



February 11, 2021

HOUSE BILL No. 1348

DIGEST OF HB 1348 (Updated February 9, 2021 8:38 pm - DI 134)

Citations Affected: IC 6-1.1.

Synopsis: Assessment of utility grade solar projects. Provides that, for assessment dates beginning after December 31, 2021, the land portion of the fixed property of a utility grade solar energy installation facility shall be assessed at an amount that does not exceed the solar land base rate for the region in which the property is located. Provides that the land portion of the fixed property is considered nonresidential real property for purposes of calculating a person's credit under the tax caps. Provides a limited exception for certain utility grade solar energy installation facilities that were assessed on the January 1, 2021, assessment date. Requires the department of local government finance to annually determine and release a solar land base rate for each region based on the median true tax value per acre of all land in the region classified under the utility property class codes of the department of local government finance for the immediately preceding assessment date.

Effective: Upon passage; January 1, 2022.

Soliday

January 14, 2021, read first time and referred to Committee on Ways and Means.
February 11, 2021, amended, reported — Do Pass.

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February 11, 2021

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1348

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

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

- 1 SECTION 1. IC 6-1.1-8-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 2. As used in this
3 chapter:
4 (1) The term "bridge company" means a company which owns or
5 operates a toll bridge or an approach or facility operated in connection
6 with such a bridge.
7 (2) The term "bus company" means a company (other than a street
8 railway company) which is principally engaged in the business of
9 transporting persons for hire by bus in or through two (2) or more
10 townships of this state.
11 (3) The term "definite situs" means a permanent location in one (1)
12 taxing district or a customary location for use in one (1) taxing district.
13 (4) The term "express company" means a company which is
14 engaged in the business of transporting property by land, air, or water,
15 and which does not itself operate the vehicles (except for terminal
16 pickup and delivery vehicles) of transportation.
17 (5) The term "light, heat, or power company" means a company

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1 which is engaged in the business of furnishing light, heat, or power by
 2 electricity, gas, or steam. **The term includes a utility grade solar**
 3 **energy installation facility.**

4 (6) The term "pipe line company" means a company which is
 5 engaged in the business of transporting or transmitting any gas or fluid
 6 (except water) through pipes.

7 (7) The term "property" includes both tangible and intangible
 8 property.

9 (8) The term "public utility company" means a company which is
 10 subject to taxation under this chapter regardless of whether the
 11 company is operated by an individual, a partnership, an association, a
 12 corporation, a limited liability company, a fiduciary, or any other entity.

13 (9) The term "railroad company" means a company which owns or
 14 operates:

15 (i) a steam or electric railroad;

16 (ii) a suburban or interurban railroad;

17 (iii) a switching or terminal railroad;

18 (iv) a railroad station, track, or bridge; or

19 (v) a facility which is part of a railroad system.

20 (10) The term "railroad car company" means a company (other than
 21 a railroad company) which owns or operates cars for the transportation
 22 of property on railroads.

23 (11) The term "sleeping car company" means a company (other than
 24 a railroad company) which owns or operates cars for the transportation
 25 of passengers on railroads.

26 **(12) The term "solar land base rate" means the solar land base**
 27 **rates determined under section 24.5 of this chapter.**

28 ~~(12)~~ (13) The term "street railway company" means a company
 29 which operates a passenger transportation business principally within
 30 one (1) or more municipalities regardless of whether the transportation
 31 vehicles operate on tracks, by means of electric power transmitted
 32 through wires, or by means of automotive equipment.

33 ~~(13)~~ (14) The term "system" means all property owned or used by
 34 a public utility company or companies and operated as one (1) unit in
 35 furnishing a public utility service.

36 ~~(14)~~ (15) The term "telephone, telegraph, or cable company" means
 37 a company which is principally engaged in the business of
 38 communicating by electrical transmission.

39 ~~(15)~~ (16) The term "tunnel company" means a company which owns
 40 or operates a toll tunnel.

41 ~~(16)~~ (17) The term "unit value" means the total value of all the
 42 property owned or used by a public utility company.



1 **(18) The term "utility grade solar energy installation facility"**
 2 **means a renewable utility grade solar electricity facility that is**
 3 **used for the purpose of generating solar electricity for resale to**
 4 **consumers.**

5 ~~(17)~~ **(19) The term "water distribution company" means a company**
 6 **which is engaged in the business of selling or distributing water by**
 7 **pipe, main, canal, or ditch.**

8 **(20) The term "north region" means the region of the state**
 9 **consisting of Adams County, Allen County, Benton County,**
 10 **Blackford County, Carroll County, Cass County, DeKalb County,**
 11 **Elkhart County, Fulton County, Grant County, Howard County,**
 12 **Huntington County, Jasper County, Jay County, Kosciusko**
 13 **County, LaGrange County, Lake County, LaPorte County,**
 14 **Marshall County, Miami County, Newton County, Noble County,**
 15 **Porter County, Pulaski County, St. Joseph County, Starke County,**
 16 **Steuben County, Wabash County, Wells County, White County,**
 17 **and Whitley County.**

18 **(21) The term "central region" means the region of the state**
 19 **consisting of Boone County, Clay County, Clinton County,**
 20 **Delaware County, Fayette County, Fountain County, Franklin**
 21 **County, Hamilton County, Hancock County, Hendricks County,**
 22 **Henry County, Johnson County, Madison County, Marion County,**
 23 **Montgomery County, Morgan County, Owen County, Parke**
 24 **County, Putnam County, Randolph County, Rush County, Shelby**
 25 **County, Tippecanoe County, Tipton County, Union County,**
 26 **Vermillion County, Vigo County, Warren County, and Wayne**
 27 **County.**

28 **(22) The term "south region" means the region of the state**
 29 **consisting of Bartholomew County, Brown County, Clark County,**
 30 **Crawford County, Daviess County, Dearborn County, Decatur**
 31 **County, Dubois County, Floyd County, Gibson County, Greene**
 32 **County, Harrison County, Jackson County, Jefferson County,**
 33 **Jennings County, Knox County, Lawrence County, Martin County,**
 34 **Monroe County, Ohio County, Orange County, Perry County, Pike**
 35 **County, Posey County, Ripley County, Scott County, Spencer**
 36 **County, Sullivan County, Switzerland County, Vanderburgh**
 37 **County, Warrick County, and Washington County.**

38 SECTION 2. IC 6-1.1-8-24, AS AMENDED BY P.L.146-2008,
 39 SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 24. (a) Each year, a township assessor, or the
 41 county assessor if there is no township assessor for the township, shall
 42 assess the fixed property that as of the assessment date of that year is:



1 (1) owned or used by a public utility company; and

2 (2) located in the township or county.

3 (b) The township or county assessor shall determine the assessed
4 value of fixed property. A township assessor shall certify the assessed
5 values to the county assessor on or before April 1 of the year of
6 assessment. However, in a county with a township assessor in every
7 township, the township assessor shall certify the list to the department
8 of local government finance. The county assessor shall review the
9 assessed values and shall certify the assessed values to the department
10 of local government finance on or before April 10 of that year.

11 **(c) This subsection applies to assessment dates after December**
12 **31, 2021. The land portion of the fixed property of a utility grade**
13 **solar energy installation facility shall be assessed at an amount that**
14 **does not exceed the solar land base rate for the region in which the**
15 **property is located.**

16 **(d) Land used for the generation of solar power is considered**
17 **nonresidential real property subject to the three percent (3%) cap**
18 **under IC 6-1.1-20.6-7.5(a)(5) for purposes of calculating a person's**
19 **credit under IC 6-1.1-20.6-7.5.**

20 **(e) This subsection applies to a utility grade solar energy**
21 **installation facility:**

22 **(1) that had the land portion of its fixed property assessed and**
23 **valued on January 1, 2021, for property taxes first due and**
24 **payable in 2022; and**

25 **(2) for assessment dates after December 31, 2021, but only**
26 **until the next planned reassessment of the property during the**
27 **county's four (4) year reassessment cycle under IC 6-1.1-4-4.2.**

28 **If, for an assessment date described in subdivision (2), the assessed**
29 **value of the land portion of the fixed property of a utility grade**
30 **solar energy installation facility described in this subsection for the**
31 **January 1, 2021, assessment date is less than the solar land base**
32 **rate for the region in which the property is located on a particular**
33 **assessment date, the land portion of the fixed property of a utility**
34 **grade solar energy installation facility shall be assessed at an**
35 **amount equal to the assessed value determined for the January 1,**
36 **2021, assessment date.**

37 SECTION 3. IC 6-1.1-8-24.5 IS ADDED TO THE INDIANA
38 CODE AS A NEW SECTION TO READ AS FOLLOWS
39 [EFFECTIVE UPON PASSAGE]: **Sec. 24.5. The department of local**
40 **government finance shall annually determine and release a solar**
41 **land base rate for the north region, the central region, and the**
42 **south region of the state as follows:**



1 **(1) For each region, the department shall determine the**
2 **median true tax value per acre of all land in the region**
3 **classified under the utility property class codes of the**
4 **department of local government finance for the immediately**
5 **preceding assessment date.**

6 **(2) The department shall release the department's annual**
7 **determination of the solar land base rates on or before**
8 **December 1 of each year.**

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



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1348, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 13, after "assessed at" insert "**an amount that does not exceed**".

Page 4, between lines 14 and 15, begin a new paragraph and insert:

"(d) Land used for the generation of solar power is considered nonresidential real property subject to the three percent (3%) cap under IC 6-1.1-20.6-7.5(a)(5) for purposes of calculating a person's credit under IC 6-1.1-20.6-7.5.

(e) This subsection applies to a utility grade solar energy installation facility:

(1) that had the land portion of its fixed property assessed and valued on January 1, 2021, for property taxes first due and payable in 2022; and

(2) for assessment dates after December 31, 2021, but only until the next planned reassessment of the property during the county's four (4) year reassessment cycle under IC 6-1.1-4-4.2.

If, for an assessment date described in subdivision (2), the assessed value of the land portion of the fixed property of a utility grade solar energy installation facility described in this subsection for the January 1, 2021, assessment date is less than the solar land base rate for the region in which the property is located on a particular assessment date, the land portion of the fixed property of a utility grade solar energy installation facility shall be assessed at an amount equal to the assessed value determined for the January 1, 2021, assessment date."

and when so amended that said bill do pass.

(Reference is to HB 1348 as introduced.)

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Committee Vote: yeas 23, nays 1.

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