shall be the tax rate specified in IC 6-3-2-1(b) as of the last day of the electing entity's taxable year, and the tax shall be due on the same date as the entity return for the taxable year is due under this article, without regard to extensions.

(c) On its return for the taxable year, the electing entity shall attach a schedule showing the calculation of the tax and the credit for each ~~entity~~ **direct** owner, and remit the tax with the return, taking into

account prior estimated tax payments and other tax payments by the electing entity, along with other payments that are credited to the electing entity as tax paid under this chapter or as tax withheld under IC 6-3-4 or IC 6-5.5-2-8. The department may prescribe the form for providing the information required by this section.

(d) If a pass through entity makes estimated tax payments, makes other tax payments, or has other payments that are credited to the electing entity as tax paid under this chapter or a tax withheld under IC 6-3-4 or IC 6-5.5-2-8, and the pass through entity does not make the election under section 3 of this chapter, the pass through entity:

(1) may treat pass through entity tax remitted on its behalf under this chapter as pass through entity tax to its direct owners, provided that:

(A) the tax is designated on a schedule similar to the schedule required under subsection (c) and is reported to the direct owners in the manner provided in section 5 of this chapter; and

(B) the pass through entity credits an amount to a direct owner no greater than the tax that otherwise would be due under this chapter on their share of the adjusted gross income from the pass through entity or the direct owner's portion (as determined under subsection (a)) of the pass through entity tax passed through to the pass through entity, whichever is greater (for purposes of this clause, a trust or estate shall compute the tax in the same manner as an electing entity);

(2) shall treat any payment other than a payment designated under subdivision (1) as a withholding tax payment under IC 6-3-4-12, IC 6-3-4-13, IC 6-3-4-15, or IC 6-5.5-2-8 to the extent the pass through entity otherwise has not remitted or been credited with such withholding; and

(3) may request a refund of any payment in excess of the amounts credited or designated under subdivision (1) or (2).

(e) If a pass through entity elects to be subject to tax under this chapter and the pass through entity determines that its tax is less than the pass through entity tax that is paid on its behalf, the pass through entity may treat the tax paid on its behalf in a manner similar to subsection (d)(1)(B).

SECTION 65. IC 6-3-3-12, AS AMENDED BY P.L.122-2022, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 12. (a) As used in this section, "account" has the meaning set forth in IC 21-9-2-2.

(b) As used in this section, "account beneficiary" has the meaning set forth in IC 21-9-2-3.

(c) As used in this section, "account owner" has the meaning set forth in IC 21-9-2-4.

(d) As used in this section, "college choice 529 education savings plan" refers to a college choice 529 plan established under IC 21-9.

(e) As used in this section, "contribution" means the amount of money directly provided to a college choice 529 education savings plan account by a taxpayer. A contribution does not include any of the following:

(1) Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account.

(2) Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

(3) Money transferred from any qualified ABLE program under Section 529A of the Internal Revenue Code or any other similar plan.

(f) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is not a qualified withdrawal.

(g) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5, except that the term does not include qualified education loan repayments under Section 529(c)(9) of the Internal Revenue Code.

(h) As used in this section, "qualified K-12 education expenses" means expenses that are for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school located in Indiana and are permitted under Section 529 of the Internal Revenue Code.

(i) As used in this section, "qualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is made:

(1) to pay for qualified higher education expenses, excluding any withdrawals or distributions used to pay for qualified higher education expenses, if the withdrawals or distributions are made from an account of a college choice 529 education savings plan that is terminated within twelve (12) months after the account is opened;

(2) as a result of the death or disability of an account beneficiary;

(3) because an account beneficiary received a scholarship that paid for all or part of the qualified higher education expenses of the account beneficiary, to the extent that the withdrawal or

distribution does not exceed the amount of the scholarship; or

(4) by a college choice 529 education savings plan as the result of a transfer of funds by a college choice 529 education savings plan from one (1) third party custodian to another.

However, a qualified withdrawal does not include a withdrawal or distribution that will be used for expenses that are for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school unless the school is located in Indiana. A qualified withdrawal does not include a rollover distribution or transfer of assets from a college choice 529 education savings plan to any other qualified tuition program under Section 529 of the Internal Revenue Code, to any qualified ABLE program under Section 529A other than an Indiana ABLE 529A savings plan adopted by the state under IC 12-11, or to any other similar plan.

(j) As used in this section, "taxpayer" means:

(1) an individual filing a single return;

(2) a married couple filing a joint return; or

(3) for taxable years beginning after December 31, 2019, a married individual filing a separate return.

(k) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:

(1) The following amount:

(A) For taxable years beginning before January 1, 2019, the sum of twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that will be used to pay for qualified higher education expenses that are not qualified K-12 education expenses, plus the lesser of:

(i) five hundred dollars ($500); or

(ii) ten percent (10%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that will be used to pay for qualified K-12 education expenses.

(B) For taxable years beginning after December 31, 2018, the sum of:

(i) twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated

to pay for qualified higher education expenses that are not qualified K-12 education expenses; plus

(ii) twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified K-12 education expenses.

(2) One thousand five hundred dollars ($1,500), or seven hundred fifty dollars ($750) in the case of a married individual filing a separate return.

(3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(l) This subsection applies after December 31, 2018. At the time a contribution is made to or a withdrawal is made from an account or accounts of a college choice 529 education savings plan, the person making the contribution or withdrawal shall designate whether the contribution is made for or the withdrawal will be used for:

(1) qualified higher education expenses that are not qualified K-12 education expenses; or

(2) qualified K-12 education expenses.

The Indiana education savings authority (IC 21-9-3) shall use subaccounting to track the designations.

(m) A taxpayer who makes a contribution to a college choice 529 education savings plan is considered to have made the contribution on the date that:

(1) the taxpayer's contribution is postmarked or accepted by a delivery service, for contributions that are submitted to a college choice 529 education savings plan by mail or delivery service; or

(2) the taxpayer's electronic funds transfer is initiated, for contributions that are submitted to a college choice 529 education savings plan by electronic funds transfer.

(n) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

(o) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.

(p) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.

(q) An account owner of an account of a college choice 529 education savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made from the account. The amount the taxpayer must repay is equal to the lesser of:

(1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the account; or

(2) the excess of:

(A) the cumulative amount of all credits provided by this section that are claimed by any taxpayer with respect to the taxpayer's contributions to the account for all prior taxable years beginning on or after January 1, 2007; over

(B) the cumulative amount of repayments paid by the account owner under this subsection for all prior taxable years beginning on or after January 1, 2008.

(r) Any required repayment under subsection (q) shall be reported by the account owner on the account owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.

(s) A nonresident account owner who is not required to file an annual income tax return for a taxable year in which a nonqualified withdrawal is made shall make any required repayment on the form required under IC 6-3-4-1(2). If the nonresident account owner does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(t) The executive director of the Indiana education savings authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to account owners, account beneficiaries, and other taxpayers for each taxable year with respect to:

(1) nonqualified withdrawals made from accounts, including subaccounts of a college choice 529 education savings plan for the taxable year; or

(2) account closings for the taxable year.

(u) The following apply to contributions made after December 31, 2023:

(1) For purposes of this section, all or part of a contribution made after the end of a taxable year, and not later than the due date of the taxpayer's adjusted gross income tax return for the taxable year under this article (as determined without regard to any allowable extensions), shall be considered as having been made during the taxable year preceding the contribution if:

(A) the taxpayer elects to treat all or part of a contribution as occurring in the taxable year preceding the

contribution;

(B) the taxpayer designates the amounts of the contribution to be treated as occurring in each taxable year, in the case of a single contribution that is to be allowable under this section in two (2) separate years; and

(C) the taxpayer irrevocably waives the right to claim the contribution claimed in the taxable year preceding the contribution as occurring in the taxable year of the contribution.

(2) The Indiana education savings authority may prescribe any forms necessary for purposes of this subsection.

SECTION 66. IC 6-3-3-12.1, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2023 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 12.1. (a) As used in this section, "ABLE account" has the meaning set forth in IC 12-11-14-1.

(b) As used in this section, "contribution" means the amount of money directly provided to an Indiana ABLE 529A savings plan account by a taxpayer. A contribution does not include any of the following:

(1) Money credited to an ABLE account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the ABLE account.

(2) Money transferred from any qualified ABLE program under Section 529A of the Internal Revenue Code or from any other similar plan.

(3) Money transferred from any qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

(c) As used in this section, "designated beneficiary" has the meaning set forth in IC 12-11-14-5.

(d) As used in this section, "Indiana ABLE 529A savings plan" refers to the Achieving a Better Life Experience (ABLE) 529A plan established under IC 12-11.

(e) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from an Indiana ABLE 529A savings plan that is not a qualified withdrawal.

(f) As used in this section, "qualified disability expense" has the meaning set forth in IC 12-11-14-8.

(g) As used in this section, "qualified withdrawal" means a withdrawal or distribution from an Indiana ABLE 529A savings plan that is made:

(1) to pay for qualified disability expenses, excluding any withdrawals or distributions used to pay for qualified disability expenses, if the withdrawals or distributions are made from an Indiana ABLE 529A savings plan that is terminated within twelve (12) months after the ABLE account is opened;

(2) as a result of the death of a designated beneficiary; or

(3) by an Indiana ABLE 529A savings plan as the result of a transfer of funds by an Indiana ABLE 529A savings plan from one (1) third party custodian to another.

A qualified withdrawal does not include a rollover distribution or transfer of assets from an Indiana ABLE 529A savings plan to any other qualified ABLE program under Section 529A of the Internal Revenue Code, or to any qualified tuition program under Section 529 of the Internal Revenue Code other than a college choice 529 ~~saving~~ **education savings** plan established under IC 21-9, or to any other similar plan.

(h) As used in this section, "taxpayer" means:

(1) an individual filing a single return;

(2) a married couple filing a joint return; or

(3) a married individual filing a separate return.

(i) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:

(1) Twenty percent (20%) of the amount of the total contributions made by the taxpayer to an ABLE account or accounts of an Indiana ABLE 529A savings plan during the taxable year.

(2) Five hundred dollars ($500).

(3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(j) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

(k) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.

(l) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.

(m) An owner of an ABLE account of an Indiana ABLE 529A savings plan must repay all or a part of the credit in a taxable year in

which any nonqualified withdrawal is made from the ABLE account. The amount the taxpayer must repay is equal to the lesser of:

(1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the ABLE account; or

(2) the excess of:

(A) the cumulative amount of all credits provided by this section that are claimed by any taxpayer with respect to the taxpayer's contributions to the ABLE account for all prior taxable years; over

(B) the cumulative amount of repayments paid by the owner of the ABLE account under this subsection for all prior taxable years.

(n) Any required repayment under subsection (m) must be reported by the owner of the ABLE account on the owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.

(o) A nonresident owner of an ABLE account who is not required to file an annual income tax return for a taxable year in which a nonqualified withdrawal is made shall make any required repayment on the form required under IC 6-3-4-1(2). If the nonresident owner of the ABLE account does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(p) The executive director of the Indiana ABLE authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to ABLE account owners, designated beneficiaries, and other taxpayers for each taxable year with respect to:

(1) nonqualified withdrawals made from ABLE accounts for the taxable year; or

(2) ABLE account closings for the taxable year.

(q) The following apply to contributions made after December 31, 2023:

(1) For purposes of this section, all or part of a contribution made after the end of a taxable year, and not later than the due date of the taxpayer's adjusted gross income tax return for the taxable year under this article (as determined without regard to any allowable extensions), shall be considered as having been made during the taxable year preceding the contribution if:

(A) the taxpayer elects to treat all or part of a contribution as occurring in the taxable year preceding the

contribution;

(B) the taxpayer designates the amounts of the contribution to be treated as occurring in each taxable year, in the case of a single contribution that is to be allowable under this section in two (2) separate years; and

(C) the taxpayer irrevocably waives the right to claim the contribution claimed in the taxable year preceding the contribution as occurring in the taxable year of the contribution.

(2) An irrevocable election under this subsection must be made in writing at the time the contribution is made.

(3) The Indiana ABLE authority may prescribe any forms necessary for purposes of this subsection.

SECTION 67. IC 6-3.1-17.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]:

Chapter 17.1. Historic Rehabilitation Tax Credit

Sec. 1. This chapter applies to taxable years beginning after December 31, 2023.

Sec. 2. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

Sec. 3. As used in this chapter, "qualified historic structure" means any building that is:

(1) a certified historic structure (as defined in Section 47(c)(3) of the Internal Revenue Code);

(2) individually listed on the register of Indiana historic sites and historic structures; or

(3) located in, and contributes to, a district listed in the register of Indiana historic sites and historic structures.

Sec. 4. As used in this chapter, "qualified rehabilitation expenditure" means the costs and expenses incurred by a qualified taxpayer in the restoration and preservation of a qualified historic structure that are defined as a qualified rehabilitation expenditure in Section 47(c)(2) of the Internal Revenue Code.

Sec. 5. As used in this chapter, "qualified taxpayer" means the owner of a qualified historic structure or any other person who may qualify for the federal rehabilitation tax credit allowable under Section 47 of the Internal Revenue Code.

Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax), as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 7. (a) Subject to IC 5-28-6-9, the Indiana economic development corporation may award a credit to a qualified taxpayer against the qualified taxpayer's state tax liability in the taxable year in which the qualified taxpayer completes restoration and preservation of a qualified historic structure if the total amount of qualified rehabilitation expenditures incurred by the qualified taxpayer equals five thousand dollars ($5,000) or more.

(b) The amount of the credit is equal to:

(1) twenty-five percent (25%) of the qualified rehabilitation expenditures that the qualified taxpayer makes for the restoration and preservation of a qualified historic structure; or

(2) thirty percent (30%) of the qualified rehabilitation expenditures that the qualified taxpayer makes for the restoration and preservation of a qualified historic structure that is:

(A) owned by a taxpayer that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; or

(B) not income producing.

(c) If the Indiana economic development corporation awards credits under this chapter, the department of state revenue and the office of community and rural affairs shall administer the allowance of the credits.

Sec. 8. (a) If a pass through entity is awarded a credit under section 7 of this chapter but does not have state tax liability against which the credit may be applied, a shareholder, partner, or member of the pass through entity may receive a credit equal to:

(1) the credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a credit a shareholder, partner, or member of a pass through entity is otherwise awarded under this chapter. However, a pass through entity and a shareholder, partner, or member of the pass through

entity may not claim more than one (1) credit for the same qualified expenditure.

(c) A pass through entity (other than a pass through entity described in section 2(1) of this chapter) and its partners, beneficiaries, or members may allocate the credit among its partners, beneficiaries, or members of the pass through entity as provided by written agreement without regard to their sharing of other tax or economic attributes. The pass through entity shall provide to the department a copy of such agreements, a list of partners, beneficiaries, or members of the pass through entity, and their respective shares of the credit resulting from such agreements in the manner prescribed by the department.

Sec. 9. To obtain a credit under this chapter, a qualified taxpayer must claim the credit on the qualified taxpayer's annual state tax return or returns in the manner prescribed by the department. The qualified taxpayer shall submit to the department all information that the department determines is necessary for the allowance and calculation of the credit provided by this chapter.

Sec. 10. (a) If the credit provided by this chapter exceeds a qualified taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the qualified taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for ten (10) taxable years following the unused credit year.

(b) A qualified taxpayer is not entitled to any carryback or refund of any unused credit.

Sec. 11. (a) A qualified taxpayer may assign any part of the credit that the qualified taxpayer may claim under this chapter. A credit that is assigned under this section remains subject to this chapter. If a qualified taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another qualified taxpayer. A qualified taxpayer may make only one (1) assignment of a credit.

(b) An assignment of a credit must be in writing, and both the qualified taxpayer and assignee shall report the assignment on the qualified taxpayer's and the assignee's state tax returns for the year in which the assignment is made, in the manner prescribed by

the department. A qualified taxpayer may not receive value in connection with an assignment under this section that exceeds the value of the part of the credit assigned.

Sec. 12. For each state fiscal year beginning after June 30, 2023, and ending before July 1, 2030, the aggregate amount of state tax credits allowed under this chapter may not exceed ten million dollars ($10,000,000).

Sec. 13. Any credit awarded under this chapter must be included in the calculation of the aggregate amount of applicable tax credits that the Indiana economic development corporation may certify for a state fiscal year under IC 5-28-6-9.

Sec. 14. The department or the office of community and rural affairs may adopt rules under IC 4-22-2 governing this chapter.

Sec. 15. This chapter expires January 1, 2030.

SECTION 68. IC 6-3.1-38.3 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]:

Chapter 38.3. Employment of Individuals with Disability Tax Credit

Sec. 1. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a trust;

(4) an estate;

(5) a limited liability company; or

(6) a limited liability partnership.

Sec. 2. As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 27-1-18-2 (the insurance premiums tax) or IC 6-8-15 (the nonprofit agricultural organization health coverage tax); and

(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

Sec. 3. (a) Except as provided in subsections (b) and (c), and subject to section 4 of this chapter, a taxpayer that employs an individual who:

(1) is referred to the employer for employment through a vocational rehabilitation services program for individuals

with a disability; and

(2) was initially hired by the taxpayer after December 31, 2023;

during a taxable year is entitled to a credit in the amount determined under section 5 or 6 of this chapter, as applicable, against the taxpayer's state tax liability for the taxable year based on the wages paid to the particular employee during the taxable year.

(b) A taxpayer that has received an authorization certificate from the United States Department of Labor, Wage and Hour Division, under Section 14(c) of the federal Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201 et seq.), is not eligible for a credit under this chapter.

(c) A taxpayer is not eligible for a credit under this chapter for employment of a particular employee described in subsection (a) if the employee was hired within the previous twelve (12) months to replace a former employee who was terminated, unless the employee who is being replaced:

(1) was terminated for misconduct in connection with that employee's employment; or

(2) voluntarily left that employee's position.

Sec. 4. To be eligible for the credit under this chapter, a taxpayer must employ an individual described in section 3(a) of this chapter who works at least an average of twenty (20) hours per week for the employer in a similar setting and at a rate that is comparable to other employees of the taxpayer who perform the same or similar tasks.

Sec. 5. (a) This section applies to a taxpayer that satisfies the following requirements:

(1) The taxpayer is a benefit corporation (as defined in IC 23-1.3-2-3).

(2) The taxpayer employs not more than fifty (50) individuals.

(3) The majority of the taxpayer's employees are individuals described in section 3(a) of this chapter.

(b) The amount of the tax credit is determined according to the following:

(1) In the first taxable year for which the credit is claimed with respect to wages paid to a particular employee, an amount equal to thirty percent (30%) of the wages paid to the employee during the taxable year.

(2) In the second taxable year for which the credit is claimed with respect to wages paid to a particular employee, an

amount equal to forty percent (40%) of the wages paid to the employee during the taxable year.

(3) In the third and each subsequent taxable year for which the credit is claimed with respect to wages paid to a particular employee, an amount equal to fifty percent (50%) of the wages paid to the employee during the taxable year.

Sec. 6. (a) This section applies to a taxpayer that does not meet the requirements under section 5(a) of this chapter and employees five hundred (500) or less total employees.

(b) The amount of the tax credit is determined according to the following:

(1) In the first taxable year for which the credit is claimed with respect to wages paid to a particular employee, an amount equal to twenty percent (20%) of the wages paid to the employee during the taxable year.

(2) In the second taxable year for which the credit is claimed with respect to wages paid to a particular employee, an amount equal to thirty percent (30%) of the wages paid to the employee during the taxable year.

(3) In the third and each subsequent taxable year for which the credit is claimed with respect to wages paid to a particular employee, an amount equal to forty percent (40%) of the wages paid to the employee during the taxable year.

Sec. 7. If a pass through entity is entitled to a credit under this chapter but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this section is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit.

Sec. 8. In order to receive the credit provided under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return in the manner prescribed by the department. The taxpayer shall submit to the department any information that the

department determines is necessary for the calculation of the credit.

Sec. 9. (a) If the amount of the credit determined under section 5 or 6 of this chapter, as applicable, for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

(b) A taxpayer may not assign any part of a credit to which the taxpayer is entitled under this chapter.

Sec. 10. The tax credit under this chapter shall be include in the legislative services agency's tax expenditure report in 2026.

Sec. 11. This chapter expires December 31, 2028.

SECTION 69. IC 6-3.5-4-2, AS AMENDED BY P.L.114-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) An adopting entity of any county may, subject to the limitation imposed by subsection (e), adopt an ordinance to impose a county vehicle excise tax in accordance with this chapter on each vehicle that is subject to the vehicle excise tax under IC 6-6-5 and that is registered in the county.

(b) If a county does not use a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

(1) at a rate of not less than two percent (2%) nor more than ten percent (10%); or

(2) at a specific amount of at least seven dollars and fifty cents ($7.50) and not more than twenty-five dollars ($25).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents ($7.50). The adopting entity shall state the surtax rate or amount in the ordinance which imposes the tax.

(c) If a county uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

(1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or

(2) at a specific amount of at least seven dollars and fifty cents ($7.50) and not more than fifty dollars ($50).

However, the surtax on a vehicle may not be less than seven dollars and

fifty cents ($7.50). The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

(d) Subject to the limits and requirements of this section **and except as provided in IC 6-6-5-0.5(2),** the adopting entity may do any of the following:

(1) Impose the county vehicle excise tax at the same rate or amount on each vehicle that is subject to the tax.

(2) Impose the county vehicle excise tax on vehicles subject to the tax at one (1) or more different rates based on the class of vehicle listed in IC 6-6-5-2(a).

(e) The adopting entity may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to impose the wheel tax.

(f) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 2013, to impose or change the county vehicle excise tax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

(g) Except as provided under section 7.5 of this chapter **(before its expiration on December 31, 2023)** and subject to subsection (h), a county vehicle excise tax imposed by this chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.

(h) If the county vehicle excise tax imposed by this chapter was not paid for one (1) or more preceding years, the bureau may collect only the county vehicle excise tax imposed by this chapter for the:

(1) registration year immediately preceding the current registration year;

(2) current registration year; and

(3) registration year immediately following the current registration year.

SECTION 70. IC 6-3.5-4-7, AS AMENDED BY P.L.114-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. Except for a person described under section 7.5 of this chapter **(before its expiration on December 31, 2023),** a person may not register a vehicle in a county that has adopted the surtax unless the person pays the surtax due, if any, to the bureau of motor vehicles. The amount of the surtax due equals the greater of seven dollars and fifty cents ($7.50), the amount established under section 2 of this chapter, or the product of:

(1) the amount determined under section 7.3 of this chapter for the vehicle, as adjusted under section 7.4 of this chapter; multiplied by

(2) the surtax rate in effect at the time of registration.

The bureau of motor vehicles shall collect the surtax due, if any, at the time a vehicle is registered.

SECTION 71. IC 6-3.5-4-7.5, AS ADDED BY P.L.114-2021, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7.5. (a) This section applies to a person who has obtained a permanent registration for a trailer with a declared gross vehicle weight of three thousand (3,000) pounds or less under IC 9-18.1-5-13.

(b) A person described in subsection (a) shall pay twice the amount of the surtax otherwise due under this chapter when the person obtains a permanent registration for a trailer with a declared gross vehicle weight of three thousand (3,000) pounds or less under IC 9-18.1-5-13.

(c) A person described in subsection (a) is not subject to additional surtax payments under this chapter for a trailer described in subsection (a) after the surtax payment is made under subsection (b).

(d) This section expires December 31, 2023.

SECTION 72. IC 6-3.5-10-2, AS AMENDED BY P.L.114-2021, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) The fiscal body of an eligible municipality may, subject to subsections (c) and (d), adopt an ordinance to impose a municipal vehicle excise tax on each vehicle that is subject to the vehicle excise tax under IC 6-6-5 and that is registered in the eligible municipality. The eligible municipality may impose the surtax at a specific amount of:

(1) at least seven dollars and fifty cents ($7.50); and

(2) not more than twenty-five dollars ($25).

The eligible municipality shall state the surtax rate or amount in the ordinance that imposes the tax.

(b) Subject to the limits and requirements of this section **and except as provided in IC 6-6-5-0.5(2),** the fiscal body of an eligible municipality may do any of the following:

(1) Impose the municipal vehicle excise tax at the same amount on each vehicle that is subject to the tax.

(2) Impose the municipal vehicle excise tax on vehicles subject to the tax at one (1) or more different amounts based on the class of vehicle listed in IC 6-6-5-2(a).

(c) The fiscal body of an eligible municipality may not adopt an ordinance to impose the surtax unless the fiscal body concurrently adopts an ordinance under IC 6-3.5-11 to impose the municipal wheel tax.

(d) The fiscal body of an eligible municipality may not adopt an

ordinance to impose the surtax unless the eligible municipality uses a transportation asset management plan approved by the Indiana department of transportation.

(e) Except as provided under section 8.5 of this chapter **(before its expiration on December 31, 2023)** and subject to subsection (f), a municipal vehicle excise tax imposed by this chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.

(f) If the municipal vehicle excise tax imposed by this chapter was not paid for one (1) or more preceding registration years, the bureau may collect only the municipal vehicle excise tax imposed by this chapter for the:

(1) registration year immediately preceding the current registration year;

(2) current registration year; and

(3) registration year immediately following the current registration year.

SECTION 73. IC 6-3.5-10-7, AS AMENDED BY P.L.114-2021, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. Except for a person described under section 8.5 of this chapter **(before its expiration on December 31, 2023),** a person may not register a vehicle in an adopting municipality unless the person pays the surtax due, if any, to the bureau of motor vehicles. The amount of the surtax due equals the amount established under section 2 of this chapter. The bureau of motor vehicles shall collect the surtax due, if any, at the time a vehicle is registered.

SECTION 74. IC 6-3.5-10-8.5, AS ADDED BY P.L.114-2021, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8.5. (a) This section applies to a person who has obtained a permanent registration for a trailer with a declared gross vehicle weight of three thousand (3,000) pounds or less under IC 9-18.1-5-13.

(b) A person described in subsection (a) shall pay twice the amount of the surtax otherwise due under this chapter when the person obtains a permanent registration for a trailer with a declared gross vehicle weight of three thousand (3,000) pounds or less under IC 9-18.1-5-13.

(c) A person described in subsection (a) is not subject to additional surtax payments under this chapter for a trailer described in subsection (a) after the surtax payment is made under subsection (b).

(d) This section expires December 31, 2023.

SECTION 75. IC 6-3.6-3-3, AS AMENDED BY P.L.247-2017, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) **Except as provided in subsection (f),** an

ordinance adopted under this article takes effect as provided in this section.

(b) An ordinance that adopts, increases, decreases, or rescinds a tax or a tax rate takes effect as follows:

(1) An ordinance adopted after December 31 of the immediately preceding year and before September 1 of the current year takes effect on October 1 of the current year.

(2) An ordinance adopted after August 31 and before November 1 of the current year takes effect on January 1 of the following year.

(3) An ordinance adopted after October 31 of the current year and before January 1 of the following year takes effect on October 1 of the following year.

(c) An ordinance that grants, increases, decreases, rescinds, or changes a credit against the property tax liability of a taxpayer takes effect as follows:

(1) An ordinance adopted after December 31 of the immediately preceding year and before November 2 of the current year takes effect on January 1 of, and applies to property taxes first due and payable in, the year immediately following the year in which the ordinance is adopted.

(2) An ordinance adopted after November 1 of the current year and before January 1 of the immediately succeeding year takes effect on January 1 of, and applies to property taxes first due and payable in, the year that follows the current year by two (2) years.

(d) An ordinance that grants, increases, decreases, rescinds, or changes a distribution or allocation of taxes takes effect as follows:

(1) An ordinance adopted after December 31 of the immediately preceding year and before November 2 of the current year takes effect January 1 of the year immediately following the year in which the ordinance is adopted.

(2) An ordinance adopted after November 1 of the current year and before January 1 of the immediately succeeding year takes effect January 1 of the year that follows the current year by two (2) years.

(e) An ordinance not described in subsections (b) through (d) takes effect as provided under IC 36 for other ordinances of the governmental entity adopting the ordinance.

(f) An ordinance described in section 7(e) or 7.5(e) of this chapter that changes a tax rate or changes the allocation of revenue received from a tax rate does not take effect as provided under this section if the county adopting body fails to meet the

required deadlines for notice described in section 7(e) or 7.5(e) of this chapter. If an ordinance does not take effect, the tax rate or allocation, as applicable, that is subject to the proposed change in the ordinance shall be the lesser of the:

(1) applicable distribution schedule for the certified distribution for the upcoming calendar year; or

(2) applicable distribution schedule for the certified distribution for the current calendar year;

unless, or until, a subsequent ordinance is adopted and the required deadlines for notice described in section 7(e) or 7.5(e) of this chapter are met. This subsection expires January 1, 2025.

SECTION 76. IC 6-3.6-3-4, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) Except for a tax rate that has an expiration date, **and except as provided in section 3(f) of this chapter (before its expiration),** a tax rate remains in effect until the effective date of an ordinance that increases, decreases, or rescinds that tax rate.

(b) A tax rate may not be changed more than once each year under this article.

SECTION 77. IC 6-3.6-3-7, AS AMENDED BY P.L.154-2020, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) Before a member of the local income tax council may propose an ordinance under section 8 of this chapter, or vote on a proposed ordinance (including a proposed ordinance under section 8(e) of this chapter that is being considered by the local income tax council as a whole as required under section 9.5 of this chapter (before its expiration)), the member must hold a public hearing on the proposed ordinance and provide the public with notice of the time and place where the public hearing will be held.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance or resolution to propose an ordinance.

(d) In addition to the notice required by subsection (b), the adopting body shall also provide a copy of the notice to all taxing units in the county at least ten (10) days before the public hearing.

(e) If a county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit, the decision must be made, and notice must be given to the affected local taxing unit, by August 1 of a year. If a county adopting body passes an ordinance changing the allocation of local income tax revenue to a

local taxing unit, the county adopting body must provide direct notice, in addition to the public notice described in subsection (b), to the affected local taxing unit within fifteen (15) days of the passage of the ordinance. The county adopting body must provide confirmation to the department of state revenue and the department of local government finance that direct notice was provided to the affected local taxing units within fifteen (15) days of the passage of the ordinance.

SECTION 78. IC 6-3.6-3-7.5, AS AMENDED BY P.L.247-2017, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7.5. (a) This section applies to a county in which the county adopting body is the county council.

(b) Before the county council may vote on a proposed ordinance under this article, the county council must hold a public hearing on the proposed ordinance and provide the public with notice of the date, time, and place of the public hearing.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance.

(d) In addition to the notice required by subsection (b), the adopting body shall also provide a copy of the notice to all taxing units in the county at least ten (10) days before the public hearing.

(e) If a county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit, the decision must be made, and notice must be given to the affected local taxing unit, by August 1 of a year. If a county adopting body passes an ordinance changing the allocation of local income tax revenue to a local taxing unit, the county adopting body must provide direct notice, in addition to the public notice described in subsection (b), to the affected local taxing unit within fifteen (15) days of the passage of the ordinance. The county adopting body must provide confirmation to the department of state revenue and the department of local government finance that direct notice was provided to the affected local taxing units within fifteen (15) days of the passage of the ordinance.

SECTION 79. IC 6-3.6-6-2.7, AS AMENDED BY P.L.137-2022, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2.7. (a) A county fiscal body may adopt an ordinance to impose a tax rate for correctional facilities and rehabilitation facilities in the county. The tax rate must be in increments of:

(1) in the case of a county with bonds or lease agreements outstanding on July 1, 2023, for which a pledge of tax revenue

from revenue received under a tax rate imposed under this section is made, one-hundredth of one percent (0.01%) and may not exceed three-tenths of one percent (0.3%); and

(2) in the case of a county with no bonds or lease agreements outstanding on July 1, 2023, for which a pledge of tax revenue from revenue received under a tax rate imposed under this section is made, one-hundredth of one percent (0.01%) and may not exceed two-tenths of one percent (0.2%).

Not more than an amount equal to the amount of revenue that is attributable to two-tenths of one percent (0.2%) of a tax rate imposed under this section may be used for operating expenses for correctional facilities and rehabilitation facilities in the county.

(b) The tax rate **imposed under this section** may not be in effect for more than:

(1) twenty-two (22) years, in the case of a tax rate imposed in an ordinance adopted before January 1, 2019; or

(2) twenty-five (25) years, in the case of a tax rate imposed in an ordinance adopted on or after January 1, 2019.

~~If an ordinance is adopted after June 30, 2019, to impose a tax rate under this section, not more than twenty percent (20%) of the revenue from the tax rate under this section may be used for operating expenses for correctional facilities and rehabilitation facilities in the county.~~

~~(b)~~ **(c)** The revenue generated by a tax rate imposed under this section must be distributed directly to the county before the remainder of the expenditure rate revenue is distributed. The revenue shall be maintained in a separate dedicated county fund and used by the county only for paying for correctional facilities and rehabilitation facilities in the county.

SECTION 80. IC 6-3.6-6-2.8, AS ADDED BY P.L.95-2022, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2.8. (a) As used in this section, "emergency medical services" has the meaning set forth in IC 16-18-2-110.

~~(b) This section applies only to counties that:~~

~~(1) provide emergency medical services for all local units in the county; and~~

~~(2) pay one hundred percent (100%) of the costs to provide those services.~~

~~(c)~~ **(b)** The fiscal body of a county ~~described in subsection (b)~~ may adopt an ordinance to impose a tax rate for emergency medical services in the county. The tax rate must be in increments of one-hundredth of one percent (0.01%) and may not exceed two-tenths of one percent (0.2%). The tax rate may not be in effect for more than twenty-five (25)

years. ~~If a county fiscal body adopts an ordinance under this section, but subsequently ceases to meet the applicability provision under subsection (b), the tax rate imposed under the ordinance shall expire on December 31 of the year in which the county ceases to be eligible to enact the ordinance.~~

~~(d)~~ **(c)** The revenue generated by a tax rate imposed under this section must be distributed directly to the county before the remainder of the expenditure rate revenue is distributed. The revenue shall be maintained in a separate dedicated county fund and used by the county only for paying for operating costs incurred by the county for emergency medical services that are provided throughout the county.

SECTION 81. IC 6-3.6-6-8, AS AMENDED BY P.L.247-2017, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. (a) This section applies to the allocation of additional revenue from a tax under this chapter to public safety purposes. Funding dedicated for a PSAP under a former tax continues to apply under this chapter until it is rescinded or modified. If funding was not dedicated for a PSAP under a former tax, the adopting body may adopt a resolution providing that all or part of the additional revenue allocated to public safety is to be dedicated for a PSAP. The resolution first applies in the following year and then thereafter until it is rescinded or modified. Funding dedicated for a PSAP shall be allocated and distributed as provided in IC 6-3.6-11-4.

(b) Except as provided in ~~subsection~~ **subsections** (c) **and (d),** the amount of the certified distribution that is allocated to public safety purposes, and after making allocations under IC 6-3.6-11, shall be allocated to the county and to each municipality in the county that is carrying out or providing at least one (1) public safety purpose. For purposes of this subsection, in the case of a consolidated city, the total property taxes imposed by the consolidated city include the property taxes imposed by the consolidated city and all special taxing districts (except for a public library district, a public transportation corporation, and a health and hospital corporation), and all special service districts. The amount allocated under this subsection to a county or municipality is equal to the result of:

(1) the amount of the remaining certified distribution that is allocated to public safety purposes; multiplied by

(2) a fraction equal to:

(A) in the case of a county that initially imposed a rate for public safety under IC 6-3.5-6 (repealed), the result of the total property taxes imposed in the county by the county or municipality for the calendar year preceding the distribution

year, divided by the sum of the total property taxes imposed in the county by the county and each municipality in the county that is entitled to a distribution under this section for that calendar year; or

(B) in the case of a county that initially imposed a rate for public safety under IC 6-3.5-1.1 (repealed) or a county that did not impose a rate for public safety under either IC 6-3.5-1.1 (repealed) or IC 6-3.5-6 (repealed), the result of the attributed allocation amount of the county or municipality for the calendar year preceding the distribution year, divided by the sum of the attributed allocation amounts of the county and each municipality in the county that is entitled to a distribution under this section for that calendar year.

(c) A fire department, volunteer fire department, or emergency medical services provider that:

(1) provides fire protection or emergency medical services within the county; and

(2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;

may, before July 1 of a year, apply to the adopting body for a distribution of tax revenue under this section during the following calendar year. The adopting body shall review an application submitted under this subsection and may, before September 1 of a year, adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. The adopting body shall provide a copy of the resolution to the county auditor and the department of local government finance not more than fifteen (15) days after the resolution is adopted. A resolution adopted under this subsection and provided in a timely manner to the county auditor and the department applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is allocated under subsection (b).

(d) From the amount of the certified distribution that is allocated to public safety purposes, and after making allocations under IC 6-3.6-11, the adopting body may adopt a resolution that one (1) or more township fire departments, volunteer fire departments, fire protection territories, or fire protection districts shall receive an amount of the tax revenue to be distributed under

this section during the following calendar year up to the amount of revenue that is attributable to five one-hundredths of one percent (0.05%) of the tax rate imposed for allocations to public safety purposes. A resolution adopted under this subsection must include information on the service area for each township fire department, volunteer fire department, fire protection territory, or fire protection district, as applicable. Any distribution under this subsection must be based on the assessed value of real property, not including land, that is served by each township fire department, volunteer fire department, fire protection territory, or fire protection district, as applicable. The adopting body shall provide a copy of the resolution to the county auditor and the department of local government finance not more than fifteen (15) days after the resolution is adopted. A resolution adopted under this subsection and provided in a timely manner to the county auditor and the department applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a township fire department, volunteer fire department, fire protection territory, or fire protection district, as applicable, shall be distributed before the remainder of the tax revenue is allocated under subsection (b).

SECTION 82. IC 6-3.6-11-9, AS ADDED BY P.L.159-2020, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. (a) This section applies to the calculation and allocation of certified shares among civil taxing units in Hamilton County after 2020 and before ~~2024.~~ **2026.**

(b) For each calendar year to which this section applies, the amount of a civil taxing unit's certified shares is equal to:

(1) the amount of the civil taxing unit's certified shares determined under IC 6-3.6-6, for a civil taxing unit other than the city of Carmel or the city of Fishers;

(2) the adjusted amount determined under subsection (c), for the city of Carmel; or

(3) the adjusted amount determined under subsection (d), for the city of Fishers.

(c) For each calendar year to which this section applies, the adjusted amount of the city of Carmel's certified shares is equal to the lesser of:

(1) the amount of the city of Carmel's certified shares determined under IC 6-3.6-6, without regard to this section; or

(2) the product of:

(A) the amount of the city of Carmel's certified shares determined for the immediately preceding calendar year under

IC 6-3.6-6, for 2021, or this section, after 2021; and

(B) ~~one and twenty-five thousandths (1.025).~~ **one and three hundredths (1.03).**

(d) For each calendar year to which this section applies, the adjusted amount of the city of Fishers' certified shares is equal to:

(1) the sum of:

(A) the amount of the city of Carmel's certified shares determined under IC 6-3.6-6, without regard to this section; and

(B) the amount of the city of Fishers' certified shares determined under IC 6-3.6-6, without regard to this section; minus

(2) the adjusted amount of the city of Carmel's certified shares determined under subsection (c).

SECTION 83. IC 6-6-2.5-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 6.5. As used in this chapter, "compressed natural gas product fuel station" means a fuel station that purchases special fuel, converts it into compressed natural gas product, and sells the compressed natural gas product from a metered pump at the same location.**

SECTION 84. IC 6-6-2.5-30, AS AMENDED BY P.L.218-2017, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 30. (a) The following are exempt from the special fuel tax:

(1) Special fuel sold by a supplier to a licensed exporter for export from Indiana to another state or country to which the exporter is specifically licensed to export exports by a supplier, or exports for which the destination state special fuel tax has been paid to the supplier and proof of export is available in the form of a destination state bill of lading.

(2) Special fuel sold to the United States or an agency or instrumentality thereof.

(3) Special fuel sold to a post exchange or other concessionaire on a federal reservation within Indiana. However, the post exchange or concessionaire shall collect, report, and pay quarterly to the department any tax permitted by federal law on special fuel sold.

(4) Special fuel sold to a public transportation corporation established under IC 36-9-4 and used for the transportation of persons for compensation within the territory of the corporation.

(5) Special fuel sold to a public transit department of a municipality and used for the transportation of persons for

compensation within a service area, no part of which is more than five (5) miles outside the corporate limits of the municipality.

(6) Special fuel sold to a common carrier of passengers, including a business operating a taxicab (as defined in IC 6-6-1.1-103(l)) and used by the carrier to transport passengers within a service area that is not larger than one (1) county, and counties contiguous to that county.

(7) The portion of special fuel determined by the commissioner to have been used to operate equipment attached to a motor vehicle, if the special fuel was placed into the fuel supply tank of a motor vehicle that has a common fuel reservoir for travel on a highway and for the operation of equipment.

(8) Special fuel used for nonhighway purposes, used as heating oil, or in trains.

(9) Special fuel sold by a supplier to an unlicensed person for export from Indiana to another state and the special fuel has been dye addityzed in accordance with section 31 of this chapter.

(10) Sales of transmix between licensed suppliers.

(11) Special fuel sold or removed via truck or rail from a terminal or refinery, if the destination is an Indiana terminal or refinery.

(12) Special fuel received at an Indiana terminal or refinery, if the tax on the special fuel has previously been paid. If this subdivision applies, the receiving supplier is entitled to a credit on the receiving supplier's Indiana Special Fuel Supplier's Tax Return for the tax paid to the receiving supplier's vendor or directly to the state.

(13) The difference between the amount of special fuel purchased by a compressed natural gas product fuel station and the amount of compressed natural gas product produced and sold by the compressed natural gas product fuel station.

(b) The exemption from tax provided under subsection (a)(4) through (a)(7) shall be applied for through the refund procedures established in section 32 of this chapter. **The exemption from tax provided under subsection (a)(13) shall be applied for through the refund procedures established in section 32.7 of this chapter.**

(c) The department shall provide information to licensed suppliers of the destination state or states to which exporters are authorized to export.

(d) Subject to gallonage limits and other conditions established by the department, the department shall provide for refund of the tax imposed by this chapter to a wholesale distributor exporting undyed special fuel out of a bulk plant in this state in a vehicle capable of

carrying not more than five thousand four hundred (5,400) gallons if the destination of that vehicle does not exceed twenty-five (25) miles from the border of Indiana.

SECTION 85. IC 6-6-2.5-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 32. (a) Special fuel tax that has been collected by a supplier on special fuel used for an exempt purpose, including section 30(a)(4) through 30(a)(7) of this chapter and pretaxed exempt fuel under section 30(a)(8) of this chapter, but which was not dyed or marked, or both, in accordance with section 31 of this chapter, shall be refunded by the department to the user or the user's assignee under rules adopted by the department, in accordance with subsection (c), upon presentation of proof of exempt use by the end user in the form that the department prescribes. **A person that claims a refund under section 32.7 of this chapter for special fuel tax collected on compressed natural gas product may not claim a refund under this subsection for the same special fuel tax.**

(b) Special fuel tax that has been collected by a supplier on special fuel that was removed from a terminal or refinery for delivery in Indiana, and was exported by a licensed exporter shall be refunded by the department to the licensed exporter in accordance with subsection (c), upon presentation of proof of export in the form that the department prescribes.

(c) Special fuel tax that has been erroneously paid by a person shall be refunded by the department in accordance with subsection (d).

(d) To claim a refund under ~~subsection~~ **subsections** (a) through (c), a person must present to the department a statement that contains a written verification that the claim is made under penalties of perjury and lists the total amount of special fuel purchased and used for non-highway purposes. The claim must be filed not more than three (3) years after the date the special fuel was purchased. The statement must show that payment for the purchase has been made and the amount of tax paid on the purchase has been remitted.

(e) The department may make any investigations it considers necessary before refunding the special fuel tax to a person.

SECTION 86. IC 6-6-2.5-32.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 32.7. (a) A person is entitled to a quarterly refund of the special fuel tax paid under this chapter on the difference between the amount of special fuel purchased by a compressed natural gas product fuel station and the amount of compressed natural gas product produced and sold by the compressed natural gas product fuel station. The refund amount**

is in addition to the collection allowance the person may receive under section 37 of this chapter. A person that claims a refund under section 32 of this chapter for special fuel tax may not claim a refund under this section for the same special fuel tax.

(b) To qualify for a quarterly refund under this section, a person shall submit to the department a statement that contains a written verification that the claim is made under penalties of perjury and lists the total amount of natural gas purchased and the total amount of compressed natural gas for which the person claims a refund. The claim must be filed not later than the end of the third month following the end of the calendar quarter the compressed natural gas qualified for a special fuel tax refund under subsection (a). No interest may be paid on a refund made under this section.

(c) A refund claim must be in the form prescribed by the department and include any information reasonably requested by the department.

(d) The department may make any investigations it considers necessary before refunding the tax to a person.

SECTION 87. IC 6-6-2.5-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 37. (a) Every supplier and permissive supplier who properly remits tax under this chapter shall be allowed to retain one and six-tenths percent (1.6%) of the tax to cover the costs of collecting, reporting, and timely remitting the tax imposed by this chapter.

(b) The amount that the supplier is permitted to retain under subsection (a) shall be distributed by the supplier as follows:

(1) One-third (1/3) retained by the supplier.

(2) Two-thirds (2/3) to the wholesale distributor. If the special fuel is resold by that wholesale distributor or another wholesale distributor to an eligible purchaser, the last wholesale distributor in the distribution process shall pass on one-half (1/2) of the two-thirds (2/3) to the eligible purchaser.

(3) If an eligible purchaser is the direct purchaser from a supplier, and that retail dealer or bulk end user is responsible for shipping the product, then the supplier shall pass through two-thirds (2/3) to the retail dealer or bulk end user. If the supplier is responsible for shipping the product, the supplier shall retain two-thirds (2/3) and pass through one-third (1/3) to the eligible purchaser.

The amount a person receives under this subsection is in addition to the amount of the person's refund claim under section 32.7 of this chapter.

(c) If a monthly report is filed or the amount due is remitted later than the time required by this chapter, the supplier shall pay to the department all of the special fuel tax the dealer collected from the sale of special fuel during the reporting period.

SECTION 88. IC 6-6-5-0.5, AS ADDED BY P.L.256-2017, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 0.5. This chapter does not apply to the following:

(1) Vehicles that are exempt from the payment of registration fees under IC 9-18-3-1 (before its expiration) or IC 9-18.1-9.

(2) After December 31, 2023, trailers with a declared gross vehicle weight of three thousand (3,000) pounds or less that are registered or renewed under IC 9-18.1-5-13 are not subject to:

(A) the tax imposed under this chapter; and

(B) the tax imposed under a local ordinance adopted under IC 6-3.5-4 (county vehicle excise tax) or IC 6-3.5-10 (municipal vehicle excise tax).

~~(2)~~ **(3)** After June 30, 2017, vehicles owned or otherwise held as inventory by a person licensed under IC 9-32.

SECTION 89. IC 6-6-5-2, AS AMENDED BY P.L.178-2019, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) The vehicle excise tax is imposed on the following vehicles in accordance with this chapter:

(1) Passenger motor vehicles.

(2) Motorcycles.

(3) Motor driven cycles.

(4) Collector vehicles.

(5) **Except for a trailer described in section 0.5(2) of this chapter,** trailer vehicles with a declared gross weight of nine thousand (9,000) pounds or less.

(6) Trucks with a declared gross weight of eleven thousand (11,000) pounds or less.

(7) Mini-trucks.

(8) Military vehicles.

(b) The vehicle excise tax is imposed on a vehicle:

(1) instead of the ad valorem property tax levied for state or local purposes; and

(2) in addition to any registration fees imposed under IC 9-18.1 on the vehicle.

(c) The vehicle excise tax imposed by this chapter is a listed tax and subject to the provisions of IC 6-8.1.

(d) Subject to subsection (e), the vehicle excise tax imposed by this

chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.

(e) If the vehicle excise tax imposed by this chapter was not paid for one (1) or more preceding registration years, the bureau may collect only the vehicle excise tax imposed by this chapter for the:

(1) registration year immediately preceding the current registration year;

(2) current registration year; and

(3) registration year immediately following the current registration year.

SECTION 90. IC 6-6-5-3.5, AS AMENDED BY P.L.147-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3.5. (a) **Except for a trailer described in section 0.5(2) of this chapter,** trailers registered with a declared gross vehicle weight equal to or less than nine thousand (9,000) pounds shall be assessed a vehicle excise tax in an amount of eight dollars ($8) per year.

(b) Vehicles registered as motor driven cycles shall be assessed a vehicle excise tax in an amount of ten dollars ($10) per year.

(c) Vehicles registered as mini-trucks shall be assessed a vehicle excise tax in an amount of thirty dollars ($30) per year.

(d) Vehicles registered as military vehicles shall be assessed a vehicle excise tax in an amount of eight dollars ($8) per year.

(e) Vehicles that are model years 1980 or earlier shall be assessed a vehicle excise tax in an amount of twelve dollars ($12) per year.

SECTION 91. IC 6-7-2-7, AS AMENDED BY P.L.137-2022, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 7. (a) A tax is imposed on the distribution of tobacco products in Indiana at the ~~rate of:~~ **following rates:**

(1) Twenty-four percent (24%) of the wholesale price of tobacco products other than moist snuff. ~~or~~

(2) For moist snuff, forty cents ($0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce. If the tax calculated for a fractional part of an ounce carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(3) For cigars twenty-four percent (24%) of the wholesale price of a cigar. However the tax imposed per cigar shall not exceed one dollar ($1).

(b) A tax is imposed on the distribution of alternative nicotine products in Indiana at a rate of forty cents ($0.40) per ounce, and a

proportionate tax at the same rate on all fractional parts of an ounce, calculated based upon the product weight as listed by the manufacturer. If the tax calculated for a fractional part of an ounce carried to the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(c) The distributor of the tobacco products or alternative nicotine products is liable for the tax imposed under subsections (a) or (b). The tax is imposed at the time the distributor:

(1) brings or causes tobacco products or alternative nicotine products to be brought into Indiana for distribution;

(2) manufactures tobacco products or alternative nicotine products in Indiana for distribution;

(3) transports tobacco products or alternative nicotine products to retail dealers in Indiana for resale by those retail dealers; or

(4) first receives the tobacco products or alternative nicotine products in Indiana in the case of a distributor or distributor transactions.

(d) The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.

(e) A consumer who purchases untaxed tobacco products or alternative nicotine products from a distributor or retailer is liable for the tax imposed under subsections (a) or (b).

SECTION 92. IC 6-8.1-9.5-10, AS AMENDED BY P.L.117-2018, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. (a) The department of state revenue may charge a debtor a fee of ~~fifteen percent (15%)~~ **ten percent (10%)** of any debts collected under this chapter as a collection fee for the department's services, not including any local collection assistance fees charged under subsection (b).

(b) This subsection applies to a debt collected for a claimant agency that is a political subdivision described in section 1(1)(B) of this chapter. A local collection assistance fee not to exceed twenty dollars ($20) shall be imposed on each debt submitted by the claimant agency and collected through a set off under this chapter. The board of the nonprofit organization that operates the clearinghouse registered under section 3.5 of this chapter shall determine the amount of the fee by resolution. Notwithstanding any law concerning delinquent accounts, charges, fees, loans, taxes, or other indebtedness, the local collection assistance fee shall be added to the amount due the claimant agency when the collection is made, not including any fee charged by the department of state revenue under subsection (a). A fee collected under

this subsection shall be distributed by the department to:

(1) the nonprofit entity with which the department has entered into a contract under section 3.5(b) of this chapter; or

(2) at the direction of the nonprofit entity, the nonprofit entity's account held by the investment pool.

SECTION 93. IC 6-9-7-7, AS AMENDED BY P.L.104-2022, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. (a) The county treasurer shall establish an innkeeper's tax fund. The treasurer shall deposit in that fund all money received under section 6 of this chapter that is attributable to an innkeeper's tax rate that is not more than five percent (5%).

(b) Money in the innkeeper's tax fund shall be distributed as follows:

(1) Forty percent (40%) shall be distributed to the commission to carry out its purposes, including making any distributions or payments to the Lafayette - West Lafayette Convention and Visitors Bureau, Inc.

(2) Ten percent (10%) shall be distributed to a community development corporation that serves a metropolitan area in the county that includes:

(A) Lafayette; and

(B) West Lafayette;

for the community development corporation's use in tourism, recreation, and economic development activities.

(3) Ten percent (10%) shall be distributed to Historic Prophetstown to be used by Historic Prophetstown for carrying out its purposes.

(4) Ten percent (10%) shall be distributed to the Wabash River Enhancement Corporation to assist the Wabash River Enhancement Corporation in carrying out its purposes.

(5) ~~Ten percent (10%)~~ **The following amounts** shall be distributed to the department of natural resources for the development of projects in the state park on the Wabash River, including its tributaries:

(A) For distributions in calendar year 2023, ten percent (10%).

(B) For distributions in calendar year 2024, nine percent (9%).

(C) For distributions in calendar year 2025, eight percent (8%).

(D) For distributions in calendar year 2026, seven percent (7%).

(E) For distributions in calendar year 2027, six percent (6%).

(F) For distributions in calendar year 2028, five percent (5%).

(G) For distributions in calendar year 2029, four percent (4%).

(H) For distributions in calendar year 2030, three percent (3%).

(I) For distributions in calendar year 2031, two percent (2%).

(J) For distributions in calendar year 2032, one percent (1%).

(K) For distributions after calendar year 2032, zero percent (0%).

The department of natural resources is not required to provide additional state resources to the state park described in this subdivision as a result of the reduction of revenue set forth in this subdivision.

(6) The following amounts shall be distributed to the county fiscal body for the purposes set forth in subsection (c):

(A) For distributions in calendar year 2023, zero percent (0%).

(B) For distributions in calendar year 2024, one percent (1%).

(C) For distributions in calendar year 2025, two percent (2%).

(D) For distributions in calendar year 2026, three percent (3%).

(E) For distributions in calendar year 2027, four percent (4%).

(F) For distributions in calendar year 2028, five percent (5%).

(G) For distributions in calendar year 2029, six percent (6%).

(H) For distributions in calendar year 2030, seven percent (7%).

(I) For distributions in calendar year 2031, eight percent (8%).

(J) For distributions in calendar year 2032, nine percent (9%).

(K) For distributions after calendar year 2032, ten percent (10%).

~~(6)~~ **(7)** Twenty percent (20%) shall be distributed as determined by the county fiscal body.

(c) Amounts distributed to the county fiscal body under subsection (b)(6) may only be used for tourism or quality of life purposes, including:

(1) mixed use development projects;

(2) quality public spaces;

(3) multiple transportation options;

(4) multiple housing options;

(5) revitalization of historic, blighted, or vacant properties;

(6) arts, culture, and creativity; and

(7) recreation and green spaces.

~~(c)~~ **(d)** An advisory commission consisting of the following members is established:

(1) The director of the department of natural resources or the director's designee.

(2) The public finance director or the public finance director's designee.

(3) A member appointed by the Native American Indian affairs commission.

(4) A member appointed by Historic Prophetstown.

(5) A member appointed by the community development corporation described in subsection (b)(2).

(6) A member appointed by the Wabash River Enhancement Corporation.

(7) A member appointed by the commission.

(8) A member appointed by the county fiscal body.

(9) A member appointed by the town board of the town of Battleground.

(10) A member appointed by the mayor of the city of Lafayette.

(11) A member appointed by the mayor of the city of West Lafayette.

~~(d)~~ **(e)** The following apply to the advisory commission:

(1) The governor shall appoint a member of the advisory commission as chairman of the advisory commission.

(2) Six (6) members of the advisory commission constitute a quorum. The affirmative votes of at least six (6) advisory commission members are necessary for the advisory commission to take official action other than to adjourn or to meet to hear reports or testimony.

(3) The advisory commission shall make recommendations concerning the use of any proceeds of bonds issued to finance the

development of Prophetstown State Park.

(4) Members of the advisory commission who are state employees:

(A) are not entitled to any salary per diem; and

(B) are entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and to reimbursement for other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

~~(e)~~ **(f)** The Indiana finance authority may issue bonds for the development of Prophetstown State Park under IC 5-1.2-6.

SECTION 94. IC 6-9-18-3, AS AMENDED BY P.L.122-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;

(2) motel;

(3) boat motel;

(4) inn;

(5) college or university memorial union;

(6) college or university residence hall or dormitory; or

(7) tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or

(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed:

(1) the rate of five percent (5%) in a county other than a county subject to subdivision (2), ~~or~~ (3), **or (4);**

(2) after June 30, 2019, the rate of eight percent (8%) in Howard County; ~~or~~

(3) after June 30, 2021, the rate of nine percent (9%) in Daviess County; **or**

(4) after June 30, 2023, the rate of eight percent (8%) in Parke

County.

The tax is imposed on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

SECTION 95. IC 6-9-20-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and

searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 96. IC 6-9-21-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 97. IC 6-9-24-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the municipality shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 98. IC 6-9-25-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE

UPON PASSAGE]: **Sec. 16. (a) Subject to section 3(d) of this chapter, the tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 99. IC 6-9-26-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 17. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 100. IC 6-9-27-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) A tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the municipality shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 101. IC 6-9-36-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9. (a) A tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, each fiscal officer of a county that imposes a food and beverage tax under this chapter shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 102. IC 6-9-38-27 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 27. (a) Subject to section 26 of this chapter, a tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue

is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county and the fiscal officer of each unit that imposes a food and beverage tax under this chapter shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 103. IC 6-9-40-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county and the fiscal officer of the city of Angola shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 104. IC 6-9-41-5, AS ADDED BY P.L.176-2009, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. (a) **Subject to section 15.5 of this chapter,** the fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 6 of this chapter. The effective date of an ordinance adopted under this subsection must be after December 31, 2009.

(b) If the fiscal body adopts an ordinance under subsection (a), the fiscal body shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If the fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance is adopted. However, if an ordinance is adopted before December 1, 2009, and the ordinance takes effect January 1, 2010, the tax applies to transactions after December 31, 2009.

SECTION 105. IC 6-9-41-14, AS ADDED BY P.L.176-2009, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 14. **(a)** The county's share of county food and beverage tax revenue deposited in the county food and beverage tax receipts fund may be used only to finance, refinance, construct, operate, or maintain a convention center, a conference center, or related tourism or economic development projects.

(b) The county must develop a written plan before December 1 of each year that includes the:

(1) proposed use of funds under subsection (a) for the upcoming calendar year;

(2) detailed use of funds under subsection (a) in the current and prior calendar years; and

(3) fund balance as of January 1 of the current calendar year. The written plan described in this subsection must be submitted to the state board of accounts and be made available on the department's computer gateway within thirty (30) days of submission.

(c) The county must spend the money in the county food and beverage tax receipts fund in accordance with the written plan required by subsection (b). If no funds have been expended from the county food and beverage tax receipts fund in accordance with the written plan required by subsection (b) before July 1, 2025, then section 15.5 of this chapter applies.

SECTION 106. IC 6-9-41-15, AS ADDED BY P.L.176-2009, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 15. **(a)** Money deposited in the city food and beverage tax receipts fund may be used only to finance, refinance, construct, operate, or maintain a convention center, a conference center, or related tourism or economic development projects.

(b) The city must develop a written plan before December 1 of each year that includes the:

(1) proposed use of funds under subsection (a) for the

upcoming calendar year;

(2) detailed use of funds under subsection (a) in the current and prior calendar years; and

(3) fund balance as of January 1 of the current calendar year.

The written plan described in this subsection must be submitted to the state board of accounts and be made available on the department's computer gateway within thirty (30) days of submission.

(c) The city must spend the money in the city food and beverage tax receipts fund in accordance with the written plan required by subsection (b). If no funds have been expended from the city food and beverage tax receipts fund in accordance with the written plan required by subsection (b) before July 1, 2025, then section 15.5 of this chapter applies.

SECTION 107. IC 6-9-41-15.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 15.5. (a) This section applies only if the county and city do not spend money from the county or city food and beverage tax receipts fund as required by sections 14(c) and 15(c) of this chapter.**

(b) The ordinance adopted under section 5 of this chapter to impose the food and beverage tax is void and food and beverage tax revenue may not be collected after June 30, 2025. The county may not adopt a new ordinance under section 5 of this chapter after June 30, 2025.

(c) The following apply to the distribution of the unexpended money in the county food and beverage tax receipts fund and city food and beverage tax receipts fund:

(1) The:

(A) county treasurer shall certify to the county auditor the balance in the county food and beverage tax receipts fund; and

(B) city fiscal officer shall certify to the county auditor the balance in the city food and beverage tax receipts fund.

(2) After the county auditor receives the certified fund balances under subdivision (1), the county auditor shall distribute, before October 1, 2025, the money in each fund according to the ratio that the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in 2025 for each taxing unit in the county bears to the sum of all maximum permissible ad valorem property tax levies under IC 6-1.1-18.5 for property

tax first due and payable in 2025 in the county.

SECTION 108. IC 6-9-41-16, AS ADDED BY P.L.176-2009, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 16. (a) In order to coordinate and assist efforts of the county and city fiscal bodies regarding the utilization of food and beverage tax receipts, an advisory commission shall be established and composed of the following individuals:

(1) Three (3) members who are owners of retail facilities that sell food or beverages subject to the county food and beverage tax imposed under this chapter appointed by the city and county executive.

(2) The president of the county executive.

(3) A member of the county fiscal body appointed by the members of the county fiscal body.

(4) The city executive.

(5) A member of the city legislative body appointed by the members of the city legislative body.

(b) The county and city legislative bodies must request the advisory commission's recommendations concerning the expenditure of any food and beverage tax funds collected under this chapter. ~~The county or city legislative body may not adopt any ordinance or resolution requiring the expenditure of food and beverage tax collected under this chapter without the approval, in writing, of a majority of the members of the advisory commission.~~

SECTION 109. IC 6-9-41-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 17. (a) Except as otherwise provided in sections 14, 15, and 15.5 of this chapter, the tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county and the fiscal officer of the city shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published

on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 110. IC 6-9-43-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the town shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 111. IC 6-9-44-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the town shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 112. IC 6-9-45-11 IS ADDED TO THE INDIANA

CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the town shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 113. IC 6-9-47.5-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023 for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 114. IC 6-9-49-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the city shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 115. IC 6-9-50-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the town shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 116. IC 6-9-51-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the

city shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 117. IC 6-9-52-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The tax authorized under this chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the town shall provide to the state board of accounts:

(1) a list of each bond or lease agreement outstanding on May 7, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The information received under this subsection shall be published on the department of local government finance's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 118. IC 6-9-54 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 54. Columbia City Food and Beverage Tax

Sec. 1. This chapter applies to the city of Columbia City.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the city may adopt an ordinance to impose an excise tax, known as the city food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the city may adopt an ordinance under this subsection only after the city fiscal body has previously:

(1) adopted a resolution in support of the proposed city food

and beverage tax; and

(2) held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the city food and beverage tax is the only substantive issue on the agenda for the public hearing.

(b) If the city fiscal body adopts an ordinance under subsection (a), the city fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the city fiscal body adopts an ordinance under subsection (a), the city food and beverage tax applies to transactions that occur after the later of the following:

(1) The date specified in the ordinance.

(2) The last day of the month following sixty (60) days after the date on which the ordinance is adopted.

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the city; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport the food).

(c) The city food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The city food and beverage tax rate may not exceed one percent (1%) of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 6. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the city fiscal officer upon warrants issued by the auditor of state.

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by a city, the city fiscal officer shall establish a food and beverage tax receipts fund.

(b) The city fiscal officer shall deposit in the fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 9. Money in the food and beverage tax receipts fund must be used by the city only for the following purposes:

(1) Park and recreation purposes, including the purchase of land for park and recreation purposes.

(2) The pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations incurred for a purpose described in subdivision (1).

Revenue derived from the imposition of a tax under this chapter may be treated by the city as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the city.

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

Sec. 11. (a) If the city imposes the tax authorized by this chapter, the tax terminates on July 1, 2045.

(b) This chapter expires July 1, 2045.

SECTION 119. IC 6-9-54.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 54.5. Merrillville Food and Beverage Tax

Sec. 1. This chapter applies to the town of Merrillville.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the town may adopt an ordinance to impose an excise tax, known as the town food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the town may adopt an ordinance under this subsection only after the fiscal body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the town food and beverage tax is the only substantive issue on the agenda for the public hearing.

(b) If the town fiscal body adopts an ordinance under subsection (a), the town fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the town fiscal body adopts an ordinance under subsection (a), the town food and beverage tax applies to transactions that occur after the later of the following:

(1) The day specified in the ordinance.

(2) The last day of the month that succeeds the month in which the ordinance is adopted.

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the town; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration

in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport food).

(c) The town food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The town food and beverage tax rate:

(1) must be imposed in an increment of twenty-five hundredths percent (0.25%); and

(2) may not exceed one percent (1%);

of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 6. A tax imposed under this chapter is imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the town fiscal officer upon warrants issued by the auditor of state.

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by the town, the town fiscal officer shall establish a food and beverage tax receipts fund.

(b) The town fiscal officer shall deposit in the fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 9. Money in the food and beverage tax receipts fund must be used by the town only for the following purposes:

(1) Park and recreation purposes, including the purchase of land for park and recreation purposes.

(2) Tourism related purposes or facilities, including the purchase of land for tourism related purposes.

(3) The pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations incurred for a purpose described in subdivisions (1) and (2).

Revenue derived from the imposition of a tax under this chapter may be treated by the town as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the town.

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

Sec. 11. (a) If the town imposes the tax authorized by this chapter, the tax terminates on July 1, 2045.

(b) This chapter expires July 1, 2045.

SECTION 120. IC 6-9-55 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 55. Jasper Food and Beverage Tax

Sec. 1. This chapter applies to the city of Jasper.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the city may adopt an ordinance to impose an excise tax, known as the city food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the city may adopt an ordinance under this subsection only after the fiscal body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the city food and beverage tax is the only substantive issue on the agenda for that public hearing.

(b) If the city fiscal body adopts an ordinance under subsection (a), the city fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the city fiscal body adopts an ordinance under subsection (a), the city food and beverage tax applies to transactions that occur after the later of the following:

(1) The day specified in the ordinance.

(2) The last day of the month following sixty (60) days after the date on which the ordinance is adopted.

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which a

food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the city; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport the food).

(c) The city food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The city food and beverage tax rate:

(1) must be imposed in an increment of twenty-five hundredths percent (0.25%); and

(2) may not exceed one percent (1%);

of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 6. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the city fiscal officer upon warrants issued by the auditor of state.

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by the city, the city fiscal officer shall establish a food and beverage tax receipts fund.

(b) The city fiscal officer shall deposit in the fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 9. Money in the food and beverage tax receipts fund must be used by the city for one (1) or more of the following purposes:

(1) Construction, renovation, improvement, equipping, or maintenance of city capital improvements.

(2) Financing, construction, improvement, equipping, operation, maintenance and promotion of the Jasper Community Wellness, Sports and Aquatic Center.

(3) The pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations incurred for a purpose described in subdivisions (1) and (2).

Revenue derived from the imposition of a tax under this chapter may be treated by the city as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the city.

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

Sec. 11. (a) If the city imposes the tax authorized by this chapter, the tax terminates on July 1, 2045.

(b) This chapter expires July 1, 2045.

SECTION 121. IC 6-9-56 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 56. Hamilton County Innkeeper's Tax

Sec. 1. (a) This chapter applies to Hamilton County, if the county had adopted an innkeeper's tax under IC 6-9-18 before July 1, 2023.

(b) The:

(1) convention, visitor, and tourism promotion fund;

(2) convention and visitor commission;

(3) innkeeper's tax rate; and

(4) tax collection procedures;

established under IC 6-9-18 before July 1, 2023, remain in effect and govern the county's innkeeper's tax until amended under this chapter.

(c) A member of the convention and visitor commission established under IC 6-9-18 before July 1, 2023, shall serve a full term of office. If a vacancy occurs, the appointing authority shall appoint a qualified replacement as provided under this chapter. The appointing authority shall make other subsequent appointments to the commission as provided under this chapter.

Sec. 2. The following terms are defined for this chapter:

(1) "Executive" and "fiscal body" have the same meanings that are prescribed by IC 36-1-2.

(2) "Gross retail income" and "person" have the same meanings that are prescribed by IC 6-2.5-1.

Sec. 3. (a) The fiscal body of the county may impose a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;

(2) motel;

(3) boat motel;

(4) inn;

(5) college or university memorial union;

(6) college or university residence hall or dormitory; or

(7) tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or

(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The following apply to the tax rate imposed under this section:

(1) Before July 1, 2023, the tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax

imposed under IC 6-2.5.

(2) After June 30, 2023, the tax may not exceed the rate of eight percent (8%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

Sec. 4. (a) If a tax is imposed under section 3 of this chapter, the county treasurer shall establish the following funds:

(1) A convention, visitor, and tourism promotion fund.

(2) A tourism capital fund, if the county fiscal body adopts an ordinance to increase the tax rate under section 3 of this chapter and both the county fiscal body and the county executive adopt ordinances approving the establishment of a tourism capital fund.

The county treasurer shall deposit in each fund all amounts the county treasurer receives under section 3 of this chapter and in accordance with the allocations required by sections 7 and 8 of this chapter.

(b) The county auditor shall issue a warrant directing the county treasurer to transfer money from the convention, visitor, and tourism promotion fund and tourism capital fund to the commission's treasurer if the commission submits a written request for the transfer.

(c) Money in a convention, visitor, and tourism promotion fund,

or money transferred from such a fund under subsection (b), may be expended only to promote and encourage conventions, visitors, and tourism within the county. Expenditures under this subsection may include expenditures for advertising, promotional activities, trade shows, special events, and recreation.

(d) Money in a tourism capital fund, or money transferred from such a fund under subsection (b), may be expended on infrastructure projects that improve or benefit the tourism economy. Expenditures may include acquisition, construction, alteration, improvements, or installation costs of any existing tangible property or tangible property that is to be constructed. Expenditures may include fees for professional services such as architectural, building consulting or planning, and infrastructure feasibility.

Sec. 5. (a) The county executive shall create a commission to promote the development and growth of the convention, visitor, and tourism industry in the county.

(b) The county executive shall determine the number of members, which must be an odd number and may not exceed fifteen (15) members, to be appointed to the commission. A simple majority of the members must represent the hospitality industry or be:

(1) engaged in a convention, visitor, or tourism business; or

(2) involved in or promoting conventions, visitors, or tourism.

A member appointed to the commission under subdivision (1) or (2) need not be a resident of the county if the member is an owner or an executive level employee of a convention, visitor, or tourism business that is located within the county. However, the member must be a resident of Indiana. If available and willing to serve, at least two (2) of the members must be engaged in the business of renting or furnishing rooms, lodging, or accommodations (as described in section 3 of this chapter). Not more than one (1) member may be affiliated with the same business entity. Except as otherwise provided in this subsection, each member must reside in the county. The county executive shall also determine who will make the appointments to the commission.

(c) All terms of office of commission members begin on January 1. Initial appointments must be for staggered terms, with subsequent appointments for two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an initial

appointment is not made by February 1 or a vacancy is not filled within thirty (30) days, the commission shall appoint a member by majority vote.

(d) A member of the commission may be removed for cause by the member's appointing authority.

(e) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(f) Each commission member, before entering the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(g) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

Sec. 6. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money from the funds established under section 4(a) of this chapter, or from money transferred from those funds to the commission's treasurer under section 4(b) of this chapter, to any Indiana nonprofit corporation to promote and encourage conventions, visitors, or tourism in the county; and

(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) All expenses of the commission shall be paid from the funds

established under section 4(a) of this chapter or from money transferred from those funds to the commission's treasurer under section 4(b) of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6), and submit it to the county fiscal body for its review and approval. An expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county fiscal body in the manner provided by law.

Sec. 7. (a) The county treasurer shall deposit in the convention, visitor, and tourism promotion fund the amount of money received under section 3 of this chapter that is not more than five percent (5%).

(b) Money in the convention, visitor, and tourism promotion fund shall be expended only as provided in this chapter.

(c) The commission may transfer money in the convention, visitor, and tourism promotion fund to any Indiana nonprofit corporation for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events. The commission may transfer money under this section only after approving the transfer. The commission may transfer money under this subsection on a monthly basis or at another frequency as determined by the commission.

Sec. 8. (a) The county treasurer shall deposit in the tourism capital fund the amount of money received under section 3 of this chapter that exceeds five percent (5%). Money deposited in the tourism capital fund shall be transferred or expended only as provided in this section.

(b) The commission must approve any transfer of money from the tourism capital fund and may transfer money from the tourism capital fund to support capital projects in the county that promote long term tourism, convention, or recreation projects proposed by any of the following:

(1) The county government.

(2) A city government.

(3) A separate body corporate and politic in Hamilton County.

(4) Any Indiana nonprofit corporation in Hamilton County.

The commission may transfer money under this subsection on a monthly basis or at another frequency as determined by the commission.

(c) The commission may also review and approve proposals submitted by applicants that seek money from the tourism capital

fund with the purpose and view of enhancing or providing support for capital projects that promote long term tourism, convention, or other economic development related to recreation. Funding available under this subsection shall be made available on an annual basis. In determining whether to provide funding to a particular capital project under this subsection, the commission may use the following factors as a guide for capital project funding:

(1) The proposed capital project is believed to be economically sound to the Hamilton County tourism, convention, or recreation economy and is also believed to be beneficial to:

(A) the general population of Hamilton County; or

(B) a particular location in Hamilton County.

(2) The proposed capital project provides for reasonably adequate public assembly, gathering, or entertainment space and is integrally related to enhancing the tourism, convention, or recreation opportunities in Hamilton County or a particular location in Hamilton County.

(3) The commission makes a reasonable effort to assess whether a proposed capital project aligns with the purpose of the commission and has a direct, indirect, or supportive relationship to the mission and promotional efforts of the commission as established and funded by the convention, visitor, and tourism promotion fund.

A capital project proposed by an applicant that does not meet at least one (1) of the criteria set forth in this subsection will not be funded, and any remaining funds collected revert to the tourism capital fund for distribution by the commission on projects within Hamilton County.

(d) An applicant that receives a grant of money from the tourism capital fund under subsection (c):

(1) must agree to provide to the commission proof of project completion, including proof that the project was completed through the use of the grant money; and

(2) may be subject to annual financial reporting and audit.

Sec. 9. All money coming into possession of the commission shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money coming into possession of the commission is subject to audit and supervision by the state board of accounts.

Sec. 10. (a) An individual member of the commission who knowingly or intentionally:

(1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Level 6 felony.

(c) It is a defense to a prosecution under this section that the person who engaged in the conduct prohibited by subsection (a) exercised reasonable business judgment and discretion based on information available at the time of the decision.

SECTION 122. IC 6-9-57 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 57. Decatur County Food and Beverage Tax

Sec. 1. This chapter applies to Decatur County.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the county may adopt an ordinance under this subsection only after the fiscal body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the county food and beverage tax is the only substantive issue on the agenda for the public hearing.

(b) If the county fiscal body adopts an ordinance under subsection (a), the county fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the county fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the later of the following:

(1) The day specified in the ordinance.

(2) The last day of the month that succeeds the month in which the ordinance is adopted.

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the county in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The county food and beverage tax rate:

(1) must be imposed in an increment of twenty-five hundredths percent (0.25%); and

(2) may not exceed one percent (1%);

of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 6. A tax imposed under this chapter is imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the county fiscal officer upon warrants issued by the auditor of state.

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by the county, the county fiscal officer shall establish a food and

beverage tax receipts fund.

(b) The county fiscal officer shall deposit in the fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 9. Money in the food and beverage tax receipts fund must be used by the county only for the following purposes:

(1) Rehabilitation of the public pool facility.

(2) Improvements to the county fairgrounds property.

(3) The pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations incurred for a purpose described in subdivisions (1) and (2).

Revenue derived from the imposition of a tax under this chapter may be treated by the county as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the county.

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

Sec. 11. (a) If the county imposes the tax authorized by this chapter, the tax terminates on July 1, 2045.

(b) This chapter expires July 1, 2045.

SECTION 123. IC 8-1-34-14, AS ADDED BY P.L.27-2006, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006 (RETROACTIVE)]: Sec. 14. (a) As used in this chapter, "video service" means:

(1) the transmission to subscribers of video programming and other programming service **by a video service provider:**

(A) through facilities located at least in part in a public right-of-way; and

(B) without regard to the technology used to deliver the video programming or other programming service; and

(2) any subscriber interaction required for the selection or use of the video programming or other programming service.

(b) The term does not include:

(1) commercial mobile service (as defined in 47 U.S.C. 332);

(2) direct to home satellite service (as defined in 47 U.S.C. 303(v)); or

(3) video programming accessed via a service that enables

users to access content, information, electronic mail, or other services offered over the Internet, including digital audiovisual works (as defined in IC 6-2.5-1-16.3).

SECTION 124. IC 9-18.1-5-13, AS ADDED BY P.L.114-2021, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 13. (a) A trailer registration under this section applies after December 31, 2021.

(b) This section applies to a trailer with a declared gross vehicle weight of three thousand (3,000) pounds or less.

(c) The owner of a vehicle under subsection (b) may apply to the bureau for a permanent registration.

(d) The fee to register a vehicle under subsection (b) for a permanent registration is eighty-two dollars ($82). **Beginning on or after January 1, 2024, the following apply to a permanent registration under this section:**

(1) There is no fee to renew a permanent registration.

(2) A permanent registration shall not expire on an annual basis.

(e) A fee described in subsection (d) shall be distributed in the same manner as the applicable registration fee under section 8 of this chapter.

(f) A vehicle described under subsection (b) is subject to:

(1) a surtax payment under IC 6-3.5-4-7.5;

(2) a surtax payment under IC 6-3.5-10-8.5; or

(3) both;

whichever is applicable. **This subsection expires December 31, 2023.**

(g) A tax described in subsection (f) shall be distributed in the same manner as the applicable surtax under IC 6-3.5-4 or IC 6-3.5-10. **This subsection expires December 31, 2023.**

SECTION 125. IC 12-11-14-6, AS ADDED BY P.L.12-2016, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 6. As used in this chapter, "eligible individual" means an individual who during a taxable year:

(1) is entitled to benefits based on blindness or disability under Title II or Title XVI of the federal Social Security Act and the blindness or disability occurred before the individual became ~~twenty-six (26)~~ **forty-six (46)** years of age; or

(2) has a disability certification that has been filed as set forth in Section 529A of the Internal Revenue Code.

SECTION 126. IC 12-29-2-15, AS AMENDED BY P.L.76-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) A community mental health center that:

(1) is certified by the division of mental health and addiction; and

(2) is not administered by a hospital licensed under IC 16-21-2;

shall include a member of a county fiscal body or a member of a board of county commissioners (or the designee of the member of the board of county commissioners) on the center's governing board. The member shall be selected by the board of county commissioners of the county where the community mental health center maintains its corporate mailing address. The member of the county fiscal body or board of county commissioners selected under this subsection (or the designee of a member of the board of county commissioners selected under this subsection) must reside in one (1) of the counties in the community mental health center's primary service area. **In addition to the county where the center maintains its corporate mailing address, the other counties that are located in the center's primary service area may opt-in under subsection (c) to select a member to serve on the center's governing board.**

(b) A community mental health center that:

(1) is certified by the division of mental health and addiction; and

(2) is administered by a hospital licensed under IC 16-21-2;

shall include a member of a county fiscal body or a member of a board of county commissioners (or the designee of the member of the board of county commissioners) on the center's advisory board. The member shall be selected by the board of county commissioners of the county where the community mental health center maintains its corporate mailing address. The member of the county fiscal body or board of county commissioners selected under this subsection (or the designee of a member of the board of county commissioners selected under this subsection) must reside in one (1) of the counties in the community mental health center's primary service area. **In addition to the county where the center maintains its corporate mailing address, the other counties that are located in the center's primary service area may opt-in under subsection (c) to select a member to serve on the center's advisory board.**

(c) Subject to subsections (d), (e), and (f), each county that is located in a community mental health center's primary service area (other than the county where the center maintains its corporate mailing address) may opt-in under this subsection to select a member of the county fiscal body or a member of a board of county commissioners (or the designee of the member of the board of county commissioners) to serve on the center's governing or advisory board, whichever is applicable. In order to opt-in under this subsection, the board of county commissioners of the

county must adopt an ordinance by majority vote to do so. The following apply if one (1) or more counties opt-in to select a member under this subsection to serve on the governing or advisory board of a community mental health center under subsection (a) or (b):

(1) The community mental health center's governing or advisory board shall include one (1) member from each county that opts-in under this subsection and is selected as set forth in this subsection, subject to subsections (d), (e), and (f).

(2) The members selected to serve under subdivision (1) shall serve a three (3) year term. At the conclusion of an initial member's term, the selecting county, after voting again by majority vote to opt-in under this subsection, shall select a member as set forth in this subsection to serve a subsequent three (3) year term.

(3) A county may, at any time, opt-in under this subsection to select a member to serve on a center's governing or advisory board. When a county adopts an ordinance to opt-in under this subsection, that county shall be placed on an alphabetical rotation of service for purposes of subsection (f).

(d) Not withstanding any other provision of this section, in the event the United States Health Resources and Services Administration or another federal agency determines that board selections under this section would result in a reduction in federal funds for the community mental health center or its affiliated federal qualified health center or negatively impact eligibility of the community mental health center or affiliated federal qualified health center to receive any federal funds, the community mental health center shall provide documentation to the division of mental health and addiction and the county commissioners in each county served by the center that documents the determination by the United States Health Resources and Services Administration or another federal agency that federal funds will be reduced or eligibility to receive federal funds would be negatively impacted due to the board selection as provided in this section.

(e) If a determination under subsection (d) is made, the number of seats on the center's governing or advisory board filled under this section shall be reduced by the community mental health center, in coordination with the county commissioners of the counties served by the community mental health center, by only the amount necessary to achieve compliance with federal regulations.

(f) The number of members selected to serve on a community

mental health center's governing or advisory board under this section may not exceed three (3) members as follows:

(1) One (1) member appointed by the county where the community mental health center maintains its corporate mailing address under subsection (a) or (b), whichever is applicable.

(2) Not more than two (2) additional members appointed by counties that have opted-in under subsection (c) to select a member to serve, but subject to subsection (e).

If initially more than two (2) counties adopt ordinances under subsection (c) to opt-in to select a member to serve, all of the counties shall be placed in alphabetical order and the first two (2) counties appearing in that order shall be authorized under subsection (c) to opt-in and select a member to serve. The remaining county or counties shall not select a member to serve as set forth in subsection (c) unless and until a county that was initially or is currently authorized under subsection (c) to opt-in chooses to no longer do so, in which case all of the counties that have adopted an ordinance but are not authorized to select a member to serve under this subsection shall be placed in alphabetical order and the first county appearing in that order shall be authorized under subsection (c) to opt-in and select a member to serve.

SECTION 127. IC 14-27-6-40, AS AMENDED BY P.L.38-2021, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of determination to issue bonds.

(3) The giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

(6) The sale of bonds at:

(A) a public sale for not less than the par value; or

(B) alternatively, a negotiated sale after June 30, 2018, and before July 1, ~~2023.~~ **2025.**

SECTION 128. IC 20-19-7-2 IS REPEALED [EFFECTIVE JULY 1, 2023]. ~~Sec. 2. As used in this chapter, "executive director" means the executive director of the DUAB.~~

SECTION 129. IC 20-19-7-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.3. As used in this chapter, "public agency" has the meaning set forth in IC 5-14-1.5-2(a).**

SECTION 130. IC 20-19-7-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. As used in this chapter, "public official" means an elected or appointed official in the executive, legislative, or judicial branch of the state government or a political subdivision, and includes an individual acting on behalf of a public employer, whether temporarily or permanently, including, but not limited to, members of boards, committees, commissions, authorities, and other instrumentalities of the state or a political subdivision.**

SECTION 131. IC 20-19-7-3 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 3. (a) The fiscal and qualitative indicators committee is established to make the following determinations:~~

~~(1) The determination of the fiscal and qualitative indicators to be used for evaluating the financial condition of each school corporation.~~

~~(2) The determination of the information that is to be presented on the DUAB's Internet website or the management performance hub's Internet web site in accordance with section 5(c) of this chapter.~~

~~(3) The determination of how frequently to update:~~

~~(A) the fiscal and qualitative indicators being used to evaluate the financial condition of school corporations; and~~

~~(B) the presentation of information on the DUAB's Internet web site or the management performance hub's Internet web site in accordance with section 5(c) of this chapter.~~

~~(b) The members of the committee must be employees of, and appointed by, each of the following:~~

~~(1) The DUAB.~~

~~(2) The department of education.~~

~~(3) The budget agency.~~

~~(4) The state board of accounts.~~

~~(5) The department of local government finance.~~

~~(6) The management performance hub.~~

~~In addition, a member of the Indiana Association of School Business Officials appointed by the Association's board of directors is a member of the committee.~~

~~(c) The member appointed by the DUAB is the chairperson of the committee.~~

~~(d) Members serve at the pleasure of the appointing authority.~~

SECTION 132. IC 20-19-7-4, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Subject to review by the state budget committee under section 6 of this chapter, the ~~fiscal and qualitative indicators committee~~ **DUAB** shall determine the fiscal and qualitative indicators to be used for evaluating the financial condition of each school corporation.

(b) The fiscal indicators under subsection (a) may include the following factors:

Annual capital expenses compared to total capital assets
Average daily membership (ADM)
Common school fund loans
Controlled project fund referendum revenue
Debt to assessed value and debt to ADM ratios
Education fund referendum revenue
Federal revenues
Fund cash balances by fund and overall
Fund deficits and surpluses by fund and overall
Fund deficits and surpluses combining the education and operations fund and debt
Gross expenditures per ADM
Interfund transfers
Operating deficit or surplus
Outstanding debt and annual debt service obligations
Qualitative indicators as set forth in subsection (c)
Salaries and benefits
Seven (7) year trend lines using state fiscal years
State tuition support
Any other fiscal indicator determined by the ~~fiscal and qualitative indicators committee.~~ **DUAB.**

(c) The qualitative indicators under subsection (a) may include the following factors:

Failure to make required contributions or transfers
Issuance of judgment bonds

Missed debt payments
Missed payroll
Past due vendor payments
Any findings related to the financial condition of the school corporation by the Indiana education employment relations board
Any other qualitative indicator determined by the ~~fiscal and qualitative indicators committee.~~ **DUAB.**

SECTION 133. IC 20-19-7-5, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Subject to review by the state budget committee under section 6 of this chapter, the ~~fiscal and qualitative indicators committee~~ **DUAB** shall prescribe the presentation of the information of the fiscal and qualitative indicators used under this chapter.

(b) The information under subsection (a) must be presented in a manner that accomplishes the following:

(1) The information must be conveniently and easily accessed from a single ~~Internet~~ web page.

(2) The information must be viewable in a format commonly known as ~~an Internet~~ **a** dashboard.

(3) The information must be viewable in graphical form.

(4) The information must be easily searchable.

(5) The underlying data must be downloadable in a format that can be imported into standard spreadsheet computer software.

(c) The DUAB shall periodically publish the information under subsection (a) on its ~~Internet web site~~ **website** or the management performance hub's ~~Internet web site.~~ **website.** The management performance hub shall assist the DUAB in the development of the dashboard for publication.

SECTION 134. IC 20-19-7-6, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Before making a final determination under section 4 of this chapter concerning the fiscal and qualitative indicators that will be used for evaluating the financial condition of school corporations, the ~~fiscal and qualitative indicators committee~~ **DUAB** must present a draft of the proposed fiscal and qualitative indicators to the state budget committee for review by the state budget committee.

(b) Before prescribing the requirements under section 5 of this chapter for the presentation of the fiscal and qualitative indicators used under this chapter, the ~~fiscal and qualitative indicators committee~~ **DUAB** must present a draft of the proposed requirements to the state

budget committee for review by the state budget committee.

SECTION 135. IC 20-19-7-7 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 7. The fiscal and qualitative indicators committee shall before January 1, 2019, publish the fiscal and qualitative indicators for each school corporation on the DUAB's Internet web site or the management performance hub's Internet web site.~~

SECTION 136. IC 20-19-7-8, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. The DUAB ~~shall~~ **may** adopt policies and procedures that will be used by the DUAB to implement this chapter. **Policies and procedures adopted under this section may include processes that will be used by the DUAB to do the following:**

(1) Identify school corporations that demonstrate signs of financial distress.

(2) Determine when a corrective action plan is necessary for a school corporation.

(3) Determine the conditions that must be satisfied before a school corporation:

(A) will no longer be subject to a corrective action plan; and

(B) will be considered as financially healthy.

SECTION 137. IC 20-19-7-9 IS REPEALED [EFFECTIVE JULY 1, 2023]. ~~Sec. 9. The executive director shall present to the state budget committee a report concerning the processes that will be used by DUAB and the executive director to do the following:~~

~~(1) Identify school corporations that demonstrate signs of financial distress.~~

~~(2) Determine when a corrective action plan is necessary for a school corporation.~~

~~(3) Determine the conditions that must be satisfied before a school corporation:~~

~~(A) will no longer be subject to a corrective action plan; and~~

~~(B) will be considered as financially healthy.~~

SECTION 138. IC 20-19-7-10, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. ~~Before June 1, 2019, the executive director shall prepare and submit to the DUAB an initial report identifying those school corporations for which a corrective action plan may be appropriate, based on the fiscal and qualitative indicators.~~ The ~~executive director~~ **DUAB** shall ~~on a schedule determined by the DUAB submit subsequent~~ **periodically prepare** reports identifying those school corporations for which a corrective action plan may be

appropriate, based on the fiscal and qualitative indicators. The DUAB shall make a determination concerning which school corporations the ~~executive director~~ **DUAB** shall contact for purposes of conducting an assessment under section 11 of this chapter.

SECTION 139. IC 20-19-7-11, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 11. (a) The ~~executive director~~ **DUAB** shall do the following:

(1) Contact the governing body and the superintendent of each school corporation for which the ~~distressed unit appeal board~~ **DUAB** makes a determination under section 10 of this chapter.

(2) Carry out an assessment of the financial condition of each school corporation for which the DUAB makes a determination under section 10 of this chapter.

(b) A school corporation for which an assessment of financial condition is carried out under this section shall:

(1) cooperate with the ~~executive director~~ **DUAB** as the ~~executive director~~ **DUAB** carries out the assessment of the school corporation's financial condition; and

(2) provide any information and documents requested by the ~~executive director.~~ **DUAB.**

SECTION 140. IC 20-19-7-12, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 12. (a) After reviewing:

(1) the assessment of a school corporation's financial condition ~~made by the executive director~~ under section 11 of this chapter; and

(2) the school corporation's fiscal and qualitative indicators;

the DUAB shall make a determination of whether a corrective action plan is necessary for the school corporation.

(b) If the DUAB makes a determination that a corrective action plan is necessary for the school corporation, the DUAB shall notify the governing body and the superintendent of the school corporation that the school corporation must develop and submit to the DUAB a corrective action plan for the school corporation within ninety (90) days after the notice is provided.

(c) If a school corporation does not prepare and submit a corrective action plan to the DUAB within ninety (90) days after the notice is provided under subsection (b), the DUAB shall place the school corporation on the watch list under section 17 of this chapter.

SECTION 141. IC 20-19-7-13, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2023]: Sec. 13. (a) Upon the request of a school corporation that is required to submit a corrective action plan, the ~~executive director~~ **DUAB** and other appropriate state departments and agencies shall:

(1) assist the school corporation in developing the corrective action plan; and

(2) provide technical assistance to the school corporation.

(b) The DUAB and any other state departments or agencies that provide assistance to a school corporation under this section are not responsible for implementing the corrective action plan.

SECTION 142. IC 20-19-7-14, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. ~~The superintendent of a school corporation that is required to submit a corrective action plan shall update the governing body of the school corporation, as requested by the governing body, concerning the implementation of the corrective action plan submitted to the DUAB.~~ The governing body **of a school corporation that is required to prepare a corrective action plan** may meet in executive session to ~~receive the updates of the superintendent.~~ **discuss all aspects of the corrective action plan, including voting to approve a corrective action plan or modifications under section 16 of this chapter.**

SECTION 143. IC 20-19-7-15, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 15. The ~~executive director~~ **DUAB** shall meet at least once every ninety (90) days with the school corporation's superintendent, the president of the school corporation's governing body, and (as necessary) other administrators of the school corporation to discuss the corrective action plan and the school corporation's progress in implementing the corrective action plan.

SECTION 144. IC 20-19-7-16, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. The following apply after a corrective action plan is submitted to the DUAB:

(1) The DUAB may modify the corrective action plan at any time if the DUAB determines that the modification is necessary.

(2) The ~~superintendent or the~~ governing body of the school corporation may request the DUAB to modify the corrective action plan, and the DUAB may make the requested modification. ~~If the superintendent of the school corporation makes the request, the superintendent must notify the governing body of the school corporation of the requested modification.~~

SECTION 145. IC 20-19-7-17, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 17. (a) The DUAB shall place the school corporation on a watch list if:

(1) the ~~executive director~~ **DUAB** determines that the school corporation is not in compliance with the school corporation's corrective action plan;

(2) the ~~executive director~~ **DUAB** notifies the superintendent and governing body of the school corporation that:

(A) the school corporation is not in compliance with the school corporation's corrective action plan; and

(B) the school corporation must achieve compliance with the school corporation's corrective action plan within a period specified by the ~~executive director;~~ **DUAB;** and

(3) the ~~executive director~~ **DUAB** determines that the school corporation has not achieved compliance with the school corporation's corrective action plan within the period specified in subdivision (2).

(b) The DUAB shall place a school corporation on the watch list if required by section 12(c) of this chapter.

(c) If the DUAB places a school corporation on the watch list under this section, the ~~executive director~~ **DUAB** shall notify:

(1) the superintendent and governing body of the school corporation; and

(2) the budget director.

(d) The state budget committee shall review the school corporation's placement on the watch list.

SECTION 146. IC 20-19-7-18, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) Notwithstanding any other law, all reports, correspondence, and other records related to a school corporation's corrective action plan, including ~~the initial report~~ **reports** prepared by the ~~executive director~~ **DUAB** under section 10 of this chapter and an assessment prepared under section 11 of this chapter, and the placement of a school corporation on the watch list are excepted from public disclosure under IC 5-14-3 or any other law at the discretion of the DUAB or the school corporation unless and until the school corporation is placed on the watch list and the state budget committee has reviewed the school corporation's placement on the watch list. If the DUAB or a school corporation discloses any reports, correspondence, and other records related to a school corporation's corrective action plan, including ~~the initial report~~ **a report** prepared by

the ~~executive director~~ **DUAB** under section 10 of this chapter and an assessment prepared under section 11 of this chapter, to other ~~state agencies or officials~~ **public agencies or public officials** prior to a school corporation's placement on the watch list and review by the state budget committee, these **public** agencies **or public officials** may not disclose the reports, correspondence, and other records, or the information contained in those reports, correspondence, and other records without the permission of the DUAB **or the school corporation.**

(b) If the DUAB or a school corporation discloses to public agencies or public officials that the school corporation was required to submit a corrective action plan, the public agencies or public officials may not disclose that information without the permission of the DUAB or the school corporation.

~~(b)~~ **(c)** The DUAB shall hold executive sessions to consider reports related to a school corporation's corrective action plan, including ~~the initial report~~ **reports** prepared by the ~~executive director~~ **DUAB** under section 10 of this chapter and an assessment prepared under section 11 of this chapter, and to make **final** determinations required under sections 10, 12, 16, and 17 of this chapter. **The final determinations required under sections 10, 12, 16, and 17 of this chapter shall be made in executive session.**

SECTION 147. IC 20-19-7-19, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) The ~~fiscal and qualitative indicators committee shall~~ **DUAB may** do the following each year:

(1) Review the fiscal and qualitative indicators used under this chapter to evaluate the financial condition of school corporations.

(2) Determine if it is appropriate to change one (1) or more of the fiscal and qualitative indicators.

(b) Before the ~~fiscal and qualitative indicators committee~~ **DUAB** may change a fiscal or qualitative indicator, the ~~fiscal and qualitative indicators committee~~ **DUAB** must first submit a report in an electronic format to the state budget committee specifying the proposed change in the fiscal or qualitative indicator.

SECTION 148. IC 20-19-7-20, AS ADDED BY P.L.213-2018(ss), SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 20. (a) The DUAB ~~shall~~ **may** do the following each year:

(1) Review policies and procedures adopted under section 8 of this chapter by the DUAB.

(2) Determine if it is appropriate to change one (1) or more of

those policies and procedures.

(b) Before the DUAB may change a policy or procedure adopted under section 8 of this chapter, the DUAB must first submit a report in an electronic format to the state budget committee specifying the proposed change in the policy or procedure.

SECTION 149. IC 20-40-2-0.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.2. As used in this chapter, "DUAB" means the distressed unit appeal board established by IC 6-1.1-20.3-4.**

SECTION 150. IC 20-40-2-10, AS ADDED BY P.L.161-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) After the department completes the school corporation notice requirement under section 9 of this chapter, the department shall notify the state board, ~~fiscal and qualitative indicators committee,~~ **DUAB,** and Indiana education employment relations board as soon as possible of all school corporations that received a notice stating they were on the excessive education fund transfer list for the immediately preceding calendar year.

(b) Upon receipt of the department notice to a school corporation under section 9 of this chapter, the school corporation's superintendent and financial personnel, including the school's business officer, shall prepare and submit explanatory documentation within ninety (90) days, explaining the following:

(1) How and why the school corporation's leadership believes the school corporation failed to meet the education fund transfer target percentage.

(2) The steps the school corporation's leadership is planning or actively taking to budget and spend during the next calendar year to meet the education fund transfer target percentage for the next calendar year.

(c) The school corporation's superintendent shall submit the explanatory documentation to the department and the ~~fiscal and qualitative indicators committee.~~ **DUAB.**

(d) Upon submission of the explanatory documentation under subsection (b), the school corporation's superintendent shall present the explanatory documentation to the school corporation's governing body at its next public meeting. The governing body shall enter both the actual documentation and corresponding discussion into its official minutes for that meeting.

(e) Upon the completion of the duties under subsection (d), the school corporation shall publish the explanatory documentation

alongside any further notices and related reports from the department on its ~~Internet web site~~ **website** within thirty (30) days.

(f) Upon receipt of a school corporation's explanatory documentation, the ~~fiscal and qualitative indicators committee~~ **DUAB** shall officially acknowledge receipt of the documentation at its next public meeting and enter the receipt into its official minutes for that meeting.

(g) Upon receipt of the explanatory documentation, the department, in collaboration with the ~~fiscal and qualitative indicators committee,~~ **DUAB,** shall review the documentation within sixty (60) days to make a preliminary determination of whether the documentation satisfactorily demonstrates that the school corporation's leadership has outlined and begun a corrective action plan to make progress in meeting the education fund transfer target percentage for the next calendar year.

(h) If the department determines the explanatory documentation is not satisfactory, the department may contact the superintendent and financial personnel, including the school business officer, of the school corporation to schedule as soon as possible an appearance before the ~~fiscal and qualitative indicators committee~~ **DUAB** at a public meeting to provide an opportunity to explain the details within the explanatory documentation, and to explain to the ~~fiscal and qualitative indicators committee~~ **DUAB** the school corporation's budgeting and compensation levels in relation to the following for the school corporation:

(1) How and why the education fund transfer target percentage was not met during the previous calendar year.

(2) Total combined expenditures.

(3) Student instructional expenditures.

(4) Noninstructional expenditures.

(5) Full-time teacher compensation expenditures.

(6) Nonteaching, full-time administrative personnel compensation expenditures.

(7) Nonteaching staff personnel compensation expenditures.

(8) Any prior or planned attempts to seek the assistance available under this chapter from the Indiana education employment relations board and the department's division of finance.

(9) Any prior or planned pooling of resources, combined purchases, usage of shared administrative services, or collaboration with contiguous school corporations in reducing noninstructional expenditures as described under IC 20-42.5-2-1.

(10) Any prior or planned participation in a county school safety

commission under IC 5-2-10.1-10 to assist and reduce school safety expenditures.

(11) Any prior or planned consideration of meeting the requirements of and applying for school corporation efficiency incentive grants under IC 36-1.5-6.

(i) The ~~fiscal and qualitative indicators committee~~ **DUAB** may contact the superintendent and financial personnel, including the school's business officer, of a school corporation that has been included on the department's excessive education fund transfer list for at least two (2) immediately preceding calendar years to provide the school corporation an opportunity to explain to the ~~fiscal and qualitative indicators committee~~ **DUAB** in a public meeting the school corporation's budgeting and compensation levels in relation to the items listed in subsection (h).

(j) After the ~~fiscal and qualitative indicators committee~~ **DUAB** receives the school corporation's explanation under this section, the ~~fiscal and qualitative indicators committee~~ **DUAB** may issue an official recommendation to the school corporation to perform a review and improve its budgeting procedures in consultation with any state agencies the ~~fiscal and qualitative indicators committee~~ **DUAB** considers appropriate. The state agencies specified by the ~~fiscal and qualitative indicators committee~~ **DUAB** shall assist the school corporation before and during its next collective bargaining period with the goal of meeting or making progress toward the education fund transfer target percentage. If the ~~fiscal and qualitative indicators committee~~ **DUAB** issues an official recommendation to a school corporation, the school corporation's governing body shall officially acknowledge receipt of the recommendation at its next public meeting and enter into the school corporation governing body's minutes for that meeting acknowledgment of receipt of the recommendation. In addition, the school corporation shall publish the official recommendation on the school corporation's ~~Internet web site.~~ **website.**

(k) The school corporation shall publish the most recent notices from the department, relevant individual reports prepared by the department, explanatory documentation by the school corporation, and official recommendations by the ~~fiscal and qualitative indicators committee~~ **DUAB** on the school corporation's ~~Internet web site.~~ **website.**

(l) The school corporation may remove the notice, its explanatory documentation, and the ~~fiscal and qualitative indicators committee's~~ **DUAB's** official recommendation from its ~~Internet web site~~ **website** if the department determines that the school corporation met its education

fund transfer target percentage and is no longer on the excessive education fund transfer list.

SECTION 151. IC 20-40-2-10, AS AMENDED BY SEA 327-2023, SECTION 44, AND BY HEA 1492-2023, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. (a) After the department completes the school corporation notice requirement under section 9 of this chapter, the department shall notify the state board, ~~fiscal and qualitative indicators committee,~~ **DUAB,** and Indiana education employment relations board as soon as possible of all school corporations that received a notice stating they were on the excessive education fund transfer list for the immediately preceding calendar year.

(b) Upon receipt of the department notice to a school corporation under section 9 of this chapter, the school corporation's superintendent and financial personnel, including the school's business officer, shall prepare and submit explanatory documentation within ninety (90) days, explaining the following:

(1) How and why the school corporation's leadership believes the school corporation failed to meet the education fund transfer target percentage.

(2) The steps the school corporation's leadership is planning or actively taking to budget and spend during the next calendar year to meet the education fund transfer target percentage for the next calendar year.

(c) The school corporation's superintendent shall submit the explanatory documentation to the department and the ~~fiscal and qualitative indicators committee.~~ **DUAB.**

(d) Upon submission of the explanatory documentation under subsection (b), the school corporation's superintendent shall present the explanatory documentation to the school corporation's governing body at its next public meeting. The governing body shall enter both the actual documentation and corresponding discussion into its official minutes for that meeting.

(e) Upon the completion of the duties under subsection (d), the school corporation shall publish the explanatory documentation alongside any further notices and related reports from the department on its website within thirty (30) days.

(f) Upon receipt of a school corporation's explanatory documentation, the ~~fiscal and qualitative indicators committee~~ **DUAB** shall officially acknowledge receipt of the documentation at its next public meeting and enter the receipt into its official minutes for that meeting.

(g) Upon receipt of the explanatory documentation, the department, in collaboration with the ~~fiscal and qualitative indicators committee,~~ **DUAB,** shall review the documentation within sixty (60) days to make a preliminary determination of whether the documentation satisfactorily demonstrates that the school corporation's leadership has outlined and begun a corrective action plan to make progress in meeting the education fund transfer target percentage for the next calendar year.

(h) If the department determines the explanatory documentation is not satisfactory, the department may contact the superintendent and financial personnel, including the school business officer, of the school corporation to schedule as soon as possible an appearance before the ~~fiscal and qualitative indicators committee~~ **DUAB** at a public meeting to provide an opportunity to explain the details within the explanatory documentation, and to explain to the ~~fiscal and qualitative indicators committee~~ **DUAB** the school corporation's budgeting and compensation levels in relation to the following for the school corporation:

(1) How and why the education fund transfer target percentage was not met during the previous calendar year.

(2) Total combined expenditures.

(3) Student instructional expenditures.

(4) Noninstructional expenditures.

(5) Full-time teacher compensation expenditures.

(6) Nonteaching, full-time administrative personnel compensation expenditures.

(7) Nonteaching staff personnel compensation expenditures.

(8) Any prior or planned attempts to seek the assistance available under this chapter from the Indiana education employment relations board and the department's division of finance.

(9) Any prior or planned pooling of resources, combined purchases, usage of shared administrative services, or collaboration with contiguous school corporations in reducing noninstructional expenditures as described under IC 20-42.5-2-1.

(10) Any prior or planned participation in a county school safety commission under IC 10-21-1-12 to assist and reduce school safety expenditures.

(11) Any prior or planned consideration of meeting the requirements of and applying for school corporation efficiency incentive grants under IC 36-1.5-6.

(i) The ~~fiscal and qualitative indicators committee~~ **DUAB** may contact the superintendent and financial personnel, including the

school's business officer, of a school corporation that has been included on the department's excessive education fund transfer list for at least two (2) immediately preceding calendar years to provide the school corporation an opportunity to explain to the ~~fiscal and qualitative indicators committee~~ **DUAB** in a public meeting the school corporation's budgeting and compensation levels in relation to the items listed in subsection (h).

(j) After the ~~fiscal and qualitative indicators committee~~ **DUAB** receives the school corporation's explanation under this section, the ~~fiscal and qualitative indicators committee~~ **DUAB** may issue an official recommendation to the school corporation to perform a review and improve its budgeting procedures in consultation with any state agencies the ~~fiscal and qualitative indicators committee~~ **DUAB** considers appropriate. The state agencies specified by the ~~fiscal and qualitative indicators committee~~ **DUAB** shall assist the school corporation before and during its next collective bargaining period with the goal of meeting or making progress toward the education fund transfer target percentage. If the ~~fiscal and qualitative indicators committee~~ **DUAB** issues an official recommendation to a school corporation, the school corporation's governing body shall officially acknowledge receipt of the recommendation at its next public meeting and enter into the school corporation governing body's minutes for that meeting acknowledgment of receipt of the recommendation. In addition, the school corporation shall publish the official recommendation on the school corporation's website.

(k) The school corporation shall publish the most recent notices from the department, relevant individual reports prepared by the department, explanatory documentation by the school corporation, and official recommendations by the ~~fiscal and qualitative indicators committee~~ **DUAB** on the school corporation's website.

(l) The school corporation may remove the notice, its explanatory documentation, and the ~~fiscal and qualitative indicators committee's~~ **DUAB's** official recommendation from its website if the department determines that the school corporation met its education fund transfer target percentage and is no longer on the excessive education fund transfer list.

SECTION 152. IC 20-45-8-29 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 29. (a) This chapter expires on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements

outstanding on July 1, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county shall provide to the department of local government finance:

(1) a list of each bond or lease agreement outstanding on July 1, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The department of local government finance shall publish the information received under this subsection on the department's interactive and searchable website containing local government information (the Indiana gateway for governmental units).

SECTION 153. IC 20-45-9 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 9. Dearborn County School Corporations

Sec. 1. This chapter does not apply to a qualified school corporation until the expiration of IC 20-45-8 under IC 20-45-8-29(a).

Sec. 2. As used in this chapter, "qualified school corporation" means a school corporation that has under its jurisdiction any territory located in Dearborn County.

Sec. 3. A qualified school corporation's property tax levy under this chapter for a calendar year is a property tax levy for the qualified school corporation's operations fund equal to the amount of the distribution that the qualified school corporation received in the year preceding the expiration of IC 20-45-8 under IC 20-45-8-29(a). The property tax levy under this chapter is part of the maximum permissible ad valorem property tax levy under IC 20-46-8-1 for the qualified school corporation's operations fund.

Sec. 4. Each calendar year, the governing body of a qualified school corporation may impose the property tax rate on each one hundred dollars ($100) of assessed valuation of the qualified school corporation that is necessary to generate the qualified school corporation's property tax levy for the calendar year.

Sec. 5. Appropriations shall be made from the operations fund by the qualified school corporations as other appropriations are made either in the annual budget or by additional appropriations.

SECTION 154. IC 20-46-1-10.1, AS AMENDED BY P.L.174-2022, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2023]: Sec. 10.1. (a) This section applies only to a referendum to allow a school corporation to extend a referendum levy.

(b) The question to be submitted to the voters in the referendum must read as follows:

"Shall the school corporation continue to impose increased property taxes paid to the school corporation by homeowners and businesses for _____ (insert number of years) years immediately following the holding of the referendum for the purpose of funding _____ (insert short description of purposes)? The property tax increase requested in this referendum was originally approved by the voters in _____ (insert the year in which the referendum tax levy was approved) and ~~originally increased~~ **if extended will increase** the average property tax paid to the school corporation per year on a residence within the school corporation by _____% (insert the ~~original~~ estimated average percentage of property tax increase on a residence within the school corporation) and ~~originally increased~~ **if extended will increase** the average property tax paid to the school corporation per year on a business property within the school corporation by _____% (insert the ~~original~~ estimated average percentage of property tax increase on a business within the school corporation).".

(c) The number of years for which a referendum tax levy may be extended if the public question under this section is approved may not exceed eight (8) years.

(d) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a homestead to be paid to the school corporation that must be included in the public question under subsection (b) as follows:

STEP ONE: Determine the average assessed value of a homestead located within the school corporation. ~~for the first year in which the referendum levy was imposed.~~

STEP TWO: For purposes of determining the net assessed value of the average homestead located within the school corporation, subtract:

(A) an amount for the homestead standard deduction under IC 6-1.1-12-37 as if the homestead described in STEP ONE was eligible for the deduction; and

(B) an amount for the supplemental homestead deduction under IC 6-1.1-12-37.5 as if the homestead described in STEP

ONE was eligible for the deduction;

from the result of STEP ONE.

STEP THREE: Divide the result of STEP TWO by one hundred (100).

STEP FOUR: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the ~~first~~ **current** year ~~in which the referendum levy was~~ imposed on property located within the school corporation.

STEP FIVE: For purposes of determining net property tax liability of the average homestead located within the school corporation:

(A) multiply the result of STEP THREE by the result of STEP FOUR; and

(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5(a)(1).

STEP SIX: Determine the amount of the school corporation's part of the result determined in STEP FIVE.

STEP SEVEN: Multiply:

(A) the tax rate that will be imposed if the public question is approved by the voters; by

(B) the result of STEP THREE.

STEP EIGHT: Divide the result of STEP SEVEN by the result of STEP SIX, expressed as a percentage.

(e) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a business property to be paid to the school corporation that must be included in the public question under subsection (b) as follows:

STEP ONE: Determine the average assessed value of business property located within the school corporation. ~~for the first year in which the referendum levy was imposed.~~

STEP TWO: Divide the result of STEP ONE by one hundred (100).

STEP THREE: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the ~~first~~ **current** year ~~in which the referendum levy was~~ imposed on property located within the school corporation.

STEP FOUR: For purposes of determining net property tax liability of the average business property located within the school corporation:

(A) multiply the result of STEP TWO by the result of STEP

THREE; and

(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage was three percent (3%).

STEP FIVE: Determine the amount of the school corporation's part of the result determined in STEP FOUR.

STEP SIX: Multiply:

(A) the result of STEP TWO; by

(B) the tax rate that will be imposed if the public question is approved by the voters.

STEP SEVEN: Divide the result of STEP SIX by the result of STEP FIVE, expressed as a percentage.

(f) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to the school corporation determined under subsection (d), and the estimated average percentage of property tax increase on a business property to be paid to the school corporation determined under subsection (e), in a manner prescribed by the department of local government finance, and provide the certification to the governing body of the school corporation that proposes to impose property taxes.

SECTION 155. IC 20-46-8-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 11. (a) This chapter does not apply to a qualified school corporation until the expiration of IC 20-45-8 under IC 20-45-8-29(a).**

(b) As used in this section, "qualified school corporation" has the meaning set forth in IC 20-45-9-2.

(c) The property tax levy limits imposed by section 1 of this chapter do not apply to property taxes imposed by a qualified school corporation under IC 20-45-9.

(d) For the purpose of computing the maximum permissible operations fund property tax levy imposed on a qualified school corporation by section 1 of this chapter, the qualified school corporation's maximum permissible operations fund levy for a particular year does not include that part of the levy described in subsection (c).

SECTION 156. IC 20-46-9-10, AS AMENDED BY P.L.174-2022, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. (a) This section applies only to a referendum to allow a school corporation to extend a referendum tax levy.

(b) The question to be submitted to the voters in the referendum

must read as follows:

"Shall the school corporation continue to impose increased property taxes paid to the school corporation by homeowners and businesses for _____ (insert number of years) years immediately following the holding of the referendum for the purpose of funding _____ (insert short description of purposes)? The property tax increase requested in this referendum was originally approved by the voters in _____ (insert the year in which the referendum tax levy was approved) and ~~originally~~ ~~increased~~ **if extended will increase** the average property tax paid to the school corporation per year on a residence within the school corporation by _____% (insert the ~~original~~ estimated average percentage of property tax increase on a residence within the school corporation) and ~~originally~~ ~~increased~~ **if extended will increase** the average property tax paid to the school corporation per year on a business property within the school corporation by _____% (insert the ~~original~~ estimated average percentage of property tax increase on a business within the school corporation).".

(c) The number of years for which a referendum tax levy may be extended if the public question under this section is approved may not exceed the number of years for which the expiring referendum tax levy was imposed.

(d) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a homestead to be paid to the school corporation that must be included in the public question under subsection (b) as follows:

STEP ONE: Determine the average assessed value of a homestead located within the school corporation. ~~for the first year in which the referendum levy was imposed.~~

STEP TWO: For purposes of determining the net assessed value of the average homestead located within the school corporation, subtract:

(A) an amount for the homestead standard deduction under IC 6-1.1-12-37 as if the homestead described in STEP ONE was eligible for the deduction; and

(B) an amount for the supplemental homestead deduction under IC 6-1.1-12-37.5 as if the homestead described in STEP ONE was eligible for the deduction;

from the result of STEP ONE.

STEP THREE: Divide the result of STEP TWO by one hundred (100).

STEP FOUR: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the ~~first~~ **current** year ~~in which the referendum levy was~~ imposed on property located within the school corporation.

STEP FIVE: For purposes of determining net property tax liability of the average homestead located within the school corporation:

(A) multiply the result of STEP THREE by the result of STEP FOUR; and

(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5(a)(1).

STEP SIX: Determine the amount of the school corporation's part of the result determined in STEP FIVE.

STEP SEVEN: Multiply:

(A) the tax rate that will be imposed if the public question is approved by the voters; by

(B) the result of STEP THREE.

STEP EIGHT: Divide the result of STEP SEVEN by the result of STEP SIX, expressed as a percentage.

(e) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a business property to be paid to the school corporation that must be included in the public question under subsection (b) as follows:

STEP ONE: Determine the average assessed value of business property located within the school corporation. ~~for the first year in which the referendum levy was imposed.~~

STEP TWO: Divide the result of STEP ONE by one hundred (100).

STEP THREE: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the ~~first~~ **current** year ~~in which the referendum levy was~~ imposed on property located within the school corporation.

STEP FOUR: For purposes of determining net property tax liability of the average business property located within the school corporation:

(A) multiply the result of STEP TWO by the result of STEP THREE; and

(B) as appropriate, apply any currently applicable county

property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage was three percent (3%).

STEP FIVE: Determine the amount of the school corporation's part of the result determined in STEP FOUR.

STEP SIX: Multiply:

(A) the result of STEP TWO; by

(B) the tax rate that will be imposed if the public question is approved by the voters.

STEP SEVEN: Divide the result of STEP SIX by the result of STEP FIVE, expressed as a percentage.

(f) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to the school corporation determined under subsection (d), and the estimated average percentage of property tax increase on a business property to be paid to the school corporation determined under subsection (e), in a manner prescribed by the department of local government finance, and provide the certification to the governing body of the school corporation that proposes to impose property taxes.

SECTION 157. IC 20-48-1-4, AS AMENDED BY P.L.38-2021, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) Bonds issued by a school corporation shall be sold:

(1) at a public sale; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023.~~ **2025.**

(b) If the bonds are sold at a public sale, the bonds must be sold at:

(1) not less than par value;

(2) a public sale as provided by IC 5-1-11; and

(3) any rate or rates of interest determined by the bidding.

(c) This subsection does not apply to bonds for which a school corporation:

(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or

(2) in the case of bonds not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the bonds after June 30, 2008.

If the net interest cost exceeds eight percent (8%) per year, the bonds must not be issued until the issuance is approved by the department of local government finance.

SECTION 158. IC 35-52-6-83 IS ADDED TO THE INDIANA

CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 83. IC 6-9-56-10 defines a crime concerning innkeeper's taxes.**

SECTION 159. IC 36-1-12-4, AS AMENDED BY P.L.134-2021, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) This section applies whenever the cost of a public work project will be at least **the following:**

(1) Three hundred thousand dollars ($300,000), if the political subdivision is a school corporation.

(2) One hundred fifty thousand dollars ($150,000), **if the political subdivision is not a school corporation.**

(b) The board must comply with the following procedure:

(1) The board shall prepare general plans and specifications describing the kind of public work required, but shall avoid specifications which might unduly limit competition. If the project involves the resurfacing (as defined by IC 8-14-2-1) of a road, street, or bridge, the specifications must show how the weight or volume of the materials will be accurately measured and verified.

(2) The board shall file the plans and specifications in a place reasonably accessible to the public, which shall be specified in the notice required by subdivision (3).

(3) Upon the filing of the plans and specifications, the board shall publish notice in accordance with IC 5-3-1 calling for sealed proposals for the public work needed. If the board receives electronic bids as set forth in subsection (d), the board shall also provide electronic access to the notice of the bid solicitation through the computer gateway administered under IC 4-13.1-2-2(a)(6) by the office of technology.

(4) The notice must specify the place where the plans and specifications are on file and the date fixed for receiving bids.

(5) The period of time between the date of the first publication and the date of receiving bids shall be governed by the size of the contemplated project in the discretion of the board. The period of time between the date of the first publication and receiving bids may not be more than:

(A) six (6) weeks if the estimated cost of the public works project is less than twenty-five million dollars ($25,000,000); and

(B) ten (10) weeks if the estimated cost of the public works project is at least twenty-five million dollars ($25,000,000).

(6) The board shall require the bidder to submit a financial

statement, a statement of experience, a proposed plan or plans for performing the public work, and the equipment that the bidder has available for the performance of the public work. The statement shall be submitted on forms prescribed by the state board of accounts.

(7) The board may not require a bidder to submit a bid before the meeting at which bids are to be received. The meeting for receiving bids must be open to the public. All bids received shall be opened publicly and read aloud at the time and place designated and not before. Notwithstanding any other law, bids may be opened after the time designated if both of the following apply:

(A) The board makes a written determination that it is in the best interest of the board to delay the opening.

(B) The day, time, and place of the rescheduled opening are announced at the day, time, and place of the originally scheduled opening.

(8) Except as provided in subsection (c), the board shall:

(A) award the contract for public work or improvements to the lowest responsible and responsive bidder; or

(B) reject all bids submitted.

(9) If the board awards the contract to a bidder other than the lowest bidder, the board must state in the minutes or memoranda, at the time the award is made, the factors used to determine which bidder is the lowest responsible and responsive bidder and to justify the award. The board shall keep a copy of the minutes or memoranda available for public inspection.

(10) In determining whether a bidder is responsive, the board may consider the following factors:

(A) Whether the bidder has submitted a bid or quote that conforms in all material respects to the specifications.

(B) Whether the bidder has submitted a bid that complies specifically with the invitation to bid and the instructions to bidders.

(C) Whether the bidder has complied with all applicable statutes, ordinances, resolutions, or rules pertaining to the award of a public contract.

(11) In determining whether a bidder is a responsible bidder, the board may consider the following factors:

(A) The ability and capacity of the bidder to perform the work.

(B) The integrity, character, and reputation of the bidder.

(C) The competence and experience of the bidder.

(12) The board shall require the bidder to submit an affidavit:

(A) that the bidder has not entered into a combination or agreement:

(i) relative to the price to be bid by a person;

(ii) to prevent a person from bidding; or

(iii) to induce a person to refrain from bidding; and

(B) that the bidder's bid is made without reference to any other bid.

(c) Notwithstanding subsection (b)(8), a county may award sand, gravel, asphalt paving materials, or crushed stone contracts to more than one (1) responsible and responsive bidder if the specifications allow for bids to be based upon service to specific geographic areas and the contracts are awarded by geographic area. The geographic areas do not need to be described in the specifications.

(d) Notwithstanding subsection (b), a board may receive electronic bids for the public work if:

(1) the solicitation for bids indicates the procedure for transmitting the electronic bid to the board; and

(2) the board receives the bid on a facsimile machine or system with a security feature that protects the content of an electronic bid with the same degree of protection as the content of a bid that is not transmitted by a facsimile machine.

(e) A board may select a vendor to provide an electronic platform to accommodate the electronic bidding process.

SECTION 160. IC 36-1-12-4.7, AS AMENDED BY P.L.43-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.7. (a) This section applies whenever a public work project is estimated to cost at least **the following:**

(1) Fifty thousand dollars ($50,000) and less than ~~one hundred fifty thousand dollars ($150,000).~~ **three hundred thousand dollars ($300,000), if the political subdivision is a school corporation.**

(2) Fifty thousand dollars ($50,000) and less than one hundred fifty thousand dollars ($150,000), if the political subdivision is not a school corporation.

(b) The board must proceed under the following provisions:

(1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes.

(2) The board may not require a person to submit a quote before

the meeting at which quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before.

(3) The board shall award the contract for the public work to the lowest responsible and responsive quoter.

(4) The board may reject all quotes submitted.

SECTION 161. IC 36-1-12-4.9, AS ADDED BY P.L.176-2009, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.9. (a) This section applies to a public work for the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property if the cost of the public work is estimated to be less than **the following:**

(1) Three hundred thousand dollars ($300,000) if the political subdivision is a school corporation.

(2) One hundred fifty thousand dollars ($150,000), **if the political subdivision is not a school corporation.**

(b) The board may award a contract for **a** public work described in subsection (a) in the manner provided in IC 5-22.

SECTION 162. IC 36-1-12-24, AS AMENDED BY P.L.72-2018, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 24. (a) As used in this section, "contractor" includes a subcontractor of a contractor.

(b) IC 4-13-18, regarding drug testing of employees of public works contractors, applies to a public works contract

~~(1)~~ if the estimated cost of the public works contract is at least **the following:**

(1) Three hundred thousand dollars ($300,000), if the contract is for a public school corporation.

(2) One hundred fifty thousand dollars ~~($150,000);~~ ~~and~~ **($150,000), if the contract is for a political subdivision other than a school corporation.**

~~(2) that is awarded under this chapter after June 30, 2016.~~

(c) An employee drug testing program submitted to the board under this section must have been effective and applied at the time of the solicitation for bids.

(d) A contractor who has previously filed a copy of the contractor's employee drug testing program with the board in the current calendar year or within the previous two (2) calendar years satisfies the requirement for submitting an employee drug testing program, unless the employee drug testing program has been revised.

SECTION 163. IC 36-1-20-4.1, AS ADDED BY P.L.193-2014,

SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.1. (a) This section does not apply to a political subdivision with a rental registration or inspection program created before July 1, 1984. This section does not apply to a manufactured housing community or mobile home community that is licensed, permitted, and inspected by the state department of health.

(b) Except as provided in subsection (c), this chapter does not prohibit a political subdivision from establishing and enforcing a program for inspecting rental units.

(c) Except as provided in subsection (d), after June 30, 2014, a political subdivision may not inspect a rental unit or impose a fee pertaining to the inspection of a rental unit, if the rental unit satisfies all of the following:

(1) The rental unit is:

(A) managed by; or

(B) part of a rental unit community that is managed by;

a professional real estate manager.

(2) During the previous twelve (12) months, the rental unit has been inspected or is part of a rental unit community that has been inspected by either of the following:

(A) By or for:

(i) the United States Department of Housing and Urban Development, the Indiana Housing and Community Development Authority, or another federal or state agency; or

(ii) a financial institution or insurance company authorized to do business in Indiana.

(B) By an inspector who:

(i) is a registered architect;

(ii) is a professional engineer; or

(iii) satisfies qualifications for an inspector of rental units prescribed by the political subdivision.

The inspector may not be an employee of the owner or landlord.

(3) A written inspection report of the inspection under subdivision (2) has been issued to the owner or landlord of the rental unit or rental unit community (as applicable) that verifies that the rental unit or **a random sample of the** rental unit community, **if the sample size complies with the United States Department of Housing and Urban Development's (HUD) rules for sample size on inspection,** is safe and habitable with respect to:

(A) electrical supply and electrical systems;

(B) plumbing and plumbing systems;

(C) water supply, including hot water;

(D) heating, ventilation, and air conditioning equipment and systems;

(E) bathroom and toilet facilities;

(F) doors, windows, stairways, and hallways;

(G) functioning smoke detectors; and

(H) the structure in which a rental unit is located.

A political subdivision may not add to the requirements of this subdivision.

(4) The inspection report issued under subdivision (3) is delivered to the political subdivision on or before the due date set by the political subdivision.

(d) This subsection applies to all rental units, including a rental unit that meets the requirements for an exemption under subsection (c). A political subdivision may inspect a rental unit, if the political subdivision:

(1) has reason to believe; or

(2) receives a complaint;

that the rental unit does not comply with applicable code requirements. However, in the case of a rental unit that meets the requirements for an exemption under subsection (c), the political subdivision may not impose a fee pertaining to the inspection of the rental unit. If an inspection of a rental unit reveals a violation of applicable code requirements, the owner of the rental unit may be subject to a penalty as provided in section 6 of this chapter.

(e) This subsection applies only to a rental unit that meets the requirements for an exemption under subsection (c). If the inspection report for the rental unit or **a sample of the** rental unit community is prepared by or for the United States Department of Housing and Urban Development, the inspection report is valid for purposes of maintaining the exemption under subsection (c) until:

(1) the date specified in the inspection report; or

(2) thirty-six (36) months after the date of the inspection report;

whichever is earlier.

SECTION 164. IC 36-1.5-4-38.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 38.5. (a) This section applies on or after January 1, 2024, and only to the legislative body of a town that has a mayor as a result of a reorganization under this article.**

(b) The town legislative body may hire or contract with competent attorneys and legal research assistants on terms it

considers appropriate.

(c) Employment of an attorney under this section does not affect an executive department of law of the town.

(d) Appropriations for salaries of attorneys and legal research assistants employed under this section may not exceed the appropriations for similar salaries in the budget of an executive department of law.

SECTION 165. IC 36-1.5-4-40.5, AS AMENDED BY P.L.159-2020, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 40.5. The following apply in the case of a reorganization under this article that includes a township and another political subdivision:

(1) If the township borrowed money from a township fund under IC 36-6-6-14(c) to pay the operating expenses of the township fire department or a volunteer fire department before the reorganization:

(A) the reorganized political subdivision is not required to repay the entire loan during the following year; and

(B) the reorganized political subdivision may repay the loan in installments during the following five (5) years.

(2) Except as provided in subdivision (3):

(A) the reorganized political subdivision continues to be responsible after the reorganization for providing township services in all areas of the township, including within the territory of a municipality in the township that does not participate in the reorganization; and

(B) the reorganized political subdivision retains the powers of a township after the reorganization in order to provide township services as required by clause (A).

(3) Powers and duties of the reorganized political subdivision may be transferred as authorized in an interlocal cooperation agreement approved under IC 36-1-7 or as authorized in a cooperative agreement approved under IC 36-1.5-5.

(4) If all or part of a municipality in the township is not participating in the reorganization, not less than ten (10) township taxpayers who reside within territory that is not participating in the reorganization may file a petition with the county auditor protesting the reorganized political subdivision's township assistance levy. The petition must be filed not more than thirty (30) days after the reorganized political subdivision finally adopts the reorganized political subdivision's township assistance levy. The petition must state the taxpayers' objections and the reasons

why the taxpayers believe the reorganized political subdivision's township assistance levy is excessive or unnecessary. The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and other data, the department of local government finance shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) days and not more than thirty (30) days after the receipt of the certified documents. The hearing shall be held in the county where the petition arose. Notice of the hearing shall be given by the department of local government finance to the reorganized political subdivision and to the first ten (10) taxpayer petitioners listed on the petition by letter. The letter shall be sent to the first ten (10) taxpayer petitioners at the taxpayers' usual place of residence at least five (5) days before the date of the hearing. After the hearing, the department of local government finance may reduce the reorganized political subdivision's township assistance levy to the extent that the levy is excessive or unnecessary. A taxpayer who signed a petition under this subdivision or a reorganized political subdivision against which a petition under this subdivision is filed may petition for judicial review of the final determination of the department of local government finance under this subdivision. The petition must be filed in the tax court not more than forty-five (45) days after the date of the department of local government finance's final determination.

(5) Section 40 of this chapter applies to the debt service levy of the reorganized political subdivision and to the department of local government finance's determination of the new maximum permissible ad valorem property tax levy for the reorganized political subdivision.

(6) The reorganized political subdivision may not borrow money under IC 36-6-6-14(b) or IC 36-6-6-14(c).

(7) The new maximum permissible ad valorem property tax levy for the reorganized political subdivision's firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2)** is equal to:

(A) the result of:

(i) the maximum permissible ad valorem property tax levy

for the township's firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined ad valorem property tax levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** in the year preceding the year in which the reorganization is effective; multiplied by

(ii) the maximum levy growth quotient applicable for property taxes first due and payable in the year in which the reorganization is effective; plus

(B) any amounts borrowed by the township under IC 36-6-6-14(b) or IC 36-6-6-14(c) in the year preceding the year in which the reorganization is effective.

SECTION 166. IC 36-2-11-24 IS REPEALED [EFFECTIVE JULY 1, 2023]. ~~Sec. 24. The county recorder shall, on or before the 20th day of each month, furnish the county auditor a list of the mortgage releases recorded during the prior month. The list shall set forth the full name of the mortgagor, the book and page numbers of the original mortgage, the amount being released, and the date of the release.~~

SECTION 167. IC 36-3-5-8, AS AMENDED BY P.L.38-2021, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

(b) Before any bonds, notes, or warrants of a special taxing district may be issued, the issue must be approved by resolution of the legislative body of the consolidated city.

(c) Any bonds of a special taxing district must be issued in the manner prescribed by statute for that district, and the board of the department having jurisdiction over the district shall:

(1) hold all required hearings;

(2) adopt all necessary resolutions; and

(3) appropriate the proceeds of the bonds;

in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

(1) be dated;

(2) be issued in any denomination;

(3) except as otherwise provided by IC 5-1-14-10, mature at any time or times not exceeding fifty (50) years after their date; and

(4) be payable at any bank or banks;

as determined by the board. If the bonds are sold at a public sale, the interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the following:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

(6) The sale of bonds at a public sale or at a negotiated sale after June 30, 2018, and before July 1, ~~2023.~~ **2025.**

(7) The maximum term or repayment period provided by IC 5-1-14-10.

SECTION 168. IC 36-6-6-14, AS AMENDED BY P.L.203-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 14. (a) At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or other emergency requiring the expenditure of money not included in the township's budget estimates and levy.

(b) Subject to section 14.5 of this chapter, if the legislative body finds that a need for fire and emergency services or other emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency. However, the legislative body may not authorize the executive to borrow money under this subsection in more than three (3) calendar years during any five (5) year period.

(c) Notwithstanding IC 36-8-13-4(a), the legislative body may authorize the executive to borrow a specified sum from a township fund other than the township firefighting **or emergency services** fund, **or if applicable, the township firefighting fund or township emergency services fund** if the legislative body finds that the

emergency requiring the expenditure of money is related to paying the operating expenses of a township fire department or a volunteer fire department. At its next annual session, the legislative body shall cover the debt created by making a levy to the credit of the fund for which the amount was borrowed under this subsection.

(d) In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any reviewing authority considering the approval of the additional borrowing shall consider the following factors:

(1) The current and projected certified and noncertified public safety payroll needs of the township.

(2) The current and projected need for fire and emergency services within the jurisdiction served by the township.

(3) Any applicable national standards or recommendations for the provision of fire protection and emergency services.

(4) Current and projected growth in the number of residents and other citizens served by the township, emergency service runs, certified and noncertified personnel, and other appropriate measures of public safety needs in the jurisdiction served by the township.

(5) Salary comparisons for certified and noncertified public safety personnel in the township and other surrounding or comparable jurisdictions.

(6) Prior annual expenditures for fire and emergency services, including all amounts budgeted under this chapter.

(7) Current and projected growth in the assessed value of property requiring protection in the jurisdiction served by the township.

(8) Other factors directly related to the provision of public safety within the jurisdiction served by the township.

(e) In the event the township received additional funds under this chapter in the immediately preceding budget year for an approved expenditure, any reviewing authority shall take into consideration the use of the funds in the immediately preceding budget year and the continued need for funding the services and operations to be funded with the proceeds of the loan.

SECTION 169. IC 36-7-14-1.7, AS ADDED BY P.L.95-2022, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 1.7. Notwithstanding any other law, ~~for:~~

~~(1)~~ areas needing redevelopment;

~~(2)~~ redevelopment project areas;

~~(3) urban renewal project areas; or~~

~~(4) economic development areas;~~

~~established after December 31, 2021,~~ this chapter does not apply to the part of a participating unit's proceeds of property taxes imposed for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory established under IC 36-8-19 **after December 31, 2022.**

SECTION 170. IC 36-7-14-8, AS AMENDED BY P.L.85-2017, SECTION 121, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. (a) The redevelopment commissioners shall hold a meeting for the purpose of organization not later than thirty (30) days after they are appointed and, after that, each year on a day that is not a Saturday, a Sunday, or a legal holiday and that is their first meeting day of the year. They shall choose one (1) of their members as president, another as vice president, and another as secretary. **The president and vice president shall not have the same appointing authority.** These officers shall perform the duties usually pertaining to their offices and shall serve from the date of their election until their successors are elected and qualified.

(b) The fiscal officer of the unit establishing a redevelopment commission is the treasurer of the redevelopment commission. Notwithstanding any other provision of this chapter, but subject to subsection (c), the treasurer has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the redevelopment commission in accordance with the requirements of state laws that apply to other funds and accounts administered by the fiscal officer. The treasurer shall report annually to the redevelopment commission before April 1.

(c) The treasurer of the redevelopment commission may disburse funds of the redevelopment commission only after the redevelopment commission allows and approves the disbursement. However, the redevelopment commission may, by rule or resolution, authorize the treasurer to make certain types of disbursements before the redevelopment commission's allowance and approval at its next regular meeting.

(d) The following apply to funds of the redevelopment commission:

(1) The funds must be accounted for separately by the unit establishing the redevelopment commission and the daily balance of the funds must be maintained in a separate ledger statement.

(2) Except as provided in subsection (e), all funds designated as redevelopment commission funds must be accessible to the

redevelopment commission at any time.

(3) The amount of the daily balance of redevelopment commission funds may not be below zero (0) at any time.

(4) The funds may not be maintained or used in a manner that is intended to avoid the waiver procedures and requirements for a unit and the redevelopment commission under subsection (e).

(e) If the fiscal body of a unit determines that it is necessary to engage in short term borrowing until the next tax collection period, the fiscal body of the unit may request approval from the redevelopment commission to waive the requirement in subsection (d)(2). In order to waive the requirement under subsection (d)(2), the fiscal body of the unit and the redevelopment commission must adopt similar resolutions that set forth:

(1) the amount of the funds designated as redevelopment commission funds that are no longer accessible to the redevelopment commission under the waiver; and

(2) an expiration date for the waiver.

If a loan is made to a unit from funds designated as redevelopment funds, the loan must be repaid by the unit and the funds made accessible to the redevelopment commission not later than the end of the calendar year in which the funds are received by the unit.

(f) Subsections (d) and (e) do not restrict transfers or uses by a redevelopment commission made to meet commitments under a written agreement of the redevelopment commission that was entered into before January 1, 2016, if the written agreement complied with the requirements existing under the law at the time the redevelopment commission entered into the written agreement.

(g) The redevelopment commissioners may adopt the rules and bylaws they consider necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the money and property placed in their custody by this chapter. In addition to the annual meeting, the commissioners may, by resolution or in accordance with their rules and bylaws, prescribe the date and manner of notice of other regular or special meetings.

(h) This subsection does not apply to a county redevelopment commission that consists of seven (7) members. Three (3) of the redevelopment commissioners constitute a quorum, and the concurrence of three (3) commissioners is necessary to authorize any action.

(i) This subsection applies only to a county redevelopment commission that consists of seven (7) members. Four (4) of the redevelopment commissioners constitute a quorum, and the

concurrence of four (4) commissioners is necessary to authorize any action.

SECTION 171. IC 36-7-14-12.2, AS AMENDED BY P.L.95-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 12.2. (a) The redevelopment commission may do the following:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of areas needing redevelopment that are located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Enter on or into, inspect, investigate, and assess real property and structures acquired or to be acquired for redevelopment purposes to determine the existence, source, nature, and extent of any environmental contamination, including the following:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(6) Remediate environmental contamination, including the following, found on any real property or structures acquired for redevelopment purposes:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(7) Repair and maintain structures acquired for redevelopment purposes.

(8) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(9) Survey or examine any land to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes and to determine the value of that land.

(10) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any area needing redevelopment within the jurisdiction of the commissioners.

(11) Institute or defend in the name of the unit any civil action.

(12) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the department of redevelopment.

(13) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(14) Appoint clerks, guards, laborers, and other employees the commission considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(15) Prescribe the duties and regulate the compensation of employees of the department of redevelopment.

(16) Provide a pension and retirement system for employees of the department of redevelopment by using the Indiana public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(17) Discharge and appoint successors to employees of the department of redevelopment subject to subdivision (14).

(18) Rent offices for use of the department of redevelopment, or accept the use of offices furnished by the unit.

(19) Equip the offices of the department of redevelopment with the necessary furniture, furnishings, equipment, records, and supplies.

(20) Expend, on behalf of the special taxing district, all or any part of the money of the special taxing district.

(21) Contract for the construction of:

(A) local public improvements (as defined in IC 36-7-14.5-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the corporate boundaries of the unit; or

(B) any structure that enhances development or economic development.

(22) Contract for the construction, extension, or improvement of pedestrian skyways.

(23) Accept loans, grants, and other forms of financial assistance

from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(24) Provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units in a multiple unit residential structure within the district. However, financial assistance may be provided only to individuals and families whose income is at or below the unit's median income for individuals and families, respectively.

(25) Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

(A) provide financial assistance for the purposes described in subdivision (24); or

(B) construct, rehabilitate, or repair commercial property within the district.

(26) Require as a condition of financial assistance to the owner of a multiple unit residential structure that any of the units leased by the owner must be leased:

(A) for a period to be determined by the commission, which may not be less than five (5) years;

(B) to families whose income does not exceed eighty percent (80%) of the unit's median income for families; and

(C) at an affordable rate.

(27) This subdivision does not apply to a redevelopment commission in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the redevelopment commission, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

(i) an active military base located within the unit; or

(ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive

or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and (B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the redevelopment commission must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the redevelopment commission. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

(28) Expend revenues from a tax increment financing district that are allocated for police and fire services on both capital expenditures and operating expenses.

(b) Conditions imposed by the commission under subsection (a)(26) remain in force throughout the period determined under subsection (a)(26)(A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

(c) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.

(d) All powers that may be exercised under this chapter by the redevelopment commission may also be exercised by the redevelopment commission in carrying out its duties and purposes under IC 36-7-14.5. However, if a power pertains to issuing bonds or incurring an obligation, the exercise of the power must first be specifically approved by the fiscal or legislative body of the unit, whichever applies.

(e) A commission may not exercise the power of eminent domain.

SECTION 172. IC 36-7-14-12.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: **Sec. 12.7. (a) Not later than**

December 1 each year, the redevelopment commissioners shall file with the department of local government finance and with the unit's executive and fiscal body a report setting out a spending plan for the next calendar year describing planned expenditures. The spending plan must be filed in the manner prescribed by the department of local government finance.

(b) A redevelopment commission may use money from the redevelopment commission's allocation fund described in section 39(b)(4) of this chapter and any other fund maintained by the redevelopment commission only for the purposes provided in the annual spending plan described in subsection (a).

(c) The department of local government finance shall, before February 1, 2025, and before February 1 of each year thereafter, submit a report of the redevelopment commissions that failed to submit the spending plan required under subsection (a) to the legislative services agency for distribution to the members of the legislative council. The report must be in an electronic format under IC 5-14-6.

SECTION 173. IC 36-7-14-13, AS AMENDED BY P.L.255-2017, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 13. (a) Not later than April 15 of each year, the redevelopment commissioners or their designees shall file with the unit's executive and fiscal body a report setting out their activities during the preceding calendar year. **The redevelopment commissioners or their designees shall also present the report to the unit's fiscal body at a public meeting.**

(b) The report of the commissioners of a municipal redevelopment commission must show the names of the then qualified and acting commissioners, the names of the officers of that body, the number of regular employees and their fixed salaries or compensation, the amount of the expenditures made during the preceding year and their general purpose, an accounting of the tax increment revenues expended by any entity receiving the tax increment revenues as a grant or loan from the commission, the amount of funds on hand at the close of the calendar year, and other information necessary to disclose the activities of the commissioners and the results obtained.

(c) The report of the commissioners of a county redevelopment commission must show all the information required by subsection (b), plus the names of any commissioners appointed to or removed from office during the preceding calendar year.

(d) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format.

(e) The report required under subsection (a) must also include the following information set forth for each tax increment financing district regarding the previous year:

(1) Revenues received.

(2) Expenses paid.

(3) Fund balances.

(4) The amount and maturity date for all outstanding obligations.

(5) The amount paid on outstanding obligations.

(6) A list of all the parcels and the depreciable personal property of any designated taxpayer included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel and the depreciable personal property of any designated taxpayer in the list.

(7) To the extent that the following information has not previously been provided to the department of local government finance:

(A) The year in which the tax increment financing district was established.

(B) The section of the Indiana Code under which the tax increment financing district was established.

(C) Whether the tax increment financing district is part of an area needing redevelopment, an economic development area, a redevelopment project area, or an urban renewal project area.

(D) If applicable, the year in which the boundaries of the tax increment financing district were changed and a description of those changes.

(E) The date on which the tax increment financing district will expire.

(F) A copy of each resolution adopted by the redevelopment commission that establishes or alters the tax increment financing district.

(8) Amounts distributed to other units, if applicable.

(9) Only in the case of an allocation area established for a residential housing development program, the number of houses completed under the residential housing development program and the average price of the houses sold in the allocation area.

(f) A redevelopment commission and a department of redevelopment are subject to the same laws, rules, and ordinances of a general nature that apply to all other commissions or departments of the unit.

SECTION 174. IC 36-7-14-15.5, AS AMENDED BY P.L.104-2022,

SECTION 187, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 15.5. (a) This section applies to a county having a population of more than two hundred fifty thousand (250,000) and less than three hundred thousand (300,000).

(b) In adopting a declaratory resolution under section 15 of this chapter, a redevelopment commission may include a provision stating that the redevelopment project area is considered to include one (1) or more additional areas outside the boundaries of the redevelopment project area if the redevelopment commission makes the following findings and the requirements of subsection (c) are met:

(1) One (1) or more taxpayers presently located within the boundaries of the redevelopment project area are expected within one (1) year to relocate all or part of their operations outside the boundaries of the redevelopment project area and have expressed an interest in relocating all or part of their operations within the boundaries of an additional area.

(2) The relocation described in subdivision (1) will contribute to the continuation of the conditions described in IC 36-7-1-3 in the redevelopment project area.

(3) For purposes of this section, it will be of public utility and benefit to include the additional areas as part of the redevelopment project area.

(c) Each additional area must be designated by the redevelopment commission as a redevelopment project area or an economic development area under this chapter.

(d) Notwithstanding section 3 of this chapter, the additional areas shall be considered to be a part of the redevelopment special taxing district under the jurisdiction of the redevelopment commission. Any excess property taxes that the commission has determined may be paid to taxing units under ~~section 39(b)(4)~~ **section 39(b)(5)** of this chapter shall be paid to the taxing units from which the excess property taxes were derived. All powers of the redevelopment commission authorized under this chapter may be exercised by the redevelopment commission in additional areas under its jurisdiction.

(e) The declaratory resolution must include a statement of the general boundaries of each additional area. However, it is sufficient to describe those boundaries by location in relation to public ways, streams, or otherwise, as determined by the commissioners.

(f) The declaratory resolution may include a provision with respect to the allocation and distribution of property taxes with respect to one (1) or more of the additional areas in the manner provided in section 39

of this chapter. If the redevelopment commission includes such a provision in the resolution, allocation areas in the redevelopment project area and in the additional areas considered to be part of the redevelopment project area shall be considered a single allocation area for purposes of this chapter.

(g) The additional areas must be located within the same county as the redevelopment project area but are not otherwise required to be within the jurisdiction of the redevelopment commission, if the redevelopment commission obtains the consent by ordinance of:

(1) the county legislative body, for each additional area located within the unincorporated part of the county; or

(2) the legislative body of the city or town affected, for each additional area located within a city or town.

In granting its consent, the legislative body shall approve the plan of development or redevelopment relating to the additional area.

(h) A declaratory resolution previously adopted may be amended to include a provision to include additional areas as set forth in this section and an allocation provision under section 39 of this chapter with respect to one (1) or more of the additional areas in accordance with sections 15, 16, and 17 of this chapter.

(i) The redevelopment commission may amend the allocation provision of a declaratory resolution in accordance with sections 15, 16, and 17 of this chapter to change the assessment date that determines the base assessed value of property in the allocation area to any assessment date following the effective date of the allocation provision of the declaratory resolution. Such a change may relate to the assessment date that determines the base assessed value of that portion of the allocation area that is located in the redevelopment project area alone, that portion of the allocation area that is located in an additional area alone, or the entire allocation area.

SECTION 175. IC 36-7-14-19.5, AS AMENDED BY P.L.183-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 19.5. (a) Notwithstanding section 19 of this chapter, a redevelopment commission may purchase property in accordance with this section that the redevelopment commission determines is:

(1) blighted;

(2) unsafe;

(3) abandoned;

(4) foreclosed; or

(5) structurally damaged;

from a willing seller.

(b) A redevelopment commission may purchase property described in subsection (a) as follows:

(1) The redevelopment commission may purchase the property if:

(A) the sale price of the property is not more than ~~twenty-five thousand dollars ($25,000)~~ **fifty thousand dollars ($50,000)** or the property is for sale by another governmental agency; and

(B) the redevelopment commission:

(i) has a sufficient fund balance available; or

(ii) issues an obligation from public funds;

for the purchase of the property.

(2) If the sale price of the property is greater than ~~twenty-five thousand dollars ($25,000),~~ **fifty thousand dollars ($50,000),** a redevelopment commission shall obtain two (2) independent appraisals of fair market value of the property. Any agreement by the redevelopment commission to:

(A) make a purchase under this subdivision that exceeds the greater of the two (2) appraisals;

(B) make payments for the property to be purchased for a term exceeding three (3) years; or

(C) pay a purchase price for the property that exceeds five million dollars ($5,000,000);

is subject to prior approval of the legislative body of the unit.

(c) Negotiations for the purchase of property may be carried on directly by the redevelopment commission, by its employees, or by expert negotiations, but no option, contract, or understanding relative to the purchase of real property is binding on the commission until approved and accepted by the commission in writing. The commission may authorize the payment of a nominal fee to bind an option and as a part of the consideration for conveyance may agree to pay the expense incident to the conveyance and determination of the title to the property. Payment for the property purchase shall be made when and as directed by the commission but only on delivery of proper instruments conveying the title or interest of the owner to the "City (or Town or County) of _____, Department of Redevelopment".

(d) All real property and interests in real property acquired by the redevelopment commission are free and clear of all governmental liens, assessments, and other governmental charges except for current property taxes, which must be prorated to the date of acquisition.

SECTION 176. IC 36-7-14-25.1, AS AMENDED BY P.L.257-2019, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 25.1. (a)

In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by bond resolution and subject to subsections (c) and (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and

(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The legislative body of the unit must adopt a resolution that specifies the public purpose of the bond, the use of the bond proceeds, the maximum principal amount of the bond, the term of the bond, and the maximum interest rate or rates of the bond, any provision for redemption before maturity, and any provision for the payment of capitalized interest. The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed:

(A) fifty (50) years, for bonds issued before July 1, 2008;

(B) thirty (30) years, for bonds issued after June 30, 2008, to finance:

(i) an integrated coal gasification powerplant (as defined in

IC 6-3.1-29-6);

(ii) a part of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6); or

(iii) property used in the operation or maintenance of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6);

that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008;

(C) thirty-five (35) years, for bonds issued after June 30, 2019, to finance a project that is located in a redevelopment project area, an economic development area, or an urban renewal project area and that includes, as part of the project, the use and repurposing of two (2) or more buildings and structures that are:

(i) at least seventy-five (75) years old; and

(ii) located at a site at which manufacturing previously occurred over a period of at least seventy-five (75) years; or

(D) twenty-five (25) years, for bonds issued after June 30, 2008, that are not described in clause (B) or (C).

The bond resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsections (c) and (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the

adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

(1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;

(2) from the tax proceeds allocated under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter;

(3) from other revenues available to the redevelopment commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount not to exceed the maximum amount approved by the legislative body in the resolution described in subsection (c).

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

apply to bonds issued under this chapter except for bonds payable solely from tax proceeds allocated under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be:

(1) deposited in the allocation fund established under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter; and

(2) to the extent permitted by law, transferred to the county or municipality that established the department of redevelopment for use in reducing the county's or municipality's property tax levies for debt service.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission adopted before July 1, 2008, is equal to or greater than three million dollars ($3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit. Bonds authorized in any principal amount by a resolution of the redevelopment commission adopted after June 30, 2008, may not be issued without the approval of the legislative body of the unit.

SECTION 177. IC 36-7-14-26, AS AMENDED BY P.L.203-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 26. (a) All proceeds from the sale of bonds under section 25.1 of this chapter shall be kept as a separate and specific fund to pay the expenses incurred in connection with the acquisition and redevelopment of property. The fund shall be

known as the redevelopment district capital fund. Any surplus of funds remaining after all expenses are paid shall be paid into and become a part of the redevelopment district bond fund established under section 27 of this chapter.

(b) All gifts or donations that are given or paid to the department of redevelopment or to the unit for redevelopment purposes shall be promptly deposited to the credit of the redevelopment district capital fund. The redevelopment commission may use these gifts and donations for the purposes of this chapter.

(c) Before the eleventh day of each calendar month the fiscal officer shall notify the redevelopment commission and the officers of the unit who have duties in respect to the funds and accounts of the unit of the amount standing to the credit of the redevelopment district capital fund at the close of business on the last day of the preceding month.

(d) A redevelopment commission shall deposit in the allocation fund established under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter of an allocation area the proceeds from the sale or leasing of property in the area under section 22 of this chapter if:

(1) there are outstanding bonds that were issued to pay costs of redevelopment in the allocation area; and

(2) the bonds are payable solely or in part from tax proceeds allocated under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter.

SECTION 178. IC 36-7-14-27, AS AMENDED BY P.L.149-2014, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 27. (a) This section applies only to:

(1) bonds that are issued under section 25.1 of this chapter; and

(2) leases entered into under section 25.2 of this chapter;

which are payable from a special tax levied upon all of the property in the special taxing district. This section does not apply to bonds or leases that are payable solely from tax proceeds allocated under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(b) The redevelopment commission, with the prior approval of the legislative body, shall levy each year a special tax on all of the property of the redevelopment taxing district, in such a manner as to meet and pay the principal of the bonds as they mature, together with all accruing interest on the bonds or lease rental payments under section 25.2 of this chapter. The commission shall cause the tax levied to be certified to the proper officers as other tax levies are certified, and to the auditor of the county in which the redevelopment district is located, before the second day of October in each year. The tax shall be estimated and

entered on the tax duplicate by the county auditor and shall be collected and enforced by the county treasurer in the same manner as other state and county taxes are estimated, entered, collected, and enforced. The amount of the tax levied to pay bonds or lease rentals payable from the tax levied under this section shall be reduced by any amount available in the allocation fund established under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter or other revenues of the redevelopment commission to the extent such revenues have been set aside in the redevelopment bond fund.

(c) As the tax is collected, it shall be accumulated in a separate fund to be known as the redevelopment district bond fund and shall be applied to the payment of the bonds as they mature and the interest on the bonds as it accrues, or to make lease payments and to no other purpose. All accumulations of the fund before their use for the payment of bonds and interest or to make lease payments shall be deposited with the depository or depositories for other public funds of the unit in accordance with IC 5-13, unless they are invested under IC 5-13-9.

(d) If there are no outstanding bonds that are payable solely or in part from tax proceeds allocated under ~~section 39(b)(3)~~ **section 39(b)(4)** of this chapter and that were issued to pay costs of redevelopment in an allocation area that is located wholly or in part in the special taxing district, then all proceeds from the sale or leasing of property in the allocation area under section 22 of this chapter shall be paid into the redevelopment district bond fund and become a part of that fund. In arriving at the tax levy for any year, the redevelopment commission shall take into account the amount of the proceeds deposited under this subsection and remaining on hand.

(e) The tax levies provided for in this section are reviewable by other bodies vested by law with the authority to ascertain that the levies are sufficient to raise the amount that, with other amounts available, is sufficient to meet the payments under the lease payable from the levy of taxes.

SECTION 179. IC 36-7-14-39, AS AMENDED BY P.L.174-2022, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, subject to subsection (j), the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, within the allocation area, as finally determined for the current assessment date.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for the current assessment date.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the

area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes, taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or amendment that establishes an allocation provision must include a specific finding of fact, supported by evidence, that the adoption of the allocation provision will result in new property taxes in the area that would not have been generated but for the adoption of the allocation provision. For an allocation area established before July 1, 1995, the expiration date of any allocation provisions for the allocation area is June 30, 2025, or the last date of any obligations that are outstanding on July 1, 2015, whichever is later. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease

rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. Notwithstanding any other law, in the case of an allocation area that is established after June 30, 2019, and that is located in a redevelopment project area described in section 25.1(c)(3)(C) of this chapter, an economic development area described in section 25.1(c)(3)(C) of this chapter, or an urban renewal project area described in section 25.1(c)(3)(C) of this chapter, the expiration date of the allocation provision may not be more than thirty-five (35) years after the date on which the allocation provision is established. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) This subdivision applies to a fire protection territory established after December 31, 2022. If a unit becomes a participating unit of a fire protection territory that is established after a declaratory resolution is adopted under section 15 of this chapter, the excess of the proceeds of the property taxes attributable to an increase in the property tax rate for the participating unit of a fire protection territory:

(A) except as otherwise provided by this subdivision, shall be determined as follows:

STEP ONE: Divide the unit's tax rate for fire protection for the year before the establishment of the fire protection territory by the participating unit's tax rate as part of the fire protection territory.

STEP TWO: Subtract the STEP ONE amount from one

(1).

STEP THREE: Multiply the STEP TWO amount by the allocated property tax attributable to the participating unit of the fire protection territory; and

(B) to the extent not otherwise included in subdivisions (1) and (3), the amount determined under STEP THREE of clause (A) shall be allocated to and distributed in the form of an allocated property tax revenue pass back to the participating unit of the fire protection territory for the assessment date with respect to which the allocation is made.

However, if the redevelopment commission determines that it is unable to meet its debt service obligations with regards to the allocation area without all or part of the allocated property tax revenue pass back to the participating unit of a fire protection area under this subdivision, then the allocated property tax revenue pass back under this subdivision shall be reduced by the amount necessary for the redevelopment commission to meet its debt service obligations of the allocation area. The calculation under this subdivision must be made by the redevelopment commission in collaboration with the county auditor and the applicable fire protection territory. Any calculation determined according to clause (A) must be submitted to the department of local government finance in the manner prescribed by the department of local government finance. The department of local government finance shall verify the accuracy of each calculation.

~~(2)~~ **(3)** The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in ~~subdivision (1)~~ **subdivisions (1) and (2)** shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

~~(3)~~ **(4)** Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1), **(2),** and ~~(2)~~ **(3)** shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations

payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its

repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; times

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

(i) Make, when due, any payments required under clauses

(A) through (K), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(M) Expend money and provide financial assistance as authorized in section 12.2(a)(27) of this chapter.

The allocation fund may not be used for operating expenses of the commission.

~~(4)~~ **(5)** Except as provided in subsection (g), before June 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision ~~(3),~~ **(4),** plus the amount necessary for other purposes described in subdivision ~~(3).~~ **(4).**

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The county auditor, upon receiving the notice, shall forward this notice (in an electronic format) to the department of local government finance not later than June 15 of each year. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units

the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision ~~(3)~~ **(4)** or lessors under section 25.3 of this chapter.

(C) If:

(i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision ~~(3);~~ **(4);** plus

(ii) the amount necessary for other purposes described in subdivision ~~(3);~~ **(4);**

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

~~(5)~~ **(6)** Notwithstanding subdivision ~~(4),~~ **(5),** in the case of an allocation area that is established after June 30, 2019, and that is located in a redevelopment project area described in section 25.1(c)(3)(C) of this chapter, an economic development area described in section 25.1(c)(3)(C) of this chapter, or an urban renewal project area described in section 25.1(c)(3)(C) of this chapter, for each year the allocation provision is in effect, if the amount of excess assessed value determined by the commission under subdivision ~~(4)(A)~~ **(5)(A)** is expected to generate more than two hundred percent (200%) of:

(A) the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision ~~(3)~~ **(4)** for the project; plus

(B) the amount necessary for other purposes described in subdivision ~~(3)~~ **(4)** for the project;

the amount of the excess assessed value that generates more than two hundred percent (200%) of the amounts described in clauses (A) and (B) shall be allocated to the respective taxing units in the manner prescribed by subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing

unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection ~~(b)(3)~~ **(b)(4)** may, subject to subsection ~~(b)(4),~~ **(b)(5),** be irrevocably pledged by the redevelopment district for payment as set forth in subsection ~~(b)(3).~~ **(b)(4).**

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection ~~(b)(3)~~ **(b)(4)** shall establish an allocation fund for the purposes specified in subsection ~~(b)(3)~~ **(b)(4)** and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1), ~~and~~ (b)(2), **and (b)(3)** from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection ~~(b)(3)~~ **(b)(4)** for the year. The amount sufficient for purposes specified in subsection ~~(b)(3)~~ **(b)(4)** for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection ~~(b)(3)~~ **(b)(4)** shall establish a special zone fund and deposit all the property

tax proceeds in excess of those described in subsection (b)(1), ~~and~~ (b)(2), **and (b)(3)** in the fund derived from property tax proceeds in excess of those described in subsection (b)(1), ~~and~~ (b)(2), **and (b)(3)** from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection ~~(b)(3),~~ **(b)(4),** except that where reference is made in subsection ~~(b)(3)~~ **(b)(4)** to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment in an area under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection:

(1) may not include the effect of phasing in assessed value due to property tax abatements under IC 6-1.1-12.1;

(2) may not produce less property tax proceeds allocable to the redevelopment district under subsection ~~(b)(3)~~ **(b)(4)** than would otherwise have been received if the reassessment under the reassessment plan or the annual adjustment had not occurred; and

(3) may decrease base assessed value only to the extent that assessed values in the allocation area have been decreased due to annual adjustments or the reassessment under the reassessment plan.

Assessed value increases attributable to the application of an abatement schedule under IC 6-1.1-12.1 may not be included in the base assessed value of an allocation area. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

(j) If a redevelopment commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the redevelopment commission makes either of the filings required under section 17(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department of local government finance.

(k) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the residential assessed value as defined for purposes of calculating the rate for the local income tax property tax relief credit designated for residential property under IC 6-3.6-5-6(d)(3).

SECTION 180. IC 36-7-14-48, AS AMENDED BY P.L.38-2021, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 48. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 45 of this chapter, "base assessed value" means, subject to section 39(j) of this chapter, the net assessed value of all of the property, other than personal property, as finally determined for the

assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

(b) The allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of any infrastructure (including streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) The provision of financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) The provision of financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) For property taxes first due and payable before January 1, 2009, providing each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, the commission may provide this credit only if the municipal legislative body (in the case of a redevelopment commission established by a municipality) or the county executive (in the case of a redevelopment commission established by a county) establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 45 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) (before its repeal) for

that year as determined under IC 6-1.1-21-4(a)(1) (before its repeal) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before its repeal) levied in the taxing district allocated to the allocation fund, including the amount that would have been allocated but for the credit.

(d) The commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section, as calculated under subsection (c). Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal) that under IC 6-1.1-22-9 are due and payable in a year. The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund, based upon historical collection rates, after granting the credit will equal the amounts payable for contractual obligations from the fund, plus ten percent (10%) of those amounts.

(2) If bonds payable from the fund are outstanding, that there is a debt service reserve for the bonds that at least equals the amount of the credit to be granted.

(3) If bonds of a lessor under section 25.2 of this chapter or under IC 36-1-10 are outstanding and if lease rentals are payable from the fund, that there is a debt service reserve for those bonds that at least equals the amount of the credit to be granted.

If the tax increment is insufficient to grant the credit in full, the commission may grant the credit in part, prorated among all taxpayers.

(e) Notwithstanding section 39(b) of this chapter, the allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may only be used to do one (1) or more of the following:

(1) Accomplish one (1) or more of the actions set forth in section ~~39(b)(3)(A)~~ **39(b)(4)(A)** through ~~39(b)(3)(H)~~ **39(b)(4)(H)** and ~~39(b)(3)(J)~~ **39(b)(4)(J)** of this chapter for property that is residential in nature.

(2) Reimburse the county or municipality for expenditures made by the county or municipality in order to accomplish the housing program in that allocation area.

The allocation fund may not be used for operating expenses of the

commission.

(f) Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for a program adopted under section 45 of this chapter, do the following before June 15 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) **and 39(b)(3)** of this chapter;

(B) make, when due, principal and interest payments on bonds described in section ~~39(b)(3)~~ **39(b)(4)** of this chapter;

(C) pay the amount necessary for other purposes described in section ~~39(b)(3)~~ **39(b)(4)** of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (e)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The county auditor, upon receiving the notice, shall forward this notice (in an electronic format) to the department of local government finance not later than June 15 of each year. The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

(3) If:

(A) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds

necessary to make, when due, principal and interest payments on bonds described in subdivision (1); plus

(B) the amount necessary for other purposes described in subdivision (1);

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (2). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (2).

(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-12-37) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

SECTION 181. IC 36-7-14-52, AS AMENDED BY P.L.38-2021, SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 52. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of an age-restricted housing program adopted under section 49 of this chapter, "base assessed value" means, subject to section 39(j) of this chapter, the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

(b) The allocation fund established under section 39(b) of this chapter for the allocation area for an age-restricted housing program adopted under section 49 of this chapter may be used only for purposes related to the accomplishment of the purposes of the program, including, but not limited to, the following:

(1) The construction of any infrastructure (including streets, sidewalks, and sewers) or local public improvements in, serving, or benefiting the allocation area.

(2) The acquisition of real property and interests in real property

within the allocation area.

(3) The preparation of real property in anticipation of development of the real property within the allocation area.

(4) To do any of the following:

(A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the age-restricted housing program established under section 49 of this chapter for the allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to the allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.

(F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to the allocation area.

(c) Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 49 of this chapter, do the following before June 15 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) **and**

39(b)(3) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section ~~39(b)(3)~~ **39(b)(4)** of this chapter;

(C) pay the amount necessary for other purposes described in section ~~39(b)(3)~~ **39(b)(4)** of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (b)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The county auditor, upon receiving the notice, shall forward this notice (in an electronic format) to the department of local government finance not later than June 15 of each year. The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

SECTION 182. IC 36-7-14-53.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 53.1. (a) Section 53 of this chapter as amended by the general assembly in the 2023 session or subsequent session expires June 30, 2027.**

(b) This section applies beginning July 1, 2027, and is intended to reinstate section 53 of this chapter as it was in effect on January 1, 2023.

(c) Subject to subsection (i), a commission may establish a residential housing development program by resolution for the construction of new residential housing or the renovation of existing residential housing in an area within the jurisdiction of the commission if:

(1) for a commission established by a county, the average of new, single family residential houses constructed within the township in which the area is located during the preceding

three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within that township on January 1 of the year in which the resolution is adopted; or

(2) for a commission established by a municipality, the average of new, single family residential houses constructed within the municipal boundaries during the preceding three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within the boundaries of the municipality on January 1 of the year in which the resolution is adopted.

However, the calculations described in subdivisions (1) and (2) and the provisions of subsection (h) do not apply for purposes of establishing a residential housing development program within an economic development target area designated under IC 6-1.1-12.1-7.

(d) The program, which may include any relevant elements the commission considers appropriate, may be adopted as part of a redevelopment plan or amendment to a redevelopment plan, and must establish an allocation area for purposes of sections 39 and 56 of this chapter for the accomplishment of the program. The program must be approved by the municipal legislative body or county executive as specified in section 17 of this chapter.

(e) The notice and hearing provisions of sections 17 and 17.5 of this chapter, including notice under section 17(c) of this chapter to a taxing unit that is wholly or partly located within an allocation area, apply to the resolution adopted under subsection (d). Judicial review of the resolution may be made under section 18 of this chapter.

(f) Before formal submission of any residential housing development program to the commission, the department of redevelopment shall:

(1) consult with persons interested in or affected by the proposed program, including the superintendents and governing body presidents of all school corporations located within the proposed allocation area;

(2) provide the affected neighborhood associations, residents, and township assessors with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program; and

(3) hold at least one (1) public meeting to obtain the views of neighborhood associations and residents of the affected

neighborhood. The department of redevelopment shall send notice thirty (30) days prior to the public meeting to the fiscal officer of all affected taxing units and to the superintendents and governing body presidents of all school corporations located within the proposed allocation area.

(g) A residential housing development program established under this section must terminate not later than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues from the program.

(h) The department of local government finance in cooperation with either the appropriate county agency or the appropriate municipal agency, or both, shall determine whether a county or municipality meets the threshold requirements under subsection (c). In making the determination, the department of local government finance may request information necessary to make the determination. A county or municipality may request from the department of local government finance a report, if it exists, describing the effect of current assessed value allocated to tax increment financing allocation areas on the amount of the tax levy or proceeds and the credit for excessive property taxes under IC 6-1.1-20.6 for the taxing units within the boundaries of the residential housing development program.

(i) A program established under subsection (c) may not take effect until the governing body of each school corporation affected by the program passes a resolution approving the program.

SECTION 183. IC 36-7-14-56, AS ADDED BY P.L.235-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 56. (a) This section applies only to a residential housing development program authorized by section 53 of this chapter.

(b) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of a residential housing development program adopted under section 53 of this chapter, "base assessed value" means the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

(c) The allocation fund established under section 39(b) of this chapter for the allocation area for a residential housing development program adopted under section 53 of this chapter may be used only for

purposes related to the accomplishment of the purposes of the program, including, but not limited to, the following:

(1) The construction of any infrastructure (including streets, roads, and sidewalks) or local public improvements in, serving, or benefiting a residential housing development project.

(2) The acquisition of real property and interests in real property for rehabilitation purposes within the allocation area.

(3) The preparation of real property in anticipation of development of the real property within the allocation area.

(4) To do any of the following:

(A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the residential housing development program established under section 53 of this chapter for the allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to the allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.

(F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to the allocation area.

(d) Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for a residential housing development program adopted under section 53 of this chapter, do the following before June 15 of each year:

(1) Determine the amount, if any, by which the assessed value of

the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) **and 39(b)(3)** of this chapter;

(B) make, when due, principal and interest payments on bonds described in section ~~39(b)(3)~~ **39(b)(4)** of this chapter;

(C) pay the amount necessary for other purposes described in section ~~39(b)(3)~~ **39(b)(4)** of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (c)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that are wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

(e) If the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds:

(1) necessary to make, when due, principal and interest payments on bonds described in ~~39(b)(3)~~ **section 39(b)(4)** of this chapter; plus

(2) the amount necessary for other purposes described in ~~39(b)(3)~~ **section 39(b)(4)** of this chapter;

the commission shall submit to the county or municipal legislative body its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subsection (d)(2). The county or municipal

legislative body may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subsection (d)(2).

(f) An allocation area must terminate on the date the residential housing development program is terminated as set forth in section 53(e) of this chapter.

SECTION 184. IC 36-7-14.5-12.5, AS AMENDED BY P.L.242-2015, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept

the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11 of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30,

1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, except that the expiration date of any allocation provision for the allocation area is the later of July 1, 2016, or the expiration date determined under IC 36-7-14-39(b), and except that, notwithstanding ~~IC 36-7-14-39(b)(3),~~ **IC 36-7-14-39(b)(4),** property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it that benefits or provides for local public improvements or structures in or serving or benefiting that allocation area.

(5) Pay expenses incurred by the authority that benefit or provide for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(6) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on

which the investments that are the basis for the increment financing are made.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefiting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

(1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(2) The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.

(3) The bonds are exempt from taxation for all purposes.

(4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:

(A) from the tax proceeds allocated under subsection (d);

(B) from other revenues available to the authority; or

(C) from a combination of the methods stated in clauses (A) and (B).

(6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(7) Laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers and voters to remonstrate against the issuance of bonds do not apply to bonds issued under this section.

(8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the

revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11 of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than eleven (11) members, who must be residents of or be employed at a place of employment located within the unit. The members shall be appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 185. IC 36-7-15.1-36.3, AS AMENDED BY P.L.255-2017, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 36.3. (a) Not later than April 15 of each year, the commission or its designee shall file with the mayor and the fiscal body a report setting out the commission's

activities during the preceding calendar year.

(b) The report required by subsection (a) must show the names of the then qualified and acting commissioners, the names of the officers of that body, the number of regular employees and their fixed salaries or compensation, the amount of the expenditures made during the preceding year and their general purpose, an accounting of the tax increment revenues expended by any entity receiving the tax increment revenues as a grant or loan from the commission, the amount of funds on hand at the close of the calendar year, and other information necessary to disclose the activities of the commission and the results obtained.

(c) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format.

(d) The report required under subsection (a) must also include the following information set forth for each tax increment financing district regarding the previous year:

(1) Revenues received.

(2) Expenses paid.

(3) Fund balances.

(4) The amount and maturity date for all outstanding obligations.

(5) The amount paid on outstanding obligations.

(6) A list of all the parcels and the depreciable personal property of any designated taxpayer included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel and the depreciable personal property of any designated taxpayer in the list.

(7) To the extent that the following information has not previously been provided to the department of local government finance:

(A) The year in which the tax increment financing district was established.

(B) The section of the Indiana Code under which the tax increment financing district was established.

(C) Whether the tax increment financing district is part of an area needing redevelopment, an economic development area, a redevelopment project area, or an urban renewal project area.

(D) If applicable, the year in which the boundaries of the tax increment financing district were changed and a description of those changes.

(E) The date on which the tax increment financing district will expire.

(F) A copy of each resolution adopted by the redevelopment

commission that establishes or alters the tax increment financing district.

(8) Only in the case of an allocation area established for a residential housing development program, the number of houses completed under the residential housing development program and the average price of the houses sold in the allocation area. This subdivision expires June 30, 2027.

SECTION 186. IC 36-7-15.1-57.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 57.5. Section 3(2) through 3(5) of this chapter and sections 64, 65, 66, and 67 of this chapter, as added in HEA 1157-2023, expire June 30, 2027.**

SECTION 187. IC 36-7-18-31, AS AMENDED BY P.L.38-2021, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 31. (a) Issues of bonds, notes, or warrants of a housing authority must be approved by the fiscal body of the unit after a public hearing, with notice of the time, place, and purpose of the hearing given by publication in accordance with IC 5-3-1. The bonds, notes, or warrants must then be authorized by resolution of the authority.

(b) After the bonds, notes, or warrants have been approved under subsection (a), they may be issued in one (1) or more series, with the:

(1) dates;

(2) maturities;

(3) denominations;

(4) form, either coupon or registered;

(5) conversion or registration privileges;

(6) rank or priority;

(7) manner of execution;

(8) medium of payment;

(9) places of payment; and

(10) terms of redemption, with or without premium;

provided by the resolution or its trust indenture or mortgage.

(c) The bonds, notes, or warrants shall be sold at a public sale under IC 5-1-11, for not less than par value, after notice published in accordance with IC 5-3-1. However, they may be sold at not less than par value to the federal government:

(1) at private sale without any public advertisement; or

(2) alternatively, at a negotiated sale after July 1, 2018, and before June 30, ~~2023.~~ **2025.**

(d) If any of the commissioners or officers of the housing authority whose signatures appear on any bonds, notes, or warrants or coupons

cease to be commissioners or officers before the delivery, exchange, or substitution of the bonds, notes, or warrants, their signatures remain valid and sufficient for all purposes, as if they had remained in office until the delivery, exchange, or substitution.

(e) Subject to provision for registration and notwithstanding any other law, any bonds, notes, or warrants issued under this chapter are fully negotiable.

(f) In any proceedings involving the validity or enforceability of any bond, note, or warrant of a housing authority or of its security, if the instrument states that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for persons of low income, it shall be conclusively presumed to have been issued for that purpose and the project shall be conclusively presumed to have been planned, located, and constructed in accordance with this chapter.

SECTION 188. IC 36-7-32-22, AS AMENDED BY SEA 271-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 22. (a) The treasurer of state shall establish an incremental tax financing fund for each certified technology park designated under this chapter. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Subject to subsection (c), the following amounts shall be deposited during each state fiscal year in the incremental tax financing fund established for a certified technology park under subsection (a):

(1) The aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the certified technology park, until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount for the certified technology park.

(2) Except as provided in subdivision (3), the aggregate amount of the following taxes paid by employees employed in the certified technology park with respect to wages earned for work in the certified technology park, until the amount deposited equals the income tax incremental amount as defined in section 8.5(1) of this chapter:

(A) The adjusted gross income tax.

(B) The local income tax (IC 6-3.6).

(3) In the case of a certified technology park to which subsection (e) applies, the amount determined under subsection (e), if any.

(c) Except as provided in subsections (d) and (e), not more than a total of five million dollars ($5,000,000) may be deposited in a

particular incremental tax financing fund for a certified technology park over the life of the certified technology park.

(d) Except as provided in subsection (e), in the case of a certified technology park that is operating under a written agreement entered into by two (2) or more redevelopment commissions, and subject to section 26(b)(4) of this chapter:

(1) not more than a total of five million dollars ($5,000,000) may be deposited over the life of the certified technology park in the incremental tax financing fund of each redevelopment commission participating in the operation of the certified technology park; and

(2) the total amount that may be deposited in all incremental tax financing funds, over the life of the certified technology park, in aggregate, may not exceed the result of:

(A) five million dollars ($5,000,000); multiplied by

(B) the number of redevelopment commissions that have entered into a written agreement for the operation of the certified technology park.

(e) If a certified technology park has reached the limit on deposits under subsection (c) or (d) and maintains its certification under section 11(c) of this chapter, the certified technology park shall become a Level 2 certified technology park and an additional annual deposit amount shall be deposited in the incremental tax financing fund for the certified technology park equal to the following:

(1) For a certified technology park to which subsection (c) applies, the lesser of:

(A) the income tax incremental amount as defined in section 8.5(2) of this chapter; or

(B) two hundred fifty thousand dollars ($250,000).

(2) For a certified technology park to which subsection (d) applies, the lesser of:

(A) the aggregate income tax incremental amounts as defined in section 8.5(2) of this chapter attributable to each redevelopment commission that has entered into a written agreement for the operation of the certified technology park; or

(B) two hundred fifty thousand dollars ($250,000) multiplied by the number of redevelopment commissions that have entered into a written agreement for the operation of the certified technology park.

(3) The following apply to deposits under this subsection:

(A) If a certified technology park reached its limit on deposits

based on a state fiscal year ending before July 1, ~~2022,~~ **2020,** the certified technology park shall receive deposits based on the income tax incremental amount as defined in section 8.5(2) of this chapter for each state fiscal year ending after June 30, ~~2021.~~ **2019.**

(B) If a certified technology park reached its limit on deposits based on a state fiscal year ending after June 30, ~~2022,~~ **2020,** the certified technology park shall receive deposits based on the income tax incremental amount as defined in section 8.5(2) of this chapter for the state fiscal year in which it reached its limit on deposits under subsection (c) or (d) and each state fiscal year thereafter.

(C) If a certified technology park is permitted to receive deposits under this subsection during the state fiscal year in which it reached its limit on deposits under subsection (c) or (d), the income tax incremental amount for purposes of subdivision (1)(A) or (1)(B) for that state fiscal year shall be reduced by an amount equal to:

(i) the deposit amount for the state fiscal year under subsection (b) required to reach the limit on deposits under subsection (c) or (d); minus

(ii) the gross retail incremental amount determined under section 6.5 of this chapter;

but not less than zero (0).

(f) This subsection applies to a Level 2 certified technology park designated in subsection (e). When the Indiana economic development corporation recertifies a certified technology park as required under section 11 of this chapter, the corporation shall make a determination of whether the certified technology park shall continue to be designated as a Level 2 certified technology park.

(g) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a certified technology park shall be distributed to the redevelopment commission for deposit in the certified technology park fund established under section 23 of this chapter.

SECTION 189. IC 36-7.5-4.5-7, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. As used in this chapter, "gross retail tax base period amount" means the aggregate amount of state gross retail taxes remitted under IC 6-2.5 by retail merchants for the calendar year ~~that precedes the date on~~ **in** which the district was established under this chapter as determined by the department.

SECTION 190. IC 36-7.5-4.5-9, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. **(a)** As used in this chapter, "local income tax base period amount" means the total amount of local income tax (IC 6-3.6) paid by:

(1) employees employed within a district with respect to wages and salary earned for work in the district; **and**

(2) residents living within the district;

for the calendar year ~~that precedes the date on~~ **in** which the district was established under this chapter as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the local income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 191. IC 36-7.5-4.5-10, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. **(a)** As used in this chapter, "local income tax increment revenue" means the remainder of:

(1) the total amount of local income tax (IC 6-3.6) paid by:

(A) employees employed in the district with respect to wages and salary earned for work in the territory comprising the district for a particular calendar year; ~~minus~~ **and**

(B) residents living within the district; minus

(2) the local income tax base period amount;

as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the local income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 192. IC 36-7.5-4.5-13, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 13. **(a)** As used in this chapter, "state income tax base period amount" means the aggregate amount of state adjusted gross income taxes paid or remitted by or on behalf of:

(1) employees employed within a district ~~during the calendar year that precedes the date on which the district was established under this chapter with respect to wages and salary earned for work in the territory comprising the district, as determined by the department.~~ **with respect to wages and salary earned for work in the district; and**

(2) residents living within the district;

for the calendar year in which the district was established under

this chapter, as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the state income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 193. IC 36-7.5-4.5-14, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 14. **(a)** As used in this chapter, "state income tax increment revenue" means the remainder of:

(1) the aggregate amount of state adjusted gross income taxes paid or remitted ~~during~~ **for** a calendar year with respect to:

(A) wages and salary earned for work in the territory comprising a district; ~~minus~~ **and**

(B) income earned by residents living within the district; minus

(2) the state income tax base period amount.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the state income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 194. IC 36-7.5-4.5-18, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 18. If a district is established, the following apply to the administration and use of incremental property tax revenue by the development authority, or a redevelopment commission in the case of a district located in a cash participant county, in the district:

(1) The department of local government finance shall adjust the base assessed value to neutralize any effect of a reassessment and the annual adjustment of the real property in the district in the same manner as provided in IC 36-7-14-39(h).

(2) Proceeds of the property taxes approved by the voters in a referendum or local public question shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted in the same manner as provided in ~~IC 36-7-14-39(b)(2).~~ **IC 36-7-14-39(b)(3).**

(3) Incremental property tax revenue may be used only for one (1) or more of the following purposes for a district:

(A) To finance the improvement, construction, reconstruction, renovation, and acquisition of real and personal property improvements within a district.

(B) To pay the principal of and interest on any obligations that are incurred for the purpose of financing or refinancing development in the district, including local public improvements that are physically located in or physically connected to the district.

(C) To establish, augment, or restore the debt service reserve for bonds payable solely or in part from incremental property tax revenue from the district.

(D) To pay premiums on the redemption before maturity of bonds payable solely or in part from incremental property tax revenue from the district.

(E) To make payments on leases payable from incremental property tax revenue from the district.

(F) To reimburse a municipality in which a district is located for expenditures made by the municipality for local public improvements that are physically located in or physically connected to the district.

(G) To reimburse a municipality for rentals paid by the municipality for a building or parking facility that is physically located in or physically connected to the district under any lease entered into under IC 36-1-10.

(H) To pay expenses incurred by the development authority for local public improvements that are in the district or serving the district.

SECTION 195. IC 36-7.5-4.5-27, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 27. (a) If a district is established, the treasurer of state shall establish a local income tax increment fund and an account for each district established under this chapter for deposit of local income tax increment revenue for that district.

(b) The funds shall be administered by the treasurer of state. Money in a fund does not revert to the state general fund at the end of a state fiscal year.

(c) The total amount of local income tax (IC 6-3.6) paid by:

(1) employees employed in a district with respect to wages earned for work performed in the district; **and**

(2) residents living in the district;

shall be deposited in the district's account within the local income tax increment fund. **If an individual is a resident of one (1) district and is employed within another district, only the local income tax for the district in which the individual resides shall be deposited into the local income tax increment fund.** For each district, the budget

agency shall determine and transfer to the appropriate county account under IC 6-3.6-9 an amount equal to the local income tax base period amount for the district.

(d) The budget agency shall determine and transfer any amount of the local income tax increment revenue that will not be disbursed to the development authority or redevelopment commission to the appropriate county account under IC 6-3.6-9.

SECTION 196. IC 36-7.5-4.5-28, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 28. (a) Not later than ~~sixty (60) days after receiving a copy of the resolution establishing a district,~~ **November 30 of the year following the establishment of a district under this chapter, or November 30, 2024, whichever is later,** the department shall determine the following for that district:

(1) The state income tax base period amount.

(2) The gross retail tax base period amount.

(3) The local income tax base period amount.

(b) Before ~~October 1~~ **December 1** of each year, beginning in ~~2018,~~ **the year two (2) years following the establishment of the district under this chapter,** the department shall determine the following for each district for the preceding calendar year:

(1) The state income tax increment revenue.

(2) The gross retail tax increment revenue.

(3) The local income tax increment revenue.

(c) The department shall notify the budget agency and the development authority of each base period amount and annually each increment revenue amount.

(d) Before ~~November 1~~ **December 15** of each calendar year, the department shall determine and certify to the Indiana finance authority and the development authority the following:

(1) The state income tax increment revenue.

(2) The gross retail tax increment revenue.

(3) The local income tax increment revenue for each district.

(4) The extent to which the sum of the state income tax increment revenue and gross retail tax increment revenue certified under this subsection for all districts exceeds the sum of the amounts previously appropriated by the general assembly to the development authority for rail projects (including any amounts appropriated for debt service payments made by the Indiana finance authority for a rail project).

(e) Beginning in the following calendar year, the auditor of state shall distribute from a district's account within the local income tax

increment fund to the development authority or redevelopment commission, in the case of a district located in a cash participant county, on or before ~~the twentieth day of each month one-twelfth (1/12) of~~ **March 1,** the lesser of:

(1) the amount of local income tax increment revenue specified by the development authority or redevelopment commission; or

(2) the certified local income tax increment revenue amount for that district.

(f) The development authority or redevelopment commission shall deposit the local income tax increment revenue it receives in the appropriate district account in the south shore improvement and development fund.

(g) Notwithstanding subsection (a), if the department determines that an amount determined under section 7, 8, 9, 10, 13, or 14 of this chapter is in error, the department shall redetermine any erroneous amounts and notify the budget agency and development authority of any redetermination. If the department determines that the redetermination of an amount affects incremental tax amounts determined under subsection (b), the department shall recompute the incremental tax amounts and make any necessary adjustments to distributions or computations to reflect any redetermination.

(h) A municipality that includes more than one (1) transit development district may share its increment revenue among the transit development districts upon approval of the legislative body of the municipality.

SECTION 197. IC 36-8-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 12. **(a) This section does not apply to the appointment of a governing board under section 12.5 of this chapter.**

~~(a)~~ **(b)** Within thirty (30) days after the ordinance or resolution establishing the district becomes final, the county legislative body shall appoint a board of fire trustees. The trustees must be qualified by knowledge and experience in matters pertaining to fire protection and related activities in the district. A person who:

(1) is a party to a contract with the district; or

(2) is a member, an employee, a director, or a shareholder of any corporation or association that has a contract with the district;

may not be appointed or serve as a trustee. The legislative body shall appoint one (1) trustee from each township or part of a township contained in the district and one (1) trustee from each municipality contained in the district. If the number of trustees selected by this

method is an even number, the legislative body shall appoint one (1) additional trustee so that the number of trustees is always an odd number. If the requirements of this section do not provide at least three (3) trustees, the legislative body shall make additional appointments so that there is a minimum of three (3) trustees.

~~(b)~~ **(c)** The original trustees shall be appointed as follows:

(1) One (1) for a term of one (1) year.

(2) One (1) for a term of two (2) years.

(3) One (1) for a term of three (3) years.

(4) All others for a term of four (4) years.

The terms expire on the first Monday of January of the year their appointments expire. As the terms expire, each new appointment is for a term of four (4) years.

~~(c)~~ **(d)** If a vacancy occurs on the board, the county legislative body shall appoint a trustee with the qualifications specified in subsection ~~(a)~~ **(b)** for the unexpired term.

SECTION 198. IC 36-8-11-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 12.5. (a) This section applies only to a county for which a fire protection district includes all of the incorporated and unincorporated area of the county.**

(b) The county legislative body may adopt an ordinance to establish a nine (9) member governing board for the fire protection district. The ordinance must provide that the governing board consists of the following:

(1) Eight (8) governing board members appointed by the county legislative body who meet the following requirements:

(A) Each governing board member must be an active member of the board of fire trustees at the time of appointment to the governing board. Upon appointment to the governing board, the individual ceases to be a member of the board of fire trustees.

(B) Two (2) governing board members must reside in each of the following four (4) geographic areas of the county that contain as nearly as possible, equal area in square miles:

(i) Northwest.

(ii) Northeast.

(iii) Southwest.

(iv) Southeast.

(2) One (1) governing board member who is a member of the county executive and serves on the board by virtue of their

office. Notwithstanding section 14(c) of this chapter, the member may not receive any compensation for serving on the governing board but may be compensated for expenses.

(c) Beginning on the date specified in the ordinance establishing the governing board, the following occurs:

(1) Only the governing board shall have the powers and duties of a board of fire trustees that are set forth in section 15 of this chapter or in any other statute. Unless expressly provided otherwise, any reference in this chapter or other statute to a board of fire trustees or a member of the board of fire trustees is a reference to the governing board or a member of the governing board.

(2) The board of fire trustees:

(A) continues in existence solely as an advisory body to the governing board; and

(B) does not have any of the powers and duties of a board of fire trustees that are set forth in section 15 of this chapter or in any other statute.

Sections 12, 13, and 14 of this chapter continue to apply to the administration of the board of fire trustees.

(d) Except as provided in subsection (e), the term of a member appointed to the governing board is four (4) years. The terms expire on the first Monday of January of the year their appointments expire.

(e) The county legislative body may provide, in the ordinance establishing the governing board, for the staggering of the terms of the original governing board members appointed under subsection (b)(1).

(f) If a vacancy occurs on the governing board, the county legislative body shall appoint a member with the qualifications set forth in this section for the unexpired term.

SECTION 199. IC 36-8-11-15, AS AMENDED BY HEA 1016-2023, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) The board:

(1) has the same powers and duties as a township executive with respect to fire protection functions, including those duties and powers prescribed by IC 36-8-13, although all cooperative and joint actions permitted by that chapter must be undertaken according to this chapter;

(2) has the same powers and duties as a township executive relative to contracting with volunteer firefighting companies, as prescribed by IC 36-8-12 and IC 36-8-13;

(3) shall appoint, fix the compensation, and prescribe the duties of a fiscal officer, secretarial staff, persons performing special and temporary services or providing legal counsel, and other personnel considered necessary for the proper functioning of the district; however, a person appointed as fiscal officer must be bonded by good and sufficient sureties in an amount ordered by the county legislative body to protect the district from financial loss;

(4) shall exercise general supervision of and make regulations for the administration of the district's affairs;

(5) shall prescribe uniform rules pertaining to investigations and hearings;

(6) shall supervise the fiscal affairs and responsibilities of the district;

(7) may delegate to employees of the district the authority to perform ministerial acts, except in cases in which final action of the board is necessary;

(8) shall keep accurate and complete records of all departmental proceedings, record and file all bonds and contracts, and assume responsibility for the custody and preservation of all papers and documents of the district;

(9) shall make an annual report to the executive and the fiscal body of the county that at least lists the financial transactions of the district and a statement of the progress in accomplishing the purposes for which the district has been established;

(10) shall adopt a seal and certify all official acts;

(11) may sue and be sued collectively by its legal name:

(A) ("Board of Fire Trustees, _____ Fire Protection District"); **or**

(B) ("Governing Board of _____ Fire Protection District"), if a governing board for the district is appointed under section 12.5 of this chapter;

with service of process made on the chair of the board, but costs may not be taxed against the members individually in an action;

(12) may invoke any legal, equitable, or special remedy for the enforcement of this chapter or of proper action of the board taken in a court;

(13) shall prepare and submit to the fiscal body of the county an annual budget for operation and maintenance expenses and for the retirement of obligations of the district, subject to review and approval by the fiscal body;

(14) may, if advisable, establish one (1) or more advisory

committees, **however in a county that adopts an ordinance under section 12.5 of this chapter, the board of fire trustees shall be an advisory body to the governing board;**

(15) may enter into agreements with and accept money from a federal or state agency and enter into agreements with a municipality located within or outside the district, whether or not the municipality is a part of the district, for a purpose compatible with the purposes for which the district exists and with the interests of the municipality;

(16) may accept gifts of money or other property to be used for the purposes for which the district is established;

(17) may levy taxes at a uniform rate on the real and personal property within the district;

(18) may issue bonds and tax anticipation warrants;

(19) may incur other debts and liabilities;

(20) may purchase or rent property;

(21) may sell services or property that are produced incident to the operations of the district making a fair and reasonable charge for it;

(22) may make contracts or otherwise enter into agreements with public or private persons and federal or state agencies for construction, maintenance, or operations of or in part of the district;

(23) may receive and disburse money;

(24) may impose a false alarm fee or service charge under IC 36-8-13-4;

(25) may, subject to the approval of the active members of the fire department in a referendum, adopt a merit system under IC 36-8-3.5; and

(26) shall serve as merit commissioners if a merit system is adopted under IC 36-8-3.5.

(b) Powers granted by this chapter may be used only to accomplish the purpose or purposes as stated in the ordinance or resolution establishing the district. However, an act of the board necessary and proper to accomplish the purposes for which the district is established is not invalid because it incidentally accomplishes a purpose other than one for which the district is established.

SECTION 200. IC 36-8-12-13, AS AMENDED BY P.L.10-2019, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 13. (a) Except as provided in subsection (b), the volunteer fire department that responds first to an incident may impose a charge on the owner of property, the owner of

a vehicle, or a responsible party (as defined in IC 13-11-2-191(d)) that is involved in a hazardous material or fuel spill or chemical or hazardous material related fire (as defined in IC 13-11-2-96(b)):

(1) that is responded to by the volunteer fire department; and

(2) that members of that volunteer fire department assisted in extinguishing, containing, or cleaning up.

A second or subsequently responding volunteer fire department may not impose a charge on an owner or responsible party under this section, although it may be entitled to reimbursement from the first responding volunteer fire department in accordance with an interlocal or other agreement.

(b) A volunteer fire department that is funded, in whole or in part:

(1) by taxes imposed by a unit; or

(2) by a contract with a unit;

may not impose a charge under subsection (a) on a natural person who resides or pays property taxes within the boundaries of the unit described in subdivision (1) or (2), unless the spill or the chemical or hazardous material fire poses an imminent threat to persons or property.

(c) The volunteer fire department shall bill the owner or responsible party of the vehicle for the total dollar value of the assistance that was provided, with that value determined by a method that the state fire marshal shall establish under section 16 of this chapter. A copy of the fire incident report to the state fire marshal must accompany the bill. This billing must take place within thirty (30) days after the assistance was provided. The owner or responsible party shall remit payment directly to the governmental unit providing the service. Any money that is collected under this section may be:

(1) deposited in the township firefighting **and emergency services** fund established in ~~IC 36-8-13-4;~~ **IC 36-8-13-4(a)(1) or the township firefighting fund established in IC 36-8-13-4(a)(2)(A);**

(2) used to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus; or

(3) used for the purchase of equipment, buildings, and property for firefighting, fire protection, and other emergency services.

(d) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(e) An agent who processes fees on behalf of a fire department shall

send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(f) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(g) The volunteer fire department may maintain a civil action to recover an unpaid charge that is imposed under subsection (a) and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 201. IC 36-8-12-16, AS AMENDED BY P.L.208-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 16. (a) A volunteer fire department that provides service within a jurisdiction served by the department may establish a schedule of charges for the services that the department provides not to exceed the state fire marshal's recommended schedule for services. The volunteer fire department or its agent may collect a service charge according to this schedule from the owner of property that receives service if the following conditions are met:

(1) At the following times, the department gives notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the service charge for each service that the department provides:

(A) Before the schedule of service charges is initiated.

(B) When there is a change in the amount of a service charge.

(2) The property owner has not sent written notice to the department to refuse service by the department to the owner's property.

(3) The bill for payment of the service charge:

(A) is submitted to the property owner in writing within thirty (30) days after the services are provided;

(B) includes a copy of a fire incident report in the form prescribed by the state fire marshal, if the service was provided for an event that requires a fire incident report;

(C) must contain verification that the bill has been approved by the chief of the volunteer fire department; and

(D) must contain language indicating that correspondence from the property owner and any question from the property owner regarding the bill should be directed to the department.

(4) Payment is remitted directly to the governmental unit providing the service.

(b) A volunteer fire department shall use the revenue collected from the fire service charges under this section:

(1) for the purchase of equipment, buildings, and property for

firefighting, fire protection, or other emergency services;

(2) for deposit in the township firefighting **and emergency services** fund established under ~~IC 36-8-13-4;~~ **IC 36-8-13-4(a)(1) or the township firefighting fund established under IC 36-8-13-4(a)(2)(A);** or

(3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus.

(c) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(d) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(e) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(f) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the schedule of service charges established under subsection (a) before the schedule of service charges is initiated in that political subdivision.

(g) A volunteer fire department that:

(1) has contracted with a political subdivision to provide fire protection or emergency services; and

(2) charges for services under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of service charges collected during the previous calendar year and how those funds have been expended.

(h) The state fire marshal shall annually prepare and publish a recommended schedule of service charges for fire protection services.

(i) The volunteer fire department or its agent may maintain a civil action to recover an unpaid service charge under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 202. IC 36-8-12-17, AS AMENDED BY P.L.208-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 17. (a) If a political subdivision has not imposed its own false alarm fee or service charge, a volunteer fire

department that provides service within the jurisdiction may establish a service charge for responding to false alarms. The volunteer fire department may collect the false alarm service charge from the owner of the property if the volunteer fire department dispatches firefighting apparatus or personnel to a building or premises in the township in response to:

(1) an alarm caused by improper installation or improper maintenance; or

(2) a drill or test, if the fire department is not previously notified that the alarm is a drill or test.

However, if the owner of property that constitutes the owner's residence establishes that the alarm is under a maintenance contract with an alarm company and that the alarm company has been notified of the improper installation or maintenance of the alarm, the alarm company is liable for the payment of the fee or service charge.

(b) Before establishing a false alarm service charge, the volunteer fire department must provide notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the false alarm service charge. The notice required by this subsection must be given:

(1) before the false alarm service charge is initiated; and

(2) before a change in the amount of the false alarm service charge.

(c) A volunteer fire department may not collect a false alarm service charge from a property owner or alarm company unless the department's bill for payment of the service charge:

(1) is submitted to the property owner in writing within thirty (30) days after the false alarm; and

(2) includes a copy of a fire incident report in the form prescribed by the state fire marshal.

(d) A volunteer fire department shall use the money collected from the false alarm service charge imposed under this section:

(1) for the purchase of equipment, buildings, and property for fire fighting, fire protection, or other emergency services;

(2) for deposit in the township firefighting **and emergency services** fund established under ~~IC 36-8-13-4;~~ **IC 36-8-13-4(a)(1) or the township firefighting fund established under IC 36-8-13-4(a)(2)(A);** or

(3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus.

(e) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the false alarm service charge established under subsection (a) before the service charge is initiated in that political subdivision.

(f) A volunteer fire department that:

(1) has contracted with a political subdivision to provide fire protection or emergency services; and

(2) imposes a false alarm service charge under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of false alarm charges collected during the previous calendar year and how those funds have been expended.

(g) The volunteer fire department may maintain a civil action to recover unpaid false alarm service charges imposed under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 203. IC 36-8-13-4, AS AMENDED BY P.L.255-2017, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4. (a) Each township shall annually establish **either:**

(1) a township firefighting **and emergency services** fund which is to be used by the township for the payment of costs attributable to providing fire protection or emergency services under the methods prescribed in section 3 of this chapter and for no other purposes; **or**

(2) two (2) separate funds consisting of:

(A) a township firefighting fund that is to be used by the township for the payment of costs attributable to providing fire protection under the methods prescribed in section 3 of this chapter and for no other purposes; and

(B) a township emergency services fund that is to be used by the township for the payment of costs attributable to providing emergency services under the methods prescribed in section 3 of this chapter and for no other purposes.

The money in the ~~fund~~ **funds described in either subdivision (1) or (2)** may be paid out by the township executive with the consent of the township legislative body.

(b) Each township may levy, for each year, a tax for **either:**

(1) the township firefighting **and emergency services** fund **described in subsection (a)(1); or**

(2) both:

(A) the township firefighting fund; and

(B) the township emergency services fund;

described in subsection (a)(2).

Other than a township providing fire protection or emergency services or both to municipalities in the township under section 3(b) or 3(c) of this chapter, the tax levy is on all taxable real and personal property in the township outside the corporate boundaries of municipalities. Subject to the levy limitations contained in IC 6-1.1-18.5, the township **firefighting and emergency services** levy is to be in an amount sufficient to pay costs attributable to fire protection and emergency services that are not paid from other revenues available to the fund. **If a township establishes a township firefighting fund and a township emergency services fund described in subdivision (2), the combined levies are to be an amount sufficient to pay costs attributable to fire protection and emergency services. However, fire protection services may be paid only from the township firefighting fund and emergency services may be paid only from the township emergency services fund, and each fund may pay costs attributable to the respective fund for services that are not paid from other revenues available to either applicable fund.** The tax rate and levy **for a levy described in this subsection** shall be established in accordance with the procedures set forth in IC 6-1.1-17.

(c) In addition to the tax levy and service charges received under IC 36-8-12-13 and IC 36-8-12-16, the executive may accept donations to the township for the purpose of firefighting and other emergency services and shall place them in the ~~fund,~~ **township firefighting and emergency services fund established under subsection (a)(1), or if applicable, the township firefighting fund established under subsection (a)(2)(A) if the purpose of the donation is for firefighting, or in the township emergency services fund established under subsection (a)(2)(B) if the purpose of the donation is for emergency services,** keeping an accurate record of the sums received. A person may also donate partial payment of any purchase of firefighting or other emergency services equipment made by the township.

(d) If a fire department serving a township dispatches fire apparatus or personnel to a building or premises in the township in response to:

(1) an alarm caused by improper installation or improper maintenance; or

(2) a drill or test, if the fire department is not previously notified that the alarm is a drill or test;

the township may impose a fee or service charge upon the owner of the property. However, if the owner of property that constitutes the owner's residence establishes that the alarm is under a maintenance contract with an alarm company and that the alarm company has been notified of the improper installation or maintenance of the alarm, the alarm company is liable for the payment of the fee or service charge.

(e) The amount of a fee or service charge imposed under subsection (d) shall be determined by the township legislative body. All money received by the township from the fee or service charge must be deposited in the township's firefighting **and emergency services** fund **or the township's firefighting fund.**

SECTION 204. IC 36-8-13-4.5, AS AMENDED BY P.L.255-2017, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.5. (a) This section applies to a township that provides fire protection or emergency services or both to a municipality in the township under section 3(b) or 3(c) of this chapter.

(b) **Except as provided in subsection (c),** with the consent of the township legislative body, the township executive may pay the expenses for fire protection and emergency services in the township, both inside and outside the corporate boundaries of participating municipalities, from any combination of the following township funds, regardless of when the funds were established:

(1) The township firefighting **and emergency services** fund under section ~~4~~ **4(a)(1)** of this chapter.

(2) The cumulative building and equipment fund under IC 36-8-14.

(3) The debt fund under sections 6 and 6.5 of this chapter.

(4) The rainy day fund established under IC 36-1-8-5.1.

(c) If a township establishes a township firefighting fund and a township emergency services fund described in section 4(a)(2) of this chapter, and with the consent of the township legislative body, the township executive may pay the expenses for fire protection from the township firefighting fund and emergency services from the township emergency services fund, both inside and outside the corporate boundaries of participating municipalities.

~~(c)~~ **(d)** Subject to the levy limitations contained in IC 6-1.1-18.5, the tax rate and levy for the township firefighting **and emergency services** fund **or the combined levies for the township firefighting fund and the township emergency services fund (as applicable),** the cumulative building and equipment fund, or the debt fund is to be in an

amount sufficient to pay all costs attributable to fire protection or emergency services that are provided to the township and the participating municipalities that are not paid from other available revenues. The tax rate and levy for each fund shall be established in accordance with the procedures set forth in IC 6-1.1-17 and apply both inside and outside the corporate boundaries of participating municipalities.

~~(d)~~ **(e)** The township executive may accept donations for the purpose of firefighting and emergency services. The township executive shall place donations in the township firefighting **and emergency services** fund **established under section 4(a)(1) of this chapter, or if applicable, the township firefighting fund established under section 4(a)(2)(A) of this chapter if the purpose of the donation is for firefighting, or the township emergency services fund established under section 4(a)(2)(B) of this chapter if the purpose of the donation is for emergency services.** A person may donate partial payment of a purchase of firefighting or emergency services equipment made by the township.

SECTION 205. IC 36-8-13-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.6. (a) For townships and municipalities that elect to have the township provide fire protection and emergency services under section 3(b) of this chapter, the department of local government finance shall adjust each township's and each municipality's maximum permissible levy in the year following the year in which the change is elected, as determined under IC 6-1.1-18.5-3, to reflect the change from providing fire protection **or emergency services** under a contract between the municipality and the township to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of each municipality. Each municipality's maximum permissible property tax levy shall be reduced by the amount of the municipality's property tax levy that was imposed by the municipality to meet the obligations to the township under the fire protection **or emergency services** contract. The township's maximum permissible property tax levy shall be increased by the product of:

(1) one and five-hundredths (1.05); multiplied by

(2) the amount the township received:

(A) in the year in which the change is elected; and

(B) as fire protection **or emergency services** contract payments from all municipalities whose levy is decreased under this section.

(b) For purposes of determining a township's or municipality's

maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-3 for years following the first year after the year in which the change is elected, a township's or municipality's maximum permissible ad valorem property tax levy is the levy after the adjustment made under subsection (a).

SECTION 206. IC 36-8-13-4.7, AS AMENDED BY P.L.257-2019, SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.7. (a) For a township that elects to have the township provide fire protection and emergency services under section 3(c) of this chapter, the department of local government finance shall adjust the township's maximum permissible levy **described in section 4(b)(1) or 4(b)(2) of this chapter, as applicable,** in the year following the year in which the change is elected, as determined under IC 6-1.1-18.5-3, to reflect the change from providing fire protection or emergency services under a contract between the municipality and the township to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of each municipality. For the ensuing calendar year, the township's maximum permissible property tax levy **described in section 4(b)(1) of this chapter, or the combined levies described in section 4(b)(2) of this chapter, which is considered a single levy for purposes of this section,** shall be increased by the product of:

(1) one and five-hundredths (1.05); multiplied by

(2) the amount the township contracted or billed to receive, regardless of whether the amount was collected:

(A) in the year in which the change is elected; and

(B) as fire protection or emergency service payments from the municipalities or residents of the municipalities covered by the election under section 3(c) of this chapter.

The maximum permissible levy for a general fund or other fund of a municipality covered by the election under section 3(c) of this chapter shall be reduced for the ensuing calendar year to reflect the change to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of the municipality. The total reduction in the maximum permissible levies for all electing municipalities must equal the amount that the maximum permissible levy for the township **described in section 4(b)(1) of this chapter or the combined levies described in section 4(b)(2) of this chapter, as applicable,** is increased under this subsection for contracts or billings, regardless of whether the amount was collected, less the amount actually paid from sources other than property tax revenue.

(b) For purposes of determining a township's and each

municipality's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-3 for years following the first year after the year in which the change is elected, a township's and each municipality's maximum permissible ad valorem property tax levy is the levy **(or in the case of a township electing to establish levies described in section 4(b)(2) of this chapter, the combined levies)** after the adjustment made under subsection (a).

(c) The township may use the amount of a maximum permissible property tax levy **(or in the case of a township electing to establish levies described in section 4(b)(2) of this chapter, the combined levies)** computed under this section in setting budgets and property tax levies for any year in which the election in section 3(c) of this chapter is in effect.

(d) Section 4.6 of this chapter does not apply to a property tax levy or a maximum property tax levy subject to this section.

SECTION 207. IC 36-8-13-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 9. (a) A township shall pay for the care of a full-time, paid firefighter who suffers:

(1) an injury; or

(2) contracts an illness;

during the performance of the firefighter's duty.

(b) The township shall pay for the following expenses incurred by a firefighter described in subsection (a):

(1) Medical and surgical care.

(2) Medicines and laboratory, curative, and palliative agents and means.

(3) X-ray, diagnostic, and therapeutic service, including during the recovery period.

(4) Hospital and special nursing care if the physician or surgeon in charge considers it necessary for proper recovery.

(c) Expenditures required by subsection (a) shall be paid from the township firefighting **and emergency services** fund established by section ~~4~~ **4(a)(1)** of this chapter **or the township firefighting fund established in section 4(a)(2)(A) of this chapter, as applicable.**

(d) A township that has paid for the care of a firefighter under subsection (a) has a cause of action for reimbursement of the amount paid under subsection (a) against any third party against whom the firefighter has a cause of action for an injury sustained because of, or an illness caused by, the third party. The township's cause of action under this subsection is in addition to, and not in lieu of, the cause of action of the firefighter against the third party.

SECTION 208. IC 36-8-19-6, AS AMENDED BY P.L.95-2022,

SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 6. (a) To establish or expand a fire protection territory, the legislative bodies of each unit or fire protection district:

(1) desiring to establish a fire protection territory; or

(2) desiring to expand an existing fire protection territory by:

(A) becoming a participating unit in; or

(B) approving the addition of a participating unit in;

an existing fire protection territory;

must adopt an ordinance (in the case of a county or municipality) or a resolution (in the case of a township or a fire protection district).

(b) The ordinance or resolution must meet the following requirements:

(1) The ordinance or resolution is identical to the ordinances and resolutions adopted by the other units or fire protection districts desiring to establish or expand the proposed territory.

(2) **Except as otherwise provided in this subdivision,** the ordinance or resolution is adopted after January 1 but before April 1. **However, for an ordinance or resolution adopted in 2023, the ordinance or resolution must be adopted after January 1, 2023, and before August 2, 2023.**

(3) The ordinance or resolution authorizes the unit or fire protection district to become a party to an agreement for the establishment of a fire protection territory or the expansion of an existing fire protection territory.

(4) **This subdivision does not apply to an ordinance or resolution adopted in 2023.** An ordinance or resolution is adopted after the legislative body holds at least three (3) public hearings to receive public comment on the proposed ordinance or resolution as follows:

(A) At least one (1) public hearing must be held at least thirty (30) days before the legislative body votes on the adoption of the ordinance or resolution. At the hearing, the legislative body shall make available to the public the information required by subsection (c) concerning the fiscal impact of the proposed fire protection territory.

(B) At least two (2) public hearings must be held after the public hearing in clause (A), with the last public hearing held not later than ten (10) days before the legislative body votes on the adoption of the ordinance or resolution.

The legislative body must give notice of the hearings under IC 5-3-1.

(5) This subdivision applies to an ordinance or resolution adopted in 2023. An ordinance or resolution is adopted after the legislative body holds at least three (3) public hearings to receive public comment on the proposed ordinance or resolution as follows:

(A) At least one (1) public hearing must be held at least twenty-five (25) days before the legislative body votes on the adoption of the ordinance or resolution. At the hearing, the legislative body shall make available to the public the information required by subsection (c) concerning the fiscal impact of the proposed fire protection territory.

(B) At least two (2) public hearings must be held after the public hearing in clause (A), with the last public hearing held not later than five (5) days before the legislative body votes on the adoption of the ordinance or resolution.

The legislative body must give notice of the hearings under IC 5-3-1.

(c) The legislative body must make available to the public the following information:

(1) The property tax levy, property tax rate, and budget to be imposed or adopted during the first year of the proposed territory for each of the units or fire protection districts that would participate in the proposed territory. If a property tax rate is to be implemented over a number of years as provided in section 7(c) of this chapter, the information under this subdivision must include the amount of the intended property tax rate after having been fully implemented.

(2) The estimated effect of the proposed reorganization in the following years on taxpayers in each of the units or fire protection districts that would participate in the proposed territory, including the expected property tax rates, property tax levies, expenditure levels, service levels, and annual debt service payments.

(3) The estimated effect of the proposed reorganization on other units in the county in the following years and on local option income taxes, excise taxes, and property tax circuit breaker credits.

(4) A description of the planned services and staffing levels to be provided in the proposed territory.

(5) A description of any capital improvements to be provided in the proposed territory.

(d) The notice required for a hearing under subsection (b)(4) **and (b)(5)** shall include all of the following:

(1) A list of the provider unit and all participating units in the proposed territory.

(2) The date, time, and location of the hearing.

(3) The location where the public can inspect the proposed ordinance or resolution.

(4) A statement as to whether the proposed ordinance or resolution requires uniform tax rates or different tax rates within the territory.

(5) The name and telephone number of a representative of the unit or fire protection district who may be contacted for further information.

(6) The proposed levies and tax rates for each participating unit, and whether a tax rate will be implemented over a number of years under section 7(c) of this chapter.

(e) The ordinance or resolution adopted under this section shall include at least the following:

(1) The boundaries of the proposed territory.

(2) The identity of the provider unit and all other participating units desiring to be included within the territory.

(3) An agreement to impose:

(A) a uniform tax rate upon all of the taxable property within the territory for fire protection services; or

(B) different tax rates for fire protection services for the units or fire protection districts desiring to be included within the territory, so long as a tax rate applies uniformly to all of a unit's or fire protection district's taxable property within the territory.

(4) An agreement as to how the property that is held by the territory will be disposed of if:

(A) a participating unit withdraws from the territory; or

(B) the territory is dissolved.

(5) The contents of the agreement to establish the territory.

(f) An ordinance or a resolution adopted under this section takes effect July 1 of the year the ordinance or resolution is adopted.

SECTION 209. IC 36-8-19-8, AS AMENDED BY P.L.95-2022, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. (a) Upon the adoption of identical ordinances or resolutions, or both, by the participating units under section 6 of this chapter, the designated provider unit must establish a fire protection territory fund from which all expenses of operating and maintaining the fire protection services within the territory, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies,

contingencies, and all other expenses lawfully incurred within the territory shall be paid. The purposes described in this subsection are the sole purposes of the fund, and money in the fund may not be used for any other expenses. Except as allowed in subsections (d) and (e) and section 8.5 of this chapter, the provider unit is not authorized to transfer money out of the fund at any time.

(b) The fund consists of the following:

(1) All receipts from the tax imposed under this section.

(2) Any money transferred to the fund by the provider unit as authorized under subsection (d).

(3) Any receipts from a false alarm fee or service charge imposed by the participating units under IC 36-8-13-4.

(4) Any money transferred to the fund by a participating unit under section 8.6 of this chapter.

(5) Any receipts from a distribution made under IC 6-3.6-6-8(d), which shall be deposited in the fund.

(c) The provider unit, with the assistance of each of the other participating units, shall annually budget the necessary money to meet the expenses of operation and maintenance of the fire protection services within the territory. The provider unit may maintain a reasonable balance, not to exceed one hundred twenty percent (120%) of the budgeted expenses. Except as provided in IC 6-1.1-18.5-10.5, and subject to section 7(c) of this chapter, after estimating expenses and receipts of money, the provider unit shall establish the tax levy required to fund the estimated budget. Subject to IC 6-1.1-18.5-10.5(c), the amount budgeted under this subsection shall be considered a part of each of the participating unit's budget.

(d) If the amount levied in a particular year is insufficient to cover the costs incurred in providing fire protection services within the territory, the provider unit may transfer from available sources to the fire protection territory fund the money needed to cover those costs. In this case:

(1) the levy in the following year shall be increased by the amount required to be transferred; and

(2) the provider unit is entitled to transfer the amount described in subdivision (1) from the fund as reimbursement to the provider unit.

(e) If the amount levied in a particular year exceeds the amount necessary to cover the costs incurred in providing fire protection services within the territory, the levy in the following year shall be reduced by the amount of surplus money that is not transferred to the equipment replacement fund established under section 8.5 of this

chapter. The amount that may be transferred to the equipment replacement fund may not exceed five percent (5%) of the levy for that fund for that year. Each participating unit must agree to the amount to be transferred by adopting an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that specifies an identical amount to be transferred.

(f) The tax under this section is subject to the tax levy limitations imposed under IC 6-1.1-18.5-10.5.

SECTION 210. IC 36-8-19-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 16.5. (a) This section applies to a territory:**

(1) established under this chapter by adoption of an ordinance or resolution by the legislative body of a participating unit that is effective before July 1, 2022; or

(2) established or expanded under this chapter by adoption of an ordinance or resolution by the legislative body of a participating unit that is effective after June 30, 2022.

This section does not apply to a territory that was dissolved under section 15 of this chapter before June 30, 2023.

(b) The provider unit shall submit to the department of local government finance the following:

(1) The ordinance establishing a territory (in the case of a county or municipality).

(2) The resolution establishing a territory (in the case of a township or fire protection district).

(3) Documents outlining the contents of an agreement to establish or extend a territory, including an operating agreement.

(4) Documents outlining the description of planned services for a territory that were prepared when a territory was established.

(5) If the participating units agreed to change the provider unit under section 6.5 of this chapter, each:

(A) ordinance (in the case of a county or municipality); and

(B) resolution (in the case of a township or fire protection district);

as applicable, that agrees to and specifies the new provider unit.

(c) If there is a change in the operations or structure of a territory, the provider unit shall submit a report to the department of local government finance within thirty (30) days of the effective

date of the change.

(d) The information submitted under subsections (b) and (c) shall be submitted in a manner prescribed by the department of local government finance.

(e) The provider unit shall maintain copies of the information identified under subsection (b) throughout the existence of the territory.

SECTION 211. IC 36-9-29-8, AS AMENDED BY P.L.27-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. (a) If a flood control district is established under this chapter, the construction of the flood control works shall be carried out under the control of a flood control board, to be known as "Board of Commissioners, _____ Flood Control District" (designating the name of the city instituting the proceedings for the establishment of the district).

(b) The flood control board consists of:

(1) the members of the works board of the city petitioning for the establishment of the flood control district;

(2) the executive of each town included in whole or in part in the district;

(3) the executive of each township included in whole or in part in the district; and

(4) one (1) individual appointed by the executive of each town included in whole or in part in the flood control district if the town does not have a works board.

(c) Before entering upon the commissioner's duties, each commissioner of the flood control board shall take and subscribe the usual oath of office, and shall file it with the clerk of the circuit court.

(d) If any commissioner of the flood control board fails or refuses to qualify, or after qualifying fails or refuses to take part in the proceedings of the board, then the board, by a majority vote, may petition the circuit court for the appointment of a new commissioner. After a hearing and a showing of cause, the court may remove the offending commissioner. If the court removes a commissioner, the executive of the city shall appoint a new commissioner. The new commissioner must be a freeholder residing in the part of the district previously represented by the commissioner removed.

(e) Each commissioner of a flood control board ~~not holding another lucrative elective or appointive office~~ is entitled to a salary fixed by the board, subject to the approval of the legislative body of the city petitioning for the establishment of the flood control district.

(f) Within ten (10) days after the entry of the decree establishing the

flood control district, the commissioners of the flood control board shall meet at the office of the works board of the city petitioning for the establishment of the district, and shall organize by electing one (1) of their number president and one (1) vice president. These officers shall perform the duties usually pertaining to their offices, and shall serve for a period of one (1) year or until their successors are elected and qualified. The board shall also appoint a secretary pro tempore to keep the records of the proceedings until the board appoints a permanent secretary. The minutes of the board shall be kept in a permanent minute book, and the first entry in the book must be a copy of the decree establishing the district and fixing its boundaries.

(g) A majority of the commissioners of the flood control board constitutes a quorum for the transaction of any business. If the board consists of an even number of commissioners and there is a tie vote on any question, the executive of the city petitioning for the establishment of the flood control district shall be the determining vote in the event of the tie.

(h) The flood control board may:

(1) sue and be sued;

(2) exercise the power of eminent domain;

(3) adopt rules governing the holding of regular meetings, the calling of special meetings, methods of procedure, and similar matters; and

(4) perform all acts necessary and proper for carrying out the purposes of the flood control district.

(i) The office of the flood control board shall be maintained at the office of the works board of the city petitioning for the establishment of the district, or at another place furnished by the city. All records of the board shall be kept at the office and are public records, open to inspection by the public during business hours.

(j) A commissioner, appointee, or employee of the flood control board may not have any direct or indirect interest in any contract let by the board, or in the furnishing of supplies or materials to the board.

SECTION 212. IC 36-10-3-24, AS AMENDED BY P.L.38-2021, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the

resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds, and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

(1) the filing of a petition requesting the issuance of bonds;

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

(3) the appropriation of the proceeds of the bonds and approval by the department of local government finance; and

(4) the sale of bonds at:

(A) a public sale for not less than their par value; or

(B) a negotiated sale after June 30, 2018, and before July 1, ~~2023.~~ **2025.**

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the

district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 213. IC 36-10-8-16, AS AMENDED BY P.L.38-2021, SECTION 105, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 16. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county or, if the board was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the board was created under IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in

accordance with the resolution. An action to contest the validity of bonds issued under this section and sold at a public sale may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at a public sale or at a negotiated sale after June 30, 2018, and before July 1, ~~2023;~~ **2025;**

apply to the issuance of bonds under this section.

SECTION 214. IC 36-10-9-15, AS AMENDED BY P.L.38-2021, SECTION 106, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the city-county legislative body for approval under IC 36-3-6-9, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including

the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) If the city-county legislative body approves the issuance of bonds under IC 36-3-6-9, the board shall submit the resolution to the executive of the consolidated city, who shall review the resolution. If the executive approves the resolution, the board shall take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section and sold at a public sale may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at a public sale for not less than par value or at a negotiated sale after June 30, 2018, and before July 1, ~~2023;~~ **2025;**

are applicable to the issuance of bonds under this section.

SECTION 215. IC 36-10-10-20, AS AMENDED BY P.L.38-2021, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 20. (a) The bonds shall be executed by the president of the board, and the corporate seal of the authority shall be affixed and attested by the secretary of the board. The interest coupons attached to the bonds shall be executed by placing the facsimile signature of the treasurer on them. The bonds shall be sold by the board:

(1) at a public sale for not less than the par value; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023.~~ **2025.**

Notice of sale shall be published in accordance with IC 5-3-1.

(b) If the bonds are sold at a public sale, the board shall award the bonds to the highest bidder as determined by computing the total interest on the bonds from the date of issue to the dates of maturity and deducting the premium bid, if any, unless the board determines that no acceptable bid has been received. In that case the sale may be continued from day to day, not to exceed thirty (30) days. A bid may not be accepted that is lower than the highest bid received at the time fixed for sale in the bond sale notice.

(c) Any premium received from the sale of the bonds shall be used solely for the payment of principal and interest on the bonds. The board may also issue refunding bonds under IC 5-1-5.

SECTION 216. IC 36-10-11-21, AS AMENDED BY P.L.38-2021, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 21. (a) The bonds shall be executed by the president of the board, and the corporate seal of the authority shall be affixed and attested by the secretary of the board. The interest coupons attached to the bonds shall be executed by placing the facsimile signature of the treasurer on them. The bonds shall be sold by the board:

(1) at public sale for not less than the par value; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023.~~ **2025.**

Notice of sale shall be published in accordance with IC 5-3-1.

(b) If the bonds are sold at a public sale, the board shall award the bonds to the highest bidder as determined by computing the total interest on the bonds from the date of issue to the dates of maturity and deducting the premium bid, if any. If the bonds are not sold on the date fixed for the sale, the sale may be continued from day to day until a satisfactory bid has been received.

(c) Any premium received from the sale of the bonds shall be used solely for the payment of principal and interest on the bonds.

(d) Before the preparation of definitive bonds, temporary bonds may under like restrictions be issued with or without coupons, exchangeable for definitive bonds upon the issuance of the latter. The total amount of bonds issued by the authority under this section, when added to any loan or loans negotiated under section 22 of this chapter, may not exceed three million dollars ($3,000,000).

SECTION 217. P.L.1-2023, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: SECTION 21. (a) This SECTION applies to the election and imposition of the pass through entity tax pursuant to

IC 6-3-2.1, as added by this act, for tax years ending before January 1, 2023.

(b) For the applicable period, the tax shall be paid and filed in conjunction with and consistent with the filing of a composite tax return pursuant to IC 6-3-4-12 or IC 6-3-4-13.

(c) Notwithstanding any other provision, no estimated payments shall be due for the applicable period other than any such payment that is currently required for purposes of withholding tax pursuant to IC 6-3-4-12 or IC 6-3-4-13.

(d) All provisions of IC 6-3-2.1, as added by this act, shall apply to the applicable period unless any such provision is inconsistent with the provisions and procedures applicable to the filing of composite returns pursuant to IC 6-3-4-12 or IC 6-3-4-13.

~~(e) A pass through entity that elects to pay the tax imposed by IC 6-3-2.1, as added by this act, for the applicable period will not be subject to an underpayment penalty pursuant to IC 6-8.1-10-2.1(a)(2) for failure to pay any tax due pursuant to IC 6-3-2.1, as added by this act, for any such tax not remitted as of the due date of the return, including extensions. This provision does not waive any interest due on such amounts pursuant to IC 6-8.1-10-1.~~

~~(f)~~ **(e)** Notwithstanding any provision to the contrary in IC 6-8.1-10-1 or IC 6-8.1-10-2.1, if the tax under IC 6-3-2.1, as added by this act, is due before August 31, 2024, interest and penalty for late payment of the tax shall be waived for the period from the due date to August 30, 2024. Interest and penalty shall be due on any amounts unpaid after August 30, 2024, in the manner otherwise provided by law.

SECTION 218. [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)] **(a) IC 6-1.1-10-27, as amended by this act, applies to assessment dates occurring after December 31, 2022.**

(b) This SECTION expires January 1, 2027.

SECTION 219. [EFFECTIVE JANUARY 1, 2024] **(a) IC 6-3.1-38.3, as added by this act, applies to taxable years beginning after December 31, 2023.**

(b) This SECTION expires July 1, 2026.

SECTION 220. [EFFECTIVE JANUARY 1, 2024] **(a) IC 6-7-2-7, as amended by this act, applies to taxable years beginning after December 31, 2023.**

(b) This SECTION expires July 1, 2026.

SECTION 221. [EFFECTIVE JULY 1, 2023] **(a) The legislative services agency shall prepare legislation for introduction in the 2024 regular session of the general assembly to make any necessary**

amendments to the Indiana Code to conform to with this act.

(b) This SECTION expires July 1, 2024.

SECTION 222. [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)] **(a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

(b) This SECTION applies to taxes first due and payable after December 31, 2022, and before January 1, 2026.

(c) As used in this SECTION, "eligible property" means any parcel of tangible property that:

(1) is owned by a nonprofit entity;

(2) is used by a nonprofit entity in the operation of a residential facility for the aged that is either:

(A) registered as a continuing care retirement community under IC 23-2-4; or

(B) licensed as a health care facility under IC 16-28;

or both;

(3) has not been determined as holding exempt status for taxes due and payable in 2023; and

(4) meets either of the following:

(A) was purchased by the nonprofit entity in 2019; or

(B) the property held exempt status for purposes of property taxes first due and payable in 2020.

(d) As used in this SECTION, "qualified taxpayer" refers to a nonprofit entity that owns eligible property.

(e) The following apply for eligible property of a qualified taxpayer:

(1) The eligible property shall be allowed and granted an exemption from property taxation by the county assessor and county auditor in which the eligible property is located for taxes first due and payable in 2023, 2024, and 2025.

(2) The qualified taxpayer must properly and timely file an exemption application under IC 6-1.1 for taxes first due and payable in 2023, 2024 and 2025 in order to claim the exemption under this SECTION. An exemption application for eligible property under this SECTION that is filed before September 1, 2023, is considered to be properly and timely filed for taxes due and payable in 2023.

(f) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for taxes first due and payable in 2023, and to the extent that the eligible property is exempt from taxation as provided in this

SECTION, the qualified taxpayer is entitled to a refund of the amounts paid for taxes first due and payable in 2023. The qualified taxpayer is not entitled to:

(1) any interest on the refund under IC 6-1.1 or any other law to the extent interest has not been paid by or on behalf of the qualified taxpayer; or

(2) a refund of any property taxes, penalties, or interest with respect to the eligible property for taxes first due and payable in 2024 and 2025 and to the extent that the eligible property is exempt from taxation as provided in this SECTION for taxes first due and payable in 2024 and 2025.

Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by the qualified taxpayer under this SECTION before September 1, 2023, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

SECTION 223. [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)] **(a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6.1.1-11, or any other law or administrative rule or provision.**

(b) This SECTION applies to assessment dates after December 31, 2022, and before January 1, 2024.

(c) As used in this SECTION, "eligible property" means any tangible property:

(1) that is owned by a cemetery corporation, firm, not-for-profit corporation, association organized under the laws of this state, church, or religious society for one (1) or more of the purposes described in IC 6-1.1-10-27, as amended by this act;

(2) on which property taxes were imposed for the 2023 assessment date; and

(3) that would have been eligible for an exemption under IC 6-1.1-10-27, as amended by this act, for the 2023 assessment date if an exemption application had been properly and timely filed under IC 6-1.1 for the property.

(d) Before September 1, 2023, the owner of eligible property may file a property tax exemption application and supporting documents claiming a property tax exemption under this SECTION for the eligible property for the 2023 assessment date.

(e) A property tax exemption application filed as provided in subsection (d) is considered to have been properly and timely filed for each assessment date.

(f) The following apply if the owner of eligible property files a property tax exemption application as provided in subsection (d):

(1) The property tax exemption for the eligible property shall be allowed and granted for the applicable assessment date by the county assessor and county auditor of the county in which the eligible property is located.

(2) The owner of the eligible property is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the applicable assessment date.

(g) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(h) To the extent the owner of the eligible property has paid any property taxes, penalties, or interest with respect to the eligible property for an applicable date and to the extent that the eligible property is exempt from taxation as provided in this SECTION, the owner of the eligible property is entitled to a refund of the amounts paid. The owner is not entitled to any interest on the refund under IC 6-1.1 or any other law to the extent interest has not been paid by or on behalf of the owner. Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by the owner of eligible property under this SECTION before September 1, 2023, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(i) This SECTION expires June 30, 2024.

SECTION 224. [EFFECTIVE UPON PASSAGE] **(a) The following apply for purposes of this SECTION:**

(1) The term "weather related disaster" means severe weather that occurred after March 30, 2023, and before April 2, 2023:

(A) for which the governor declared a disaster emergency by executive order; or

(B) for which the Federal Emergency Management Agency declared a disaster.

(2) The term "relief end date" means the latest of:

(A) July 31, 2023, in the case of a taxpayer other than:

(i) a corporation subject to tax under IC 6-3-2, other than a corporation under IC 6-3-2-2.8(1) subject to tax on unrelated business income; or

(ii) a taxpayer subject to tax under IC 6-5.5;

(B) August 31, 2023, in the case of a taxpayer described in clause (A)(i) or (A)(ii); and

(C) the date adjusted under subsection (e).

(b) This SECTION applies to:

(1) individuals who reside in; or

(2) businesses that are headquartered in;

a county for which the governor declares a disaster emergency or the Federal Emergency Management Agency declares a disaster as a result of the weather related disaster.

(c) This SECTION applies only to taxes due under IC 6-3, IC 6-3.6, and IC 6-5.5 for an individual or business described in subsection (b).

(d) For an individual or business described in subsection (b), the department of state revenue may:

(1) treat the relief end date as the return and payment due date for purposes of IC 6-8.1-6-1 (90% safe harbor), IC 6-8.1-10-1 (interest), and IC 6-8.1-10-2.1 (penalties); and

(2) permit estimated payments under IC 6-3-4-4.1 or IC 6-5.5-6-3 that are due after March 31, 2023, and before the relief end date to be made by the due date for the next estimated payment due on or after the relief end date without penalty.

(e) If the Internal Revenue Service extends return filing deadlines pursuant to Section 7508A of the Internal Revenue Code for individuals and corporations to a date on or after the relief due date, the department of state revenue may adjust the relief due date under this SECTION to reflect the due date prescribed by the Internal Revenue Service.

SECTION 225. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "emergency manager" refers to the emergency manager for the Gary school corporation appointed under IC 6-1.1-20.3-7.5.**

(b) If approved by the distressed unit appeal board, the emergency manager may make a one (1) time transfer of nonfederal dollars to any school corporation fund at the Gary school corporation.

(c) The distressed unit appeal board shall notify the state board of accounts of any one (1) time transfer approved under subsection (b).

(d) The SECTION expires December 31, 2023.

SECTION 226. **An emergency is declared for this act.**

Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____