

IC 6-1.1-12

Chapter 12. Assessed Value Deductions and Deduction Procedures

IC 6-1.1-12-0.5

Basis for taxation after deduction

Sec. 0.5. For each year that a deduction from the assessed value of tangible property is allowed, the assessed value remaining after the deduction is the basis for taxation of the property.

As added by Acts 1979, P.L.52, SEC.1.

IC 6-1.1-12-0.7

Mortgage deduction; filing; appointees to act for elderly, blind, or disabled persons

Sec. 0.7. Any individual who is sixty-five (65) years of age, is blind, or has a disability (within the meaning of section 11 of this chapter) may appoint an individual eighteen (18) years of age or older to act on the individual's behalf for purposes of filing property tax deduction statements for any deductions provided by this chapter. If a statement is filed by an appointee, the appointee's name, address, and telephone number must be included in the statement.

As added by Acts 1981, P.L.25, SEC.2. Amended by P.L.99-2007, SEC.21.

IC 6-1.1-12-1

Deduction for property financed by mortgage or installment loan; home equity line of credit

Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

- (1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property, with the mortgage or installment loan instrument recorded with the county recorder's office, that the person owns;
- (2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that the person is buying under a contract, with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that the person is to pay the property taxes on the real property, mobile home, or manufactured home; or
- (3) real property, a mobile home that is not assessed as real property, or a manufactured home that the person owns or is buying on a contract described in subdivision (2) on which the person has a home equity line of credit that is recorded in the county recorder's office.

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

- (1) the balance of the mortgage or contract indebtedness (including a home equity line of credit) on the assessment date of that year;
- (2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or
- (3) three thousand dollars (\$3,000);

whichever is least.

(c) 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 which 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.

(d) The person must:

- (1) own the real property, mobile home, or manufactured home; or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under section 2 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.1; Acts 1981, P.L.69, SEC.1; P.L.6-1997, SEC.41; P.L.291-2001, SEC.129; P.L.144-2008, SEC.9; P.L.81-2010, SEC.1.

IC 6-1.1-12-2

Statement to apply for mortgage deduction; requirements; delegation of signing authority only by power of attorney; limitation on closing agent liability; county recorder

Sec. 2. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, for a person to qualify for the deduction provided by section 1 of this chapter a statement must be filed under subsection (b) or (c). Regardless of the manner in which a statement is filed, the mortgage, contract, or memorandum (including a home equity line of credit) must be recorded with the county recorder's office to qualify for a deduction under section 1 of this chapter.

(b) Subject to subsection (c), to apply for the deduction under section 1 of this chapter with respect to real property, the person recording the mortgage, home equity line of credit, contract, or memorandum of the contract with the county recorder may file a written statement with the county recorder containing the information described in subsection (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and (e)(8). The statement must be prepared on the form prescribed by the department of local government finance and be signed by the property owner or contract purchaser under the penalties of perjury. The form must have a place for the county recorder to insert the record number and page where the mortgage, home equity line of credit, contract, or memorandum of the contract is recorded. Upon receipt of the form and the recording of the mortgage, home equity

line of credit, contract, or memorandum of the contract, the county recorder shall insert on the form the record number and page where the mortgage, home equity line of credit, contract, or memorandum of the contract is recorded and forward the completed form to the county auditor. The county recorder may not impose a charge for the county recorder's duties under this subsection. The statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county recorder on or before January 5 of the immediately succeeding calendar year.

(c) With respect to:

(1) real property as an alternative to a filing under subsection (b); or

(2) a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property;

to apply for a deduction under section 1 of this chapter, a person who desires to claim the deduction may file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property the statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. 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. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property.

(d) Upon receipt of:

(1) the statement under subsection (b); or

(2) the statement under subsection (c) and the recorded contract or recorded memorandum of the contract;

the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(e) The statement referred to in subsections (b) and (c) must be verified under penalties for perjury. The statement must contain the following information:

(1) The balance of the person's mortgage, home equity line of credit, or contract indebtedness that is recorded in the county recorder's office on the assessment date of the year for which the deduction is claimed.

(2) The assessed value of the real property, mobile home, or manufactured home.

(3) The full name and complete residence address of the person and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage, home equity line of credit, or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or home equity line of credit or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(f) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

(g) A closing agent (as defined in section 43(a)(2) of this chapter) is not liable for any damages claimed by the property owner or contract purchaser because of:

(1) the closing agent's failure to provide the written statement described in subsection (b);

(2) the closing agent's failure to file the written statement described in subsection (b);

(3) any omission or inaccuracy in the written statement described in subsection (b) that is filed with the county recorder by the closing agent; or

(4) any determination made with respect to a property owner's or contract purchaser's eligibility for the deduction under section 1 of this chapter.

(h) The county recorder may not refuse to record a mortgage, contract, or memorandum because the written statement described in subsection (b):

(1) is not included with the mortgage, home equity line of credit, contract, or memorandum of the contract;

(2) does not contain the signatures required by subsection (b);

(3) does not contain the information described in subsection (e); or

(4) is otherwise incomplete or inaccurate.

(i) The form prescribed by the department of local government finance under subsection (b) and the instructions for the form must

both include a statement:

- (1) that explains that a person is not entitled to a deduction under section 1 of this chapter unless the person has a balance on the person's mortgage or contract indebtedness that is recorded in the county recorder's office (including any home equity line of credit that is recorded in the county recorder's office) that is the basis for the deduction; and
- (2) that specifies the penalties for perjury.

(j) The department of local government finance shall develop a notice:

- (1) that must be displayed in a place accessible to the public in the office of each county auditor;
- (2) that includes the information described in subsection (i); and
- (3) that explains that the form prescribed by the department of local government finance to claim the deduction under section 1 of this chapter must be signed by the property owner or contract purchaser under the penalties of perjury.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.10; Acts 1980, P.L.39, SEC.2; Acts 1981, P.L.69, SEC.2; Acts 1982, P.L.44, SEC.1; P.L.55-1988, SEC.1; P.L.3-1989, SEC.32; P.L.291-2001, SEC.130; P.L.90-2002, SEC.106; P.L.177-2002, SEC.1; P.L.154-2006, SEC.11; P.L.183-2007, SEC.1; P.L.144-2008, SEC.10; P.L.75-2009, SEC.2; P.L.182-2009(ss), SEC.108; P.L.1-2010, SEC.21; P.L.81-2010, SEC.2.

IC 6-1.1-12-3

Claim of deduction for property financed by mortgage or installment loan by member of armed forces

Sec. 3. An individual may claim the deduction provided by section 1 of this chapter for the assessment date in a year in the manner prescribed in section 4 of this chapter if during the filing period prescribed in section 2 of this chapter that applies to the assessment date the individual was:

- (1) a member of the United States armed forces; and
- (2) away from the county of his residence as a result of military service.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.3; P.L.144-2008, SEC.11.

IC 6-1.1-12-4

Procedure for claim by member of armed forces

Sec. 4. (a) An individual who satisfies the requirements of section 3 of this chapter may file a claim for a deduction, or deductions, provided by section 1 of this chapter during the year following the year in which the individual is discharged from military service. The individual shall file the claim, on the forms prescribed for claiming a deduction under section 2 of this chapter, with the auditor of the county in which the real property is located. The claim shall specify the particular year, or years, for which the deduction is claimed. The

individual shall attach to the claim an affidavit which states the facts concerning the individual's absence as a member of the United States armed forces.

(b) The county property tax assessment board of appeals shall examine the individual's claim and shall determine the amount of deduction, or deductions, the individual is entitled to and the year, or years, for which deductions are due. Based on the board's determination, the county auditor shall calculate the excess taxes paid by the individual and shall refund the excess to the individual from funds not otherwise appropriated. The county auditor shall issue, and the county treasurer shall pay, a warrant for the amount, if any, to which the individual is entitled.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.4; P.L.55-1988, SEC.2; P.L.6-1997, SEC.43; P.L.154-2006, SEC.12; P.L.144-2008, SEC.12.

IC 6-1.1-12-5

Mortgage or contract deductions; members of armed forces; amount of deduction without claim

Sec. 5. A county auditor shall determine the amount of the deduction provided by section 1 of this chapter that an individual is entitled to and shall make an allowance for the deduction without a claim being filed if:

- (1) the county auditor determines that the individual satisfies the requirements of section 3 of this chapter; and
- (2) the individual is a resident of, and the real property is located in, the county that the auditor serves.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.5.

IC 6-1.1-12-6

Mortgage or contract deductions; transmission of application to second county

Sec. 6. (a) The auditor of a county (referred to in this section as the "first county") with whom a deduction application is filed under section 2 of this chapter shall immediately prepare and transmit a copy of the application to the auditor of any other county (referred to in this section as the "second county") if:

- (1) the residence of the applicant is located in the second county; or
- (2) the applicant has applied for a deduction under section 2 of this chapter in the second county.

(b) The county property tax assessment board of appeals of the second county shall note on the copy of the application either:

- (1) the amount of the deduction provided under section 1 of this chapter that has been granted in the second county; or
- (2) that no deduction application has been filed under section 2 of this chapter in the second county.

The board shall then return the copy to the auditor of the first county.

(c) The county property tax assessment board of appeals of the first county shall then take appropriate action on the application. The board may not grant a deduction provided under section 1 of this chapter in an amount which will exceed the difference between the amount granted in any other county and the maximum amount permitted the applicant under section 1 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.6; P.L.6-1997, SEC.44.

IC 6-1.1-12-7

Mortgage or contract deductions; granting

Sec. 7. Each year, the county auditor shall ascertain if more than one (1) application has been filed by the same person. The county auditor shall take appropriate action to grant the deductions provided under section 1 of this chapter in amounts that do not exceed the maximum allowed each person under section 1 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.7; P.L.6-1997, SEC.45.

IC 6-1.1-12-8

Repealed

(Formerly: Acts 1975, P.L.47, SEC.1. As amended by Acts 1979, P.L.53, SEC.1; Acts 1980, P.L.39, SEC.8. Repealed by P.L.98-2000, SEC.30.)

IC 6-1.1-12-9

Deduction for person 65 or older; limitations; surviving spouse; contract purchaser; common ownership

Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a contract that

provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars (\$182,430);

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, (for assessment dates after February 28, 2008) 37.5, and 38 of this chapter; and

(7) the person:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 10.1 of this chapter is filed.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) twelve thousand four hundred eighty dollars (\$12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) twelve thousand four hundred eighty dollars (\$12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

- (1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;
- (2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;
- (3) the surviving spouse has not remarried; and
- (4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(7).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.33, SEC.1; Acts 1979, P.L.54, SEC.1; Acts 1980, P.L.39, SEC.9; Acts 1981, P.L.25, SEC.3; Acts 1982, P.L.45, SEC.1; P.L.24-1986, SEC.14; P.L.60-1986, SEC.1; P.L.332-1989(ss), SEC.6; P.L.41-1992, SEC.1; P.L.48-1996, SEC.1; P.L.6-1997, SEC.46; P.L.155-1999, SEC.1; P.L.291-2001, SEC.131; P.L.272-2003, SEC.1; P.L.20-2004, SEC.1; P.L.219-2007, SEC.25; P.L.144-2008, SEC.13; P.L.1-2010, SEC.22; P.L.113-2010, SEC.23.

IC 6-1.1-12-9.1

Repealed

(Repealed by Acts 1980, P.L.39, SEC.11.)

IC 6-1.1-12-10

Repealed

(Repealed by Acts 1980, P.L.40, SEC.2.)

IC 6-1.1-12-10.1

Persons over 65 or surviving spouse; filing claim

Sec. 10.1. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed

during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. 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.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

As added by Acts 1980, P.L.40, SEC.1. Amended by Acts 1982, P.L.44, SEC.2; Acts 1982, P.L.45, SEC.2; P.L.55-1988, SEC.3; P.L.291-2001, SEC.132; P.L.90-2002, SEC.107; P.L.154-2006, SEC.13; P.L.183-2007, SEC.2; P.L.144-2008, SEC.14; P.L.183-2014, SEC.7.

IC 6-1.1-12-11

Deduction for blind or disabled person; limitations; contract purchaser

Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

- (1) the individual is blind or the individual has a disability;
- (2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the

individual's residence;

(3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars (\$17,000); and

(4) the individual:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 12 of this chapter is filed.

(b) For purposes of this section, taxable gross income does not include income which is not taxed under the federal income tax laws.

(c) For purposes of this section, "blind" has the same meaning as the definition contained in IC 12-7-2-21(1).

(d) For purposes of this section, "individual with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which:

(1) can be expected to result in death; or

(2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) An individual with a disability filing a claim under this section shall submit proof of the disability. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of this section.

(f) An individual with a disability not covered under the federal Social Security Act shall be examined by a physician and the individual's status as an individual with a disability determined by using the same standards as used by the Social Security Administration. The costs of this examination shall be borne by the claimant.

(g) An individual 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 against that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.55, SEC.2; Acts 1981, P.L.25, SEC.4; Acts 1982, P.L.45, SEC.3; P.L.332-1989(ss), SEC.7; P.L.49-1990, SEC.1; P.L.2-1992, SEC.57; P.L.48-1996, SEC.2; P.L.6-1997, SEC.47; P.L.291-2001, SEC.133; P.L.20-2004, SEC.2; P.L.99-2007, SEC.22; P.L.144-2008, SEC.15; P.L.1-2010, SEC.23; P.L.148-2015, SEC.6.

IC 6-1.1-12-12

Blind persons; filing claim; proof of blindness; contents of

application

Sec. 12. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of the division of family resources or the division of disability and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.12; Acts 1982, P.L.44, SEC.3; Acts 1982, P.L.45, SEC.4; P.L.41-1987, SEC.4; P.L.55-1988, SEC.4; P.L.2-1992, SEC.58; P.L.4-1993, SEC.9; P.L.5-1993, SEC.21; P.L.291-2001, SEC.134; P.L.90-2002, SEC.108; P.L.177-2002, SEC.2; P.L.141-2006, SEC.9; P.L.145-2006, SEC.16; P.L.154-2006, SEC.14; P.L.1-2007, SEC.40; P.L.183-2007, SEC.3; P.L.144-2008, SEC.16; P.L.146-2008, SEC.108; P.L.1-2009, SEC.29; P.L.183-2014, SEC.8.

IC 6-1.1-12-13

Deduction for veteran with partial disability; limitations; surviving spouse; contract purchaser

Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a contract that

provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

- (1) the individual served in the military or naval forces of the United States during any of its wars;
- (2) the individual received an honorable discharge;
- (3) the individual has a disability with a service connected disability of ten percent (10%) or more;
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and
- (5) the individual:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 15 of this chapter is filed.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death and the surviving spouse satisfies the requirement of subsection (a)(5) at the time the deduction statement is filed. The surviving spouse is entitled to the deduction regardless of whether the property for which the deduction is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual 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 against that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.5.) As amended by Acts 1982, P.L.45, SEC.5; P.L.68-1983, SEC.1; P.L.60-1985, SEC.1; P.L.1-1990, SEC.68; P.L.6-1997, SEC.48; P.L.123-1999, SEC.1; P.L.291-2001, SEC.135; P.L.20-2004, SEC.3; P.L.99-2007, SEC.23; P.L.144-2008, SEC.17; P.L.1-2010, SEC.24;

IC 6-1.1-12-14

Deduction for totally disabled veteran or veteran age 62 and partially disabled; surviving spouse; contract purchaser

Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
- (2) the individual received an honorable discharge;
- (3) the individual either:
 - (A) has a total disability; or
 - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%);
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and
- (5) the individual:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured home under contract;on the date the statement required by section 15 of this chapter is filed.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death and the surviving spouse satisfies the requirement of subsection (a)(5) at the time the deduction statement is filed. The surviving spouse is entitled to the deduction regardless of whether the property for which the deduction is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds one hundred forty-three thousand one

hundred sixty dollars (\$143,160).

(d) An individual 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 against that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.6.) As amended by Acts 1982, P.L.45, SEC.6; P.L.68-1983, SEC.2; P.L.60-1985, SEC.2; P.L.332-1989(ss), SEC.8; P.L.1-1990, SEC.69; P.L.48-1996, SEC.3; P.L.6-1997, SEC.49; P.L.123-1999, SEC.3; P.L.291-2001, SEC.136; P.L.272-2003, SEC.2; P.L.20-2004, SEC.4; P.L.219-2007, SEC.26; P.L.99-2007, SEC.24; P.L.144-2008, SEC.18; P.L.3-2008, SEC.35; P.L.1-2009, SEC.30; P.L.293-2013(ts), SEC.2.

IC 6-1.1-12-15

Claim by veteran; guardianship; contract purchaser

Sec. 15. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 13 or 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. 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. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;
- (2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or
- (3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section. If a deceased veteran's surviving spouse is claiming the deduction, the surviving spouse shall provide the documentation necessary to establish that at the time of death the deceased veteran satisfied the requirements of section 13(a)(1) through 13(a)(4) of this chapter or section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.13; Acts 1982, P.L.44, SEC.4; Acts 1982, P.L.45, SEC.7; P.L.55-1988, SEC.5; P.L.1-1990, SEC.70; P.L.123-1999, SEC.5; P.L.291-2001, SEC.137; P.L.177-2002, SEC.3; P.L.154-2006, SEC.15; P.L.183-2007, SEC.4; P.L.144-2008, SEC.19; P.L.293-2013(ts), SEC.3; P.L.183-2014, SEC.9.

IC 6-1.1-12-16

Deduction for surviving spouse of veteran; limitations; contract purchaser

Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that the surviving spouse is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

- (1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918;
- (2) the deceased spouse received an honorable discharge; and
- (3) the surviving spouse:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17 of this chapter is filed.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual 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 against that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.7.) As amended by Acts 1978, P.L.33, SEC.2; Acts 1982, P.L.45, SEC.8; P.L.6-1997, SEC.50; P.L.291-2001, SEC.138; P.L.20-2004, SEC.5; P.L.144-2008, SEC.20; P.L.1-2009, SEC.31.

IC 6-1.1-12-17

Claim by surviving spouse of veteran

Sec. 17. Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. 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. The statement shall contain:

- (1) a sworn statement that the surviving spouse is entitled to the deduction; and
- (2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.8.) As amended by Acts 1979, P.L.56, SEC.14; Acts 1982, P.L.44, SEC.5; Acts 1982, P.L.45, SEC.9; P.L.55-1988, SEC.6; P.L.1-1990, SEC.71; P.L.177-2002, SEC.4; P.L.154-2006, SEC.16; P.L.183-2007, SEC.5; P.L.144-2008, SEC.21; P.L.183-2014, SEC.10.

IC 6-1.1-12-17.4

Deduction for World War I veteran; limitations; tenants by the entirety; contract purchaser; expiration

Sec. 17.4. (a) This section applies only to property taxes imposed for an assessment date before January 1, 2016.

(b) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

(1) the real property, mobile home, or manufactured home is the veteran's principal residence;

(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars (\$206,500);

(3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; and

(4) the veteran:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17.5 of this chapter is filed.

(c) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(d) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (b).

(e) An individual 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.

(f) This section expires January 1, 2017.

(Formerly: Acts 1975, P.L.52, SEC.1.) As amended by Acts 1978, P.L.33, SEC.3; Acts 1981, P.L.25, SEC.5; Acts 1982, P.L.45, SEC.10; P.L.332-1989(ss), SEC.9; P.L.48-1996, SEC.4; P.L.6-1997, SEC.51; P.L.291-2001, SEC.139; P.L.272-2003, SEC.3; P.L.20-2004, SEC.6; P.L.219-2007, SEC.27; P.L.144-2008, SEC.22; P.L.1-2009, SEC.32; P.L.250-2015, SEC.3.

IC 6-1.1-12-17.5

Claim by World War I veteran

Sec. 17.5. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter (before its expiration) must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must complete and date the statement in the calendar year for which the veteran wishes to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. 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.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
- (4) any additional information that the department of local government finance may require.

(Formerly: Acts 1975, P.L.52, SEC.2.) As amended by Acts 1978, P.L.33, SEC.4; Acts 1979, P.L.56, SEC.15; Acts 1982, P.L.44, SEC.6; Acts 1982, P.L.45, SEC.11; P.L.69-1983, SEC.1; P.L.55-1988, SEC.7; P.L.291-2001, SEC.140; P.L.90-2002, SEC.109; P.L.177-2002, SEC.5; P.L.154-2006, SEC.17; P.L.183-2007, SEC.6; P.L.144-2008, SEC.23; P.L.183-2014, SEC.11; P.L.250-2015, SEC.4.

IC 6-1.1-12-17.8 Version a

Automatic carryover of deductions; termination of standard deduction by county auditor; jointly held property, trusts, and cooperative housing corporations

Note: This version of section effective until 7-1-2015. See also

following version of this section, effective 7-1-2015.

Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year. However, for purposes of a deduction under section 37 of this chapter, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

- (1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or
- (2) the last known address of the most recent owner shown in the transfer book.

(b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property, mobile home, or manufactured home for which the individual claims the deduction is located of the individual's ineligibility in the year in which the individual becomes ineligible. An individual who becomes ineligible for a deduction under section 37 of this chapter shall notify the county auditor of the county in which the property is located in conformity with section 37 of this chapter.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of the property in a divorce decree.

However, for purposes of a deduction under section 37 of this

chapter, if the removal of the joint owner occurs before the date that a notice described in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) is sent, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records or the last known address of the most recent owner shown in the transfer book.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

- (1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, 17.4, or 37 of this chapter in a particular year; and
- (2) the trust remains eligible for the deduction in the following year.

However, for purposes of a deduction under section 37 of this chapter, the individuals that qualify the trust for a deduction must comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013.

(f) A cooperative housing corporation (as defined in 26 U.S.C. 216) that is entitled to a deduction under section 37 of this chapter in the immediately preceding calendar year for a homestead (as defined in section 37 of this chapter) is not required to file a statement to apply for the deduction for the current calendar year if the cooperative housing corporation remains eligible for the deduction for the current calendar year. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

- (1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or
- (2) the last known address of the most recent owner shown in

the transfer book.

(g) An individual who:

(1) was eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2007, or January 15, 2008, assessment date; or

(2) would have been eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had not been repealed;

is not required to file a statement to apply for a deduction under section 37 of this chapter if the individual remains eligible for the deduction in the current year. An individual who filed for a homestead credit under IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if the property is real property), or after January 1, 2008 (if the property is personal property), shall be treated as an individual who has filed for a deduction under section 37 of this chapter. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book.

(h) If a county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall reinstate the deduction if the taxpayer provides proof that the taxpayer is eligible for the deduction and is not claiming the deduction for any other property.

(i) A taxpayer described in section 37(k) of this chapter is not required to file a statement to apply for the deduction provided by section 37 of this chapter for a calendar year beginning after December 31, 2008, if the property owned by the taxpayer remains eligible for the deduction for that calendar year. However, the county auditor may terminate the deduction for assessment dates after January 15, 2012, if the individual residing on the property owned by the taxpayer does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the individual residing on the property did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination

of the deduction to:

- (1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or
- (2) the last known address of the most recent owner shown in the transfer book.

As added by Acts 1982, P.L.44, SEC.7. Amended by P.L.125-1999, SEC.1; P.L.291-2001, SEC.141; P.L.154-2006, SEC.18; P.L.95-2007, SEC.1; P.L.144-2008, SEC.24; P.L.87-2009, SEC.2; P.L.182-2009(ss), SEC.109; P.L.5-2015, SEC.12.

IC 6-1.1-12-17.8 Version b

Automatic carryover of deductions; termination of standard deduction by county auditor; jointly held property, trusts, and cooperative housing corporations

Note: This version of section effective 7-1-2015. See also preceding version of this section, effective until 7-1-2015.

Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4 (before its expiration), or 37 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year. However, for purposes of a deduction under section 37 of this chapter, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

- (1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or
- (2) the last known address of the most recent owner shown in the transfer book.

(b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 (before its expiration) of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property, mobile home, or manufactured home for which the individual claims the deduction is located of the individual's ineligibility in the year in which the individual becomes ineligible. An individual who becomes ineligible for a deduction under section 37 of this chapter shall notify the county auditor of the county in which the property is located in conformity with section 37 of this chapter.

(c) The auditor of each county shall, in a particular year, apply a

deduction provided under section 1, 9, 11, 13, 14, 16, 17.4 (before its expiration), or 37 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4 (before its expiration), or 37 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of the property in a divorce decree.

However, for purposes of a deduction under section 37 of this chapter, if the removal of the joint owner occurs before the date that a notice described in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) is sent, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records or the last known address of the most recent owner shown in the transfer book.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, 17.4 (before its expiration), or 37 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

- (1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, 17.4 (before its expiration), or 37 of this chapter in a particular year; and
- (2) the trust remains eligible for the deduction in the following year.

However, for purposes of a deduction under section 37 of this chapter, the individuals that qualify the trust for a deduction must comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013.

(f) A cooperative housing corporation (as defined in 26 U.S.C. 216) that is entitled to a deduction under section 37 of this chapter in the immediately preceding calendar year for a homestead (as defined

in section 37 of this chapter) is not required to file a statement to apply for the deduction for the current calendar year if the cooperative housing corporation remains eligible for the deduction for the current calendar year. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

(1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or

(2) the last known address of the most recent owner shown in the transfer book.

(g) An individual who:

(1) was eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2007, or January 15, 2008, assessment date; or

(2) would have been eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had not been repealed;

is not required to file a statement to apply for a deduction under section 37 of this chapter if the individual remains eligible for the deduction in the current year. An individual who filed for a homestead credit under IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if the property is real property), or after January 1, 2008 (if the property is personal property), shall be treated as an individual who has filed for a deduction under section 37 of this chapter. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book.

(h) If a county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,

2013, the county auditor shall reinstate the deduction if the taxpayer provides proof that the taxpayer is eligible for the deduction and is not claiming the deduction for any other property.

(i) A taxpayer described in section 37(k) of this chapter is not required to file a statement to apply for the deduction provided by section 37 of this chapter for a calendar year beginning after December 31, 2008, if the property owned by the taxpayer remains eligible for the deduction for that calendar year. However, the county auditor may terminate the deduction for assessment dates after January 15, 2012, if the individual residing on the property owned by the taxpayer does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the individual residing on the property did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

- (1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or
- (2) the last known address of the most recent owner shown in the transfer book.

As added by Acts 1982, P.L.44, SEC.7. Amended by P.L.125-1999, SEC.1; P.L.291-2001, SEC.141; P.L.154-2006, SEC.18; P.L.95-2007, SEC.1; P.L.144-2008, SEC.24; P.L.87-2009, SEC.2; P.L.182-2009(ss), SEC.109; P.L.5-2015, SEC.12; P.L.250-2015, SEC.5.

IC 6-1.1-12-17.9

Trust eligibility for certain deductions; requirements

Sec. 17.9. A trust is entitled to a deduction under section 9, 11, 13, 14, 16, or 17.4 (before its expiration) of this chapter for real property owned by the trust and occupied by an individual if the county auditor determines that the individual:

- (1) upon verification in the body of the deed or otherwise, has either:
 - (A) a beneficial interest in the trust; or
 - (B) the right to occupy the real property rent free under the terms of a qualified personal residence trust created by the individual under United States Treasury Regulation 25.2702-5(c)(2);
- (2) otherwise qualifies for the deduction; and
- (3) would be considered the owner of the real property under IC 6-1.1-1-9(f) or IC 6-1.1-1-9(g).

As added by P.L.95-2007, SEC.2. Amended by P.L.101-2008, SEC.2; P.L.250-2015, SEC.6.

IC 6-1.1-12-18

Deduction for rehabilitated residential real property; limitations

Sec. 18. (a) If the assessed value of residential real property described in subsection (d) is increased because it has been rehabilitated, the owner may have deducted from the assessed value of the property an amount not to exceed the lesser of:

- (1) the total increase in assessed value resulting from the rehabilitation; or
- (2) eighteen thousand seven hundred twenty dollars (\$18,720) per rehabilitated dwelling unit.

The owner is entitled to this deduction annually for a five (5) year period, or if subsection (e) applies, the period established under subsection (e).

(b) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure which are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(c) For the purposes of this section, the term "owner" or "property owner" includes any person who has the legal obligation, or has otherwise assumed the obligation, to pay the real property taxes on the rehabilitated property.

(d) The deduction provided by this section applies only:

(1) for the rehabilitation of residential real property which is located within this state and which is described in one (1) of the following classifications:

(A) A single family dwelling if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed thirty-seven thousand four hundred forty dollars (\$37,440).

(B) A two (2) family dwelling if before rehabilitation the assessed value (excluding exemptions or deductions) of the improvements does not exceed forty-nine thousand nine hundred twenty dollars (\$49,920).

(C) A dwelling with more than two (2) family units if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed eighteen thousand seven hundred twenty dollars (\$18,720) per dwelling unit; and

(2) if the property owner:

(A) owns the residential real property; or

(B) is buying the residential real property under contract; on the assessment date of the year in which an application must be filed under section 20 of this chapter.

(e) A county, city, or town fiscal body may adopt an ordinance to establish a deduction period that is longer than five (5) years but not to exceed fifteen (15) years for any rehabilitated property covered by this section that has also been determined to be abandoned or vacant for purposes of IC 6-1.1-24.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977,

P.L.2, SEC.21; Acts 1977, P.L.67, SEC.1; P.L.6-1997, SEC.52; P.L.129-2001, SEC.2; P.L.90-2002, SEC.110; P.L.20-2004, SEC.7; P.L.144-2008, SEC.25; P.L.247-2015, SEC.3.

IC 6-1.1-12-19

Rehabilitated residential property; duration of deduction

Sec. 19. The deduction from assessed value provided by section 18 of this chapter is first available in the year in which the increase in assessed value resulting from the rehabilitation occurs and shall continue for the following four (4) years. In the sixth (6th) year, the county auditor shall add the amount of the deduction to the assessed value of the real property. A:

- (1) general reassessment of real property under IC 6-1.1-4-4; or
- (2) reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

which occurs within the five (5) year period of the deduction does not affect the amount of the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.112-2012, SEC.25.

IC 6-1.1-12-20

Claim for deduction for rehabilitated residential real property

Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) and subject to section 45 of this chapter, the application must be filed in the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before December 1 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The application required by this section shall contain the following information:

- (1) A description of the property for which a deduction is claimed in sufficient detail to afford identification.
- (2) Statements of the ownership of the property.
- (3) The assessed value of the improvements on the property before rehabilitation.
- (4) The number of dwelling units on the property.
- (5) The number of dwelling units rehabilitated.
- (6) The increase in assessed value resulting from the rehabilitation.
- (7) The amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

(e) On verification of an application by the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, the county auditor shall make the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.53, SEC.1.) As amended by Acts 1977, P.L.2, SEC.22; Acts 1979, P.L.56, SEC.16; P.L.90-2002, SEC.111; P.L.154-2006, SEC.19; P.L.144-2008, SEC.26; P.L.146-2008, SEC.109; P.L.1-2009, SEC.33.

IC 6-1.1-12-21

Rehabilitated real property; reassessment; notice of deductions required

Sec. 21. When real property is reassessed because it has been rehabilitated, the assessing official who, or the county property tax assessment board of appeals which, makes the reassessment shall give the owner notice of the property tax deductions provided by sections 18 and 22 of this chapter. The official or county property tax assessment board of appeals shall attach the notice to the reassessment notice required by IC 6-1.1-4-22.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.67, SEC.2; P.L.6-1997, SEC.53.

IC 6-1.1-12-22

Deduction for rehabilitated property; limitations

Sec. 22. (a) If the assessed value of property is increased because it has been rehabilitated and the owner has paid at least ten thousand dollars (\$10,000) for the rehabilitation, the owner is entitled to have deducted from the assessed value of the property an amount equal to fifty percent (50%) of the increase in assessed value resulting from the rehabilitation. The owner is entitled to this deduction annually for a five (5) year period, or if subsection (e) applies, the period established under subsection (e). However, the maximum deduction which a property owner may receive under this section for a particular year is:

- (1) one hundred twenty-four thousand eight hundred dollars (\$124,800) for a single family dwelling unit; or
- (2) three hundred thousand dollars (\$300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure that are intended to increase the livability, utility, safety, or

value of the property under rules adopted by the department of local government finance.

(d) The deduction provided by this section applies only if the property owner:

- (1) owns the property; or
- (2) is buying the property under contract;

on the assessment date of the year in which an application must be filed under section 24 of this chapter.

(e) A county, city, or town fiscal body may adopt an ordinance to establish a deduction period that is longer than five (5) years but not to exceed seven (7) years for any rehabilitated property covered by this section that has also been determined to be abandoned or vacant for purposes of IC 6-1.1-24.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.54-1997, SEC.1; P.L.6-1997, SEC.54; P.L.2-1998, SEC.18; P.L.129-2001, SEC.3; P.L.90-2002, SEC.112; P.L.20-2004, SEC.8; P.L.144-2008, SEC.27; P.L.247-2015, SEC.4.

IC 6-1.1-12-23

Rehabilitated property; duration of deduction

Sec. 23. The deduction from assessed value provided by section 22 of this chapter is first available after the first assessment date following the rehabilitation and shall continue for the taxes first due and payable in the following five (5) years. In the sixth (6th) year, the county auditor shall add the amount of the deduction to the assessed value of the property. Any:

- (1) general reassessment of real property under IC 6-1.1-4-4; or
- (2) reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

which occurs within the five (5) year period of the deduction does not affect the amount of the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.129-2001, SEC.4; P.L.112-2012, SEC.26.

IC 6-1.1-12-24

Claim for deduction for rehabilitated property

Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) and subject to section 45 of this chapter, the application must be filed in the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before December 1 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner

at the address shown on the records of the township or county assessor.

(c) The application required by this section shall contain the following information:

- (1) The name of the property owner.
- (2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.
- (3) The assessed value of the improvements on the property before rehabilitation.
- (4) The increase in the assessed value of improvements resulting from the rehabilitation.
- (5) The amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, the county auditor shall make the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.53, SEC.2.) As amended by Acts 1979, P.L.56, SEC.17; P.L.90-2002, SEC.113; P.L.154-2006, SEC.20; P.L.144-2008, SEC.28; P.L.146-2008, SEC.110; P.L.1-2009, SEC.34; P.L.113-2010, SEC.24.

IC 6-1.1-12-25

Rehabilitated property; electing either IC 6-1.1-12-18 or IC 6-1.1-12-22 deduction

Sec. 25. For repairs or improvements made to a particular building or structure, a person may receive either the deduction provided by section 18 of this chapter or the deduction provided by section 22 of this chapter. He may not receive deductions under both sections for the repairs or improvements.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-12-25.5

Rehabilitated property; deductions; denial; appeal

Sec. 25.5. If a deduction applied for under section 20 or 24 of this chapter is not granted in full, the county auditor shall notify the applicant by mail. A taxpayer may appeal a ruling that wholly or partially denies a deduction claimed under section 20 or 24 of this chapter in the same manner that appeals may be taken under IC 6-1.1-15.

As added by P.L.70-1983, SEC.1.

IC 6-1.1-12-26

Solar energy heating or cooling system

Sec. 26. (a) The owner of real property, or a mobile home which is not assessed as real property, which is equipped with a solar energy

heating or cooling system may have deducted annually from the assessed value of the real property or mobile home an amount which is equal to the out-of-pocket expenditures by the owner (or a previous owner) of the real property or mobile home for:

- (1) the components; and
- (2) the labor involved in installing the components;

that are unique to the system and that are needed to collect, store, or distribute solar energy.

(b) The tangible property to which subsection (a) applies includes a solar thermal air system and any solar energy heating or cooling system used for:

- (1) domestic hot water or space heat, or both, including pool heating; or
- (2) preheating for an industrial process.

(c) Subsection (a) does not apply to tangible property that would not be subject to assessment and taxation under this article if this section did not apply.

(d) For purposes of subsection (a), proof of out-of-pocket expenditures may be demonstrated by invoices or other evidence of a purchase and installation, as determined under rules or guidelines prescribed by the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.68, SEC.1; Acts 1979, P.L.56, SEC.1; P.L.90-2002, SEC.114; P.L.113-2010, SEC.25.

IC 6-1.1-12-26.1

Solar power devices

Sec. 26.1. (a) This section applies only to a solar power device that is installed after December 31, 2011.

(b) This section does not apply to a solar power device that is owned or operated by a person that provides electricity at wholesale or retail for consideration other than a person that:

- (1) participates in a net metering or feed-in-tariff program offered by an electric utility with respect to the solar power device; or
- (2) is the owner or host of the solar power device site and a person consumes on the site the equivalent amount of electricity that is generated by the solar power device on an annual basis even if the electricity is sold to a public utility, including a solar power device directly serving a public utility's business operations site.

(c) For purposes of this section, "solar power device" means a device, such as a solar thermal, a photovoltaic, or other solar energy system, that is designed to use the radiant light or heat from the sun to produce electricity.

(d) The owner of real property equipped with a solar power device that is assessed as a real property improvement may have deducted annually from the assessed value of the real property an amount equal to:

- (1) the assessed value of the real property with the solar power device included; minus
 - (2) the assessed value of the real property without the solar power device.
 - (e) The owner of a solar power device that is assessed as:
 - (1) distributable property under IC 6-1.1-8; or
 - (2) personal property;may have deducted annually the assessed value of the solar power device.
- As added by P.L.137-2012, SEC.15.*

IC 6-1.1-12-26.2

Property tax deduction for heritage barns

Sec. 26.2. (a) The following definitions apply throughout this section:

- (1) "Barn" means a building (other than a dwelling) that was designed to be used for:
 - (A) housing animals;
 - (B) storing or processing crops;
 - (C) storing and maintaining agricultural equipment; or
 - (D) serving an essential or useful purpose related to agricultural activities conducted on the adjacent land.
- (2) "Heritage barn" means a barn that on the assessment date:
 - (A) was constructed before 1950;
 - (B) retains sufficient integrity of design, materials, and construction to clearly identify the building as a barn;
 - (C) is not being used for agricultural purposes in the operation of an agricultural enterprise; and
 - (D) is not being used for a business purpose.
- (3) "Eligible applicant" means:
 - (A) an owner of a heritage barn; or
 - (B) a person that is purchasing property, including a heritage barn, under a contract that:
 - (i) gives the person a right to obtain title to the property upon fulfilling the terms of the contract;
 - (ii) does not permit the owner to terminate the contract as long as the person buying the property complies with the terms of the contract;
 - (iii) specifies that during the term of the contract the person must pay the property taxes on the property; and
 - (iv) has been recorded with the county recorder.

(b) An eligible applicant is entitled to a deduction against the assessed value of the structure and foundation of a heritage barn beginning with assessments after 2014. The deduction is equal to one hundred percent (100%) of the assessed value of the structure and foundation of the heritage barn.

(c) An eligible applicant that desires to obtain the deduction provided by this section must file a certified deduction application with the auditor of the county in which the heritage barn is located.

The application may be filed in person or by mail. The application must contain the information and be in the form prescribed by the department of local government finance. If mailed, the mailing must be postmarked on or before the last day for filing.

(d) Subject to subsection (e) and section 45 of this chapter, the application must be filed during the year preceding the year in which the deduction will first be applied. Upon verification of the application by the county assessor of the county in which the property is subject to assessment or by the township assessor of the township in which the property is subject to assessment (if there is a township assessor for the township), the auditor of the county shall allow the deduction.

(e) The auditor of a county shall, in a particular year, apply the deduction provided under this section to the heritage barn of the owner that received the deduction in the preceding year unless the auditor of the county determines that the property is no longer eligible for the deduction. A person that receives a deduction under this section in a particular year and that remains eligible for the deduction in the following year is not required to file an application for the deduction in the following year. A person that receives a deduction under this section in a particular year and that becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the property is located of the ineligibility in the year in which the person becomes ineligible. A deduction under this section terminates following a change in ownership of the heritage barn. However, a deduction under this section does not terminate following the removal of less than all the joint owners of property or purchasers of property under a contract described in subsection (a).

(f) A county fiscal body may adopt an ordinance to require a person receiving the deduction under this section to pay an annual public safety fee for each heritage barn for which the person receives a deduction under this section. The fee may not exceed fifty dollars (\$50). The county auditor shall distribute any public safety fees collected under this section equitably among the police and fire departments in whose territories each heritage barn is located. If a county fiscal body adopts an ordinance under this subsection, the county fiscal body shall furnish a copy of the ordinance to the department in the manner prescribed by the department.

As added by P.L.117-2014, SEC.4.

IC 6-1.1-12-27

Repealed

(Repealed by Acts 1980, P.L.40, SEC.4.)

IC 6-1.1-12-27.1

Claim for deduction for solar energy heating or cooling system; solar power device

Sec. 27.1. Except as provided in sections 36 and 44 of this chapter

and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 or 26.1 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, manufactured home, or solar power device is subject to assessment. With respect to real property or a solar power device that is assessed as distributable property under IC 6-1.1-8 or as personal property, the person must complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, with respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

- (1) own the real property, mobile home, or manufactured home or own the solar power device;
- (2) be buying the real property, mobile home, manufactured home, or solar power device under contract; or
- (3) be leasing the real property from the real property owner and be subject to assessment and property taxation with respect to the solar power device;

on the date the statement is filed under this section. 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 real property, mobile home, manufactured home, or solar power device is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

As added by Acts 1980, P.L.40, SEC.3. Amended by P.L.43-1984, SEC.1; P.L.55-1988, SEC.8; P.L.90-2002, SEC.115; P.L.183-2007, SEC.7; P.L.144-2008, SEC.29; P.L.146-2008, SEC.111; P.L.1-2009, SEC.35; P.L.113-2010, SEC.26; P.L.137-2012, SEC.16; P.L.183-2014, SEC.12.

IC 6-1.1-12-28

Repealed

(Repealed by Acts 1979, P.L.52, SEC.5.)

IC 6-1.1-12-28.5

Resource recovery system; prerequisites for deduction; definitions

Sec. 28.5. (a) For purposes of this section:

- (1) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a) and includes a waste determined to be a hazardous waste under IC 13-22-2-3(b).
- (2) "Resource recovery system" means tangible property directly used to dispose of solid waste or hazardous waste by

converting it into energy or other useful products.

(3) "Solid waste" has the meaning set forth in IC 13-11-2-205(a) but does not include dead animals or any animal solid or semisolid wastes.

(b) Except as provided in this section, the owner of a resource recovery system is entitled to an annual deduction in an amount equal to ninety-five percent (95%) of the assessed value of the system if:

(1) the system was certified by the department of environmental management for the 1993 assessment year or a prior assessment year; and

(2) the owner filed a timely application for the deduction for the 1993 assessment year.

For purposes of this section, a system includes tangible property that replaced tangible property in the system after the certification by the department of environmental management.

(c) The owner of a resource recovery system that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of any violation under IC 13-7-13-3 (repealed), IC 13-7-13-4 (repealed), or a criminal statute under IC 13; or

(2) is subject to an order or a consent decree with respect to property located in Indiana based upon a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(d) The certification of a resource recovery system by the department of environmental management for the 1993 assessment year or a prior assessment year is valid through the 1997 assessment year so long as the property is used as a resource recovery system. If the property is no longer used for the purpose for which the property was used when the property was certified, the owner of the property shall notify the county auditor. However, the deduction from the assessed value of the system is:

(1) ninety-five percent (95%) for the 1994 assessment year;

(2) ninety percent (90%) for the 1995 assessment year;

(3) seventy-five percent (75%) for the 1996 assessment year; and

(4) sixty percent (60%) for the 1997 assessment year.

Notwithstanding this section as it existed before 1995, for the 1994 assessment year, the portion of any tangible property comprising a resource recovery system that was assessed and first deducted for the 1994 assessment year may not be deducted for property taxes first due and payable in 1995 or later.

(e) In order to qualify for a deduction under this section, the person who desires to claim the deduction must file an application with the county auditor after February 28 and before May 16 of the current assessment year. An application must be filed in each year for which the person desires to obtain the deduction. The application

may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. If the application is not filed before the applicable deadline under this subsection, the deduction is waived. The application must be filed on a form prescribed by the department of local government finance. The application for a resource recovery system deduction must include:

- (1) a certification by the department of environmental management for the 1993 assessment year or a prior assessment year as described in subsection (d); or
- (2) the certification by the department of environmental management for the 1993 assessment year as described in subsection (g).

Beginning with the 1995 assessment year a person must also file an itemized list of all property on which a deduction is claimed. The list must include the date of purchase of the property and the cost to acquire the property.

(f) Before July 1, 1995, the department of environmental management shall transfer all the applications, records, or other material the department has with respect to resource recovery system deductions under this section for the 1993 and 1994 assessment years. The township assessor, or the county assessor if there is no township assessor for the township, shall verify each deduction application filed under this section and the county auditor shall determine the deduction. The county auditor shall send to the department of local government finance a copy of each deduction application. The county auditor shall notify the county property tax assessment board of appeals of all deductions allowed under this section. A denial of a deduction claimed under this subsection 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, the county assessor, or the county auditor.

(g) Notwithstanding subsection (d), the certification for the 1993 assessment year of a resource recovery system in regard to which a political subdivision is liable for the payment of the property taxes remains valid at the ninety-five percent (95%) deduction level allowed before 1994 as long as the political subdivision remains liable for the payment of the property taxes on the system.

As added by Acts 1979, P.L.52, SEC.2. Amended by P.L.61-1985, SEC.1; P.L.19-1986, SEC.6; P.L.25-1995, SEC.15; P.L.1-1996, SEC.38; P.L.6-1997, SEC.55; P.L.198-2001, SEC.34; P.L.137-2007, SEC.2; P.L.146-2008, SEC.112.

IC 6-1.1-12-28.6

Repealed

(Repealed by P.L.69-1983, SEC.12.)

IC 6-1.1-12-29

Wind power device; definition

Sec. 29. (a) This section does not apply to a wind power device

that is owned or operated by:

- (1) a public utility (as defined in IC 8-1-2-1(a)); or
- (2) another entity that provides electricity at wholesale or retail for consideration, other than a person who participates in a net metering program offered by an electric utility.

This subsection shall be interpreted to clarify and not to change the general assembly's intent with respect to this section.

(b) For purposes of this section, "wind power device" means a device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity.

(c) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a wind power device is entitled to an annual property tax deduction. The amount of the deduction equals the remainder of (1) the assessed value of the real property or mobile home with the wind power device included, minus (2) the assessed value of the real property or mobile home without the wind power device.

As added by Acts 1979, P.L.56, SEC.3. Amended by P.L.46-2011, SEC.1.

IC 6-1.1-12-30

Claim for deduction for wind power device

Sec. 30. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must complete and date the statement in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

- (1) own the real property, mobile home, or manufactured home;
or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

As added by Acts 1979, P.L.56, SEC.4. Amended by P.L.43-1984, SEC.2; P.L.90-2002, SEC.116; P.L.154-2006, SEC.21; P.L.183-2007, SEC.8; P.L.144-2008, SEC.30; P.L.146-2008,

SEC.113; P.L.1-2009, SEC.36; P.L.183-2014, SEC.13.

IC 6-1.1-12-31

Deduction for coal conversion system; limitations

Sec. 31. (a) For purposes of this section, "coal conversion system" means tangible property directly used to convert coal into a gaseous or liquid fuel or char. This definition includes coal liquification, gasification, pyrolysis, and a fluid bed combustion system designed for pollution control.

(b) For each calendar year which begins after December 31, 1979, and before January 1, 1988, the owner of a coal conversion system which is used to process coal is entitled to a deduction from the assessed value of the system. The amount of the deduction for a particular calendar year equals the product of (1) ninety-five percent (95%) of the assessed value of the system, multiplied by (2) a fraction. The numerator of the fraction is the amount of Indiana coal converted by the system during the immediately preceding calendar year and the denominator of the fraction is the total amount of coal converted by the system during the immediately preceding calendar year.

(c) The deduction provided by this section applies only if the property owner:

- (1) owns the property; or
- (2) is buying the property under contract;

on the assessment date for which the deduction applies.

As added by Acts 1980, P.L.41, SEC.1. Amended by Acts 1981, P.L.70, SEC.1; P.L.24-1984, SEC.4; P.L.144-2008, SEC.31.

IC 6-1.1-12-32

Repealed

(Repealed by P.L.69-1983, SEC.12.)

IC 6-1.1-12-33

Deduction for hydroelectric power device; limitations

Sec. 33. (a) For purposes of this section "hydroelectric power device" means a device which is installed after December 31, 1981, and is designed to utilize the kinetic power of moving water to provide mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a hydroelectric power device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of:

- (1) the assessed value of the real property or mobile home with the hydroelectric power device; minus
- (2) the assessed value of the real property or mobile home without the hydroelectric power device.

(c) The deduction provided by this section applies only if the property owner:

- (1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract; on the date the statement is filed under section 35.5 of this chapter. *As added by Acts 1981, P.L.71, SEC.1. Amended by P.L.144-2008, SEC.32.*

IC 6-1.1-12-34

Deduction for geothermal energy heating or cooling device; limitations

Sec. 34. (a) For purposes of this section, "geothermal energy heating or cooling device" means a device that is installed after December 31, 1981, and is designed to utilize the natural heat from the earth to provide hot water, produce electricity, or generate heating or cooling.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a geothermal energy heating or cooling device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the geothermal heating or cooling device; minus (2) the assessed value of the real property or mobile home without the geothermal heating or cooling device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract; on the date the statement is filed under section 35.5 of this chapter. *As added by Acts 1981, P.L.71, SEC.2. Amended by P.L.144-2008, SEC.33.*

IC 6-1.1-12-34.5

Deduction for use of coal combustion products; limitations

Sec. 34.5. (a) As used in this section, "coal combustion product" has the meaning set forth in IC 6-1.1-44-1.

(b) As used in this section, "qualified building" means a building designed and constructed to systematically use qualified materials throughout the building.

(c) For purposes of this section, building materials are "qualified materials" if at least sixty percent (60%) of the materials' dry weight consists of coal combustion products.

(d) The owner of a qualified building, as determined by the center for coal technology research, is entitled to a property tax deduction for not more than three (3) years. The amount of the deduction equals the product of:

(1) the assessed value of the qualified building; multiplied by

(2) five percent (5%).

(e) The deduction provided by this section applies only if the building owner:

(1) owns the building; or

(2) is buying the building under contract;

on the assessment date for which the deduction applies.
As added by P.L.214-2005, SEC.11. Amended by P.L.144-2008, SEC.34.

IC 6-1.1-12-35

Repealed

(As added by Acts 1981, P.L.71, SEC.3. Amended by P.L.69-1983, SEC.2; P.L.43-1984, SEC.3; P.L.143-1985, SEC.185; P.L.61-1986, SEC.1; P.L.25-1995, SEC.16; P.L.10-1997, SEC.11; P.L.6-1997, SEC.56; P.L.2-1998, SEC.19. Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-12-35.5

Claims for deductions related to coal, hydroelectric, and geothermal; involvement of department of environmental management and center for coal technology research; appeals

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 31, 33, 34, or 34.5 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) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. 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) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. 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 31, 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) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. 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 31, 33, 34, or 34.5 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) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the year in which the personal property return is filed.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter:

- (1) the center shall determine whether the building qualifies for a deduction; and
- (2) if the center fails to make a determination before December 31 of the year in which the application is received, the building is considered certified.

As added by P.L.198-2001, SEC.36. Amended by P.L.214-2005, SEC.12; P.L.154-2006, SEC.22; P.L.2-2007, SEC.114; P.L.183-2007, SEC.9; P.L.144-2008, SEC.35; P.L.146-2008, SEC.114; P.L.1-2009, SEC.37; P.L.183-2014, SEC.14.

IC 6-1.1-12-36 Deductions; eligibility for following year

Sec. 36. (a) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who remains eligible for the deduction for the following year is not required to file a statement to apply for the deduction for the following year.

(b) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who becomes ineligible for the deduction for the following year shall notify the auditor of the county in which the real property or mobile home for which the person received the deduction is located of the person's ineligibility before March 31 of the year for which the

person becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter to each person who received the deduction in the preceding year unless the auditor determines that the person is no longer eligible for the deduction.

As added by P.L.43-1984, SEC.4. Amended by P.L.41-1992, SEC.2; P.L.10-1997, SEC.12; P.L.214-2005, SEC.13.

IC 6-1.1-12-37 Version a

Standard deduction for homesteads; amount; statement to apply for deduction; notice by county auditor of ineligibility for deduction; limitations on deduction; homestead property data base

Note: This version of section amended by P.L.25-2015, SEC.1, effective until 5-4-2015. See also following versions of this section amended by P.L.148-2015, SEC.7, effective 5-4-2015, P.L.207-2015, SEC.1, effective 1-1-2016, and P.L.245-2015, SEC.6, effective 1-1-2016.

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, including a house or garage.
 - (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, 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 the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), 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 (p), 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.

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) forty-five thousand dollars (\$45,000).

(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 in duplicate, 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) If the individual does not have a driver's license or a state identification card, the last five (5) digits of a control number that is on a document issued to the individual by the federal government and determined by the department of local government finance to be acceptable.

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. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this section:

(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 no longer eligible for a deduction under this section on another parcel of property because:

(A) the individual would otherwise receive the benefit of more than one (1) deduction under this chapter; or

(B) the individual maintains the individual's principal place of residence with another individual who receives a deduction under this section;

the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual 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 shall 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 March 1 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 March 1 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 (n), 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 6-3.5.

(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 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) As used in this section, "homestead" includes property that satisfies each of the following requirements:

- (1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.
- (2) The property is the principal place of residence of an individual.
- (3) The property is owned by an entity that is not described in subsection (a)(2)(B).
- (4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.
- (5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

- (1) imposed for an assessment date in 2009; and
- (2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For assessment dates after 2009, the term "homestead" includes:

- (1) a deck or patio;
- (2) a gazebo; or
- (3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) 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.

(o) 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 to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) 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;
- (3) either:
 - (A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; 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; and
- (4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that:
 - (A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and
 - (B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) 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. The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.

(q) 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.

(r) 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 (q).

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.

(s) 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. However, 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.

As added by P.L.332-1989(ss), SEC.10. Amended by P.L.240-1991(ss2), SEC.47; P.L.6-1997, SEC.57; P.L.291-2001, SEC.142; P.L.192-2002(ss), SEC.32; P.L.162-2006, SEC.1; P.L.224-2007, SEC.3; P.L.146-2008, SEC.115; P.L.1-2009, SEC.38; P.L.87-2009, SEC.3; P.L.182-2009(ss), SEC.110; P.L.113-2010, SEC.27; P.L.172-2011, SEC.28; P.L.137-2012, SEC.17; P.L.288-2013, SEC.3; P.L.203-2013, SEC.4; P.L.2-2014, SEC.19; P.L.166-2014, SEC.2; P.L.25-2015, SEC.1.

IC 6-1.1-12-37 Version b

Standard deduction for homesteads; amount; statement to apply for deduction; notice to county auditor of ineligibility for deduction; limitations on deduction; homestead property data base

Note: This version of section amended by P.L.148-2015, SEC.7, effective 5-4-2015. See also preceding version of this section amended by P.L.25-2015, SEC.1, effective until 5-4-2015, and following versions of this section amended by P.L.207-2015, SEC.1, effective 1-1-2016, and P.L.245-2015, SEC.6, effective 1-1-2016.

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, including a house or garage.
 - (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, 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 the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), 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 (p), 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.

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) forty-five thousand dollars (\$45,000).

(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 in duplicate, 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) If the individual does not have a driver's license or a state identification card, 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. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this section:

- (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 no longer eligible for a deduction under this section on another parcel of property because:
 - (A) the individual would otherwise receive the benefit of more than one (1) deduction under this chapter; or
 - (B) the individual maintains the individual's principal place of residence with another individual who receives a deduction under this section;

the individual must file a certified statement with the auditor of the

county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual 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 March 1 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 March 1 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 (n), 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 6-3.5.

(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 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) As used in this section, "homestead" includes property that satisfies each of the following requirements:

(1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(2) The property is the principal place of residence of an individual.

(3) The property is owned by an entity that is not described in subsection (a)(2)(B).

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

(1) imposed for an assessment date in 2009; and

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For assessment dates after 2009, the term "homestead" includes:

(1) a deck or patio;

(2) a gazebo; or

(3) another residential yard structure, as defined in rules that may be adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) 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.

(o) 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 to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) 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;

(3) either:

(A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; 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; and

(4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date.

An individual who satisfies the requirements of subdivisions (1) through (4) 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.

(q) 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.

(r) 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 (q).

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.

(s) 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. However, 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.

As added by P.L.332-1989(ss), SEC.10. Amended by P.L.240-1991(ss2), SEC.47; P.L.6-1997, SEC.57; P.L.291-2001, SEC.142; P.L.192-2002(ss), SEC.32; P.L.162-2006, SEC.1; P.L.224-2007, SEC.3; P.L.146-2008, SEC.115; P.L.1-2009, SEC.38; P.L.87-2009, SEC.3; P.L.182-2009(ss), SEC.110; P.L.113-2010, SEC.27; P.L.172-2011, SEC.28; P.L.137-2012, SEC.17; P.L.288-2013, SEC.3; P.L.203-2013, SEC.4; P.L.2-2014, SEC.19; P.L.166-2014, SEC.2; P.L.25-2015, SEC.1; P.L.148-2015, SEC.7.

IC 6-1.1-12-37 Version c

Standard deduction for homesteads; amount; statement to apply for deduction; notice to county auditor of ineligibility for deduction; limitations on deduction; homestead property data base

Note: This version of section amended by P.L.207-2015, SEC.1, effective 1-1-2016. See also preceding versions of this section amended by P.L.25-2015, SEC.1, effective until 5-4-2015, and P.L.148-2015, SEC.7, effective 5-4-2015, and following version of this section amended by P.L.245-2015, SEC.6, effective 1-1-2016.

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, including a house or garage.
 - (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, that provides that the individual is to pay the property taxes on the residence;

(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 the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), 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 (p), 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) forty-five thousand dollars (\$45,000).

(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 in duplicate, 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) If the individual does not have a driver's license or a state identification card, the last five (5) digits of a control number that is on a document issued to the individual by the federal government and determined by the department of local government finance to be acceptable.

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. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this section:

(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 no longer eligible for a deduction under this section on another parcel of property because:

(A) the individual would otherwise receive the benefit of more than one (1) deduction under this chapter; or

(B) the individual maintains the individual's principal place of residence with another individual who receives a deduction under this section;

the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual 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 shall 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 March 1 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 March 1 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 (n), 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 6-3.5.

(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 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) As used in this section, "homestead" includes property that satisfies each of the following requirements:

(1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(2) The property is the principal place of residence of an individual.

(3) The property is owned by an entity that is not described in subsection (a)(2)(B).

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property

described in subsection (k) with respect to property taxes that are:

- (1) imposed for an assessment date in 2009; and
- (2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For assessment dates after 2009, the term "homestead" includes:

- (1) a deck or patio;
- (2) a gazebo; or
- (3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) 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.

(o) 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 to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) 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;

(3) either:

(A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; 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; and

(4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that:

(A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and

(B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) 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. The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.

(q) 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.

(r) 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 (q).

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.

(s) 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. However, 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.

As added by P.L.332-1989(ss), SEC.10. Amended by P.L.240-1991(ss2), SEC.47; P.L.6-1997, SEC.57; P.L.291-2001, SEC.142; P.L.192-2002(ss), SEC.32; P.L.162-2006, SEC.1; P.L.224-2007, SEC.3; P.L.146-2008, SEC.115; P.L.1-2009, SEC.38; P.L.87-2009, SEC.3; P.L.182-2009(ss), SEC.110; P.L.113-2010, SEC.27; P.L.172-2011, SEC.28; P.L.137-2012, SEC.17; P.L.288-2013, SEC.3; P.L.203-2013, SEC.4; P.L.2-2014, SEC.19; P.L.166-2014, SEC.2; P.L.207-2015, SEC.1.

IC 6-1.1-12-37 Version d

Standard deduction for homesteads; amount; statement to apply for deduction; notice to county auditor of ineligibility for deduction; limitations on deduction; homestead property data base

Note: This version of section amended by P.L.245-2015, SEC.6, effective 1-1-2016. See also preceding versions of this section amended by P.L.25-2015, SEC.1, effective until 5-4-2015, P.L.148-2015, SEC.7, effective 5-4-2015, and P.L.207-2015, SEC.1, effective 1-1-2016.

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, including a house or garage.
 - (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, that provides that the individual is to pay the property taxes on the residence;
 - (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 the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), 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 (p), 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.

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) forty-five thousand dollars (\$45,000).

(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 in duplicate, 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) If the individual does not have a driver's license or a state identification card, the last five (5) digits of a control number that is on a document issued to the individual by the federal government and determined by the department of local government finance to be acceptable.

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. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding

calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this section:

(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 no longer eligible for a deduction under this section on another parcel of property because:

(A) the individual would otherwise receive the benefit of more than one (1) deduction under this chapter; or

(B) the individual maintains the individual's principal place of residence with another individual who receives a deduction under this section;

the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual 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 shall 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 (n), 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 6-3.5.

(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 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) As used in this section, "homestead" includes property that satisfies each of the following requirements:

(1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(2) The property is the principal place of residence of an individual.

(3) The property is owned by an entity that is not described in subsection (a)(2)(B).

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

(1) imposed for an assessment date in 2009; and

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For assessment dates after 2009, the term "homestead" includes:

(1) a deck or patio;

- (2) a gazebo; or
- (3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) 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.

(o) 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 to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county

property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) 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;
- (3) either:
 - (A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; 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; and
- (4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that:
 - (A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and
 - (B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) 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. The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under

subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.

(q) 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.

(r) 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 (q). 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.

(s) 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. However, 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.

As added by P.L.332-1989(ss), SEC.10. Amended by

P.L.240-1991(ss2), SEC.47; P.L.6-1997, SEC.57; P.L.291-2001, SEC.142; P.L.192-2002(ss), SEC.32; P.L.162-2006, SEC.1; P.L.224-2007, SEC.3; P.L.146-2008, SEC.115; P.L.1-2009, SEC.38; P.L.87-2009, SEC.3; P.L.182-2009(ss), SEC.110; P.L.113-2010, SEC.27; P.L.172-2011, SEC.28; P.L.137-2012, SEC.17; P.L.288-2013, SEC.3; P.L.203-2013, SEC.4; P.L.2-2014, SEC.19; P.L.166-2014, SEC.2; P.L.245-2015, SEC.6.

IC 6-1.1-12-37.5

Supplemental deduction for homesteads

Sec. 37.5. (a) A person who is entitled to a standard deduction from the assessed value of property under section 37 of this chapter is also entitled to receive a supplemental deduction from the assessed value of the homestead to which the standard deduction applies after the application of the standard deduction but before the application of any other deduction, exemption, or credit for which the person is eligible.

(b) The amount of the deduction under this section is equal to the sum of the following:

(1) Thirty-five percent (35%) of the assessed value determined under subsection (a) that is not more than six hundred thousand dollars (\$600,000).

(2) Twenty-five percent (25%) of the assessed value determined under subsection (a) that is more than six hundred thousand dollars (\$600,000).

(c) The auditor of the county shall record and make the deduction for the person qualifying for the deduction.

(d) The deduction granted under this section shall not be considered in applying section 40.5 of this chapter to the deductions applicable to property. Section 40.5 of this chapter does not apply to the deduction granted under this section.

As added by P.L.146-2008, SEC.116.

IC 6-1.1-12-38

Deduction for improvements to comply with fertilizer storage rules; prerequisites for filing limitations

Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52; minus

(2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52. Subject to section 45 of this chapter, the statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction, and the statement and certification must be filed with the county auditor on or before January 5 of the immediately succeeding calendar year. Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(c) The deduction provided by this section applies only if the person:

- (1) owns the property; or
- (2) is buying the property under contract;

on the assessment date for which the deduction applies.

As added by P.L.41-1992, SEC.3. Amended by P.L.90-2002, SEC.117; P.L.154-2006, SEC.23; P.L.144-2008, SEC.36; P.L.2-2008, SEC.22; P.L.146-2008, SEC.117; P.L.1-2009, SEC.39; P.L.183-2014, SEC.15.

IC 6-1.1-12-39

Person not qualified for exemption purchasing exempt property under contract for sale; entitlement to deduction

Sec. 39. (a) A person who is:

- (1) purchasing property under a contract that does not require the buyer to pay property taxes on the property; and
- (2) required to pay property taxes under IC 6-1.1-10-41;

is eligible for a deduction granted by this chapter to the same extent as a person who is buying property under a contract that provides the contract buyer is to pay property taxes on the property.

(b) To obtain the deduction, with the application the applicant must provide:

- (1) the same information concerning the contract that is required for contracts that require the buyer to pay property taxes; and
- (2) information that indicates that IC 6-1.1-10-41 applies to the property.

As added by P.L.31-1994, SEC.2.

IC 6-1.1-12-40

Deductions for real property located in enterprise zones

Sec. 40. (a) This section applies only to real property that is located in an enterprise zone established in a county containing a

consolidated city.

(b) The owner of real property described in subsection (a) is entitled to a deduction under this section if:

- (1) an obsolescence depreciation adjustment for either functional obsolescence or economic obsolescence was allowed for the property for property taxes assessed in the year preceding the year in which the owner purchased the property;
- (2) the property owner submits an application requesting the deduction to the fiscal body of the county in which the property is located; and
- (3) the fiscal body of the county approves the deduction.

(c) If a county fiscal body approves a deduction under this section, it must notify the county auditor of the approval of the deduction.

(d) A deduction may be claimed under this section for not more than four (4) years. The amount of the deduction under this section equals:

- (1) the amount of the obsolescence depreciation adjustment for either functional obsolescence or economic obsolescence that was allowed for the property for property taxes assessed in the year preceding the year in which the owner purchased the property; multiplied by
- (2) the following percentages:
 - (A) One hundred percent (100%), for property taxes assessed in the year in which the owner purchased the property.
 - (B) Seventy-five percent (75%), for property taxes assessed in the year after the year in which the owner purchased the property.
 - (C) Fifty percent (50%), for property taxes assessed in the second year after the year in which the owner purchased the property.
 - (D) Twenty-five percent (25%), for property taxes assessed in the third year after the year in which the owner purchased the property.

As added by P.L.198-2001, SEC.37.

IC 6-1.1-12-40.5

Limits on deductions for mobile or manufactured homes

Sec. 40.5. Notwithstanding any other provision, the sum of the deductions provided under this chapter to a mobile home that is not assessed as real property or to a manufactured home that is not assessed as real property may not exceed one-half (1/2) of the assessed value of the mobile home or manufactured home.

As added by P.L.291-2001, SEC.143.

IC 6-1.1-12-41 Version a

Optional countywide property tax exemption for inventory; adoption of ordinance

Note: This version of section effective until 1-1-2016. See also following repeal of this section, effective 1-1-2016.

Sec. 41. (a) This section does not apply to assessment years beginning after December 31, 2005.

(b) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction allowed under subsection (f).

(c) As used in this section, "county income tax council" means a council established by IC 6-3.5-6-2.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11 (repealed).

(f) An ordinance may be adopted in a county to provide that a deduction applies to the assessed value of inventory located in the county. The deduction is equal to one hundred percent (100%) of the assessed value of inventory located in the county for the appropriate year of assessment. An ordinance adopted under this section in a particular year applies:

- (1) if adopted before March 31, 2004, to each subsequent assessment year ending before January 1, 2006; and
- (2) if adopted after March 30, 2004, and before June 1, 2005, to the March 1, 2005, assessment date.

An ordinance adopted under this section may be consolidated with an ordinance adopted under IC 6-3.5-7-26. The consolidation of an ordinance adopted under this section with an ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

(g) An ordinance may not be adopted under subsection (f) after May 30, 2005. However, an ordinance adopted under this section:

- (1) before March 31, 2004, may be amended after March 30, 2004; and
- (2) before June 1, 2005, may be amended after May 30, 2005; to consolidate an ordinance adopted under IC 6-3.5-7-26.

(h) The entity that may adopt the ordinance permitted under subsection (f) is:

- (1) the county income tax council if the county option income tax is in effect on January 1 of the year in which an ordinance under this section is adopted;
- (2) the county fiscal body if the county adjusted gross income tax is in effect on January 1 of the year in which an ordinance under this section is adopted; or
- (3) the county income tax council or the county fiscal body, whichever acts first, for a county not covered by subdivision (1) or (2).

To adopt an ordinance under subsection (f), a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax. The entity that adopts the ordinance shall provide a certified copy of the ordinance to the department of local government finance before February 1.

(i) A taxpayer is not required to file an application to qualify for the deduction permitted under subsection (f).

(j) The department of local government finance shall incorporate the deduction established in this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township assessor, or the county assessor if there is no township assessor for the township, shall:

- (1) determine the amount of the deduction; and
- (2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(k) The deduction established in this section must be applied to any inventory assessment made by:

- (1) an assessing official;
- (2) a county property tax board of appeals; or
- (3) the department of local government finance.

As added by P.L.192-2002(ss), SEC.33. Amended by P.L.199-2005, SEC.5; P.L.146-2008, SEC.118; P.L.137-2012, SEC.18.

IC 6-1.1-12-41 Version b

Repealed

(As added by P.L.192-2002(ss), SEC.33. Amended by P.L.199-2005, SEC.5; P.L.146-2008, SEC.118; P.L.137-2012, SEC.18. Repealed by P.L.245-2015, SEC.7.)

Note: This repeal of section effective 1-1-2016. See also preceding version of this section, effective until 1-1-2016.

IC 6-1.1-12-42

Statewide property tax deduction for inventory

Sec. 42. (a) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction established in subsection (c).

(b) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11 (repealed).

(c) A taxpayer is entitled to a deduction from assessed value equal to one hundred percent (100%) of the taxpayer's assessed value of inventory for assessments made in 2006 for property taxes first due and payable in 2007.

(d) A taxpayer is not required to file an application to qualify for the deduction established by this section.

(e) The department of local government finance shall incorporate the deduction established by this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the

township assessor, or the county assessor if there is no township assessor for the township, shall:

- (1) determine the amount of the deduction; and
- (2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(f) The deduction established by this section must be applied to any inventory assessment made by:

- (1) an assessing official;
- (2) a county property tax assessment board of appeals; or
- (3) the department of local government finance.

As added by P.L.192-2002(ss), SEC.34. Amended by P.L.146-2008, SEC.119.

IC 6-1.1-12-43

Residential mortgage transactions; closing agent's duty to provide forms and input information; compliance; civil penalty; immunity

Sec. 43. (a) For purposes of this section:

- (1) "benefit" refers to a deduction under section 1, 9, 11, 13, 14, 16, 17.4 (before its expiration), 26, 29, 31, 33, 34, 37, or 37.5 of this chapter;
- (2) "closing agent" means a person that closes a transaction;
- (3) "customer" means an individual who obtains a loan in a transaction; and
- (4) "transaction" means a single family residential:
 - (A) first lien purchase money mortgage transaction; or
 - (B) refinancing transaction.

(b) Before closing a transaction after December 31, 2004, a closing agent must provide to the customer the form referred to in subsection (c).

(c) Before June 1, 2004, the department of local government finance shall prescribe the form to be provided by closing agents to customers under subsection (b). The department shall make the form available to closing agents, county assessors, county auditors, and county treasurers in hard copy and electronic form. County assessors, county auditors, and county treasurers shall make the form available to the general public. The form must:

- (1) on one (1) side:
 - (A) list each benefit;
 - (B) list the eligibility criteria for each benefit; and
 - (C) indicate that a new application for a deduction under section 1 of this chapter is required when residential real property is refinanced;
- (2) on the other side indicate:
 - (A) each action by and each type of documentation from the customer required to file for each benefit; and
 - (B) sufficient instructions and information to permit a party to terminate a standard deduction under section 37 of this chapter on any property on which the party or the spouse of

the party will no longer be eligible for the standard deduction under section 37 of this chapter after the party or the party's spouse begins to reside at the property that is the subject of the closing, including an explanation of the tax consequences and applicable penalties, if a party unlawfully claims a standard deduction under section 37 of this chapter; and

(3) be printed in one (1) of two (2) or more colors prescribed by the department of local government finance that distinguish the form from other documents typically used in a closing referred to in subsection (b).

(d) A closing agent:

(1) may reproduce the form referred to in subsection (c);

(2) in reproducing the form, must use a print color prescribed by the department of local government finance; and

(3) is not responsible for the content of the form referred to in subsection (c) and shall be held harmless by the department of local government finance from any liability for the content of the form.

(e) This subsection applies to a transaction that is closed after December 31, 2009. In addition to providing the customer the form described in subsection (c) before closing the transaction, a closing agent shall do the following as soon as possible after the closing, and within the time prescribed by the department of insurance under IC 27-7-3-15.5:

(1) To the extent determinable, input the information described in IC 27-7-3-15.5(c)(2) into the system maintained by the department of insurance under IC 27-7-3-15.5.

(2) Submit the form described in IC 27-7-3-15.5(c) to the data base described in IC 27-7-3-15.5(c)(2)(D).

(f) A closing agent to which this section applies shall document the closing agent's compliance with this section with respect to each transaction in the form of verification of compliance signed by the customer.

(g) Subject to IC 27-7-3-15.5(d), a closing agent is subject to a civil penalty of twenty-five dollars (\$25) for each instance in which the closing agent fails to comply with this section with respect to a customer. The penalty:

(1) may be enforced by the state agency that has administrative jurisdiction over the closing agent in the same manner that the agency enforces the payment of fees or other penalties payable to the agency; and

(2) shall be paid into:

(A) the state general fund, if the closing agent fails to comply with subsection (b); or

(B) the home ownership education account established by IC 5-20-1-27, if the closing agent fails to comply with subsection (e) in a transaction that is closed after December 31, 2009.

(h) A closing agent is not liable for any other damages claimed by

a customer because of:

- (1) the closing agent's mere failure to provide the appropriate document to the customer under subsection (b); or
- (2) with respect to a transaction that is closed after December 31, 2009, the closing agent's failure to input the information or submit the form described in subsection (e).

(i) The state agency that has administrative jurisdiction over a closing agent shall:

- (1) examine the closing agent to determine compliance with this section; and
- (2) impose and collect penalties under subsection (g).

As added by P.L. 64-2004, SEC.3. Amended by P.L. 145-2008, SEC.9; P.L. 146-2008, SEC.120; P.L. 87-2009, SEC.4; P.L. 250-2015, SEC.7.

IC 6-1.1-12-44

Sales disclosure form serves as application for certain deductions; limitations

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).

(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.

As added by P.L.144-2008, SEC.37. Amended by P.L.1-2009, SEC.40; P.L.75-2009, SEC.3; P.L.87-2009, SEC.5.

IC 6-1.1-12-45

Automatic one year carryover of deductions; limitations; specification of year for which deduction claim applies

Sec. 45. (a) Subject to subsections (b) and (c), a deduction under this chapter applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

(1) the title is conveyed one (1) or more times; or

(2) one (1) or more contracts to purchase are entered into;

after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies regardless of whether:

(1) one (1) or more grantees of title under subsection (a)(1); or

(2) one (1) or more contract purchasers under subsection (a)(2);

file a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a deduction under this chapter apply to subsequent years.

(d) If:

(1) a statement is filed under this chapter on or before January 5 of a calendar year to claim a deduction under this chapter with respect to real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in the preceding calendar year and for the property taxes due and payable based on the assessment for that assessment date.

(e) If:

(1) a statement is filed under this chapter in a twelve (12) month filing period designated under this chapter to claim a deduction under this chapter with respect to a mobile home or a manufactured home not assessed as real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date.

As added by P.L.144-2008, SEC.38. Amended by P.L.183-2014, SEC.16.

IC 6-1.1-12-46

Eligibility of transferred property for certain deductions

Sec. 46. (a) This section applies to real property for an assessment date in 2011 or a later year if:

(1) the real property is not exempt from property taxation for the assessment date;

(2) title to the real property is transferred after the assessment date and on or before the December 31 that next succeeds the assessment date;

(3) the transferee of the real property applies for an exemption under IC 6-1.1-11 for the next succeeding assessment date; and

(4) the county property tax assessment board of appeals determines that the real property is exempt from property taxation for that next succeeding assessment date.

(b) For the assessment date referred to in subsection (a)(1), real property is eligible for any deductions for which the transferor under subsection (a)(2) was eligible for that assessment date under the following:

(1) IC 6-1.1-12-1.

(2) IC 6-1.1-12-9.

(3) IC 6-1.1-12-11.

(4) IC 6-1.1-12-13.

(5) IC 6-1.1-12-14.

(6) IC 6-1.1-12-16.

(7) IC 6-1.1-12-17.4 (before its expiration).

(8) IC 6-1.1-12-18.

(9) IC 6-1.1-12-22.

(10) IC 6-1.1-12-37.

(11) IC 6-1.1-12-37.5.

(c) For the payment date applicable to the assessment date referred to in subsection (a)(1), real property is eligible for the credit for excessive residential property taxes under IC 6-1.1-20.6 for which the transferor under subsection (a)(2) would be eligible for that payment date if the transfer had not occurred.

As added by P.L.172-2011, SEC.29. Amended by P.L.250-2015, SEC.8.