

Assessor's Operations Manual

Revised March 2015

Assessment Division
Department of Local Government Finance

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December 2006 Memo on Mobile Homes -

http://www.in.gov/dlgf/files/pdf/Memo_AssessmentOfMobileHomes.pdf

July 2009 Memo on Mobile Homes -

[http://www.in.gov/dlgf/files/pdf/090713- Wood Memo -](http://www.in.gov/dlgf/files/pdf/090713-Wood_Memo_-)

[Mobile and Manufactured Home Changes to Inventory and Tax Liability.pdf](#)

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Introduction

This manual was designed to provide local assessing officials with information regarding duties, responsibilities, and procedures of their elected offices.

Information for this manual was compiled from the Indiana Code, Indiana Administrative Code, and regulations and instructional materials promulgated by the State Board of Tax Commissioners, and its successor agency, the Department of Local Government Finance (DLGF). This manual will provide new assessors, as well as incumbent assessors, with a quality reference source that will allow them to better understand their duties and responsibilities as assessment officials. Please remember that the Indiana Code and Administrative Code as well as case law are the governing documents, and this manual is not intended to supersede the actual code. If there are questions, the original law should be referenced.

We have endeavored to make this manual thorough as well as accurate. If you find errors, we ask that you contact us so that corrections may be made. We are also interested in any suggestions for additional inclusions or any comments you may have. You may send your suggestions or comments to the attention of the Assessment Division Director, 100 North Senate Avenue, Room N1058, Indianapolis, Indiana 46204. You may also fax them to (317) 974-1629.

Due to an ever-changing environment, this manual will be updated periodically. Amended pages and updated information can be accessed on the DLGF website at www.in.gov/dlgf.

The chapters within this manual are broken down by specific functions in order to give assessing officials the information necessary to do each part of their job. It is the DLGF's hope that this manual accomplishes its intended result - to provide assessing officials with a basic outline of their duties in assessment administration.

NOTES: Passages that are **bolded** or underscored are done to emphasize a particular item or passage. This is editorial emphasis and does not appear in the cited statute as printed.

Most information is taken directly from the reference source. Capitalization of names, such as the Department of Local Government Finance, does not occur in most reference sources; therefore whenever you see names such as the department of local government finance in lower case it is printed that way in the source. It is not an error.

IC refers to the Indiana Code and IAC refers to the Indiana Administrative Code.

Forms that are included in this manual are current as of the date of the publication of the manual. Forms are constantly being updated due to changes in legislation,

information requests, and obsolescence. For the most current version of any form, please check the DLGF's website at www.in.gov/dlgf or the Indiana Board of Tax Review's website at www.in.gov/ibtr.

The forms in this manual are meant for reference only, and should not be copied for general use.

Chapter 1 – Office of the County/Township Assessor

County Assessor Statutory Responsibilities

A county assessor shall be elected under IC 3-10-2-13 by the voters of the county. The assessor forfeits the office if the assessor ceases to be a resident of the county.

The term of office of a county assessor is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified.

Per IC 3-8-1-23, County assessor candidates:

(a) A candidate for the office of county assessor must:

- (1) have resided in the county for at least one (1) year before the election, as provided in Article 6, Section 4 of the Constitution of the State of Indiana;
- (2) own real property located in the county upon taking office; and
- (3) fulfill the requirements of subsections (b) through (d), as applicable.

(b) A candidate for the office of county assessor who runs in an election after June 30, 2008, must have attained the certification of a level two assessor-appraiser under IC 6-1.1-35.5 before taking office.

(c) A candidate for the office of county assessor who:

- (1) did not hold the office of county assessor on January 1, 2012; and
- (2) runs in an election after January 1, 2012;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 before taking office.

(d) A candidate for the office of county assessor who:

- (1) held the office of county assessor on January 1, 2012; and
- (2) runs in an election after January 1, 2016;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 before taking office.

The county assessor shall perform the functions assigned by statute (IC 36-2-15-5), including the following:

- (1) countywide equalization,
- (2) selection and maintenance of a countywide computer system,
- (3) certification of gross assessments to the county auditor, and
- (4) discovery of omitted property.

Per IC 6-1.1-28-1(d), the county assessor is a nonvoting member of the property tax assessment board of appeals (PTABOA). The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board.

The county assessor shall perform the functions of an assessing official under IC 36-2-15-5 in the following townships:

- (A) a township in which the transfer of duties of the elected township assessor is required (because for a particular general election after June 30, 2008, the person elected to the office of township assessor has not attained the certification of a level two assessor-appraiser or for a particular general election after January 1, 2016, the person elected to the office of township assessor has not attained the certification of a level three assessor-appraiser, as provided in IC 3-8-1-23.6 before the date the term of office begins); or
- (B) a township in which the duties relating to the assessment of tangible property are not required to be performed by a township assessor elected under IC 36-6-5.

Each county assessor **shall** annually call at least one (1) meeting of the township assessors, if any, of the county. At the meeting, the county assessor **shall** advise and instruct the township assessors with respect to their duties under the law. In addition, another purpose of the meeting is to promote intra-county uniformity in assessment procedures. The county assessor may call additional meetings of the township assessors for the above-stated purposes. (IC 6-1.1-35-4)

If a township assessor does not perform his duties in a competent manner, the county assessor shall, in a written report, inform the DLGF of that fact. (IC 6-1.1-35-5)

Township Assessor Statutory Responsibilities

A township assessor shall be elected under IC 36-6-5-1(d) by the voters of the township.

Per IC 36-6-5-1, for certain townships:

- (a) Subject to subsection (g), before 2009, a township assessor shall be elected under IC 3-10-2-13 by the voters of each township:
 - (1) having:
 - (A) a population of more than eight thousand (8,000); or
 - (B) an elected township assessor or the authority to elect a township assessor before January 1, 1979; and
 - (2) in which the number of parcels of real property on January 1, 2008, is at least fifteen thousand (15,000).
- (b) Subject to subsection (g), before 2009, a township assessor shall be elected under IC 3-10-2-14 (repealed effective July 1, 2008) in each township:
 - (1) having a population of more than five thousand (5,000) but not more than eight thousand (8,000), if:
 - (A) the legislative body of the township, by resolution, declares that the office of township assessor is necessary; and
 - (B) the resolution is filed with the county election board not later than the first date that a declaration of candidacy may be filed under IC 3-8-2; and

- (2) in which the number of parcels of real property on January 1, 2008, is at least fifteen thousand (15,000).
- (c) Subject to subsection (g), a township government that is created by merger under IC 36-6-1.5 shall elect only one (1) township assessor under this section.
- (d) Subject to subsection (g), after 2008 a township assessor shall be elected under IC 3-10-2-13 only by the voters of each township in which:
 - (1) the number of parcels of real property on January 1, 2008, is at least fifteen thousand (15,000); and
 - (2) the transfer to the county assessor of the assessment duties prescribed by IC 6-1.1 is disapproved in the referendum under IC 36-2-15.
- (e) The township assessor must reside within the township as provided in Article 6, Section 6 of the Constitution of the State of Indiana. The assessor forfeits office if the assessor ceases to be a resident of the township.
- (f) The term of office of a township assessor is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified. However, the term of office of a township assessor elected at a general election in which no other township officer is elected ends on December 31 after the next election in which any other township officer is elected.
- (g) A person who runs for the office of township assessor in an election after June 30, 2008, is subject to IC 3-8-1-23.6.
- (h) After June 30, 2008, the county assessor shall perform the assessment duties prescribed by IC 6-1.1 in a township in which the number of parcels of real property on January 1, 2008, is less than fifteen thousand (15,000).

Per IC 3-8-1-23.6, Certification requirements for assessor candidates:

- (a) A candidate for the office of township assessor under IC 36-6-5-1 who runs in an election after June 30, 2008, must have attained the certification of a level two assessor-appraiser under IC 6-1.1-35.5 before taking office.
- (b) A candidate for the office of township assessor under IC 36-6-5-1 who:
 - (1) did not hold the office of township assessor on January 1, 2012; and
 - (2) runs in an election after January 1, 2012;
 must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 before taking office.
- (c) A candidate for the office of township assessor under IC 36-6-5-1 who:
 - (1) held the office of township assessor on January 1, 2012; and
 - (2) runs in an election after January 1, 2016;
 must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 before taking office.

Possible Penalties for Failure to Perform Duties

A public official who knowingly and intentionally accepts a sales disclosure document for filing that either falsifies the value of transferred real property or omits or falsifies any information required to be provided in the sales disclosure form or a conveyance

document for recording in violation of IC 6-1.1-5.5-6 commits a Class A infraction. (IC 6-1.1-5.5-10(b))

An officer of the state or local government who recklessly violates or fails to perform a duty imposed on him under:

- (1) IC 6-1.1-10-1(b) (deals with the taxation of property owned by the United States government)
- (2) IC 6-1.1-12-6 (deals with the consideration of mortgage or contract deduction by the PTABOA in second county) . . .

commits a Class A misdemeanor. In addition, the officer is liable for the damages sustained by a person as a result of the officer's violation of the provisions or the officer's failure to perform the duty. (IC 6-1.1-37-1)

An assessing official who:

- (1) Knowingly assesses any property at more or less than what he believes is the proper assessed value of the property;
 - (2) Knowingly fails to perform any of the duties imposed on him under general assessment provisions of this article; or
 - (3) Recklessly violates any of the other general assessment provisions;
- commits a Class A misdemeanor. (IC 6-1.1-37-2)

NOTE: Except as otherwise specifically provided by law, the prosecuting attorneys of this state shall enforce all the penalties and forfeitures prescribed under IC 6-1.1-37. (See IC 6-1.1-37-13.)

Failure to perform certain duties

An officer of local government who recklessly violates or fails to perform a duty imposed on him under the following code citations commits a Class A misdemeanor. In addition, the officer is liable for the damages sustained by a person as a result of the officer's violation of the provision or the officer's failure to perform the duty.

IC 6-1.1-12-6 – Mortgage or contract deductions – actions by county auditor and PTABOA.

IC 6-1.1-12-7 – Mortgage or contract deductions – action by county auditor

IC 6-1.1-17-1 – Certified assessed values sent to each political subdivision – action by county auditor and fiscal officer of each political subdivision

IC 6-1.1-17-3(a) – Notice to taxpayers of estimated budget – fiscal body of political subdivision

IC 6-1.1-17-5(d) – Filing of adopted budget with county auditor by political subdivision – fiscal officers and county auditor

IC 6-1.1-18-1 – Budget, tax rate, and tax levy – fiscal body of a political subdivision

- IC 6-1.1-18-5 – Additional appropriations – fiscal body of a political subdivision
- IC 6-1.1-18-6 – Transfer of money between budget classifications – fiscal body of a political subdivision
- IC 6-1.1-20-5 – Issuance of bonds in excess of \$5,000 – fiscal body of a political subdivision
- IC 6-1.1-20-7 – Interest rate in excess of 8% – proper officers of a political subdivision and DLGF
- IC 6-1.1-36-13 – List of land and lots within limits of a newly formed political subdivision – county auditor and township/county assessor

Confidential Information (IC 6-1.1-35-9)

All information that is related to earnings, income, profits, losses, or expenditures and that is:

- (1) given by a person to:
 - (A) an assessing official;
 - (B) an employee of an assessing official; or
 - (C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; or
- (2) acquired by:
 - (A) an assessing official;
 - (B) an employee of an assessing official; or
 - (C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12;

in the performance of the person's duties;

is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential.

(a) Confidential information may be disclosed to:

- (1) an official or employee of:
 - (A) the state or another state;
 - (B) the United States; or
 - (C) an agency or subdivision of the state, another state, or the United States;if the information is required in the performance of the official duties of the official or employee;
- (2) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee; or
- (3) a state educational institution in order to develop data required under IC 6-1.1-4-42.

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

- (1) The Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases.
- (2) The department of agricultural statistics of Purdue University, in order to perform its duties concerning the compilation and dissemination of agricultural statistics.
- (3) Any other state agency that needs the information in order to perform its duties.

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

Confidential information that is disclosed to a person under subsection (a) or (b) above retains its confidential status. Thus, that person may disclose the information only in a manner that is authorized under subsection (a), (b), or (c).

Notwithstanding any other provision of law:

- (1) a person who:
 - (A) is an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; and
 - (B) obtains confidential information under IC 6-1.1-35-9;may not disclose that confidential information to any other person; and
- (2) a person referred to in subdivision (1) must return all confidential information to the taxpayer not later than 14 days after the earlier of:
 - (A) the completion of the examination of the taxpayer's personal property return under IC 6-1.1-36-12; or
 - (B) the termination of the contract.

Under IC 6-1.1-35-9(g), confidential information concerning an oil or gas interest, as described in IC 6-1.1-4-12.4, may be disclosed by an assessing official if the interest has been listed on the delinquent property tax list pursuant to IC 6-1.1-24-1 and is not otherwise removed from the property tax sale under IC 6-1.1-24. A person who establishes that the person may bid on an oil or gas interest in the context of a property tax sale may request from an assessing official all information necessary to properly identify and determine the value of the gas or oil interest that is the subject of the property tax sale. The information that may be disclosed includes the following:

- (1) Lease information.
- (2) The type of property interest being sold.
- (3) The applicable percentage interest and the allocation of the applicable percentage interest among the owners of the oil or gas interest (including the names and addresses of all owners).

The official shall make information covered by this provision available for inspection and copying in accordance with IC 5-14-3. Confidential information that is disclosed to a person under this provision loses its confidential status. A person that is denied the right to inspect or copy information covered by this provision may file a formal complaint with the public access counselor under the procedure prescribed by IC 5-14-5. However,

a person is not required to file a complaint under IC 5-14-5 before filing an action under IC 5-14-3.

Dismissal for Unauthorized Disclosure of Confidential Information (IC 6-1.1-35-11)

An assessing official or an employee of an assessing official shall immediately be dismissed from that position if the person discloses in an unauthorized manner any information that is classified as confidential under IC 6-1.1-35-9.

If an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 discloses in an unauthorized manner any information that is classified as confidential under IC 6-1.1-35-9:

- (1) the contract between the entity and the board is void as of the date of the disclosure;
- (2) the entity forfeits all right to payments owed under the contract after the date of disclosure;
- (3) the entity and its affiliates are barred for three years after the date of disclosure from entering into a contract with a board or a county assessor under IC 6-1.1-36-12; and
- (4) the taxpayer whose information was disclosed has a right of action for triple damages against the entity.

Per IC 6-1.1-35-12, if a county or township official, a member of a county or state board, or an employee of such an official or board discloses in an unauthorized manner information which is classified as confidential under IC 6-1.1-35-9, a person who owns property which the information pertains to may recover from the official, board member, or employee either:

- (1) liquidated damages in the amount of five hundred dollars (\$500); or
- (2) the person's actual damages resulting from the unauthorized disclosure.

Assessor, Appraiser, and Tax Representative Standards of Conduct, IC 6-1.1-35.7

Definitions, IC 6-1.1-35.7-1 & IC 6-1.1-35.7-2

"Appraiser" has the meaning set forth in IC 6-1.1-31.7-1; that is, "a professional appraiser or a professional appraisal firm that contracts with a county under IC 6-1.1-4."

"Tax representative" means a person who represents another person at a proceeding before the PTABOA or the DLGF. The term does not include the following:

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

- (2) A permanent full-time employee of the owner of the property (or person liable for the taxes under IC 6-1.1-2-4) that is the subject of the appeal.
- (3) A representative of the local government unit appearing on behalf of the unit.
- (4) A certified public accountant (“CPA”), when the CPA is representing a client in a matter that relates only to personal property taxation.
- (5) An attorney who is a member in good standing of the Indiana bar or any person who is a member in good standing of any other state bar and who has been granted leave by the DLGF to appear pro hac vice.

Standards for assessors & appraisers, IC 6-1.1-35.7-3 & IC 6-1.1-35.7-4

An individual who is a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser shall adhere to the Uniform Standards of Professional Appraisal Practice in the performance of the individual’s duties.

An individual who is a township assessor, a county assessor, an employee, or an appraiser shall not do any of the following:

- (1) Conduct an assessment that includes the reporting of a predetermined opinion or conclusion.
- (2) Misrepresent the individual’s role when providing valuation services that are outside the practice of property assessment.
- (3) Communicate assessment results with the intent to mislead or defraud.
- (4) Communicate a report that the individual knows is misleading or fraudulent.
- (5) Knowingly permit an employee or other person to communicate a misleading or fraudulent report.
- (6) Engage in criminal conduct.
- (7) Willfully or knowingly violate the requirements of IC 6-1.1-35-9 (regarding release of confidential information).
- (8) Perform an assessment in a grossly negligent manner.
- (9) Perform an assessment with bias.
- (10) Advocate for an assessment. However, this provision does not prevent a township assessor, a county assessor, an employee, or an appraiser from defending or explaining the accuracy of an assessment and any corresponding methodology used in the assessment at a preliminary informal hearing, during settlement discussions, at a public hearing, or at the appellate level.

Certification appeal board, IC 6-1.1-35.7-4(d) & (e)

IC 6-1.1-35.7-4(d) establishes a certification appeal board. The sole purpose of the board is conducting an appeal of the DLGF’s revocation of assessor-appraiser certification based on a claim of gross incompetence. The board consists of the following seven members:

- (1) Two representatives of the DLGF appointed by the DLGF's commissioner, who shall then designate one of the appointed representatives as the chairperson of the board.
- (2) Two individuals appointed by the governor who must be township or county assessors.
- (3) Two individuals appointed by the governor who must be licensed appraisers.
- (4) One individual appointed by the governor who must be a resident of Indiana.

Not more than four members of the board may be members of the same political party, and each member of the board serves at the pleasure of whoever appointed him or her.

Under IC 6-1.1-35.7-4(e), the board shall meet as often as is necessary to properly perform its duties.

Revocation based on gross incompetence and appeal before the Board, IC 6-1.1-35.7-4(a) through (c)

A township assessor, a county assessor, an employee, or an appraiser

- (1) must be competent to perform a particular assessment;
- (2) must acquire the necessary competency to perform the assessment; or
- (3) shall contract with an appraiser who demonstrates competency to do the assessment.

The DLGF may revoke a certification issued under 50 IAC 15 for gross incompetence in the performance of an assessment. An individual whose certification is revoked for gross incompetence may appeal the DLGF's decision to the Board. A decision of the Board may be appealed to the Indiana Tax Court in the same manner that a final determination of the DLGF may be appealed under IC 33-26.

Under IC 6-1.1-35.7-5, the DLGF may revoke a certification issued under 50 IAC 15 for not more than three years if the DLGF determines by a preponderance of the evidence that the township assessor, county assessor, employee of the assessor, or appraiser violated any provision of IC 6-1.1-35.7. If an appraiser's certification is revoked,

- (1) any contract for appraisal of property in Indiana that the appraiser has entered into is void; and
- (2) the appraiser may not receive any additional payments under the contract.

A contract entered into by the appraiser for appraisal of property in Indiana must contain a provision specifying that the contract is void if the appraiser's certification is revoked under IC 6-1.1-35.7.

Tax representative standards of conduct, IC 6-1.1-35.7-6 & IC 6-1.1-35.7-7

A tax representative may not do any of the following:

- (1) Use or participate in the use of any false, fraudulent, unduly influencing, coercive, unfair, misleading, or deceptive statement or claims with respect to any matter relating to the practice before the PTABOA or the DLGF.
- (2) Knowingly misrepresent any information or act in a fraudulent manner.
- (3) Prepare documents or provide evidence in a property assessment appeal unless the representative is authorized by the property owner (or person liable for the taxes under IC 6-1.1-2-4) to do so and any required authorization form has been filed.
- (4) Knowingly submit false or erroneous information in a property assessment appeal.
- (5) Knowingly fail to use the appraisal standards and methods required by rules adopted by the DLGF, Indiana Board of Tax Review ("IBTR"), or PTABOA when the representative submits appraisal information in a property assessment appeal.
- (6) Knowingly fail to notify the property owner (or person liable for the taxes under IC 6-1.1-2-4) of all matters relating to the review of the assessment of taxpayers' property before the PTABOA or the DLGF, including, but not limited to, the following:
 - A. The tax representative's filing of all necessary documents, correspondence, and communications with the PTABOA or the DLGF.
 - B. The dates and substance of all hearings, onsite inspections, and meetings.

The DLGF may revoke the certification of a tax representative for the following:

- (1) Violation of any rule applicable to certification or practice before the DLGF, the IBTR, or the PTABOA.
- (2) Gross incompetence in the performance of practicing before the PTABOA, the DLGF, or the IBTR.
- (3) Dishonesty, fraud, or material deception committed while practicing before the PTABOA, the DLGF, or the IBTR.
- (4) Dishonesty, fraud, material deception, or breach of fiduciary duty committed against the tax representative's employer or business associates.
- (5) Violation of the standards of ethics or rules of solicitation adopted by the DLGF.

Chapter 2 – The Department of Local Government Finance

Mission Statement

The mission of the DLGF is to ensure a fair and equitable property tax system for Indiana taxpayers.

Department Structure

The DLGF is organized along functional lines into three main divisions: Assessment, Budget, and Data Analysis. Below are the mission statements for each division:

Assessment Division

The Assessment Division provides guidance, technical instruction, and support to taxpayers and local officials across the state. The Assessment Division promotes consistent assessing procedures throughout the state by providing guidance, technical instruction, and securing compliance with the applicable laws to ensure the fair and equitable assessment of real and personal property for taxpayers and local officials. The Division is responsible for the statewide assessment of public utilities; assisting in equalization studies; developing manuals, rules, and guidelines for use by local officials; and providing training to assessing officials and administering an assessment certification program. The Division is also responsible for the assessment of large industrial facilities with a true tax value of at least \$25 million dollars. The Division maintains field representatives throughout the state to better serve local units of government.

Budget Division

The Budget Division works closely with local officials in preparing their annual budgets and to monitor and enforce statutory compliance with Indiana law. The Division's staff provides recommendations to the Commissioner on matters related to budgets, tax rates, tax levies, exceptions to property tax controls, and taxpayer objections to tax rate increases. Throughout the year, Division staff is involved in training and workshops throughout the state. The Division has field representatives throughout the state to better serve local units of government.

Data Analysis Division

The Data Analysis Division was created by IC 6-1.1-33.5 and conducts on-going research and analysis in all areas of Indiana property taxation. The Division receives and reviews data from county auditors and assessors and works with counties to ensure data is compliant with state data standards and applicable laws. The Division ensures compliance of software used in the administration of property taxes with 50 IAC 26, "Computer Standards for a Uniform and Common Property Tax Management System." The Division also facilitates data submissions from local units of government and

manages DLGF databases, including the Indiana Gateway for Government Units ("Gateway"). Gateway aims to modernize the way local government information is collected and published.

Duties of the Department

The DLGF was established by legislative action (HEA 1499) during the 2001 session, as the successor agency to the State Board of Tax Commissioners. (IC 6-1.1-30-1.1)

A commissioner is appointed by the Governor to oversee the activities of the DLGF. (IC 6-1.1-30-6.5)

The duties of the DLGF under IC 6-1-1-30-14 include:

- (1) seeing that the property taxes due this state are collected;
- (2) seeing that the penalties prescribed are enforced;
- (3) investigating the property tax laws and systems of other states and countries;
- (4) for assessment dates after December 31, 2008, conducting all ratio studies required for:
 - (A) equalization under 50 IAC 14; and
 - (B) annual adjustments under 50 IAC 27; and
- (5) recommending changes in the state's property tax laws to the general assembly.

Duties outlined under IC 6-1.1-31-1 include:

- (1) prescribing the property tax forms and returns which taxpayers are to complete and on which taxpayers' assessments will be based;
- (2) prescribing the forms to be used to give taxpayers notice of assessment actions;
- (3) adopting rules concerning the assessment of tangible property;
- (4) developing specifications that prescribe state requirements for computer software and hardware to be used by counties for assessment purposes; and
- (5) adopting rules establishing criteria for the revocation of a certification under IC 6-1.1-35.5-6.

Duties outlined under IC 6-1.1-35-1 include:

- (1) interpreting the property tax laws of this state;
- (2) instructing property tax officials about their taxation and assessment duties;
- (3) seeing that all property assessments are made in the manner provided by law;
- (4) conducting operational audits of the offices of assessing officials to determine if statutory and regulatory assignments are being completed in an effective, efficient, and productive manner; and
- (5) developing and maintaining a manual for all assessing officials and county assessors concerning:
 - (A) assessment duties and responsibilities of the various state and local officials;

- (B) assessment procedures and time limits for the completion of assessment duties;
- (C) changes in state assessment laws; and
- (D) other matters relevant to the assessment duties of assessing officials, county assessors, and other county officials.

How to Contact Us

The DLGF can be contacted by telephone, fax, or email. There is also a website that contains important information for the assessing community as well as the general public. The website address is www.in.gov/dlgf.

A toll-free number is maintained for the use of elected officials. The number is **(888) 739-9826**.

If you wish to fax information to, the number is **(317) 974-1629**.

The divisions and employees may be reached at their individual numbers, which can be found at <http://www.in.gov/dlgf/2338.htm>.

Chapter 3 – Calendar of Duties

DEPARTMENT OF LOCAL GOVERNMENT FINANCE ASSESSING CALENDAR

PLEASE READ: Dates may change by action of the General Assembly. Some dates occurring on a Saturday, Sunday, or Legal Holidays are effective on the next business day. See IC 6-1.1-37-10; IC 36-2-15-4 (Assessor), IC 36-2-9-4 (Auditor), and IC 36-2-10-5 (Treasurer). The timeline reflects the last business day on which the activity can be accomplished.

Please note that the dates listed below are general dates. Specific calendar year dates can be referenced in the DLGF's annual assessment calendar memo (see [http://www.in.gov/dlgf/files/pdf/150102 - Wood Memo - 2015 Assessment Calendar.pdf](http://www.in.gov/dlgf/files/pdf/150102_-_Wood_Memo_-_2015_Assessment_Calendar.pdf)).

- January 15 Annually assessed mobile home assessment date. IC 6-1.1-1-2.
- February 15 Annually assessed mobile home assessments with current year taxes payable should be turned over to the county auditor in preparation for tax billing.
- March 1 Assessment date and valuation date for all tangible property except annually assessed mobile homes under 6-1.1-7. IC 6-1.1-1-2.
- March 1 Last date a real estate assessment can be increased for undervalued or omitted property for the assessment date three years prior to March 1. IC 6-1.1-9-4. (For personal property, see IC 6-1.1-9-3.)
- April 25 Last day for county treasurer to mail tax statements (at least fifteen [15] days before first installment of tax is due). IC 6-1.1-22-8.1(c). **NOTE:** Beginning with the 2014 pay 2015 cycle, tax bills are to be mailed or transmitted, as applicable, one time each year at least 15 **business** days before the date on which the first or only installment is due.
- May 1 Although there is no statutory date for the submission of the county's ratio study as part of the annual adjustment process, in order to ensure on-time billing, it is strongly recommended the ratio study be submitted by this date.
- May 10 Last day a claim for refund may be filed for the May installment three (3) years prior as a result of a Correction of Error (Form 133). IC 6-1.1-15-12(i); IC 6-1.1-26-1.

- May 10 First installment of property taxes due. IC 6-1.1-22-9.
- May 15 Last day to file a personal property return unless an extension has been granted by the assessing official. 50 IAC 4.2-2-2; IC 6-1.1-3-7(b).
- May 15 Last day an amended personal property return may be filed for the preceding year's March 1 assessment date (twelve [12] months from the later of the following: the filing date for the original property tax return if the taxpayer is not granted an extension, or the extension date for the original personal property return if the taxpayer is granted an extension). IC 6-1.1-3-7.5(a).
- May 15 Last day to assess personal property that was not reported by the taxpayer ten (10) years prior to the current year's May 15. IC 6-1.1-9-3.
- May 15 Last day a current year exemption application may be filed with the county assessor. IC 6-1.1-11-3.
- June 1 Although there is no statutory date for approval of the county's ratio study, in order to ensure on-time billing, it is strongly recommended that the ratio study be approved by this date.
- July 1 Last day for the county assessor to deliver the real estate book (i.e., roll gross assessed values) to the auditor. The county assessor and county auditor roll and balance values. IC 6-1.1-5-14.
- July 1 Last day for the county assessor to deliver the personal property assessment data to the county auditor. IC 6-1.1-3-17 (b).
- July 1 Starting July 1, 2014, the cyclical reassessment of approximately twenty-five percent (25%) of the parcels within each property class of the four-year (4-year) reassessment cycle will begin. All real property must be reassessed once during each reassessment cycle.
- August 1 Last day for the county auditor to certify the net assessed values to the fiscal officer of each political subdivision of the county and to the DLGF. IC 6-1.1-17-1.
- September 15 Last day for a township assessing official to make a change on a personal property return filed on or before May 15 of the current year and notify the taxpayer of the change. If the return was filed after May 15, the assessing official has four (4) months from the day of filing to make a change and give notice. IC 6-1.1-16-1(a) (1).

- October 30 Last day for a county assessor or a PTABOA to make a change on a personal property return filed on or before May 15 of the current year and notify the taxpayer of the change. If the return was filed after May 15, a county assessor or a PTABOA has five (5) months from the day it is filed to make a change and give notice. IC 6-1.1-16-1(a) (2). These time limitations apply to the review function of the PTABOA but not the appeal function under IC 6-1.1-15. 50 IAC 4.2-3.1-7.
- November 1 Last day for filing an exemption application by an owner and for approval by the PTABOA of the application if the county assessor did not give notice to the owner of his or her failure to apply (first Monday in November, per statute) IC 6-1.1-11-5(d).
- November 10 Last day a claim for refund may be filed for the November installment three (3) years prior as a result of a Correction of Error (Form 133). IC 6-1.1-15-12(i); IC 6-1.1-26-1.
- November 10 Second installment of taxes due. IC 6-1.1-22-9.
- December 31 Last day to file a disaster petition, issue a reassessment order, and make an adjustment for a disaster petition for the prior year March 1 assessment date, and last day to file a petition for reassessment of permanently flooded land for the prior year March 1 assessment date. IC 6-1.1-4-11; IC 6-1.1-4-11.5.

IMPORTANT NOTE:

On March 25, 2014, Governor Pence signed into law Senate Enrolled Act 420 (“SEA 420”), effective July 1, 2014. SEA 420 institutes several date changes concerning the assessment of tangible property in Indiana. Please note that this guidance is intended to be an informative bulletin; it is not a substitute for reading the law.

I. Change in Assessment Date for Tangible Property

SEA 420 changes the assessment date of real property to January 1 starting with the 2016-pay-2017 tax cycle. March 1 will remain the real property assessment date for the 2014-pay-2015 and 2015-pay-2016 tax cycles.

The assessment date for mobile homes moves to January 1 starting in 2017 (the pay-2017 cycle). January 15 remains the mobile home assessment date for the pay-2015 and pay-2016 tax cycles.

Tax Cycle	Real Property Assessment Date	Mobile Home Assessment Date	First Installment of Taxes Due	Second Installment of Taxes Due
2014-pay-2015	March 1, 2014	January 15, 2015	May 10, 2015	November 10, 2015
2015-pay-2016	March 1, 2015	January 15, 2016	May 10, 2016	November 10, 2016
2016-pay-2017	January 1, 2016	January 1, 2017	May 10, 2017	November 10, 2017
2017-pay-2018	January 1, 2017	January 1, 2018	May 10, 2018	November 10, 2018

On account of this change, SEA 420 alters various deadlines related to assessments and property taxation. These are addressed in Part III of this memorandum.

II. Personal Property Tax Return Filing Deadlines

Section 6 amends IC 6-1.1-3-7.5 so that a taxpayer who files an amended personal property tax return for the 2016 assessment date or after pays taxes based on the assessed value reported on the amended return only if the amended return is filed on or before April 1 of the assessment year. A taxpayer who files an amended return for the 2014 or 2015 assessment year pays taxes based on the assessed value reported on the amended return if the amended return is filed by July 15 of the assessment year.

For example, a taxpayer wants to file an amended personal property tax return for the 2016 assessment date. The taxpayer must file the amended return on or before April 1, 2016 to be able to pay taxes in 2017 based on the assessed values reported on the amended return. If the taxpayer fails to file an amended return on or before April 1, 2016, the pay-2017 taxes will be based on the assessed values reported on the original return. Note that under IC 6-1.1-3-1.5, as amended by this Act, the filing due date for the original return remains May 15.

III. Timeline for Cyclical Reassessment and Duties of County Assessor

Due to the change in the assessment date starting in assessment year 2016, SEA 420 also changes various other deadlines related to assessments and assessors' duties. Unless otherwise noted, these changes will affect deadlines starting in 2016.

- A. *Starting in 2017, Township Assessor Delivers a Detailed List of Real Property Listed for Taxation in the Township by May 1.*

Section 16 amends IC 6-1.1-5-14 so that in a county with a township assessor, the township assessor must prepare and deliver to the county assessor the real property list for the township on or before the following dates:

- For the March 1, 2015 assessment date, on or before May 15.
- For the January 1, 2016 assessment date, on or before May 15.
- For the January 1, 2017 assessment date, on or before May 1.

B. Starting in 2017, County Assessor must Roll Real Property Values to the County Auditor by June 1.

Under IC 6-1.1-5-14, as amended by this Act, the county assessor must roll values to the county auditor on or before the following dates:

- For the March 1, 2015 assessment date, on or before July 1.
- For the January 1, 2016 assessment date, on or before July 1.
- For the January 1, 2017 assessment date, on or before June 1.

Note that although the real property assessment date moves from March 1 to January 1 starting in 2016, the deadline to deliver the list does not move to June 1 until 2017.

C. Starting in 2017, County Assessor Rolls Personal Property AVs to County Auditor by June 15.

Section 7 amends IC 6-1.1-3-17 so that starting with the 2017-pay-2018 tax cycle, each county assessor must certify to the county auditor the assessment value of the personal property in every taxing district on or before June 15 of each year. For example, for the 2017-pay-2018 tax year, the county assessor must certify to the county auditor the assessment value of personal property in every taxing district on or before June 15, 2017. For assessment years before 2017, the county assessor must certify these values on or before July 1.

D. Changes Affecting Cyclical Reassessment.

Cyclical Reassessment Plans Due before May 1.

Section 8 amends IC 6-1.1-4-4.2 so that starting in 2017 the county reassessment plan is due to the Department of Local Government Finance (“DLGF”) before May 1 the year before a reassessment cycle begins. Hence, the DLGF must complete its review and approval of the plan before March 1, 2015, and before January 1 starting in 2018. The reassessment of a group of parcels according to the plan must begin on May 1 and be completed on or before January 1 of the following year. In addition, the reassessment of the first group of parcels under a county’s reassessment plan must begin on July 1, 2014 and be completed on or before January 1, 2015.

As a result of Section 8, the timeline for the reassessment cycle beginning on May 1, 2018 will proceed as follows:

County assessor submits reassessment plan to the DLGF.	Before May 1, 2017.
DLGF reviews reassessment plan.	Before January 1, 2018.
Reassessment of the first group of parcels under the county reassessment plan.	May 1, 2018 through January 1, 2019.
Reassessment of the second group of parcels under the county reassessment plan.	May 1, 2019 through January 1, 2020.
Reassessment of the third group of parcels under the county reassessment plan.	May 1, 2020 through January 1, 2021.
Reassessment of the fourth group of parcels under the county reassessment plan.	May 1, 2021 through January 1, 2022.
County assessor submits next reassessment plan to DLGF.	Before May 1, 2021.
DLGF reviews reassessment plan.	Before January 1, 2022.

Please note that for the reassessment cycle beginning on July 1, 2014, the reassessment of a group of parcels must be completed on January 1 rather than March 1, even though the real property assessment date remains March 1 until 2016. Because SEA 420 goes into effect on July 1, 2014, this will mean there is less time to reassess the first group of parcels for the upcoming reassessment cycle.

Starting July 1, 2014, Group of Parcels Assessed under Reassessment Plan Must Be Completed by January 1.

Section 12 amends IC 6-1.1-4-21.4 so that the appraisal of one-third (1/3) of a group of parcels must be completed before August 1; the appraisal of two-thirds (2/3) of the parcels must be completed before November 1; and the appraisal of all the parcels must be completed before January 1 of the following year. This amendment goes into effect on July 1, 2014. Hence, as with the changes instituted by Section 8 of this Act, these dates must be followed during the reassessment cycle beginning on July 1, 2014 even though the reassessment date remains March 1 until 2016.

E. Petition for Reassessment of Real Property within Township Filed with DLGF by January 31.

Section 10 amends IC 6-1.1-4-5 so that a petition for the reassessment of a real property that is subject to reassessment under IC 6-1.1-4-4 and situated within a township may be filed with the DLGF on or before:

- (1) March 31 for assessment year 2015; or
- (2) January 31 starting assessment year 2016.

Note that a petition for reassessment may only be filed for a non-election year. Because 2016 is a general election year, petitions to reassess real property within a township under subdivision (2) would be due on or before January 31 starting in 2017.

F. Form 11 Due by February 10 or 90 Days after Appraisal.

Section 13 amends IC 6-1.1-4-22 so that Form 11s must be provided by the earlier of:

- (1) 90 days after the assessor completes the appraisal of a parcel or receives a report for a parcel from a professional appraiser or professional appraisal firm; or
- (2) either
 - (A) April 10 for assessment year 2015; or,
 - (B) February 10 starting in assessment year 2016.

For example, for assessment year 2015, the Form 11 must be provided on April 10, 2015 or 90 days after the assessor appraises the parcel/receives an appraisal report, whichever is earlier. For assessment year 2016, the Form 11 must be provided on February 10, 2016 or 90 days after the assessor appraises the parcel/receives an appraisal report, whichever is earlier.

G. County Data Due to LSA and DLGF.

Section 14 amends IC 6-1.1-4-25 for when the appropriate assessing official must transmit to the legislative services agency (“LSA”) and the DLGF the parcel data file each year. Starting in 2016, parcel data files are due before September 1 of each year. For 2014 and 2015, parcel data files will still be due before October 1.

Similarly, section 17 amends IC 6-1.1-5.5-3 for when the county assessor must forward sales disclosure form data to LSA and the DLGF. Starting in 2016, sales disclosure form data are due on or before February 1 of each year. For 2015, parcel data files will be due on or before April 1.

Sections 11, 15, and 25 make conforming changes in light of the date changes made elsewhere by SEA 420.

SEA 420 also amended IC 6-1.1-2-2 so that, except as expressly provided by law enacted after July 1, 2014, a change in use, value, character, or ownership of tangible property after an assessment date shall not be considered in determining the true tax value of the tangible property for that assessment date.

Chapter 4 – Common Terms Defined

“Abnormal obsolescence” means that obsolescence which occurs as a result of factors over which the taxpayer has no control and is unanticipated, unexpected, and cannot reasonably be foreseen by a prudent businessman prior to the occurrence. It is of a nonrecurring nature and includes unforeseen changes in market values, exceptional technological obsolescence, or destruction by catastrophe that has a direct effect upon the value of the personal property of the taxpayer at the tax situs in question on a going concern basis. (50 IAC 4.2-9-3(a))

“Actual age” means the number of years elapsed since the original construction up to the effective valuation date. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 4)

“Actual Frontage” refers to the actual front foot dimensions of a lot rounded to the nearest one-tenth (0.1) foot. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 2)

“Ad valorem tax” means a tax based upon the value of the property. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 2)

“Affiliate” means an entity that effectively controls or is controlled by a rehabilitation deduction applicant or is associated with a deduction applicant under common ownership or control, whether by shareholding or other means. (IC 6-1.1-12.1-1(16))

“Agricultural property” means land and improvements devoted to or best adaptable for the production of crops, fruits, timber, and the raising of livestock. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 2)

“Appeal procedures” means the process by which a taxpayer may choose to challenge the assessed value assigned to his property by the county or township assessor. (IC 6-1.1-15)

“Appraisal” means an estimate, usually in written form, of the value of a specifically described property as of a specified date. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 2)

“Appraisal schedule” means any standardized schedule or table used in conjunction with a revaluation program such as a replacement cost pricing schedule, depreciation table, or land depth table. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 3)

“Appraiser” means a person who estimates value or possesses the expertise to execute or direct the execution of an appraisal. In IC 6-1.1-31.7, an appraiser is a professional appraiser or appraisal firm that contracts with a jurisdiction under IC 6-1.1-4 and is certified under the rules promulgated by the DLGF. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 3)

“Appropriation” means the authority given by the appropriating body to spend cash in a specific fund up to a stated amount.

“Assessed value” or “assessed valuation” means (1) for assessment dates prior to March 1, 2001, thirty-three and one-third percent (33-1/3%) of the true tax value of property; and (2) for assessment dates after February 28, 2001, the true tax value of the property. (IC 6-1.1-1-3)

“Assessing” means the act of valuing a property for the purpose of establishing a tax base. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 3)

“Assessing Official” means (1) a township assessor, if any; (2) a county assessor; or (3) a member of a PTABOA. (IC 6-1.1-1-1.5)

Note: The term “assessing official” does not grant a member of the PTABOA primary assessing functions except as may be granted to the member by law.

“Assessment” means the value of taxable property to which the tax rate is to be applied in order to compute the amount of taxes. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 3)

“Assessment date” means March 1 for all tangible property, except mobile homes as defined in IC 6-1.1-7-1 (mobile homes assessed annually). Mobile homes defined in IC 6-1.1-7-1 are assessed as of January 15. (IC 6-1.1-1-2) Senate Enrolled Act 420-2014 changes the assessment date starting in 2016. Hence, the 2016 Assessment date will be January 1st. See Chapter 3 for more information.

“Assessment Level” means the common or overall ratio of assessed values to market values. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 5)

“Assessment notice” means a written notification to a property owner of the assessed value of certain properties described in the notice. Notice is given to the property owner following an assessment or reassessment of the property. (IC 6-1.1-4-22) (It is also known as a Form 11.)

“Assessment period” means the period of time during which the assessment of all properties within a given assessment district must be completed. It is also the period

between tax lien dates. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 3)

“Assessment software” means all programs used for real and personal property assessment, valuation of annually assessed mobile homes, and sales ratio studies except for the following: (1) Systems software; (2) Proprietary database management systems that are not proprietary to the assessment software vendor. (50 IAC 26-2-6)

“Assessment software vendor” means any person who offers to sell or license for use assessment software for the property tax management system in any county in the state. (50 IAC 26-2-7)

“Auditor” means the fiscal officer of the county. (IC 36-2-9-2)

“Auditor’s Abstract” is a compilation of the gross assessed values of each taxing district of real estate, personal property, and utilities, by category, minus the various deductions and exemptions allowed, to equal the net assessed valuation of taxable property. The net value is multiplied by the individual fund rate for each taxing unit. The aggregate is the amount of taxes that will be charged to the taxpayers for the current year. The auditor submits the completed form to the Auditor of State on or before March 15. (IC 6-1.1-22-5)

“Base price” means a value or unit rate established for a certain specified model, and subject to adjustments to account for variations between that particular model and the subject property under appraisal. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 4)

“Base rate” means the statewide agricultural land base rate value per acre used to determine the true tax value of agricultural land under: (1) the real property assessment guidelines of the DLGF; or (2) rules or guidelines of the DLGF that succeed the guidelines referred to in subsection (1). (IC 6-1.1-1-3.5)

“Blighted area” means a declining area characterized by marked structural deterioration or environmental deficiencies, or both. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 4)

“Computer hardware” means the physical components of a computer system, including any peripheral equipment such as the following: (1) printers, (2) modems, and (3) pointing devices. (50 IAC 26-2-11)

“Computer software” means all programs used for property tax management, including any: (1) system utilities; and (2) database management systems; necessary to make them function properly. (50 IAC 26-2-16)

“Confidential information” includes, but is not limited to, information governed by IC 6-1.1-35-9 (see Chapter 1).

“Construction in progress” means tangible personal property that has not been placed in service on the assessment date. (50 IAC 5.1-1-7)

“Conveyance” means any transfer of a real property interest for valuable consideration. (IC 6-1.1-5.5-1)

“Conveyance document” means (a) (1) any of the following that purports to transfer a real property interest for valuable consideration: (A) a document, (B) a deed, (C) a contract of sale, (D) an agreement, (E) a judgment, (F) a lease that includes the fee simple estate and is for a period in excess of ninety (90) years, (G) a quitclaim deed serving as a source of title, or (H) another document presented for recording. (2) Documents for compulsory transactions as a result of foreclosure or express threat of foreclosure, divorce, court order, condemnation, or probate. (3) Documents involving the partition of land between tenants in common, joint tenants, or tenants by the entirety. (b) The term does not include the following: (1) security interest documents such as mortgages and trust deeds, (2) leases that are for a term of less than ninety (90) years. (3) Agreements and other documents for mergers, consolidations, and incorporations involving solely non-listed stock. (4) Quitclaim deeds not serving as a source of title, or (5) public utility or governmental easements or rights-of-way. (IC 6-1.1-5.5-2)

“Cost approach” means one (1) of three (3) traditional approaches to value by which an indication of the value of a property is arrived at by estimating the value of the land, the replacement or reproduction cost new of the improvement, and the amount of depreciation to the improvement. The estimated land value is added to the estimated depreciated value of the improvements to arrive at an estimated property value. The term is referenced in IC 6-1.1-4-39.5.

“Credit” means a credit against property tax.

“December settlement sheet” shows the amount of taxes collected and to be distributed by individual fund to each taxing unit. The December settlement must be balanced against the auditor’s abstract of taxes charged. The settlement must also be approved by the Auditor of State.

“Deduction” means a situation where a taxpayer is permitted to subtract a fixed dollar amount from the assessed value of his property. (IC 6-1.1-1-5)

“Department of Local Government Finance” is the agency responsible for administering the state property tax system. It is also referenced in IC 6-1.1-1-5.4.

“Depth factor” means a multiplier applied to a unit land value to adjust the value of a particular lot to account for the depth of the lot. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 6)

“Depreciation” means loss in value from all causes. It can be further classified as follows: (1) physical, the loss of value caused by physical deterioration; (2) functional obsolescence, the loss of value from an internal inutility; and (3) external obsolescence, the loss of value from an externality. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 6)

“Depreciation allowance” means a loss of value expressed in terms of a percentage of replacement or reproduction cost new. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 6)

“Designating body” means the following: (A) for a county that does not contain a consolidated city, the fiscal body of the county, city, or town; (B) for a county containing a consolidated city, the metropolitan development commission. (IC 6-1.1-12.1-1(7))

“Distributable property” means property owned or used by a public utility company that is not locally assessed real property or locally assessed personal property. Distributable property is that property used to furnish the public utility service. The right-of-way of a public utility company is distributable property. It may consist of the public utility company’s transportation system, production plant, transmission system, and/or distribution system. The DLGF distributes to the appropriate taxing districts the assessed value of the public utility company’s distributable property. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 7) 50 IAC 5.1-1-9

“ Dwelling ” means any building or portion of a building designed or occupied in whole or in part as a place of residence. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 7)(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; or (C) a manufactured home that is not assessed as real property that the individual uses as the individual’s residence. (IC 6-1.1-12-37)

“Economic life” means the life expectancy of a property during which it can be expected to be profitably utilized. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 7)

“Economic obsolescence” means obsolescence caused by factors extraneous to the property. It is also referred to as external obsolescence. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 8)

“Economic revitalization area” means an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. It also includes: (A) any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and (B) a residentially distressed area. (IC 6-1.1-12.1-1)

“Effective age” means the age of a structure as compared to other structures performing like functions. For mass appraisal purposes and for the valuation of real property within the State of Indiana, the condition rating will reflect the effective age of a structure. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 8)

“Effective frontage” means the amount of frontage, expressed in linear feet, to which the unit land value is applied. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 8)

“Eligible vacant building” means a building that: (A) is zoned for commercial or industrial purposes; and (B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the DLGF requires. (IC 6-1.1-12.1-1(17))

“Equalization” means a mass appraisal or reappraisal of all property within a given taxing jurisdiction with the goal of equalizing values in order to assure that each taxpayer is bearing only the fair share of the tax load. It may be used synonymously with revaluation program. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 8)

“Exemption” means a situation where a certain type of property, or the property of a certain type of taxpayer, is not taxable. (IC 6-1.1-1-6)

“Filing date” means the May 15 filing date for personal property. (IC 6-1.1-1-7). According to the Indiana Administrative Code, “filing date” means the May 15 date on which every person owning, holding, possessing, or controlling tangible personal property with a tax situs within the State of Indiana as of March 1 of any year is required to file a personal property tax return unless an extension of time to file is obtained. If the filing date falls on a Saturday, a Sunday, a national legal holiday recognized by the federal government, or a statewide holiday, the next succeeding business day that is not a Saturday, Sunday, or federal or state holiday becomes the filing date. (50 IAC 4.2-1-1.1(h))

“Fiscal body” means: (1) county council, for a county not having a consolidated city; (2) city-county council, for a consolidated city or county having a consolidated city; (3) common council, for a city other than a consolidated city; (4) town council, for a town; (5) township board, for a township; (6) governing body or budget approval body, for any other political subdivision that has a governing body or budget approval body; or (7) chief executive officer of any other political subdivision that does not have a governing body or budget approval body. (IC 36-1-2-6)

“Front foot” means a strip of land one (1) foot wide that fronts on a desirable feature, such as a road or lake, and extends for the entire depth of the parcel. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 10)

“Functional obsolescence” means obsolescence caused by factors inherent in the property itself. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 10)

“Grade” means the classification of an improvement based on certain construction specifications and quality of materials and workmanship. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 10)

“Grade factor” means a factor or multiplier applied to a base grade level for the purpose of interpolating between grades or establishing an intermediate grade. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 10)

“Homesite” means a land area of one (1) acre per residential site on a parcel containing one (1) or more acres. If a developed residential site is less than one (1) acre, the homesite is the entire land area. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 10)

“Homestead” means an individual’s principal place of residence which: (A) is located in Indiana; (B) the individual either owns or is buying under a contract, recorded in the county recorder’s office, that provides that he is to pay the property taxes on the residence; and (C) consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling. (IC 6-1.1-12-37(2))

“Improved land” means land developed with a water well/septic system or water hook-up/sewage disposal hook-up, and landscaping, walkways, and residential driveway. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 12)

“Improved land value” means the 2011 cost of vacant land plus the depreciated cost installing water and sewage disposal systems, landscaping, walkways, and residential driveway. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 12)

“Indiana Administrative Code” (IAC) are rules promulgated by Indiana state agencies.

“Indiana board” refers to the Indiana Board of Tax Review established by IC 6-1.5-2-1.

“Indiana Code” (IC) refers to the codified laws of the State of Indiana as enacted by the Indiana General Assembly.

“Industrial company” means the owner or user of industrial property. (IC 6-1.1-8.5-1)

“Industrial facility” means a company’s real property that: (1) has been classified as industrial property under the rules of the DLGF; and (2) has a true tax value, as estimated by the DLGF, of at least twenty-five million dollars (\$25,000,000) in a qualifying county. The term includes real property that is used under an agreement under which the user exercises the beneficial rights of ownership for the majority of the year. The term does not include real property assessed under IC 6-1.1-8. (IC 6-1.1-8.5-2)

“Industrial park” means a subdivision designed and developed to accommodate specific types of industry. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 12)

“Industrial property” means land, improvements, machinery, or all three, used or adaptable for use in the production of goods. It also includes the supporting auxiliary facilities. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 12)

“Influence factor” means a multiplier that is applied to the value of land to account for characteristics of a particular parcel of land that are peculiar to that parcel. The factor may be positive or negative and is expressed as a percentage. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 12)

“Inventory” means: (1) materials held for processing or for use in production; (2) finished or partially finished goods of a manufacturer or processor; and (3) property held for sale in the ordinary course of trade or business. The term includes: (1) items that qualify as inventory under 50 IAC 4.2-5-1; and (2) a mobile home or manufactured home that: (A) does not qualify as real property; (B) is located in a mobile home community; (C) is unoccupied; and (D) is owned and held for sale by the owner of the mobile home community. (IC 6-1.1-1-8.4)

“Key number” means a number assigned to a tract of land in a county by the county auditor that (1) identifies the taxing district in which the tract is located; (2) is a number that is not assigned to any other tract in the county; and (3) is listed in the transfer book or records maintained under IC 6-1.1-5. (IC 6-1.1-1-8.5)

“Legal description” refers to a description of real property by government survey, metes and bounds, or lot numbers of a recorded plat. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 13)

“Legislative body” means the: (1) board of county commissioners for a county not subject to IC 36-2-3.5 or IC 36-3-1; (2) county council for a county subject to IC 36-2-3.5; (3) city-county council for a consolidated city or county having a consolidated city; (4) common council, for a city other than a consolidated city; (5) town council, for a town; (6) township board, for a township; (7) governing body of any other political subdivision that has a governing body; or (8) chief executive officer of any other political subdivision that does not have a governing body. (IC 36-1-2-9)

“List of Assessment” means a list of all property owners within a given jurisdiction and the corresponding assessed values of their property. There may be an assessor’s book for the following types of property: (1) mobile homes assessed on an annual basis, (2) real property (IC 6-1.1-5-14), and (3) personal property (IC 6-1.1-3-17).

“Locally assessed personal property” means tangible personal property owned or used by a public utility company, excluding a railroad company, that is not used as part of the company’s production plant, transmission system, or distribution system. Locally assessed personal property is reported on the appropriate form by the public utility company to the assessing official of the jurisdiction where the property is located. In general, locally assessed personal property consists of the following: (1) automotive and other mobile equipment, other than that of a bus company or railroad company, (2) office furniture and fixtures, (3) maintenance equipment not used as part of the production, transmission, or distribution system including general plant related items such as stores, tools, and shop and garage equipment, (4) inventory of materials held for use in production and property held for sale in the ordinary course of trade or business, (5) other tangible personal property that is not used as a part of the public utility company’s production plant, transmission system, or distribution system. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 13) 50 IAC 5.1-1-15

“Locally assessed real property” means fixed real property owned or used by a public utility company that is assessed by the assessing official of the jurisdiction where it is located. Real property includes both land and improvements. The right-of-way of a public utility company is not locally assessed real property. Of the land and improvements owned by a railroad company, only the right-of-way land and buildings leased to commercial tenants, the land adjoining the right-of-way devoted to industrial parks, any abandoned right-of-way, and other railroad land and buildings used for purposes other than railroad operations are locally assessed real property. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 14)

“Mass appraisal” means appraisal of property on a wholesale scale, such as an entire community, generally for ad valorem tax purposes, using standardized appraisal

techniques and procedures to effect uniform equitable valuations within a minimum of detail, within a limited time period, and at limited cost. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 14)

“Mineral rights” means the right to extract subterranean deposits such as oil, gas, coal, and minerals, as specified in the grant. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 15)

“Mobile home” is a dwelling that: (1) is transportable; (2) is factory assembled; (3) is intended for year round occupancy; (4) exceeds thirty-five (35) feet in length; and (5) is designed for transportation on its own chassis or for placement on a temporary foundation. (IC 6-1.1-7-1)

“Model method” means a method of computing the replacement of an improvement by applying the cost of a specified model and adjusting the cost to account for specified variations between the subject improvement and the model. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 15)

“Neighborhood” means a geographical area exhibiting a high degree of homogeneity in residential amenities, land use, economic and social trends, and housing characteristics. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 15)

“New manufacturing equipment” means tangible personal property that a deduction applicant: (A) installs on or before the approval deadline determined under IC 6-1.1-12.1-9 in an area that is declared an economic revitalization area in which a deduction for tangible personal property is allowed; (B) uses in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property, including but not limited to use to dispose of solid waste or hazardous waste by converting the solid waste into energy or other useful products; (C) acquires for use as described in clause B: (i) in an arm’s length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause A; or (ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause A; and (D) has never been used for any purpose in Indiana before the installation described in clause A. (IC 6-1.1-12.1-1(4))

“Obsolescence” means a diminishing of a property’s desirability and usefulness brought about by either functional inadequacies or super-adequacies inherent in the property itself, or adverse economic factors external to the property. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 16)

“Owner”: (a) The “owner” of tangible property shall be determined by using the rules contained in this section. (b) Except otherwise provided in this section, the holder of the legal title to personal property, or the legal title in fee to real property, is the owner of

that property. (c) When title to tangible property passes on the assessment date of any year, only the person obtaining title is the owner of that property on the assessment date. (d) When the mortgagee of real property is in possession of the mortgaged premises, the mortgagee is the owner of that property. (e) When personal property is security for a debt and the debtor is in possession of the property, the debtor is the owner of the property. (f) When a life tenant of real property is in possession of the real property, the life tenant is the owner of that property. (g) When the grantor of a qualified personal residence trust created under United States Treasury Regulation 25.2702-5(c)(2) is: (1) in possession of the real property transferred to the trust; and (2) entitled to occupy the real property rent free under the terms of the trust; the grantor is the owner of that real property. (IC 6-1.1-1-9)

“Oil or gas interest” includes, but is not limited to: (1) royalties; (2) overriding royalties; (3) mineral rights; or (4) working interest; in any oil or gas well located on or beneath the surface of land which lies within this state. (b) Oil or gas interest is subject to assessment and taxation as real property. Notwithstanding IC 6-1.1-4-4 or 4.2, each oil or gas interest shall be assessed annually by the assessor of the township in which the oil or gas is located, or the county assessor if there is no township assessor for the township. The township or county assessor shall assess the oil or gas interest to the person who owns or operates the interest. (c) A piece of equipment is an appurtenance to land if it is incident to and necessary for the production of oil and gas from the land covered by the oil or gas interest. This equipment includes but is not limited to wells, pumping units, lines, treaters, separators, tanks, and secondary recovery facilities. These appurtenances are subject to assessment as real property. Notwithstanding IC 6-1.1-4-4 or 4.2, each of these appurtenances shall be assessed annually by the assessor of the township in which the appurtenance is located, or the county assessor if there is no township assessor for the township. The township or county assessor shall assess the appurtenance to the person who owns or operates the working interest in the oil or gas interest. (IC 6-1.1-4-12.4)

“Parcel number” means a unique identifier in accordance with the state standard prescribed in 50 IAC 26-8-1 assigned to a real estate parcel by each county. (50 IAC 26-2-31)

“Per diem” means compensation on a daily rate.

“Person” includes a sole proprietorship, partnership, association, corporation, limited liability company, fiduciary, or individual. (IC 6-1.1-1-10)

“Personal property” means (1) billboards and other advertising devices which are located on real property that is not owned by the owner of the devices; (2) foundations (other than foundations which support a building or structure) on which machinery or equipment: (A) held for sale in the ordinary course of a trade or business; (B) held, used, or consumed in connection with the production of income; or (C) held as an

investment; is installed; (3) all other tangible property (other than real property) which: (A) is being held as an investment; or (B) is depreciable personal property; and (4) mobile homes that do not qualify as real property and are not described in subdivision (3). (b) Personal property does not include the following: (1) commercially planted and growing crops while in the ground; (2) computer application software; and (3) inventory. (IC 6-1.1-1-11)

“Personal Property Manual” means 50 IAC 4.2.

“Place of assessment” means the location of the property on the assessment date.

“Plat books” means the official maps of the county that identify all parcels of real property in each civil township within the county. (IC 6-1.1-5)

“Plats” means the drawing and legal description of property divisions or subdivisions of a parcel.

“Political subdivision” means a county, township, city, town, separate municipal corporation, special taxing district, or school corporation. (IC 6-1.1-1-12)

“Primary commercial or industrial land” refers to the primary building or plant site. The following are examples of primary land: (A) land located under buildings, (B) regularly used parking areas, (C) roadways, (D) regularly used yard storage, and (E) necessary support land. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 18)

“Professional appraiser” means an individual or firm that is certified under IC 6-1.1-31.7.

“Property class” means a division of like properties generally defined by statute and generally based upon present use. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 16)

“Property record card” means a document specially designated to record and process specified real property data. It may serve as a source document, a processing form, or a permanent property record. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 18)

“Property Tax Assessment Board of Appeals (PTABOA)” means the county board established under IC 6-1.1-28 charged with the responsibility of reviewing assessments under IC 6-1.1-13 to ensure that properties are assessed at a uniform level. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 18)

“Public Utility Manual” means 50 IAC 5.1.

“Public utility property” means a public utility company’s property that is devoted to the production of commodities or services for public consumption under the control of government agencies such as the Indiana Utility Regulatory Commission. Also see IC 6-1.1-8-1. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 18)

“Real property” means any of the following: (1) land located within this state; (2) a building or fixture situated on land located within this state; (3) an appurtenance to land located within this state; (4) an estate in land located within this state, or an estate, right, or privilege in mines located on the land or minerals, including, but not limited to, oil and gas, located in the land, if the estate, right, or privilege is distinct from the ownership of the surface of the land; (5) notwithstanding IC 6-6-6-7, a riverboat: (A) licensed under IC 4-33; or (B) operated under an operating agent contract under IC 4-33-6.5; for which the DLGF shall prescribe standards to be used by assessing officials. (IC 6-1.1-1-15)

“Reassessment” means the revaluation of all properties within a given jurisdiction for the purpose of establishing a new tax base. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 19). See IC 6-1.1-4 for additional guidelines regarding assessment.

“Reassessment Fund” means the fund used to pay the cost of a reassessment. Refer to IC 6-1.1-4-27.5 and IC 6-1.1-4-28.5.

“Redevelopment” means the construction of new structures in economic revitalization areas, either: (A) on unimproved real estate; or (B) on real estate upon which a prior existing structure is demolished to allow for a new construction. (IC 6-1.1-12.1-1(5))

“Rehabilitation” means the remodeling, repair, or betterment of property in any manner or any enlargement or extension of property. (IC 6-1.1-12.1-1(6))

“Replacement cost” means the cost of constructing an improvement which offers the same utility as the subject improvement, using modern construction materials and techniques. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 19)

“Reproduction cost” means the cost of constructing an exact replica of the subject improvement, using cost schedules designed from a specific time. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 19)

“Residential property” means vacant or improved land devoted to, or available for use, primarily as a place to live. Residential property is normally construed to mean a structure where less than three families reside in a single structure. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 19)

“Riverboat” means a self-propelled excursion boat located in a county described in IC 4-33-1-1 on which lawful gambling is authorized and licensed under IC 4-33. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 20)

“Sales Disclosure Form” means the document prescribed by the DLGF for use by local assessors to gather sales information. See IC 6-1.1-5.5 for details.

“Salvage value” means the price one would be justified in paying for an item of property to be removed from the premises and used elsewhere. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 20)

“School corporation” means any public school corporation established under the laws of the State of Indiana. The term includes, but is not limited to, any school city, school town, school township, consolidated school corporation, metropolitan school district, township school corporation, county school corporation, united school corporation, and a community school corporation. (IC 6-1.1-1-16)

“Secondary commercial or industrial land” refers to land used for purposes that are secondary to the primary use of the land. The following are examples of secondary land: (A) parking areas that are not used regularly; and (B) yard storage that is not used regularly. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 20)

“Shortfall” is the shortage of property tax dollars due to: (1) erroneous assessed valuation figures being provided to a taxing unit; (2) the erroneous assessed valuation figures were used by the civil taxing unit in determining its total property tax rate; and (3) the error was found after the DLGF certified the total tax rate. Refer to IC 6-1.1-18.5-16.

“Soil productivity” means the capacity of a soil type to produce crops. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 21)

“Special assessment” means a ditch or drainage assessment, barrett law assessment, improvement assessment, sewer assessment, sewage assessment, or any other assessment which by law is placed on the records of the county treasurer for collection. (IC 6-1.1-1-17)

“Split” means a division of an existing parcel into two (2) or more pieces.

“State agency” means a board, commission, DLGF, division, bureau, committee, authority, military body, college, university, or other instrumentality of this state, but does not include a political subdivision or an instrumentality of a political subdivision. (IC 6-1.1-1-18)

“Standard depth” means that lot depth selected by the assessing official as the lot depth norm for a particular area. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 21)

“Tangible property” means real property and personal property. (IC 6-1.1-1-19)

“Tax duplicate” means the roll of property taxes payable prepared for each taxable year according to the requirements set forth in the manual for county auditors. (50 IAC 26-2-48)

“Tax levy” means the total revenue which is to be realized by the tax. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 22)

“Tax rate” means the rate generally expressed in dollars per hundred which is to be applied against the tax base or assessed value to compute the amount of taxes. The tax rate is derived by dividing the total amount of the tax levy by the total assessed value of the taxing district. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 22)

“Tax statement” means an itemized statement showing the amount of taxes owed for certain property and forwardable to the party legally liable for payment. Refer to IC 6-1.1-22-8.1 for additional details.

“Taxable property” means all tangible property that is subject to the tax imposed by IC 6-1.1 and is not exempt from the tax under IC 6-1.1-10 or any other law.

“Taxing district” means a geographic area within which property is taxed by the same taxing units at the same total rate. (IC 6-1.1-1-20)

“Taxing unit” means an entity that has the power to impose ad valorem property taxes. (IC 6-1.1-1-21)

“Topography” refers to the terrain of the site in terms of its suitability for use.

“Township assessor” means a township assessor elected under IC 36-6-5-1.

“Tract” means any area of land that is under common ownership and is contained within a continuous border. (IC 6-1.1-1-22.5)

“Transfer book” means (a) the county auditor shall keep a transfer book, arranged by townships, cities, and towns in which the auditor shall enter a description, for the purpose of taxation, of land that is conveyed by deed or partition, the date of the conveyance, the names of the parties, and the post office address of the grantee. (b) In addition, the auditor shall endorse on the deed or instrument of conveyance the words

“duly entered for taxation subject to final acceptance for transfer,” “not taxable,” “has already been listed for taxation,” or “duly entered for taxation.” The deed or instrument must include on its face the post office address of the grantee. (IC 6-1.1-5-4)

“Unimproved land” means vacant land which does not have a well, septic system, water hook-up, sewage disposal hook-up, landscaping, or walkways and residential driveway. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 23)

“Unusable undeveloped commercial and industrial land” means vacant land that is unusable for commercial or industrial development. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 24)

“Usable undeveloped commercial and industrial land” means vacant land that is held for future commercial or industrial development. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 24)

“Vacant land” means a parcel for which there is no improvement value. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 24)

“Water frontage” means land abutting a body of water. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 24)

“Zoning regulations” refers to government restrictions on the use of land. (2011 Real Property Assessment Manual and Guidelines Book 2, Glossary, pg. 24)

Chapter 5 – Forms and Records

(Copies of forms that relate directly to specific chapters of this Manual, such as those pertaining to mobile homes and public utilities, will be found with those chapters. Other forms are available in the Appendix. All forms can be found on the DLGF website at www.in.gov/dlgf or the Indiana Commission on Public Records website at www.in.gov/icpr).

Form 2 Notice of Assessment of Mobile Home

[IC 6-1.1-31-1]

The assessing official sends this notice to the owner of an annually assessed mobile home situated within the township or county on the assessment date. The notice serves as the notification to the owner of the assessed value of the mobile home for the current year. (SF 466)

Form 11 Notice of Assessment of Land and Improvements

[IC 6-1.1-31-1]

The assessing official sends this notice to the owner of real property to notify the owner of the assessed value of the property. This notice of assessment is sent to all real property owners after a general reassessment, as a result of a change through the annual adjustment process, or because of a change of an assessment resulting from improvements made to the property. It also indicates the previous year's assessment and the property owner's right to appeal pursuant to IC 6-1.1-15-1. (SF 21366)

**Form 14 Township Report to County Assessor
(Personal Property)**

[IC 6-1.1-3-18]

This form is used by township assessors to report to county assessors, by July 31, the total assessed value based on all returns filed by July 1 and to report by September 30 any changes made to those returns, as well as any omitted or undervalued assessments discovered between July 1 and September 15. This form is also used to report to the county assessor by September 30 the combined totals of the previously-reported figures. (SF 21368)

Form 17T Claim for Refund (Real Property, Personal Property, and Annually Assessed Mobile Homes)

[IC 6-1.1-26-1]

A claimant who requests a tax refund because of overpayment of previously-paid property taxes files this form with the county auditor. The customary practice is for the taxpayer to file a 17T along with a Form 130

or 133, which is the recommendation of the State Board of Accounts because it effectively stops the clock from running out under IC 6-1.1-26-1 (normally a request for refund must be made within three (3) years from when the taxes were first due; a Form 133 must be filed within three (3) years from when the taxes were first due). It is true that if a refund is based on an assessment appeal under IC 6-1.1-15 or reduction in assessment by the DLGF, this does not require a claim, but State Board of Accounts recommends that counties use the 17T to document the calculation of the amount applied to the next installment and/or refunded under IC 6-1.1-15-11. State Board of Accounts would prefer the 17T be used for all refunds of property taxes. *(This form is prescribed by the State Board of Accounts.)*

Form 29 Real Property Assessor's Book

[IC 6-1.1-5-8]

This form is a comprehensive list of all real property owners as of the current March 1 assessment date. (SF 18158)

Form 29A Personal Property Assessor's Book

[IC 6-1.1-3-5]

The personal property book states by taxing district the total of the personal property assessments as shown on the personal property returns filed with the assessing official by the filing date of that year. (SF 18160)

Form 29MH Annually Assessed Mobile Home Assessor's Book

[IC 6-1.1-7-5]

This form is used by the assessing official to certify the assessments of annually assessed mobile homes to the county auditor. (SF 49865)

Form 34C Certification by County Assessor (of Railroad and Public Utility Assessments)

[IC 6-1.1-31-1]

The county assessor compiles the total assessed value of all locally assessed real estate and personal property of railroads and public utility companies. The county assessor is required to prepare a separate sheet for each company and file the report with the DLGF by May 15. (SF 18602)

Form 34T Certification by Township Assessor (of Railroad and Public Utility Assessments)

[IC 6-1.1-31-1]

This form is comparable to Form 34C. Here, however, the township assessor, if any, files a separate sheet for each railroad or public utility

company's reported property with the county assessor by May 1. (SF 18603)

- Form 102 Farmer's Tangible Personal Property Assessment Return**
[IC 6-1.1-31-1]
This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and is used by farmers to report their tangible depreciable personal property. **This form is confidential.** (SF 50006)
- Form 103 (Short) Business Tangible Personal Property Return**
[IC 6-1.1-31-1]
This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and can be used by a taxpayer to report the taxpayer's tangible business personal property if: the taxpayer is not a manufacturer or processor; the personal property assessment is not \$150,000 or more; the taxpayer is not claiming any exemptions or deductions (other than the enterprise zone credit); and the taxpayer is not claiming any special adjustment(s). **This form is confidential.** (SF 11274)
- Form 103 (Long) Business Tangible Personal Property Return**
[IC 6-1.1-31-1]
This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and is used by a taxpayer to report all business tangible personal property. **This form is confidential.** (SF 11405)
- Form 103-CTP Schedule of Deduction from Assessed Valuation Personal Property in Certified Technology Park**
[IC 6-1.1-12.7]
This form is filed with the appropriate assessing official every year by May 15 in order to obtain a deduction for personal property within a certified technology park. **This form is confidential.** (SF 54483)
- Form 103-EL Equipment List for New Additions to ERA Deduction Personal Property in Economic Revitalization Area**
[IC 6-1.1-12.1]
This list is filed when any new equipment that is claimed on Form 103-ERA has been installed after the prior year assessment date. **This form is confidential.** (SF 52515)

Form 103-ERA Schedule of Deduction from Assessed Valuation

Personal Property in Economic Revitalization Area

[IC 6-1.1-12.1-4.5]

This schedule must be filed with a Form 103-Long with the township assessor, if any, or the county assessor. A separate schedule must be completed for each approved abatement. **This form is confidential.** (SF 52503)

Form 103-I Return for Interstate Carriers (Personal Property)

[IC 6-1.1-31-1]

This form is filed with the township assessor, if any, or the county assessor by May 15 (or up to June 14 with extension) and is used by commercial airlines and commercial bus lines for computing the true tax value of their transportation equipment operating in Indiana. **This form is confidential.** (SF 22649)

Form 103-IT Claim for Exemption of Enterprise Technology Equipment

[IC 6-1.1-10-44]

This form is filed by the taxpayer along with Form 103-Long to receive an exemption for information technology equipment. Equipment may include: servers, routers, data storage, generators, and other equipment designated as enterprise technology equipment. The form is filed with the township assessor, if any, or the county assessor by May 15 (or up to June 14 with extension). **This form is confidential.** (SF 54182)

Form 103-N Information Return of Not Owned Personal Property

[IC 6-1.1-31-1]

This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and is used by a taxpayer to fulfill the requirement to furnish a complete listing of all personal property that is not owned by the taxpayer, but is held, possessed, or controlled by the taxpayer on the assessment date. **This form is confidential.** (SF 23000)

Form 103-O Information Return of Owned Personal Property

[IC 6-1.1-31-1]

This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and is used by a taxpayer to fulfill the requirement to furnish a complete listing of all personal property that is owned by the taxpayer but is held, possessed, or controlled by another person on the assessment date. **This form is confidential.** (SF 24057)

Form 103-P Claim for Exemption of Air or Water Pollution Control Facilities (Personal Property)

[IC 6-1.1-10-9, 10, 12, 13 and IC 6-1.1-31-1]

This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and is used by taxpayers to claim an exemption for industrial waste control facilities or stationary or unlicensed mobile air pollution control systems. The taxpayer must also forward a copy of this form to the Indiana Department of Environmental Management by registered or certified mail for purposes of the industrial waste control facilities exemption. **This form is confidential.** (SF 24056)

Form 103-P5 Business Tangible Personal Property Depreciable Assets in Pool 5

[IC 6-1.1-3-23]

This form is only used by an oil refinery/petrochemical company or its affiliate or by an integrated steel mill or an entity that is at least fifty percent (50%) owned by an affiliate of an integrated steel mill. The Form 103-Long must also be submitted with this form in order to receive a deduction. **This form is confidential.** (SF 52497)

Form 103-P5/ Schedule of Deduction from Assessed Value Pool 5 Property in ERA Economic Revitalization Area

[IC 6-1.1-12.1]

This schedule must be submitted with Form 103-Long to the township assessor, if any, or county assessor. A separate schedule must be completed for each approved abatement. **This form is confidential.** (SF 52498)

Form 103-SPD Supporting Schedule for Deduction of Assessed Valuation on a Personal Property Solar Power Device

[IC 6-1.1-12-27.1]

This form is used by the taxpayer to claim a deduction for a solar power device installed after December 31, 2011. In order to claim this deduction, the taxpayer must first file Form SES/WPD with the county auditor. Then the taxpayer must file this form along with his/her personal property return to the county assessor each year to claim the deduction. **This form is confidential.** (SF 55063)

Form 103-SR Single Return-Business Tangible Personal Property

[IC 6-1.1-31-1]

This form is filed by the taxpayer if the taxpayer has ownership of personal property in more than one (1) township in the county and the assessed value is less than one million five hundred thousand dollars (\$1,500,000). The form is filed by May 15 to the county assessor unless an extension is granted in writing. **This form is confidential.** (SF 53854)

Form 103-T Return of Special Tools

[IC 6-1.1-31-1]

This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and is used by the taxpayer to report special tooling, such as tools, die, jigs, patterns, fixtures, etc., owned and not owned on the assessment date. **This form is confidential.** (SF 22667)

Form 104 Business Tangible Personal Property Return

[IC 6-1.1-31-1]

This non-confidential form is used as a summary form for taxpayers reporting on Form 102 or 103. (SF10068)

Form 104-SR Single Return Business Tangible Personal Property

[IC 6-1.1-31-1]

This form is filed by the taxpayer as a list of business tangible personal property; the form must also include a copy of Form 103-SR. It is filed with the county assessor by May 15 unless an extension is granted in writing. (SF 53855)

Form 106 Schedule of Adjustments to Business Tangible Personal Property Return

[IC 6-1.1-31-1]

This form is filed with the township assessor, if any, or county assessor by May 15 (or up to June 14 with extension) and is used by a taxpayer who claims any adjustment(s) on his/her business personal property tax return. Filed with Form 102 or 103. **This form is confidential.** (SF 12980)

Form 111/PP Notice of Review of Current Year's Assessment (Personal Property)

[IC 6-1.1-31-1]

This form is used to notify a taxpayer that the PTABOA, on its own motion, will be reviewing the taxpayer's assessment. (SF 21519)

Form 113 Notice of Assessment by Assessing Official (Real Property)

[IC 6-1.1-4-22 and IC 6-1.1-9-1]

This form serves as notification to the property owner that an assessing official is increasing the assessment of the identified real property. This action is normally associated with increasing the assessment for a previous year because there is evidence of omitted or undervalued property. It is also used for the current year when there has been no physical change to the property, but omitted or undervalued property is evident. (SF 46725)

- Form 113/PP Notice of Assessment/Change (By an Assessing Official) (Personal Property)**
 [IC 6-1.1-3-20 and IC 6-1.1-9-1]
 This form serves as notification to the property owner that an assessing official is changing the assessment of his or her personal property. For personal property, this action is normally associated with increasing the assessment due to a mathematical error on the filed return, an exemption claimed on the return is being disallowed, or the owner has failed to file a personal property return. It is also used by the township assessor, if any, or county assessor to reflect changes to the taxpayer's PPID or ERA claim. (SF 21521)
- Form 114 Notice of Hearing on Petition (By Property Tax Assessment Board of Appeals) (Real Property)**
 [IC 6-1.1-15-1 and IC 6-1.1-31-1]
 This notice is sent to a taxpayer who has appealed a real property assessment to the PTABOA. The PTABOA is responsible for giving the petitioner thirty (30) days advance notice of the established time of the petitioner's hearing. (SF 49149)
- Form 114/PP Notice of Hearing on Petition (By Property Tax Assessment Board of Appeals) (Personal Property)**
 [IC 6-1.1-15-1 and IC 6-1.1-31-1]
 This notice is sent to a taxpayer who has appealed a personal property assessment to the PTABOA. The PTABOA is responsible for giving the petitioner thirty (30) days advance notice of the established time of the petitioner's hearing. (SF 21522)
- Form 115 Notification of Final Assessment Determination**
 [IC 6-1.1-15-1 and IC 6-1.1-31-1]
 This form is used to notify the taxpayer of the PTABOA's determination concerning an assessment appeal. It is used for real and personal property assessment determinations by the PTABOA on appeals (Form 130) and on the PTABOA's own motion. A taxpayer may appeal this decision to the Indiana Board of Tax Review by filing a Form 131 within forty-five (45) days of the mailing of this notification. (SF 20916)
- Form 118 Final Assessment Determination (Real and Personal Property)**
 [IC 6-1.1-15-4]
 This computer generated form is used by the Indiana Board of Tax Review to notify the county assessor, the taxpayer, and any entity that filed an amicus curiae brief of the finally-determined assessed value after hearing the petition for review.

- Form 120** **Notice of Action on Exemption Application**
[IC 6-1.1-11-7]
This form is used by county assessors to notify a taxpayer that a claim for exemption has been accepted, changed, or denied. (SF 49585)
- Form 122** **Report of Assessment for Omitted or Undervalued Property Assessment and Assessment Penalty (Real and Personal Property)**
[IC 6-1.1-9-1]
This form is used to notify a taxpayer of the assessment of omitted or undervalued property. (SF 9283)
- Form 122A** **Report to County Auditor of Added Assessments and Assessment Penalties (Personal Property)**
[IC 6-1.1-9-2]
This form is filed with the county auditor by the assessing official to document increased assessments or penalties imposed on one or more taxpayers. The form notifies the auditor of the assessment year of the added assessment and the total assessment to be put on the assessment rolls. The form also identifies the type and amount of penalty, if any, to be added to the tax billing. (SF 22691)
- Form 130** **Petition to the Property Tax Assessment Board of Appeals for Review of an Assessment (Real and Personal Property)**
[IC 6-1.1-15-1]
This form is filed with the county assessor by the taxpayer requesting a review by the PTABOA. This form must be filed within forty-five (45) days after notice of the assessment (Form 2, 11, or 113) is given to the taxpayer or, if no notice is given, by the later of May 10 of the year or forty-five (45) days after the date of the tax bill. This form may only be filed with the county assessor. (SF 21513)
- Form 131** **Petition to the Indiana Board of Tax Review for Review of Assessment (Real and Personal Property)**
[IC 6-1.1-15-3]
This form is filed by a taxpayer or county assessor (if either party disagrees with the PTABOA's ruling) requesting the Indiana Board of Tax Review to review the assessment. This form must be filed not later than forty-five (45) days after the date of the final determination (Form 115) of the respective PTABOA. The party filing the appeal must serve a copy on the other party. (SF 42936)

- Form 132** **Petition to the Indiana Board of Tax Review for Review of Exemption (Real and Personal Property)**
[IC 6-1.1-11-7]
Within thirty (30) days after the mailing of notice of the denial of an exemption application by the PTABOA, the taxpayer can appeal the determination to the Indiana Board of Tax Review. The taxpayer must file this form with the Indiana Board of Tax Review as well as provide a copy to the county assessor. (SF 21514)
- Form 133** **Petition for Correction of an Error (Real and Personal Property)**
[IC 6-1.1-15-12]
The owner of tangible property may petition to correct certain errors that are outlined in IC 6-1.1-15-12. The petition is filed with the county auditor and the correction must be approved by at least two (2) of the following: the township assessor, if any; the county auditor; and the county assessor. If two (2) of the officials deny the correction, the petition is sent to the PTABOA for review. The PTABOA issues a determination to the petitioner who has the right to appeal the determination to the Indiana Board of Tax Review within forty-five (45) days. (SF 12483)
- Form 134** **Joint Report by Taxpayer/Assessor to the County Board of Appeals of a Preliminary Informal Meeting**
[IC 6-1.1-15-1]
This form is a record of any preliminary meeting between the township assessor, if any, or county assessor and the property owner regarding an assessment appeal on real property or personal property. This meeting is informal and intended to resolve the appeal prior to the PTABOA hearing. The taxpayer and assessing official are required to sign and complete this form. The assessing official then sends the report to the county auditor and PTABOA. (SF 53626)
- Form 135** **Affidavit of Destroyed or Removed Property (Real)**
[IC 6-1.1-31-1]
This form is to be used to petition for removal of one or more assessments from real estate due to the removal of or destruction of improvements resulting from fire, flood, etc. This form is used when events occur that are not deemed a disaster and should not be used in lieu of a Form 137-R when a disaster occurs. This form is for single events to improvements on one parcel. (SF 51536)
- Form 136** **Application for Property Tax Exemption (Real and Personal Property)**
[IC 6-1.1-11-3]
The individual or organization that files this form is applying for a property tax exemption based on the ownership and/or use of the

tangible property. To be eligible, the applicant must meet certain criteria as outlined in IC 6-1.1-10. This application must be filed with the county assessor on or before May 15 of the assessment year and must be re-filed every even year unless the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, 21, or 24. (SF 9284)

- Form 136 CO/U Notice of Change of Ownership or Use of Exempt Property**
This form is completed when an exempt property's ownership or use changes. It is filed with the county assessor. (SF 54173)
- Form 137PF Petition for Survey and Reassessment Real Property that is Permanently Flooded or Access is Permanently Prevented by Flooding**
[IC 6-1.1-4-11.5]
This form can be filed by a taxpayer when one or more parcels of land are permanently flooded or overland access is permanently prevented because of flooding. The land cannot be used for farming and must be permanently flooded. This is filed with the county assessor by December 31 of the year in which the flood occurred. The county assessor may accept or deny this petition and the taxpayer may appeal the decision within forty-five (45) days of notice. (SF 53950)
- Form 137R Petition for Survey and Reassessment – Real or Personal Property Partially or Totally Destroyed by Disaster (Real and Personal Property)**
[IC 6-1.1-4-11]
A person may file this form to petition for reassessment following the destruction of property due to a disaster. The petition may not be made after December 31 of the year in which the taxes which would first be affected by the reassessment are payable. **Note:** As a result of the case *Scheid v. Indiana State Tax Board*, the theory that many properties have to be involved in order for the situation to be considered a disaster is no longer valid; a disaster may happen to a single family residence without any other properties involved. (SF 17592)
- Form 137TP Petition For Waiver of Penalties Against a Taxpayer or Taxpayer's Representative on Real or Personal Property**
[IC 6-1.1-37-10.7]
The county treasurer shall do the following waive a late penalty if the taxpayer or the taxpayer's representative: (A) petitions the county treasurer to waive the penalty not later than thirty (30) days after the due date of the installment subject to the penalty; and (B) files with the petition written proof that during the seven (7) day period ending on the installment due date the taxpayer or an immediate family member of the taxpayer died. The treasurer must give written notice to the taxpayer or the taxpayer's representative by mail of the treasurer's determination not later than thirty (30) days after the petition is filed. A taxpayer or a

taxpayer's representative may appeal the determination by filing a notice in writing with the treasurer not more than forty-five (45) days after the notice of the determination. "Immediate family member of the taxpayer" means an individual who: (1) is the spouse, child, stepchild, parent, or stepparent of the taxpayer, including adoptive relationships; and (2) resides in the taxpayer's home. (SF 53165)

- Form 138 Notice of Defect in Completion of Assessment Appeal Form (Real Property)**
[IC 6-1.1-31-1]
This form is used by the county assessor or auditor to notify a petitioner of a defect in a submitted appeal form. This notice identifies the defect in the petition and gives the petitioner thirty (30) days from the date of the notice to file a corrected copy of the petition with the appropriate official. The Indiana Board of Tax Review uses the same form to identify defects in the filing of Form 131 petitions. Petitioners have thirty (30) days to correct the petition and resubmit the corrected form to the Indiana Board of Tax Review. (SF 43087)
- Form 139 Petition for Review of Department of Local Government Finance Action (Real, Personal and State Distributable Property)**
[IC 6-1.5-5-1]
This form must be filed with the Indiana Board of Tax Review and the county assessor within forty-five (45) days after the Notice of Department Action is given to the taxpayer. (SF 51104)
- Form 322 Application for Deduction from Assessment on Rehabilitated Dwellings (Real Property)**
[IC 6-1.1-12-18]
The application for deduction must be filed with the county auditor in the year in which the addition to the assessed value is made. If the notice of the addition to assessed value is not given to the property owner before December 1 of that year, this form may be filed no later than thirty (30) days after the date of mailing the notice. There are a number of requirements that must be met before this deduction is applicable. The deduction applies for no more than five (5) years. (SF 49568)
- Form 322A Application for a Deduction from Assessed Valuation of Rehabilitated Structures Over 50 Years Old**
[IC 6-1.1-12-22]
The application for deduction must be filed with the county auditor in the year in which the addition to the assessed value is made. If the notice of the addition to assessed value is not given to the property owner before

December 1 of that year, this form may be filed not later than thirty (30) days after the date of the mailing of the notice. There are fewer eligibility restrictions on this deduction and all types of property qualify. The property must be at least 50 years old before the date of application and the rehabilitation cost must be at least \$10,000. (SF 49567)

Form 322 RE Application for Deduction from Assessed Valuation of Structures in Economic Revitalization Areas (Real Property)

[IC 6-1.1-12.1-5]

The application for deduction must be filed with the county auditor before May 10 or not later than thirty (30) days after the assessment notice is mailed if it was mailed after April 10 of the year in which the addition to the assessed valuation is made. There are a number of requirements that must be met before this deduction is applicable. This deduction applies to new or rehabilitated structures. The local designating body will determine the number of years the taxpayer will be entitled to the deduction. (SF 18379)

CF-1/PP Compliance with Statement of Benefits Personal Property

[IC 6-1.1-12.1-4.5]

This form is filed yearly with the Form 103-ERA. It is filed with the designating body to show the extent to which there has been compliance with the Statement of Benefits. This form must be filed between March 1 and May 15 in each year unless an extension is granted. (SF 51765)

CF-1/RP Compliance with Statement of Benefits Real Estate Improvements

[IC 6-1.1-12.1-4.5]

Property owners must file this form with the county auditor and the designating body for their review regarding the compliance of the project with the Statement of Benefits. Any specific information on the individual's salary information is **confidential**. (SF 51766)

CF-1/UD Compliance with Statement of Benefits Utility Distributable Property

[IC 6-1.1-12.1]

This form is filed with the county assessor and the local designating body and must be filed with Form UD-ERA. (SF 52448)

CVTT-1 Commercial Vessel Tonnage Tax Return

[IC 6-6-6-3]

On or before July 1, this form is filed with the Auditor of State by each navigation company incorporated under the laws of the State of Indiana

and by each person who, on May 1, owned a commercial vessel registered at an Indiana port on May 1. (SF 43779)

EZ-2 Enterprise Zone Investment Deduction Application

[IC 6-1.1-45]

This form is filed with the county auditor showing the deduction claimed for either real or personal property per the instructions on the form. The form must be filed between March 1 and May 15 of the assessment year unless an extension has been granted for up to thirty (30) days after the May 15 deadline. **The records in this form are confidential.** (SF 52501)

G and O Form 1 Property Schedule for Oil and Gas Well Assessment

[IC 6-1.1-4-12.4, 12.6]

This form is filed with the township assessor, if any, or county assessor by May 15 each year listing the working and royalty interest computations for oil and gas wells. **This form is confidential.** (SF 9931)

HC-10 Claim for Homestead Property Tax Standard/Supplemental Deduction

[IC 6-1.1-12-37]

An individual who owns or is buying property under recorded contract that constitutes the individual's principal place of residence completes and signs this form on or before December 31 and files or postmarks it on or before the following January 5 (in the case of real property) or, in the case of a personal property mobile or manufactured home, files the form during the twelve (12) months before March 31 of the year for which the deduction is sought to receive the homestead standard and supplemental deductions (and 1% tax cap) for the corresponding assessment date. (SF 5473)

MOD-1 Application for Deduction from Assessed Valuation – Maritime Opportunity District

[IC 6-1.1-40-11]

This form is filed with the county auditor and DLGF as a claim for deduction from assessed valuation for certain personal property located within a Maritime Opportunity District as defined in IC 6-1.1-40. **Page 2 of this form is confidential.** (SF 42963)

PP-CCP Statement for Deduction of Assessed Valuation (Investment Property Purchased by Manufacturers of Recycled Coal Combustion Products)

[IC 6-1.1-44-6]

This form is filed with the county auditor between March 1 and May 15 unless an extension is granted. This deduction is for manufacturers who use coal combustion by-products in the manufacture of components to

produce masonry construction products, filter media, and other products approved by the Center for Coal Technology Research. (SF 52499)

RE-CCP Statement for Deduction from Assessed Valuation (Building Constructed of Coal Combustion Products)

[IC 6-1.1-12-34.5]

This form is filed with the county auditor. It must be accompanied by a "Certification of Qualifying Building" obtained from the Center for Coal Technology Research at Purdue University. (SF 52500)

SB-1/PP Statement of Benefits Personal Property

[IC 6-1.1-12.1]

This form must be filed with the designating body before a person installs new manufacturing equipment, research and development equipment, logistical distribution equipment, and/or information technology equipment for which the person wishes to claim the deduction. (SF 51764)

SB-1/RP Statement of Benefits Real Estate Improvements

[IC 6-1.1-12.1]

This form is filed with the designating body before the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. (SF 51767)

SB-1/UD Statement of Benefits Utility Distributable Property

[IC 6-1.1-12.1]

This statement is submitted to the designating body prior to the installation of new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment for which a deduction is sought. (SF 52446)

SES/WPD Statement for Deduction of Assessed Valuation (Attributed to Solar Energy System, Wind, Geothermal, or Hydroelectric Power Device) (Real Property and Annually Assessed Mobile Homes)

[IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5]

This deduction application is relevant to annually assessed mobile/manufactured homes, state distributable property, personal property, and real property. With respect to real property or a solar power device assessed as distributable or personal property, the form must be completed and signed on or before December 31 and filed or postmarked on or before the following January 5, and with respect to a personal property mobile home, filed during the twelve (12) months before March 31 of each year for which the deduction is sought. With

respect to geothermal and hydroelectric deductions, an application must be filed annually, even for real property. However, a person who receives a solar energy system, wind power device, hydroelectric power device, or geothermal energy heating or cooling device deduction for a particular year and remains eligible for the deduction for the following year is not required to re-apply for the deduction. The Indiana Department of Environmental Management must certify the hydroelectric power device or geothermal system for which a deduction is sought. (SF 18865)

TS-1A Tax Statement Bundle

This is the tax bill sent to each taxpayer. (SF 53569)

**UD-ERA Schedule of Deduction from Assessed Valuation
Utility Distributable Property in Economic Revitalization Area**

This form is filed with the county assessor and must be submitted with selected pages of the UD-45 and an approved CF-1. This form must be filed by May 15. (SF 52447)

UD Form 32 Annual Report Railroad Property

[IC 6-1.1-8-19]

Any person, company, corporation, or association owning or operating any type of railroad in Indiana is required to file an annual report to the DLGF. **This report is confidential.** (SF 31289)

UD Form 45 Annual Report

[IC 6-1.1-8-19]

All public utility companies (water, sewage, electric, pipeline, telephone, telegraph, and bus companies) are required to file an annual report with the DLGF. **This report is confidential.** (SF 40408)

Other Forms

SF 786 Notice of Assessment Registration

[IC 6-1.1-5-15]

An owner of real property is required to file this notice with the county assessor or area plan commission before demolishing, structurally modifying, or improving a property unless the action requires a permit from the state or a political subdivision or costs \$500 or less for materials or labor, or both.

- SF 7878 Mobile Home Permit**
[IC 6-1.1-7-10]
A mobile home may not be moved from one location to another unless the owner obtains a permit to move the mobile home from the county treasurer.
- SF 12662 Application for Tax Deduction for Disabled Veterans, WWI Veterans and Surviving Spouses of Certain Veterans**
[IC 6-1.1-12-13, 14, 15, 16, 17, 17.4, 17.5]
Eligible veterans or their surviving spouses may qualify for one or more disabled veteran property tax deductions. The applicant completes and signs this form on or before December 31 and files or postmarks it on or before the following January 5 (in the case of real property) or, in the case of a personal property mobile or manufactured home, files the form during the twelve (12) months before March 31 of the year for which the deduction is sought. If there is an unused portion of the deduction remaining after the deduction has been applied to the individual's real (and personal property), the individual can apply that portion toward excise taxes.
- SF 23261 Power of Attorney (Real and Personal Property)**
[IC 6-1.1-31-1]
An individual who represents the property owner in matters associated with the owner's assessment must have a power of attorney form signed by the property owner. The power of attorney form must be notarized.
- SF 23341 Notice of Placing of Mobile Home upon Land or Lot**
[IC 6-1.1-7-3]
This form must be filed with the township assessor, if any, or county assessor within ten (10) days after the date of placement of a mobile home.
- SF 43708 Application for Senior Citizen Property Tax Benefits**
[IC 6-1.1-12-9, 10.1]
The applicant completes and signs this form on or before December 31 and files or postmarks it on or before the following January 5 (in the case of real property) or, in the case of a personal property mobile or manufactured home, files the form during the twelve (12) months before March 31 of the year for which the deduction is sought. The claimant must meet requirements concerning age, taxable adjusted gross income, and property assessed value to claim the deduction. This deduction cannot be claimed with any other deductions except the mortgage, homestead, and fertilizer storage deductions.

- SF 43709 Statement of Mortgage or Contract Indebtedness for Deduction from Assessed Valuation**
[IC 6-1.1-12-1, 2]
The applicant completes and signs this form on or before December 31 and files or postmarks it on or before the following January 5 (in the case of real property) or, in the case of a personal property mobile or manufactured home, files the form during the twelve (12) months before March 31 of the year for which the deduction is sought. On the date the application is filed, the applicant must own or be buying under contract the real property or personal property mobile or manufactured home. The mortgage, contract, or memorandum (including a home equity line of credit) must be recorded in the county recorder's office.
- SF 43710 Application for Blind or Disabled Person's Deduction from Assessed Valuation**
[IC 6-1.1-12-11, 12]
The applicant completes and signs this form on or before December 31 and files or postmarks it on or before the following January 5 (in the case of real property) or, in the case of a personal property mobile or manufactured home, files the form during the twelve (12) months before March 31 of the year for which the deduction is sought. The applicant must meet the requirements concerning disability and adjusted gross income to be eligible.
- SF 45651 Statement for Deduction of Assessed Valuation (Fertilizer and Pesticide Storage Improvements)**
[IC 6-1.1-12-38]
The applicant completes and signs this form on or before December 31 and files or postmarks it on or before the following January 5 (in the case of real property) or, in the case of a personal property mobile or manufactured home, files the form during the twelve (12) months before March 31 of the year for which the deduction is sought. The deduction is based on improvements made to meet the requirements for pesticide and fertilizer storage under rules adopted by the state chemist
- SF 46021 Sales Disclosure Form (Real Property)**
[IC 6-1.1-5.5]
Both the buyer and seller of real property complete the form prior to the filing of the conveyance document with the county auditor. All information on the form must be completed and the form must be signed. **Telephone and Social Security numbers are confidential under IC 6-1.1-5.5-3(d).**

- SF 46885 Application for Wetland Adjustment to Land Assessed Using the Agricultural Soil Productivity Method**
[IC 6-1.1-31-1]
This application is filed with the county assessor after at least 2.5 contiguous acres have been verified by the Farm Service Agency and the Natural Resources Conservation Service as wetlands on the parcel listed on the application.
- SF 51781 Indiana Property Tax Benefits**
[IC 6-1.1-12-43]
This form lists the most common tax deductions available to persons who own or are purchasing property.
- Schedule A-3 Air Pollution Control Equipment (Exemption Form) (Utility Company)**
[IC 6-1.1-10-12, 13]
This form is used to report all personal property used predominately in the operation of an industrial air purification system. (SF 47337)
- Schedule A-4 Water Pollution Control Equipment (Exemption Form)**
[IC 6-1.1-10-9, 10]
The form is used to report all personal property employed predominately in the operation of an industrial water treatment system for elimination of water pollution. A copy of the application must be filed with the Indiana Department of Environmental Management, which may investigate the claim. (SF 47336)
- NOTE: Some forms, other than those listed as confidential, may have certain parts that are confidential. Statutes related to confidentiality include, but are not limited to, IC 6-1.1-5.5-3 and 5, IC 6-1.1-12.1-5.1 and 5.3, IC 6-1.1-12.1-5.6, IC 6-1.1-35-9, IC 6-1.1-35-11, IC 6-1.1-35-12, and IC 6-1.1-42-31.**

Chapter 6 – Building Permits and Assessment Registration Forms

Assessor Duty

Before the last day of each month, the county assessor delivers to each township assessor, if any, a copy of each local building permit and/or each assessment registration form issued for the township during the previous month (see IC 6-1.1-5-15(d)). These forms serve as notice to the township assessor, if any, that a change in the real property is anticipated. It is the responsibility of the township assessor, if any, to visit the property and observe the changes being made. For the assessment date following the issuance of a building permit or assessment registration form, the township assessor, if any, will adjust the assessed value to reflect the changes made to the real property. If there is no township assessor, then the responsibilities originally assigned to the township assessor fall to the county assessor.

Building Permits/Assessment Registration Notices

Many townships have a central authority that governs the type of structure being constructed or modified within the township. This central authority is normally known as the planning or building commission. This commission may encompass the entire county, a portion of the county (individual townships), or only the city or town portion of the township. Many townships are within the boundaries of a city commission that regulates construction within the city limits (in the area outside the city, a county commission may govern). Some townships have no regulations governing the placement of improvements within the township.

Some commissions issue permits for only certain types of structures. For example, many rural commissions monitor the construction activity of residential dwellings, commercial structures, and industrial structures, but do not require agricultural property owners to obtain a permit before constructing an agricultural structure.

To alleviate some of the confusion and give local assessors a tool for discovering the placement of real property items, the General Assembly passed IC 6-1.1-5-15. This statute requires the owner of real property or the owner's agent to give notice to the county assessor or area plan commission when changes costing more than five hundred dollars (\$500) for labor or materials or both occur to the property. **An assessment registration notice (SF 786) is required before an owner of real property demolishes, structurally modifies, or improves the property, unless the owner is required to obtain a permit from the state or a political subdivision.**

A fee of five dollars (\$5) shall be charged by the area plan commission or the county assessor for the filing of the assessment registration notice. All fees collected shall be deposited in the county property reassessment fund.

It is the responsibility of each county/township assessor to investigate the planning and building regulations in place within the county/township and develop procedures that ensure all real property improvements are assessed and placed on the assessment roll for the applicable assessment date.

A township or county assessor shall immediately notify the county treasurer if the assessor discovers property that has been improved or structurally modified at a cost of more than five hundred dollars (\$500) and the owner of the property has failed to obtain the required building permit or file an assessment registration notice. A person who either fails to file the registration notice or obtain a building permit is subject to a civil penalty of one hundred dollars (\$100). The county treasurer shall include the penalty in the person's property tax statement and collect it in the same manner as delinquent personal property taxes under IC 6-1.1-23. However, if a person files a late registration notice, the person shall pay the fee (if any) and the penalty to the area plan commission or the county assessor at the time the person files the late notice. (IC 6-1.1-5-15(f) and (g))

Chapter 7 – Mobile Home Assessments

Assessor Duty

The township assessor, if any, or county assessor shall assess all mobile/manufactured homes located within the township or county. The nature of the placement and ownership of the home determine the type of assessment that the assessor must complete.

Mobile/Manufactured Home Defined

Mobile Home

A mobile home is a dwelling that is transportable, factory-assembled, exceeds thirty-five (35) feet in length, is intended for year-round occupancy, and is designed either for transportation on its own chassis or placement on a temporary foundation.

Manufactured Home

A Manufactured home is a structure that is assembled in a factory, bears a seal certifying that it was built in compliance with the federal Manufactured Housing Construction and Safety Standards Law (42 U.S.C. 5401 et seq.), is designed to be transported from the factory to another site in one (1) or more units, is suitable for use as a dwelling in any season, and is more than thirty-five (35) feet long. For purposes of 50 IAC 3.3, “mobile home” also means “manufactured home.”

Types of Mobile/Manufactured Home Assessments

Annually Assessed

Mobile/manufactured homes not on a permanent foundation are assessed on an annual basis by the township assessor, if any, or county assessor. A large percentage of these homes are located in mobile home parks. The assessment date for annually assessed mobile/manufactured homes is January 15 for 2014, 2015, and 2016 (January 1 starting in 2017) (IC 6-1.1-1-2(2)). Placement of a home as of midnight on January 15 makes the home assessable as a mobile/manufactured home within the taxing district in which it is located. An annually assessed mobile home has a certificate of title issued by the Bureau of Motor Vehicles. (50 IAC 3.3-2-2)

Real Property

A mobile/manufactured home that is placed on a permanent foundation and for which an affidavit of transfer to real estate has been recorded with the county recorder is assessed by the township assessor, if any, or county assessor as real property. The assessment date for mobile/manufactured homes assessed as real property is March 1 for 2014 and 2015 (January 1 starting in 2016) (IC 6-1.1-1-2(1)).

Personal Property

A mobile/manufactured home that is held for sale and considered part of a mobile/manufactured home dealer's inventory is assessed annually as part of the dealer's personal property assessment. The dealer must file a personal property return with the township assessor, if any, or county assessor on or before May 15 unless the township assessor or county assessor grants an extension. (See IC 6-1.1-3-7)

Determining the True Tax Value of a Mobile Home

The true tax value of mobile homes assessed under IC 6-1.1-7 (other than mobile homes subject to the preferred valuation method under IC 6-1.1-4-39(b)) shall be the least of the values determined using the following:

- (A) The National Automobile Dealers Association Guide;
- (B) The purchase price of the mobile home if:
 - i. the sale is of a commercial enterprise nature;
 - ii. the buyer and seller are not related by blood or marriage; and
 - iii. the sale date is within one (1) year prior to or subsequent to the January 15 valuation date; or
- (C) Sales data for generally comparable mobile homes.

See the Mobile Home Rule in Appendix B for more information. (50 IAC 3.3-5-1)

Placement of a Mobile Home

A person who permits a mobile home to be placed on any land that he owns, possesses, or controls shall report that fact to the township assessor, if any, or county assessor where the land is located within ten (10) days after the mobile home is placed on the land. The ten (10) day period commences the day after the day that the mobile home is placed upon the land. (IC 6-1.1-7-3)

In many counties, a mobile/manufactured homeowner is required to obtain a building permit or an assessment registration form before placing a home on land other than land dedicated as a mobile/manufactured home park.

Moving Permit

A mobile home may not be moved from one (1) location to another unless the owner obtains a permit to move the mobile home from the county treasurer. The Bureau of Motor Vehicles may not transfer the title to a mobile home unless the owner obtains a permit to transfer the title from the county treasurer. A county treasurer shall issue a permit that is required to either move, or transfer the title to, a mobile home if the taxes due on the mobile home have been paid. The permit shall state the date it is

issued. After issuing a permit to move a mobile home under, a county treasurer shall notify the township assessor of the township to which the mobile home will be moved, or the county assessor if there is no township assessor for the township, that the permit to move the mobile home has been issued. (IC 6-1.1-7-10)

The owner of a mobile home who sells the mobile home to another person shall provide the purchaser with the permit as required above before the sale is consummated. (IC 6-1.1-7-10.4)

A person who is engaged to move a mobile home may not provide that service unless the owner presents him with a permit to move the mobile home and the permit is dated not more than one (1) month before the date of the proposed move. The mover shall retain possession of the permit while the mobile home is in transit. The mover shall return the permit to the owner of the mobile home when the move is completed. (IC 6-1.1-7-11)

Assessment of Exterior Features and Yard Structures with Annually Assessed Homes

Exterior features, including decks and porches, and yard structures (utility sheds and above ground pools) are annually assessed to the mobile/manufactured homeowner when these type of structures are owned by the homeowner. These structures are normally valued as real property improvements, but the assessment worksheet for annually assessed mobile/manufactured homes incorporates them into the mobile/manufactured home assessment.

Tax Liability on Mobile/Manufactured Homes

Regarding **personal property** mobile homes (meaning dwellings that are factory-assembled, transportable, intended for year-round occupancy, exceed 35 feet in length, and are designed either for transportation on their own chassis or placement on a temporary foundation), IC 6-1.1- 7-7 provides that “The owner of a mobile home on the assessment date of a year is liable for the taxes imposed upon the mobile home for that year.” Moreover, IC 6-1.1-2-4(a) provides that: A person holding, possessing, controlling, or occupying any personal property on the assessment date of a year is liable for the taxes imposed for that year on the property unless: (1) the person establishes that the property is being assessed and taxed in the name of the owner; or (2) the owner is liable for the taxes under a contract with that person.

For example, if on the assessment date Bob owns a piece of land and Phil owns a mobile home **assessed as personal property** that is located on Bob’s land, Phil is liable for the taxes imposed on that mobile home. There is no joint liability with Bob. If on the assessment date Sam occupied Phil’s mobile home, Sam would be liable for the taxes

unless he establishes that the mobile home is being assessed and taxed in Phil's name or that Phil is liable for the taxes pursuant to a contract with Sam. There is no joint liability between Sam and Bob.

If a semi-annual installment of taxes imposed for a year upon a **personal property** mobile home is not paid on or before the due date, the same penalties apply that are imposed under IC 6-1.1- 37-10 for the late payment of property taxes. In addition, the mobile home and the personal property of a delinquent taxpayer must be levied upon and sold in the same manner that a taxpayer's personal property is levied upon and sold under IC 6-1.1-23 for the non-payment of personal property taxes.

If a person owns a mobile home **assessed as real property** that is located on property owned by another person, IC 6-1.1-2-4(b) could be applicable. This statute provides, in part, that:

An owner on the assessment date of a year of real property that has an improvement or appurtenance that is:

- (1) assessed as real property; and
- (2) owned, held, possessed, controlled, or occupied on the assessment date of a year by a person other than the owner of the land;

is jointly liable for the taxes imposed for the year on the improvement or appurtenance with the person holding, possessing, controlling, or occupying the improvement or appurtenance on the assessment date.

For example, if on the assessment date John owns a piece of land and Bill occupies a mobile home **assessed as real property** that is located on John's land, John and Bill are jointly liable for the taxes imposed on the mobile home.

Note that IC 6-1.1-2-4(b) pertains only to improvements and appurtenances **assessed as real property**.

A county council may adopt an ordinance to require an owner to pay his property tax liability for his mobile home in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars (\$25). If the county council has adopted such an ordinance, then whenever a tax bill is mailed showing that an owner's property tax liability for a particular year for a mobile home is less than twenty-five dollars (\$25), the owner shall pay the entire tax liability for the mobile home for that year on May 10 of that year.

The law also establishes penalties for moving the home without a permit, failing to report placement on land, and failing to provide the permit to the new owner. (See IC 6-1.1-7-12, 13, and 14)

Assessed Value Deductions Available on Annually Assessed Mobile/Manufactured Homes

The owner of an annually assessed mobile/manufactured home is eligible to file for numerous deductions against the assessed valuation of the property so long as he or she qualifies and timely files the application(s). The applications must be filed with the county auditor during the twelve months **prior to March 31** of the year for which the individual wishes to obtain the deduction(s).

An individual who receives a deduction in a particular year and who remains eligible for the deduction the following year generally is not required to file a statement to apply for the deduction in the following year.

The sum of the deductions provided under IC 6-1.1-12 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 of the assessed value of the mobile home or manufactured home (this 50% threshold does NOT apply to the supplemental homestead deduction)**. (IC 6-1.1-12-40.5)

Annually Assessed Mobile/Manufactured Home Becomes Real Property Home

If a mobile/manufactured home that is properly assessed as an annually assessed home on January 15 becomes real property on March 1 of the same year, the assessor shall assess the home as real property. Upon the taxpayer furnishing proper documentation to the county auditor of the two assessments for the same year, the auditor shall remove the January 15 assessment from the tax rolls. This situation commonly occurs when the mobile/manufactured homeowner receives title to the land under the home between the two assessment dates.

Affidavit of Transfer to Real Estate

A person who holds a certificate of title for, holds a certificate of origin for, or otherwise owns as an improvement a manufactured home that is attached to real estate by a permanent foundation may apply for an affidavit of transfer to real estate with the Bureau of Motor Vehicles. An application for an affidavit of transfer to real estate must contain a full description of the manufactured home, including a description and the parcel number of the real estate to which the manufactured home is attached. One (1) or more of the following numbers must be included: (A) a unique serial number assigned by the manufacturer to the manufactured home; (B) the certification label number required by the United States Department of Housing and Urban Development for the manufactured home; or (C) a special identification number issued by the Bureau of Motor Vehicles for the manufactured home. The application must also include an

attestation by the owner of the manufactured home that the manufactured home has been permanently attached to the real estate upon which it is located. A certificate of title or a certificate of origin is not required for a person who applies for the affidavit of transfer. (IC 9-17-6-15.1)

Upon receipt from the person filing the affidavit of transfer with the accompanying retired certificate of title, if available, the recorder of the county in which the manufactured home is located shall record the affidavit in the manner required by IC 36-2-11-8, provided that the auditor of the county has performed the endorsement required by IC 36-2-9-18. (IC 9-17-6-15.3)

The filing in the appropriate county recorder's office of the affidavit of transfer to real estate with the retired certificate of title, if available, is deemed a conversion of the manufactured home that is attached to real estate by a permanent foundation to an improvement upon the real estate upon which it is located. However, an affidavit is not required for a person who converts a manufactured home that is attached to real estate by a permanent foundation to an improvement upon the real estate upon which it is located. (IC 9-17-6-15.5)

The manufactured home then is assessed as real property. No sales disclosure is needed for this transfer.

Assessed Values to County Assessor/Auditor

In the case of **annually assessed** mobile homes, **by the second week of February each year**, each township assessor, if any, shall deliver to the county assessor a list which states by taxing district the total of the assessments as shown on the Mobile Home Assessment Worksheet completed by the township. If no township assessor exists in the county, then the responsibility originally intended for the township assessor falls to the county assessor.

The delivery dates listed above are of extreme importance. Tax statements must be mailed at least fifteen (15) business days before the due date of May 10. This gives the auditor a short period of time to prepare the tax duplicates and the treasurer a short period of time to prepare and mail the tax statements.

Chapter 8 – Real Property Assessments

Assessor Duty

Each township and county assessor shall keep the reassessment data and records current by securing the necessary field data and by making changes to the assessed values of real property as changes occur. The assessor's records shall at all times show the assessed value of real property in accordance with IC 6-1.1-4. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor. (IC 6-1.1-4-25) Any changes made to the real property affect the assessment for the following March 1 assessment date.

Real Property Defined

Real property is defined as (1) land located within this state, (2) a building or fixture situated on land located within this state, (3) an appurtenance to land located within this state, (4) an estate in land located within this state, or an estate, right or privilege in mines located on land or minerals, including but not limited to oil and gas, located in the land, if the estate, right, or privilege is distinct from the ownership of the surface of the land, and (5) a gaming riverboat licensed under IC 4-33 or operated under an operating agent contract under IC 4-33-6.5. (IC 6-1.1-1-15)

Assessment Rules and Guidelines

The DLGF is authorized under IC 6-1.1-31-1 to adopt rules concerning the assessment of all real property located within the state. The DLGF's promulgated rules are distributed to each assessor.

These rules provide each assessor with guideposts for assessing specific classes of property. They cannot include every possible variation found in the real world.

Periodically, the DLGF issues instructional bulletins that address specific problem areas identified by assessors. These documents are intended to provide the assessing community with solutions to problems, answers to questions, or more specific instruction.

Assessment Responsibilities through a General ("Cyclical") Reassessment

The Indiana General Assembly authorizes a statewide cyclical reassessment of all real property in intervals outlined in IC 6-1.1-4-4.2. The cyclical reassessment began July 1, 2014 and is scheduled to be completed by January 1, 2018 for taxes payable in 2019. The county assessor of each county shall, before May 1 of every fourth year thereafter,

prepare and submit to the DLGF reassessment plan for the county. The following apply to a reassessment plan prepared and submitted:

- (1) The reassessment plan is subject to approval by the DLGF. The DLGF shall complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county.
- (2) The DLGF shall determine the classes of real property to be used.
- (3) The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county.
- (4) All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle.
- (5) The reassessment of a group of parcels in a particular class of real property shall begin on May 1.
- (6) The reassessment of parcels:
 - (A) must include a physical inspection of each parcel of real property in the group of parcels that is being reassessed; and
 - (B) shall be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins.
- (7) For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed.

To the township assessor or county assessor, a general reassessment is best described as taking a complete inventory of all real property located within the township or county. (IC 6-1.1-4-4(a)). This inventory of real property requires the township assessor/county assessor or a designated representative to physically inspect each parcel and structure located within the township or county. (IC 6-1.1-4-15). Upon completion of a property inspection, the township assessor or county assessor must calculate a new assessed value for each parcel and mail a "Notice of Assessed Value of Land and Structures" (Form 11) to the property owner of record. (IC 6-1.1-4-22)

For purposes of conducting a general reassessment or annual adjustment of real property, township assessors and county assessors may employ deputies and employees. County assessors may contract with technical advisors (professional appraisers must be certified under 50 IAC 15) on a full-time or part-time basis who are qualified to determine real property values. (IC 6-1.1-4-16)

A county assessor may not utilize the services of a professional appraiser for assessment or reassessment purposes without a written contract. The contract used must be either a standard contract developed by the DLGF or a contract that has been specifically approved by the DLGF. No contract shall be made with any professional appraiser to act

as technical advisor in the assessment of property before the giving of notice and receiving of bids from anyone desiring to furnish the service. (IC 6-1.1-4-18.5)

The DLGF shall develop a standard contract or standard provisions for contracts to be used in securing professional appraising services. (IC 6-1.1-4-19.5)

The DLGF may establish a period with respect to each reassessment that is the only time during which a county assessor may enter into a contract with a professional appraiser. (IC 6-1.1-4-20)

Reporting Requirements

The appraisals of the parcels in a group under a county's reassessment plan prepared under section IC 6-1.1-4.2 that are subject to taxation must be completed as follows:

- (1) The appraisal of one-third (1/3) of the parcels shall be completed before August 1 of the year in which the group's reassessment under the county reassessment plan begins.
- (2) The appraisal of two-thirds (2/3) of the parcels shall be completed before November 1 of the year in which the group's reassessment under the county reassessment plan begins.
- (3) The appraisal of all the parcels shall be completed before January 1 of the year following the year in which the group's reassessment under the county reassessment plan begins.

If a county assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals of a group of parcels under a county's reassessment plan, the professional appraiser or appraisal firm must file appraisal reports with the county assessor by the dates set forth above. (IC 6-1.1-4-21.4)

Immediately following an assessment or reassessment of real property, the PTABOA shall notify the county auditor of the assessed value of the land and improvements so assessed. (IC 6-1.1-4-24)

It is of extreme importance that the above dates are adhered to. Tax rates cannot be finalized until the county auditor certifies the final assessed valuations to the DLGF and tax statements cannot be calculated and printed until final rates are certified back to the county. Tax statements must be mailed at least fifteen (15) business days before the first installment's due date, and it is critical to the financial well-being of local governments that taxes be collected in a timely manner.

Property Reassessment Fund

The additional costs of conducting a reassessment of the county is funded through the county's Property Reassessment Fund (IC 6-1.1-4-27.5 and 28.5). This fund accumulates money over an established period of time so that adequate money is available to complete the reassessment assignment.

Money assigned to a property reassessment fund may be used only to pay the costs of (1) the reassessment of one or more groups of parcels under the county's reassessment plan, including the computerization of assessment records; (2) payments to assessing officials and hearing officers for the PTABOA under IC 6-1.1-35.2; (3) the development or updating of detailed soil survey data by the United States Department of Agriculture or its successor agency; (4) the updating of plat books; (5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist assessing officials; (6) making annual adjustments under IC 6-1.1-4-4.5; and (7) the verification under 50 IAC 27-3-2 of sales disclosure forms forwarded to the assessing official.

Any appropriation from this fund must be approved by the fiscal body of the county after the review and recommendation of the county assessor. However, in a county with a township assessor in every township, only the fiscal body must approve an appropriation.

The county assessor may petition the county fiscal body to increase the levy for the reassessment fund to pay for the cost of: (1) a reassessment of one (1) or more groups of parcels under the county's reassessment plan; (2) verification of sales disclosure forms forwarded to the county assessor; or (3) processing annual adjustments. The assessor must document the needs and reasons for the increased funding. If the county fiscal body denies a petition, the assessor may appeal to the DLGF. The DLGF will hear the appeal and determine whether the additional levy is necessary. (IC 6-1.1-4-27.5(c) and (d))

Money in the property reassessment fund may not be transferred or reassigned to any other fund, and may not be used for any purposes other than those set forth in IC 6-1.1-28.5.

Assessment Responsibilities in a Non-Reassessment Year

For those properties that are not being reassessed as part of the cyclical reassessment plan in a particular year, it is the assessor's responsibility to keep the real property assessment records current between the years of reassessment. This update is commonly referred to as the assessment of "new construction." This function is performed by the township assessor, if any, county assessor, or a designated

representative of the township assessor or county assessor. In either case, the responsibility for the accuracy of the assessment still remains with the township assessor/county assessor.

Depending on the township/county, notice of new real property improvements occurs through the county's building permit system and/or assessment registration forms. If there is no such system in place, then the township assessor, if any, or county assessor must periodically inspect the township or county to determine what new construction has taken place. When new construction is identified, it is the assessor's responsibility to correctly measure the new improvement, correctly identify and data collect the new improvement, calculate a new assessed valuation using the "Real Property Assessment Guidelines," and mail a Notice of Assessment of Land and Improvements (Form 11) to the owner of the real property for the effective assessment date.

Additionally, properties that are not being reassessed as part of the cyclical reassessment process will be subject to the annual adjustment ('trending') process.

Assessment or Reassessment of Agricultural Land

In assessing or reassessing land, the land shall be assessed as agricultural land only when it is devoted to agricultural use.

The DLGF shall give written notice to each county assessor of:

- (1) the availability of the United States Department of Agriculture's soil survey data; and
- (2) the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map.

All assessing officials and the PTABOA shall use the data in determining the true tax value of agricultural land. However, notwithstanding the availability of new soil productivity factors and the DLGF's notice of the appropriate soil productivity factor for each type or classification shown of the United States Department of Agriculture's soil survey map for March 1, 2012, assessment date, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the March 1, 2012, March 1, 2013, and March 1, 2014 assessment dates. New soil productivity factors shall be used for the March 1, 2015 assessment date. (IC 6-1.1-4-13)

Determination and Review of Land Values (IC 6-1.1-4-13.6)

(a) The county assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the DLGF. The assessor determining the values of land shall submit the values to the PTABOA by the dates specified in the county's reassessment plan. (b) If the

county assessor fails to determine land values under subsection (a) before the deadlines in the county's reassessment plan, the PTABOA shall determine the values. If the PTABOA fails to determine the values before the land values become effective, the DLGF shall determine the values. (c) The county assessor shall notify all township assessors in the county (if any) of the values. Assessing officials shall use the values determined under IC 6-1.1-4-13.6. (d) A petition for the review of the land values determined by a county assessor under this section may be filed with the DLGF not later than forty-five (45) days after the county assessor makes the determination of the land values. The petition must be signed by at least the lesser of: (1) one hundred (100) property owners in the county; or (2) five percent (5%) of the property owners in the county. (e) Upon receipt of a petition for review under subsection (d), the DLGF: (1) shall review the land values determined by the county assessor; and (2) after a public hearing, shall: (A) approve; (B) modify; or (C) disapprove; the land values.

Valuation of Rental Properties

For assessment dates after February 28, 2005, the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

- (1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvement as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences.
- (2) Sales comparison approach, using data for generally comparable property.
- (3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.

The gross rent multiplier method is the preferred method of valuing:

- (1) real property that has at least one (1) and not more than four (4) rental units; and
- (2) mobile homes assessed under IC 6-1.1-7.

A township assessor, if any, or county assessor is not required to appraise real property using the three (3) appraisal approaches if the assessor and the taxpayer agree before notice of the assessment is given to the taxpayer to the determination of the true tax value of the property by the assessor using one (1) of the appraisal approaches.

If a taxpayer wishes to have the income capitalization method or the gross rent multiplier method used in the initial formulation of the assessment of the taxpayer's property, the taxpayer must submit the necessary information to the assessor not later

than the assessment date. However, the taxpayer is not prejudiced in any way and is not restricted in pursuing an appeal, if the data is not submitted by the assessment date. A taxpayer must verify under penalties for perjury any information provided to the township or county assessor for use in the application of either method. All information related to earnings, income, profits, losses, or expenditures that is provided to the assessor is confidential under IC 6-1.1-35-9 to the same extent as information related to earnings, income, profits, losses, or expenditures of personal property is confidential under IC 6-1.1-35-9. (IC 6-1.1-4-39)

Calculation of True Tax Value of Low Income Rental Property

The true tax value of low income rental property (as defined in IC 6-1.1-4-41) is not determined in the same manner as other rental property.

The value of federal income tax credits awarded under Section 42 of the Internal Revenue Code may not be considered in determining the assessed value of low income housing tax credit property. (IC 6-1.1-4-40)

Definitions

“Low income rental property” means real property used to provide low income housing eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code. (IC 6-1.1-4-41)

“Rental period” means the period during which low income rental property is eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code. (IC 6-1.1-4-41)

Methodology

For assessment dates after February 28, 2006, the true tax value of low income rental property is the greater of the true tax value:

- (1) determined by using the income capitalization approach; or
- (2) that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all units in the property for the most recent taxpayer fiscal year that ends before the assessment date.

(IC 6-1.1-4-41)

Appeal of Assessments (Form 130 Appeals)

A taxpayer may obtain a review by the PTABOA of a county or township official’s action with respect to either or both of the following:

- (1) The assessment of the taxpayer’s tangible property.
- (2) A deduction for review under IC 6-1.1-15-1 is authorized by any of the following:
 - (A) IC 6-1.1-12-25.5.

- (B) IC 6-1.1-12-28.5.
- (C) IC 6-1.1-12-35.5.
- (D) IC 6-1.1-12.1-5.
- (E) IC 6-1.1-12.1-5.3.
- (F) IC 6-1.1-12.1-5.4.

(Please note that taxpayers can appeal the denial or termination of other deductions pursuant to the Form 133 Correction of Error Appeal under IC 6-1.1-15-12).

At the time that notice of an action referred to above is given to the taxpayer, the taxpayer shall also be informed in writing of:

- (1) the opportunity for a review under IC 6-1.1-15-1, including a preliminary informal meeting with the county or township official; and
- (2) the procedures the taxpayer must follow in order to obtain a review.

In order to obtain a review for the assessment date to which the notice described above applies, the taxpayer must file an appeal in writing with the county or township official not later than forty-five (45) days after the date of the notice given to the taxpayer. A taxpayer may obtain a review by the PTABOA of the assessment of the taxpayer's tangible property effective for an assessment date for which notice is not given to the taxpayer (please note that the right of a taxpayer to obtain a review for an assessment date for which notice is not given does **not** relieve an assessing official of the duty to provide the taxpayer with notice as otherwise required by IC 6-1.1).

To obtain the review, the taxpayer must file an appeal in writing with the appropriate assessing official. The appeal must be filed not later than the later of:

- (1) May 10 of the year; or
- (2) forty-five (45) days after the date of the tax statement mailed by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment.

See IC 6-1.1-15-1 for additional guidance and information about the Form 130 appeal process. (IC 6-1.1-15-1)

Miscellaneous

Conservation Easement Assessment

The DLGF has taken the position in the past that it is appropriate to adjust the true tax value of real property encumbered by a conservation easement (under IC 32-23-5-8) by applying a percentage arrived at based on the appraised difference in the "before" and "after" value of the property. For example, if the value is \$100,000 before the easement is granted and only \$80,000 after the easement is created, then the true tax value should be reduced by 20%.

Tax Sale Property Containing Hazardous Materials

There exists an infrequently utilized and detailed process in IC 6-1.1-25-4.1 for petitioning for the waiver of delinquent property taxes on property that has been subjected to a tax sale, but which the county commissioners have determined contains hazardous waste or another environmental hazard for which the cost of remediation exceeds the fair market value of the property. A person who desires to obtain title to and eliminate the hazardous conditions of such property may file a petition with the county auditor seeking both a waiver of the delinquent taxes, special assessments, interest, penalties, and costs assessed against the property and transfer of title to the petitioner. Please see IC 6-1.1-25-4.1 for more detail.

Notice by Mail

If a notice is required to be given by mail under the general assessment provisions of IC 6-1.1, the day on which the notice is deposited in the United States mail is the day notice is given. The notice shall be given by first class mail. (IC 6-1.1-36-1)

Validity of Assessment

A township assessor's assessment or a county assessor's assessment of property is valid even if:

- (1) the assessor does not complete or notify the county auditor of the assessment by the time prescribed in IC 6-1.1-3 or IC 6-1.1-4;
- (2) there is an irregularity or informality in the manner in which the assessor makes the assessment; or
- (3) there is an irregularity or informality in the tax list.

These provisions do not release a township assessor or county assessor from any duty to give notice or from any penalty imposed on the assessor by law for the assessor's failure to make the assessor's return within the time prescribed in IC 6-1.1-3 or IC 6-1.1-4.

An irregularity or informality in the assessment or the tax list may be corrected at any time. (IC 6-1.1-36-3)

Chapter 9 – Personal Property

Assessor Duties

The appropriate township assessor, if any, or county assessor shall furnish each person whose personal property is subject to assessment for that year with a personal property return between the assessment date and the filing date of each year. (IC 6-1.1-3-6)

It is the assessor's duty to: (1) examine and verify; or (2) allow a contractor under IC 6-1.1-36-12 to examine and verify; the accuracy of each personal property return filed with the township or county assessor by a taxpayer. If appropriate, the assessor or contractor shall compare a return with the books of the taxpayer and with personal property owned, held, possessed, controlled, or occupied by the taxpayer. (IC 6-1.1-3-14)

If, after such review, the assessing official deems the assessment should be changed, the official must provide the taxpayer with the notice of the changes by mail. However, if a taxpayer lists property on the taxpayer's return but does not place a value on the property, a notice of the action of an assessing official in placing a value on the property is not required. (IC 6-1.1-3-20)

If, in the course of a review of a taxpayer's personal property assessment, an assessing official or the assessing official's representative or contractor discovers an error indicating that the taxpayer has overreported a personal property assessment, the assessing official shall:

- (1) adjust the personal property assessment to correct the error; and
- (2) process a refund or credit for any resulting overpayment. (IC 6-1.1-9-10)

Self-Assessment System

It is important to note that the **taxpayer** is responsible for filing a personal property return on or before May 15 of each year with the township assessor or county assessor if there is no township assessor for the township in which the taxpayer's personal property is subject to assessment. (IC 6-1.1-3-7(a))

In completing a personal property return for a year, a taxpayer shall make a complete disclosure of all information required by the DLGF that is related to the value, nature, or location of personal property: (1) which he owned on the assessment date of that year; or (2) which he held, possessed, or controlled on the assessment date of that year. (IC 6-1.1-3-9(a))

The taxpayer shall certify to the truth of: (1) all information appearing in a personal property return; and (2) all data accompanying the return (IC 6-1.1-3-9(b)) under penalty of perjury.

Rules Governing Assessment of Personal Property

The DLGF promulgated 50 IAC 4.2 to govern the assessment of personal property. It was also known as/referred to as Regulation 16.

Definition of Personal Property

“Personal Property” as defined in IC 6-1.1-1-11 means:

- (1) billboards and other advertising devices which are located on real property that is not owned by the owner of the devices;
- (2) foundations (other than foundations which support a building or structure) on which machinery or equipment: (A) held for sale in the ordinary course of a trade of business; (B) held, used, or consumed in connection with the production of income; or (C) held as an investment; is installed;
- (3) all other tangible property (other than real property) which; (A) is being held as an investment; or (B) is depreciable personal property; and
- (4) mobile homes that do not qualify as real property and are not described in subdivision (3).

Personal property does not include the following:

- (1) commercially planted and growing crops while they are in the ground;
- (2) computer application software; and
- (3) inventory.

(IC 6-1.1-1-11(b))

“Inventory” as defined in IC 6-1.1-1-8.4 means:

- (1) materials held for processing or for use in production;
- (2) finished or partially finished goods of a manufacturer or processor; and
- (3) property held for sale in the ordinary course of trade or business.

(b) The term includes:

- (1) items that qualify as inventory under 50 IAC 4.2-5-1; and
- (2) a mobile home or manufactured home that:
 - (A) does not qualify as real property;
 - (B) is located in a mobile home community;
 - (C) is unoccupied; and
 - (D) is owned and held for sale by the owner of the mobile home community;

regardless of whether the mobile home that is held for sale is new or was previously owned.

Filing Requirements

In Indiana, every person, including any firm, company, partnership, association, corporation, fiduciary, or individual owning, holding, possessing, or controlling tangible personal property with a tax situs within the state on the assessment date, is required to file a personal property tax return by May 15 of that year unless an extension of time to file is obtained (50 IAC 4.2-2-2, IC 6-1.1-1-7, and IC 6-1.1-3-7). The return must be filed on or before the filing date with the assessor of each township or county assessor if there is no township assessor in the township in which the taxpayer's personal property is subject to assessment.

If a taxpayer owns, holds, possesses, or controls personal property that is located in two (2) or more townships, he shall file any additional returns with the county assessor, which the DLGF may require by regulation. (IC 6-1.1-3-10(a))

If a taxpayer owns, holds, possesses, or controls personal property that is located in two (2) or more taxing districts within the same township, he shall file a separate personal property return covering the property in each taxing district. (IC 6-1.1-3-10(b))

If the sum of the assessed values reported by a taxpayer on the business personal property returns the taxpayer files with the assessor for a year exceeds one hundred fifty thousand dollars (\$150,000), the taxpayer shall file each of the returns in duplicate. (IC 6-1.1-3-7(c))

Auditor Responsibility

Before the assessment date of each year, the county auditor shall deliver to each township assessor (if any) and the county assessor the proper assessment books and the necessary blanks for the listing and assessment of personal property. (IC 6-1.1-3-5)

Extension of Time

An assessor **may grant** an extension of not more than thirty (30) days to file the taxpayer's return if:

- (1) the taxpayer submits a written application for an extension prior to the filing date; and
- (2) the taxpayer is prevented from filing a timely return because of sickness, absence from the county, or any other good and sufficient reason.

(IC 6-1.1-3-7(b))

Place of Assessment

Personal property that is owned by a person who is a resident of this state shall be assessed at the place where the owner resides on the assessment date of the year for which the assessment is made.

Personal property that is owned by a person who is not a resident of this state shall be assessed at the place where the owner's principal office within this state is located on the assessment date of the year for which the assessment is made.

Personal property shall be assessed at the place where it is situated on the assessment date of the year for which the assessment is being made if the property is:

- (1) regularly used or permanently located where it is situated; or
- (2) owned by a nonresident who does not have a principal office within this state.

If a personal property return is filed in this manner, the owner of the property shall provide, within forty-five (45) days after the filing deadline, a copy or other written evidence of the filing of the return to the assessor of the township in which the owner resides or county assessor if there is no township assessor for the township. If such evidence is not filed within forty-five (45) days after the filing deadline, the township or county assessor for the area where the owner resides shall determine if the owner filed a personal property return in the township or county where the property is situated. If such a return was filed, the property shall be assessed where it is situated. If such a return was not filed, the township or county assessor where the owner resides shall notify the township or county assessor where the property is situated, and the property shall be assessed where it is situated. This does not apply to a taxpayer who: (1) is required to file duplicate personal property returns under IC 6-1.1-1-7(c) and under regulations promulgated by the DLGF; or (2) is required by the DLGF to file a summary of the taxpayer's business tangible personal property returns. (IC 6-1.1-3-1)

If residence determines the place of assessment of personal property and the property is held by a trustee, guardian, or receiver, the residence of the trustee, guardian, or receiver is the place of assessment. (IC 6-1.1-3-2)

If residence determines the place of assessment of personal property which is part of the estate of a deceased individual, the residence of the decedent immediately before his death is the place of assessment until the property is distributed to the heirs or other persons entitled to it. (IC 6-1.1-3-3)

If a question arises as to the proper place to assess personal property, the county assessor shall determine the place if: (1) two (2) or more townships in the county are served by township assessors and the conflict involves two (2) or more of those townships; or (2) the conflict does not involve any other county and none of the townships in the county is served by a township assessor. If the conflict involves

different counties, the DLGF shall determine the proper place of assessment. A determination made by the DLGF is final. If taxes are paid to a county which is not entitled to them, the DLGF may direct the authorities of the county which wrongfully collected the taxes to refund the taxes collected and any penalties charged on the taxes. (IC 6-1.1-3-4)

Forms Utilized for Personal Property Assessment Purposes

There are several forms authorized for personal property assessment purposes. The three main forms are as follows:

1. Form 102 – Farmer’s Tangible Personal Property Return;
2. Form 103 (short) – Business Tangible Personal Property Return; and
3. Form 103 (long) – Business Tangible Personal Property Return.

Note: All forms above are confidential.

There are also several supplemental forms used for personal property assessment purposes. They are as follows:

103-I	Return for Interstate Carriers
103-N	Return of Not Owned Personal Property
103-O	Return of Owned Personal Property
103-P	Claim for Exemption of Air or Water Pollution Control Facilities
103-T	Return of Special Tools
104	Business Tangible Personal Property Return (Not Confidential)
106	Schedule of Adjustments to Business Tangible Personal Property

Note: All forms above (except the 104) are confidential.

There are other personal property forms used with economic revitalization areas, resource recovery systems, enterprise zones, and investment deductions.

In lieu of using the actual return form prescribed, a taxpayer may use a computer or machine-prepared substitute tax return form or schedule provided that the substitute:

- (1) contains all of the information as set forth in the prescribed form;
- (2) properly identifies the form or schedule being substituted; and
- (3) is approved by the DLGF pursuant to 50 IAC 4.2-1-6 prior to being used.

Consolidated Return (IC 6-1.1-3-7)

A taxpayer may file a consolidated return with the county assessor if the taxpayer has personal property subject to assessment in more than one (1) township in a county and the total assessed value of the personal property in the county is less than one million

five hundred thousand dollars (\$1,500,000); the taxpayer filing a return shall file a single return with the county assessor and attach a schedule listing, by township, all the taxpayer's personal property and the property's assessed value. The taxpayer shall provide the county assessor with the information necessary for the county assessor to allocate the assessed value of the taxpayer's personal property among the townships listed on the return, including the street address, the township, and location of the property.

The county assessor shall provide to each affected township assessor, if any, in the county all information filed by a taxpayer that affects the township.

The county assessor may refuse to accept a consolidated personal property tax return that does not have attached to it a schedule listing, by township, of all the personal property of the taxpayer and the assessed value of the property as required.

Amended Returns (IC 6-1.1-3-7.5)

A taxpayer may file an amended personal property tax return, in conformity with the rules adopted by the DLGF, not more than twelve (12) months, after the later of the following:

- (1) The filing date for the original personal property tax return, if the taxpayer is not granted an extension to file.
- (2) The extension date of the original personal property tax return, if the taxpayer is granted an extension to file.

A tax adjustment related to an amended personal property tax return shall be made in conformity with rules adopted by the DLGF.

If a taxpayer wishes to correct an error made by the taxpayer on the taxpayer's original personal property tax return, the taxpayer must file an amended personal property tax return within the designated time period. A taxpayer may claim on an amended personal property tax return any adjustment or exemption that would have been allowable under any statute or rule adopted by the DLGF if the adjustment or exemption had been claimed on the original personal property tax return.

If a taxpayer files an amended personal property tax return in order to correct an error made by the taxpayer on the taxpayer's original personal property tax return and if the taxpayer is entitled to a refund of personal property taxes paid under the original personal property tax return, the taxpayer **is not** entitled to interest on the refund.

If a taxpayer files an amended personal property tax return for an assessment date in a year, the taxpayer shall pay taxes payable in the immediately succeeding year based on the assessed value reported on the amended return as follows:

(1) If the assessment date occurs in a year ending before January 1, 2016, the taxpayer shall pay taxes based on the assessed values reported on an amended return only if the amended return is filed on or before July 15 of that year.

(2) If the assessment date occurs in a year ending after December 31, 2015, the taxpayer shall pay taxes based on the assessed values reported on the amended return only if the amended return is filed on or before April 1 of that year.

If a taxpayer files an amended personal property tax return for an assessment date in a year after July 15 of that year for an assessment date in a year ending before January 1, 2016, and after April 1 of that year for an assessment date in a year beginning after December 31, 2015, the taxpayer shall pay taxes payable in the immediately succeeding year based on the assessed value reported on the taxpayer's original personal property tax return. A taxpayer that paid taxes under this subsection is entitled to a credit in the amount of taxes paid by the taxpayer on the remainder of:

(1) the assessed value reported on the taxpayer's original personal property tax return; minus

(2) the finally determined assessed value that results from the filing of the taxpayer's amended personal property tax return. The county auditor may apply the credit against the taxpayer's property taxes on personal property payable in the year or years that immediately succeed the year in which the taxes were paid, as applicable. The county is not required to pay interest on any amounts that a taxpayer is entitled to receive as a credit under this section.

Omitted Property

If a person owning, holding, possessing, or controlling any personal property fails to file a personal property return with the township or county assessor as required by IC 6-1.1-3, the township or county assessor may examine:

(1) the personal property of the person;

(2) the books and records of the person; and

(3) under oath, the person or any other person whom the assessor believes has knowledge of the amount, identity, or value of the personal property reported or not reported by the person on a return.

After such an examination, the assessor shall assess the personal property to the person owning, holding, possessing, or controlling that property. As an alternative to such an examination, the township or county assessor may estimate the value of the personal property of the taxpayer and shall assess the person owning, holding, possessing, or controlling the property in an amount based upon the estimate. Upon receiving a notification of estimated value from the township or county assessor, the taxpayer may elect to file a personal property return, subject to the penalties imposed by IC 6-1.1-37-7. (IC 6-1.1-3-15)

Converted Property

If, from the evidence before him, a township or county assessor determines that a person has temporarily converted any part of the person's personal property into property which is not taxable under IC 6-1.1 to avoid the payment of taxes on the converted property, the township or county assessor shall assess the converted property to the taxpayer. (IC 6-1.1-3-16)

Penalties

Under IC 6-1.1-37-7, if a person fails to file a required personal property return on or before the due date, the county auditor shall add a penalty of twenty-five dollars (\$25) to the person's next property tax installment. The county auditor shall also add an additional penalty to the taxes payable by the person if he fails to file the personal property return within thirty (30) days after the due date. The amount of the additional penalty is twenty percent (20%) of the taxes finally determined to be due with respect to the personal property which should have been reported on the return. A personal property return is not due until the expiration of any extension period granted by the township or county assessor under IC 6-1.1-3-7(b).

The penalties do not apply to an individual or his dependents if he:

- (1) is in the military or naval forces of the United States on the assessment date; and
- (2) is covered by the federal Soldiers' and Sailors' Civil Relief Act.

If a person subject to IC 6-1.1-3-7(d) fails to include on a personal property return the information, if any, that the DLGF requires under IC 6-1.1-3-9 or IC 6-1.1-5-13, the county auditor shall add a penalty to the property tax installment next due for the return. The amount of the penalty is twenty-five dollars (\$25).

If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation for purposes of this provision. A penalty is due with an installment whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment. (IC 6-1.1-37-7)

Note: The purpose of the twenty percent (20%) penalty is to ensure a complete disclosure of all information required by the DLGF on the prescribed self-assessment personal property forms. This enables the assessor, the PTABOA, and the DLGF to carry out their statutory duties of examining returns each year to determine if they substantially comply with the rules of the DLGF. This penalty provision would be applied in situations where no return was filed by a taxpayer or where the assessor conducted an audit of the taxpayer's books and records and identified an undervaluation exceeding the five percent (5%) threshold.

Vending machines

The owner of a vending machine shall place on the face of the machine an identification device which accurately reveals the owner's name and address, and he shall include the machine in his annual personal property return. For the purposes of IC 6-1.1-3-8, the term "vending machine" means a machine which dispenses goods, wares, or merchandise when a coin is deposited in it and which by automatic action can physically deliver goods, wares, or merchandise to the depositor of the coin. (IC 6-1.1-3-8)

A township assessor, or the county assessor if there is no township assessor for the township, shall inform the county auditor of any vending machine which does not, as required under IC 6-1.1-3-8, have an identification device on its face. The county auditor shall then add a one dollar (\$1.00) penalty to the next property tax installment of the person on whose premises the machine is located. (IC 6-1.1-37-8)

Personal Property Assessment List and Reports

Assessment List to County Assessor/Auditor

On or before June 1 of each year, each township assessor (if any) of a county shall deliver to the county assessor a list which states by taxing district the total of the personal property assessments as shown on the personal property returns filed with the township assessor on or before the filing date of that year and in a county with a township assessor under IC 36-6-5-1 in every township the township assessor shall deliver the lists to the county auditor.

On or before July 1 of each year that ends before January 1, 2017, and on or before June 15 of each year that begins after December 31, 2016, each county assessor shall certify to the county auditor the assessment value of the personal property in every taxing district. (IC 6-1.1-3-17)

Periodic Report to County Assessor/Auditor

Each township assessor of a county, if any, shall periodically report to the county assessor and the county auditor with respect to the returns and properties of taxpayers which the township assessor has examined. The township assessor shall submit these reports in the form and on the dates prescribed by the DLGF.

Each year, the county assessor:

- (1) shall review and may audit the business personal property returns that the taxpayer is required to file; and
 - (2) shall determine the returns in which the assessment appears to be improper.
- (IC 6-1.1-3-18)

Information to PTABOA

While a PTABOA is in session, each township assessor, if any, shall make the following information available to the county assessor and the PTABOA:

- (1) Personal property returns;
- (2) Documents related to the returns; and
- (3) Any information in the possession of the township assessor that is related to the identity of the owners or possessors of property or the values of the property.

Upon written request of the PTABOA, the township assessor shall furnish this information to any member of the board either directly or through employees of the PTABOA. (IC 6-1.1-3-19)

Record Management

Subject to the limitations of IC 6-1.1-35-9, assessment returns, lists and any other documents and information related to the determination of personal property assessments shall be preserved as public records and open to public inspection. The township assessor, or the county assessor if there is no township assessor for the township, shall preserve and maintain these records. (IC 6-1.1-3-21)

Notice by Mail

If a notice is required to be given by mail under the general assessment provisions of IC 6-1.1, the day on which the notice is deposited in the United States mail is the day notice is given. The notice shall be given by first class mail. (IC 6-1.1-36-1)

Fiduciaries Filing Personal Property Returns

If, subsequent to the assessment date in any year, a person receives possession or control of personal property in a fiduciary capacity, he shall ascertain whether a personal property return for that year has been filed. If a return is required but has not been filed, the fiduciary shall file the required return within sixty (60) days after the date on which he receives possession or control of the property. (IC 6-1.1-36-6)

Validity of Assessment

A township assessor's assessment or a county assessor's assessment of property is valid even if:

- (1) he does not complete or notify the county auditor of the assessment by the time prescribed in IC 6-1.1-3 or IC 6-1.1-4;
- (2) there is an irregularity or informality in the manner in which he makes the assessment; or
- (3) there is an irregularity or informality in the tax list.

An irregularity or informality in the assessment or the tax list may be corrected at any time.

Note: This section does not release a township assessor or county assessor from any duty to give notice or from any penalty imposed on the assessor by law for the assessor's failure to make the assessor's return within the time prescribed in IC 6-1.1-3 or IC 6-1.1-4. (IC 6-1.1-36-3)

Limitations on Changing Value of Personal Property

If a taxpayer's personal property return for a year substantially complies with the provisions of IC 6-1.1 and the regulations of the DLGF, the PTABOA may change the assessed value claimed by the taxpayer on the return only within the time period prescribed in IC 6-1.1-16-1. (IC 6-1.1-13-12)

Except as provided in IC 6-1.1-16-2, an assessing official or PTABOA may not change the assessed value claimed by a taxpayer on a personal property return unless the assessing official or PTABOA takes the action and gives the notice required by IC 6-1.1-3-20 within the following time periods:

- (1) A township assessor, if any, must make a change in the assessed value and give the notice of the change on or before the later of:
 - a. September 15 of the year for which the assessment is made; or
 - b. four (4) months from the date the personal property return is filed after the filing date for the personal property tax return.
- (2) A county assessor or PTABOA must make a change in the assessed value, including the final determination by the PTABOA of an assessment changed by an assessing official, and give notice of the change on or before the later of:
 - a. October 30 of the year for which the assessment is made; or
 - b. five (5) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.
- (3) The DLGF must make a preliminary change in the assessed value and give the notice of the change on or before the later of:
 - a. October 1 of the year immediately following the year for which the assessment is made; or
 - b. sixteen (16) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

If an assessing official or PTABOA fails to change an assessment and give notice of the change within the time prescribed in IC 6-1.1-16-1, the assessed value claimed by the taxpayer on the personal property return is final. This provision does not limit the authority of a county auditor to correct errors in a tax duplicate under IC 6-1.1-15-12. This provision does not apply if the taxpayer: fails to file a personal property return which substantially complies with IC 6-1.1 and the regulations of the DLGF; or files a fraudulent personal property return with the intent to evade the payment of property taxes. A taxpayer may appeal a preliminary determination of the DLGF under IC 6-1.1-16-1(a)(3) to the Indiana Board of Tax Review. An appeal under this subdivision shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. A preliminary determination that is not appealed under this subsection is a final unappealable order of the DLGF. (IC 6-1.1-16-1)

Enforcement of Request for Production of Books or Records

An assessing official or a representative of the DLGF may file an affidavit with a circuit court of this state if:

- (1) the official or representative has requested that a person give information or produce books or records; and
- (2) the person has not complied with the request.

The affidavit must state that the person has not complied with the request.

When an affidavit is filed, the circuit court shall issue a writ which directs the person to appear at the office of the official or representative and to give the requested information or produce the requested books or records. The appropriate county sheriff shall serve the writ. A person who disobeys the writ is guilty of contempt of court.

If a writ is issued, the cost incurred in filing the affidavit, in the issuance of the writ, and in the service of the writ shall be charged to the person against whom the writ is issued. If a writ is not issued, all costs shall be charged to the county in which the circuit court proceedings are held, and the board of county commissioners of that county shall allow a claim for the costs. (IC 6-1.1-36-4)

Inventory

Inventory is no longer assessed as part of the business personal property filing requirements. (IC 6-1.1-11 (b)(3))

Application for Deduction for New Manufacturing Equipment or New Research and Development Equipment

A person who desires to obtain the deduction provided by IC 6-1.1-12.1-4.5 must file a certified deduction schedule on the form prescribed by the DLGF with the person's

personal property return with the township assessor of the township, or county assessor if there is no township assessor, where the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located.

Unless the deduction amount is denied or altered by the county or township assessor, the deduction is applied in the amount claimed in a certified schedule that a person files with:

- (1) a timely personal property return under IC 6-1.1-3-7(a) or IC 6-1.1-3-7(b); or
- (2) a timely amended personal property return under IC 6-1.1-3-7.5.

The township assessor, if any, shall forward a copy of each certified deduction schedule to the county auditor and the county assessor. If there is no township assessor, the county assessor is responsible for forwarding the copy of each certified deduction schedule to the county auditor.

A deduction schedule must be filed in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed and in each of the immediately succeeding years the deduction is allowed.

The township assessor or county assessor may:

- (1) review the deduction schedule; and
- (2) before the March 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction. If the township assessor or county assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the deduction schedule or in the amount as altered by the township assessor or county assessor.

A township assessor or a county assessor who denies a deduction or alters the amount of the deduction shall notify the person who claimed the deduction and the county auditor of the assessor's action. The county auditor shall notify the designating body and the PTABOA of all deductions applied under IC 6-1.1-12.1-5.4.

If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment changes, the deduction continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under IC 6-1.1-12.1-2(g); and
- (2) files the deduction schedules as required.

The amount of the deduction is the percentage under IC 6-1.1-12.1-4.5 that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

A person may appeal a determination of the township assessor or the county assessor to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the township assessor or county assessor not more than forty-five (45) days after the township assessor or county assessor gives the person notice of the determination. An appeal initiated under IC 6-1.1-12.1-5.4(h) is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15, except that the county assessor is recused from any action the PTABOA takes with respect to an appeal concerning this deduction when the determination was made by the county assessor. (IC 6-1.1-12.1-5.4)

Filing By Due Date

A document, including a form, a return, or a writing of any type, which must be filed by a due date under IC 6-1.1 or IC 6-1.5 is considered to be filed by the due date if the document is:

- (1) received on or before the due date by the appropriate recipient;
- (2) deposited in United States first class mail:
 - (A) properly addressed to the appropriate recipient;
 - (B) with sufficient postage; and
 - (C) postmarked by the United States Postal Service as mailed on or before the due date;
- (3) deposited with a nationally recognized express parcel carrier and is:
 - (A) properly addressed to the appropriate recipient; and
 - (B) verified by the express parcel carrier as:
 - i. paid in full for final delivery; and
 - ii. received by the express parcel carrier on or before the due date; or
- (4) deposited to be mailed through United States registered mail, United States certified mail, or United States certificate of mailing:
 - (A) properly addressed to the appropriate recipient;
 - (B) with sufficient postage; and
 - (C) with a date of registration, certification, or certificate, as evidenced by any record authenticated by the United States Postal Service on or before the due date.

“Postmarked” does not mean the date printed by a postage meter that affixes postage to the envelope or package containing a payment.

If a document is mailed through the United States mail and is physically received after the due date without a legible correct postmark, the person who mailed the document

is considered to have filed the document on or before the due date if the person can show by reasonable evidence that the document was deposited in the United States mail on or before the due date.

If a document is sent via the United States mail or a nationally recognized express parcel carrier but is not received by the designated recipient, the person who sent the document is considered to have filed the document on or before the due date if the person:

- (1) can show by reasonable evidence that the document was deposited in the United States mail or with the express parcel carrier on or before the due date; and
- (2) files a duplicate document within thirty (30) days after the date the person is notified that the document was not received.

The above does not apply to a payment addressed in IC 6-1.1-37-10(f) (delinquent tax penalties). (IC 6-1.1-36-1.5)

County Option Tax Exemptions for Business Personal Property

I. Exemption for business personal property with total acquisition cost of less than \$20,000 (IC 6-1.1-3-7.2)

Starting July 1, 2015, a county may adopt a tax exemption for business personal property with a total acquisition cost of less than \$20,000 as of a particular assessment date. For purposes of IC 6-1.1-3-7.2, "business personal property" means personal property that

- (1) is otherwise subject to assessment and taxation under IC 6-1.1;
- (2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income; and
- (3) was either
 - a. acquired by the taxpayer in an arms-length transaction from an entity that is not an affiliate of the taxpayer [meaning an entity that effectively controls or is controlled by a taxpayer or is associated with a taxpayer under common ownership or control, whether by shareholdings or other means], if the personal property has been previously used in Indiana before being placed in service in the county; or
 - b. acquired in any manner, if the personal property has never been previously used in Indiana before being placed in service in the county.

The term includes the personal property of a telephone company or a communications service provider if that personal property meets the requirements above, regardless of whether the personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana Utility Regulatory Commission ("IURC"). The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal

property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the IURC.

The county income tax council (“COIT council”) established by IC 6-3.5-6-2 may adopt an ordinance to have this exemption apply throughout the county (“exemption ordinance”). The COIT council may only adopt by a majority vote of the total votes allocated to the COIT council. The COIT council is comprised of the same members as the COIT council established by IC 6-3.5-6-2, regardless of whether a county income tax is in effect in the county and regardless of which county income tax is in effect in the county. Except as otherwise provided, the COIT council must use the same procedures that apply under IC 6-3.5-6 when acting under IC 6-1.1-3-7.2.

Before adopting an exemption ordinance, the COIT council must conduct a public hearing on the proposed ordinance and publish notice of the hearing in accordance with IC 5-3-1. The COIT council must provide a certified copy of the adopted exemption ordinance to the DLGF and the county auditor.

If the COIT council has adopted an exemption ordinance so that IC 6-1.1-3-7.2 applies to the county for a particular assessment date and the total acquisition cost of a taxpayer’s business personal property in the county is less than \$20,000 for that assessment date, the taxpayer’s business personal property in the county for that assessment date is exempt from taxation.

A taxpayer that is eligible for this exemption is not required to file a personal property return for the taxpayer’s business personal property in the county for that assessment date. However, before May 15 of the year in which the assessment date occurs, the taxpayer must file with the county assessor an annual certification stating that the taxpayer’s business personal property in the county is exempt from taxation under IC 6-1.1-3-7.2 for that assessment date.

Indiana Code 6-1.1-3-7.2 applies in a county in which the exemption ordinance is in effect for those assessment dates occurring after the later of December 31, 2015 or the date on which the ordinance is adopted, but before the ordinance is rescinded.

A county auditor is required to impose a \$25 penalty on a taxpayer who fails to timely file an annual certification when required to do so. The taxpayer must pay the penalty with the next property tax installment. IC 6-1.1-37-7(f)

II. Exemption for new business personal property (IC 6-1.1-10.3)

Starting July 1, 2015, a county may adopt a tax exemption for new business personal property for a particular assessment date. IC 6-1.1-10.3

For purposes of IC 6-1.1-10.3, “business personal property” has the same definition as it does under IC 6-1.1-3-7.2 (as discussed above), except that it does not include subsection (3) regarding acquisition criteria.

“New personal property” means business personal property that:

- 1) a taxpayer places in service after the later of the date the exemption ordinance is adopted or a date specified in the exemption ordinance; and
- 2) has not previously been used in Indiana before the taxpayer acquires the business personal property.

The COIT council established by IC 6-3.5-6-2 may adopt an ordinance to exempt from property taxation all new business personal property located in the county. The COIT council is comprised of the same members as the COIT council established by IC 6-3.5-6-2, regardless of whether a county income tax is in effect in the county and regardless of which county income tax is in effect in the county. Except as otherwise provided, the COIT council must use the same procedures that apply under IC 6-3.5-6 when acting under IC 6-1.1-10.3.

Before adopting an exemption ordinance, the COIT council must conduct a public hearing on the proposed ordinance and publish notice of the hearing in accordance with IC 5-3-1. The COIT council must provide a certified copy of the adopted exemption ordinance to the DLGF and the county auditor.

An exemption ordinance adopted under IC 6-1.1-10.3 must exempt all new personal property.

A COIT council may repeal or amend an exemption ordinance. However, if a COIT council repeals or amends an exemption ordinance, any new personal property that was exempt under the exemption ordinance on the date the new personal property was placed into service by a taxpayer remains exempt from property taxes regardless of whether the ownership of the new personal property changes after the date the exemption ordinance is amended or repealed.

A taxpayer is not required to file an application or a personal property tax return to qualify for an exemption under IC 6-1.1-10.3.

Business Personal Property “Superabatement”:

For purposes of IC 6-1.1-12.1-18, “business personal property” means personal property that

- (1) is otherwise subject to assessment and taxation under IC 6-1.1-12.1; and
- (2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income.

The term includes the personal property of a telephone company or a communications service provider if that personal property meets the above requirements, regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana Utility Regulatory Commission (“IURC”).

“New business personal property” means business personal property that

- (1) a taxpayer places in service after the later of the date the statement of benefits is approved by the designating body; and
- (2) has not previously been used in Indiana before the taxpayer acquires the business personal property.

Indiana Code 6-1.1-12.1-18 allows the designating body to establish a superabatement schedule for the deduction provided under IC 6-1.1-12.1-4.5. A superabatement schedule must specify the percentage amount of the deduction for each year of the deduction, and may not exceed 20 years.

If a taxpayer is granted a superabatement that exceeds ten (10) years, the designating body must conduct a public hearing to review the taxpayer’s compliance with the statement of benefits provided to the designating body after the tenth year of the abatement.

Reimbursement to taxing units for failure to comply with abatement requirements, IC 6-1.1-12.1-12.5:

Per IC 6-1.1-12.1-12.5, if a county or municipality receives a reimbursement, repayment, or penalty from a taxpayer on account of the taxpayer’s failure to comply with the statement of benefits provided by the taxpayer or on account of the taxpayer’s failure to comply with any other requirement to receive an abatement deduction under IC 6-1.1-12.1, the county or municipal fiscal officer must distribute the amount of the reimbursement, repayment, or penalty on a pro rata basis to each taxing unit that contains the property subject to the abatement deduction. The amount to be distributed to each eligible taxing unit must be determined according to the following formula:

STEP ONE: Determine the total aggregate property tax rate imposed in the preceding year by the taxing unit.

STEP TWO: Determine the sum of the STEP ONE amounts for all taxing units that contain the property that was subject to the deduction.

STEP THREE: Divide the STEP ONE amount by the sum determined under STEP TWO.

STEP FOUR: Multiply the amount of the reimbursement, repayment, or penalty by the STEP THREE amount.

Chapter 10 – State Distributable Property Assessments

Assessor Duties

Each year, a township assessor, or the county assessor if there is no township assessor for the township, shall assess the fixed property that as of the assessment date of that year is:

- (1) owned or used by a public utility company; and
- (2) located in the township or county.

The township or county assessor shall determine the assessed value of fixed property. A township assessor shall certify the values to the county assessor on or before April 1 of the year of assessment. However, in a county with a township assessor in every township, the township assessor shall certify the list to the DLGF. The county assessor shall review the assessed values and certify the assessed values to the DLGF on or before April 10 of that year. (IC 6-1.1-8-24)

Locally Assessed Real Property

The assessor is responsible for the assessment of the real property for public utility companies and the non-operating real property of railroad companies. The real property of public utility companies consists of the buildings and structures along with the land on which they are situated, certain reservoirs, storage tanks, and dams. The non-operating real property of a railroad company would be any right-of-way and structures leased to commercial tenants, unless the lessee is a railroad company, and abandoned right-of-way. Operating right-of-way and structures of a railroad company are assessed by the state. (IC 6-1.1-8-11)

Locally Assessed Personal Property

Effective with the March 1, 2010 assessment, local assessing officials will no longer assess personal property owned/used by utility or railroad companies. Utility and railroad companies are now instructed to report their personal property on either Form UD-45 (Utility companies) or Form UD-32 (Railroad companies).

State Distributable Property

If property is directly used to provide utility service, it is distributable property. This would include electrical generating equipment, transmission equipment, pumping equipment, power lines, rights-of-way, pipelines, railroad tracks and structures, wells, settling basins, reservoirs and storage tanks storing treated water, and any other equipment used directly in providing utility service.

Cellular Towers

Cellular tower sites provide an example of all three types of property. The land, fencing, and buildings are locally assessed real property. Portable buildings are an exception and are state-assessed as part of the distributable property. The tower structure is locally assessed personal property. Although identified as locally assessed personal property, these towers are now reported with their distributable property report to the DLGF. The equipment located within the building and the antennas located on top of the building and tower is assessed by the DLGF as state distributable property. Please refer to the Real Property Assessment Guidelines, Book 2, Chapter 9.

Certification of Assessed Values, Review, Notification of Appeal

As soon as the DLGF determines its final assessments of distributable property, the DLGF shall certify to the county assessor and the county auditor of each county the distributable property assessed values that the DLGF determines are distributable to the taxing districts of the county. In addition, if a public utility company has appealed the DLGF's final assessment of the company's distributable property, the DLGF shall notify the county auditor of the appeal.

The county assessor shall review the DLGF's certification to determine if any of a public utility company's property which has a definite situs in the county has been omitted. The county auditor shall enter for taxation the assessed valuation of a public utility company's distributable property which the DLGF distributes to a taxing district of the county. (IC 6-1.1-8-27)

Assessment of Omitted Property

The annual assessments of a public utility company's property are presumed to include all the company's property which is subject to taxation under IC 6-1.1-8. However, this presumption does not preclude the subsequent assessment of a specific item of tangible property which is clearly shown to have been omitted from the assessments for that year. The appropriate township assessor, or county assessor if there is no township assessor for the township, shall make the assessments of omitted fixed property. The DLGF shall make the assessments of omitted distributable property. However, the DLGF may not assess omitted distributable property after the expiration of ten (10) years from the last day of the year in which the assessment should have been made. (IC 6-1.1-8-39)

When the DLGF assesses distributable property which was omitted from the assessment for a particular year, the DLGF shall, as nearly as possible, assess the omitted distributable property in the same manner the DLGF assesses other distributable property. The taxes due on the omitted distributable property shall be calculated by using the same tax rates which were applicable for the tax year that the distributable

property was omitted from the assessment. The public utility company shall pay interest on the taxes due on the omitted distributable property at the rate of two percent (2%) per month, or fraction of a month. The interest due shall be calculated on the period of time beginning with January 1 of the year following the year in which the property was omitted from the assessment and ending with the day the taxes are paid. However, the DLGF may waive any portion of the interest due at the time the DLGF makes its final assessment of the omitted distributable property. (IC 6-1.1-8-40)

NOTE: Effective July 1, 2014, IC 6-1.1-8-27 is amended to require the DLGF on or before June 1 of each year, to certify its tentative determination of assessed values of state distributable property that are distributable for each taxing unit under IC 6-1.1-8-26. This certification is made to the county assessor and county auditor of each county where a tentative determination is made. A county auditor who receives this certification may use the tentative assessed values to prepare the certified statement of assessed values required under IC 6-1.1-17-1. The county auditor must designate these values as tentative assessed values in the certified statement.

Indiana Code 6-1.1-8-19 was amended (effective July 1, 2014) so that when each public utility company files the statement concerning the value and description of the property that is either owned or used by the company on the assessment date of that year, it must do so in the manner prescribed by the DLGF and on or before March 1 of that year (for companies other than railroad car companies) or on or before July 1 of that year if the company is a railroad car company. Because the statute now sets the filing deadline at July 1 for railroad car companies, the DLGF's authority to grant filing extensions has been repealed. The DLGF will prescribe the manner of filing via its instructional memoranda, which are updated annually and posted on the DLGF's webpage at www.in.gov/dlgf/2486.htm.

A public utility company may, not later than sixty (60) days after filing a valid and timely statement, file an amended statement:

- (1) for distribution purposes;
- (2) to correct errors; or
- (3) for any other reason, except:
 - (A) obsolescence; or
 - (B) the credit for railroad car maintenance and improvements provided under IC 6-1.1-8.2.

The penalty for failure to timely file a statement is still \$100 per day for each day that the statement is late, but the total penalty cannot exceed \$1,000. IC 6-1.1-8-20

When the DLGF must assess the property of a public utility company that does not file a statement, permit the DLGF to examine the public utility's property, books, or records, or comply with a summons issued by the DLGF, the public utility company may provide the DLGF with the statement not later than one (1) year after the DLGF makes its

assessment. If a public utility company does so, the DLGF may amend the assessment it makes in reliance on the public utility company's statement. IC 6-1.1-8-22

Chapter 11 – Classified Land Assessments

Assessment of Classified Land

There are five types of classified land (**forest lands** (IC 6-1.1-6), **windbreaks** (IC 6-1.1-6.2), **wildlands** (IC 6-1.1-6-2.5), **filter strips** (IC 6-1.1-6.7), and **cemetery lands** (IC 6-1.1-6.8)) that a county assessor has the responsibility to assess, regardless of whether or not that land is in a township with an elected township assessor who is active in the assessment of property within his township. The following is a listing of the types of classified land and the corresponding duty of the county assessor.

Forest Land Classification (IC 6-1.1-6) and Wildlands Classification (IC 6-1.1-6-2.5)

- Land may be classified as a **forest plantation** if it is cleared land that has growing on it a good stand of timber producing trees as that concept is understood by a district forester or a professional forester. A new **forest plantation** must have at least four hundred (400) timber producing trees per acre. The trees may be any size but must be well established. (IC 6-1.1-6-2)
- Land may be classified as **native forest land** if it contains at least forty (40) square feet of basal area per acre or at least one thousand (1,000) timber producing trees of any size, per acre. (IC 6-1.1-6-3)
- Land may be classified as **wildlands** if it contains one (1) or more of the following:
 - Grasslands that are dominated by native grasses or intermixed with other native herbaceous vegetation.
 - Wetlands that support a prevalence of native vegetation adapted for saturated conditions.
 - Early forest successional stands that are dominated by native herbaceous and woody vegetation that will develop into native forest land.
 - Other lands the Department of Natural Resources determines is capable of supporting wildlife and conducive to wildlife management.
 - A body of water.(IC 6-1.1-6-2.5)

Note: The owner of a parcel of land which is classified as **native forest land**, a **forest plantation**, or **wildlands** shall mark the parcel with four (4) signs. The owner shall place the signs on the boundaries of, and on different sides of, the parcel at the points which are the most conspicuous to the public or at the property corners. The Department of

Natural Resources shall furnish the signs and shall designate the size and the wording of the signs. (IC 6-1.1-6-18)

Restrictions

A parcel of land may not be classified as **native forest land**, a **forest plantation**, or **wildlands** if:

- A dwelling or other building is situated on the parcel. (IC 6-1.1-6-6)
- It is grazed by domestic animals or confined non-domesticated animals. (IC 6-1.1-6-7)

See IC 6-1.1-6-3.5 for other uses and restrictions.

Survey Required

A person who wishes to have his land classified as **native forest**, a **forest plantation**, or **wildlands**; or submits a revised application due to: (A) the partial withdrawal of existing classified land; (B) division of the parcel related to a conveyance; or (C) the combination of contiguous lands; must have the parcel described by a professional surveyor. The parcel shall be described by metes and bounds or other professionally accepted practices and must locate the parcel with reference to an established corner. The description must identify the parcel by section, township, range, and county references. In addition, the professional surveyor shall prepare plats of the parcel in ink, and the professional surveyor shall prepare the plats on the scale, and in the number, prescribed by the Department of Natural Resources. The professional surveyor may use a geo-referenced aerial photograph in order to prepare a description of the parcel. However, the professional surveyor's description must be accurate and meet the description criteria described above. If an aerial photograph is used, that fact shall be noted on the application referenced in IC 6-1.1-6-11. The Natural Resources Commission may adopt rules to allow other means to describe and plat a parcel. (IC 6-1.1-6-9)

Filing Requirements

If a person wishes to have his land classified as **native forest**, a **forest plantation**, or **wildlands**, he must file an application in duplicate with the state forester on forms prescribed by the state forester. The application must include the signature of the owner, the professional surveyor or other person described in rules adopted by the Natural Resources Commission, the county assessor, and the state forester. (IC 6-1.1-6-11)

If the application is approved, the applicant shall record the approved application in the applicant's name. However, if the applicant is a partnership, corporation, limited liability company, or association, the applicant shall record the approved application in the

name of the partnership, corporation, limited liability company, or association. When the approved application is properly recorded, the county auditor shall enter the land for taxation at the assessed value determined under IC 6-1.1-6-14. (IC 6-1.1-6-13)

Assessor Duty

Land which is classified as **native forest land**, a **forest plantation**, or **wildlands** shall be assessed at one dollar (\$1.00) per acre for general property taxation purposes. (IC 6-1.1-6-14)

If any oil, gas, stone, coal, or other mineral is obtained from land which is classified as **native forest land**, a **forest plantation**, or **wildlands**, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate. (IC 6-1.1-6-15)

Voluntary Withdrawal

If the owner of land which is classified as **native forest**, a **forest plantation**, or **wildlands** wishes to have the land withdrawn from the classification, he shall have the county assessor of the county in which the land is situated assess the land. The county auditor shall determine the taxes that are required to be paid. The owner shall then file a withdrawal request in duplicate with the state forester on forms prescribed by the state forester. The state forester shall withdraw the land from classification upon receipt of the withdrawal forms. (IC 6-1.1-6-20(a))

If the owner of the land that is classified as **native forest land**, a **forest plantation**, or **wildlands** wishes to have a part of the classified land removed, in addition to having the land assessed, the taxes figured, and the withdrawal request filed, the owner shall submit a revised application for the remaining eligible land. The revised application assumes the effective date of the original application. (IC 6-1.1-6-20(b))

Land classified as a **windbreak**, a **forest plantation**, **native forest**, or **wildlands** under IC 6-1.1-6 may be transferred from one (1) classification to another, as appropriate, whenever the land transferred qualifies under the new classification. A change in classification **does not** constitute a withdrawal. (IC 6-1.1-6.2-15(b))

Mandatory Withdrawal

The state forester shall withdraw land which is classified as **native forest**, a **forest plantation**, or **wildlands** from the classification if he finds that the provisions of IC 6-1.1-6 are not being complied with and that the owner of the land refuses to make the changes necessary for compliance. If the state forester withdraws land, he shall have the county assessor of the county in which the land is situated assess the land. The

county auditor shall determine the taxes due. In addition, the state forester shall immediately notify the owner that the land has been withdrawn. (IC 6-1.1-6-21)

Withdrawal Penalties

If land that is classified as **native forest land**, a **forest plantation**, or **wildlands** is withdrawn from the classification, the owner shall pay an amount equal to the sum of:

- (1) The total property taxes that, if it were not for the classification, would have been assessed on the land during the period of classification or the ten (10) year period immediately preceding the date on which the land is withdrawn from the classification, whichever is less.
- (2) Interest on the property taxes at the rate of ten percent (10%) simple interest per year.
- (3) For land that was originally classified after June 30, 2006, a penalty amount of one hundred dollars (\$100) per withdrawal plus fifty dollars (\$50) per acre, unless an amount is established by rule by the Natural Resources Commission. The Natural Resources Commission may not increase the penalty amount more than once every five (5) years.

If the amount is not paid, it shall be treated in the same manner the delinquent taxes on real property are treated. (IC 6-1.1-6-24)

Acquiring an Interest in Classified Lands

A conveyance of land which is classified as **native forest land**, a **forest plantation**, or **wildlands** does not release any person acquiring an interest in the land from any obligation or liability imposed under IC 6-1.1-6.

If the land that is classified as **native forest land**, a **forest plantation**, or **wildlands** is conveyed in a manner that divides the classified land into two (2) or more parcels, the owner shall file a new application for each parcel. The new application does not affect the original date of the classification.

If the owner of land that is classified as **native forest land**, a **forest plantation**, or **wildlands** decides to sell or convey the classified land, the owner must disclose in writing the following information to the potential purchaser:

- (1) That the land is enrolled in the classified land program.
- (2) Any potential violations, tax liabilities, and penalties under IC 6-1.1-6.

(IC 6-1.1-6-25)

Windbreak Classification (IC 6-1.1-6.2)

A parcel of land may be classified as a windbreak if:

- (1) it abuts a fence line or a property line;
 - (2) it abuts arable land;
 - (3) the landowner enters into an agreement with the Department of Natural Resources establishing standards of windbreak management for the parcel of land as that concept is understood by competent professional foresters;
 - (4) it is at least fifty (50) feet wide;
 - (5) it does not contain a dwelling or other usable building; and
 - (6) no part of it lies within a licensed shooting preserve.
- (IC 6-1.1-6.2-3)

NOTE: The owner of a parcel of land that is classified as a **windbreak** shall mark the parcel with four (4) signs. The owner shall place the signs on the boundaries of and on different sides of the parcel at the points that are the most conspicuous to the public. The Department of Natural Resources shall furnish the signs and shall designate the size and wording of the signs. (IC 6-1.1-6.2-13)

Restrictions

On land classified as a **windbreak**, a person may not:

- Erect a dwelling or other building. (IC 6-1.1-6.2-23)
- Graze or permit grazing by a domestic animal. (IC 6-1.1-6.2-24)
- Burn, mow, or otherwise engage in a practice that would alter land or vegetation (unless the person has been granted a temporary permit to do so by the Department of Natural Resources). (IC 6-1.1-6.2-25)
- Cultivate or harvest crops (except crops cultivated or harvested solely for wildlife food or cover pursuant to a permit issued by the Department of Natural Resources). (IC 6-1.1-6.2-26)

Assessment of Parcel

A person who wishes to have a parcel of land that is classified as a windbreak withdrawn from this classification must have the land assessed by the county assessor of the county in which the land is located. If the assessment made by the county assessor is not satisfactory to the owner, the owner may appeal the assessment to a board consisting of the assessor, auditor, and treasurer of the county in which the land is located. The decision of the board is final. (IC 6-1.1-6.2-5)

Assessor Duty

Land that is classified as a **windbreak** shall be assessed at one dollar (\$1.00) per acre for general taxation purposes. However, ditch assessments on the classified land shall be paid. (IC 6-1.1-6.2-9)

If any oil, gas, stone, coal, or other mineral is obtained from land that is classified as a **windbreak**, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate. (IC 6-1.1-6.2-10)

Voluntary Withdrawal

If the owner of land which is classified as a **windbreak** wishes to have the land withdrawn from the classification, he shall have the county assessor of the county in which the land is situated assess the land. The owner shall then file a withdrawal request in duplicate with the Department of Natural Resources on forms prescribed by them. The Department of Natural Resources shall withdraw the land from classification upon receipt of the withdrawal forms. (IC 6-1.1-6.2-15(a))

Land classified as a **windbreak**, a **forest plantation** or **native forest**, or **wildlands** under IC 6-1.1-6 may be transferred from one classification to another, as appropriate, whenever the land transferred qualifies under the new classification. A change in classification **does not** constitute a withdrawal. (IC 6-1.1-6.2-15(b))

Mandatory Withdrawal

The Department of Natural Resources shall withdraw land which is classified as a **windbreak** from the classification if it finds that the provisions of IC 6-1.1-6.2 are not being complied with and that the owner of the land refuses to make the changes necessary for compliance. If the Department of Natural Resources withdraws land, it shall have the county assessor of the county in which the land is situated assess the land in the manner described in IC 6-1.1-6-10(b). In addition, the Department of Natural Resources shall immediately notify the owner that the land has been withdrawn. (IC 6-1.1-6.2-16)

Withdrawal Penalties

If land that is classified as a windbreak is withdrawn from the classification, the owner shall pay an amount equal to the lesser of:

- (1) the sum of:
 - (A) the total property taxes that, if it were not for the classification, would have been assessed on the land during the period of classification or the ten (10) year period immediately preceding the date on which the land is withdrawn from the classification, whichever is less; plus
 - (B) interest on the property taxes at the rate of ten percent (10%) per year; or
- (2) the remainder of:
 - (A) the withdrawal assessment of the land; minus

- (B) the sum of the initial classification assessment of the land and any increase in the initial classification of the land resulting from the subsequent construction of a ditch or levee.

(IC 6-1.1-6.2-19)

Appeal Rights

If an assessment made by a county assessor under the sections covering the voluntary or mandatory withdrawal of classification (IC 6-1.1-6.2-15 and IC 6-1.1-6.2-16) is not satisfactory to the owner, he may appeal the assessment to a board consisting of the assessor, auditor, and treasurer of the county in which the land is located. The decision of the board is final. (IC 6-1.1-6.2-17)

Furnishing of Trees and Vegetation

The Department of Natural Resources shall furnish trees or other appropriate vegetation without charge to the owner of the land classified as windbreak, and, with the advice and cooperation of the county extension service, shall give advice and technical assistance to the landowner for the establishment and maintenance of the windbreak. (IC 6-1.1-6.2-27)

Filter Strip Classification (IC 6-1.1-6.7)

A parcel of land may be classified as a **filter strip** if:

- The parcel of land is adjacent to an open water course such as a ditch, creek or river, or open body of water such as a wetland or lake.
- The parcel of land is at least twenty (20) feet wide but not more than seventy-five (75) feet wide.
- The parcel of land does not contain a dwelling or other usable building.
- The parcel of land is not used for livestock grazing.
- No part of the parcel of land lies within a licensed shooting preserve.
- The landowner enters into an agreement with the drainage board of jurisdiction along regulated drains and the county surveyor along non-regulated drains with concurrence of the local soil and water conservation district offices.

A **filter strip** that exists on July 1, 1991, may qualify for classification if the parcel meets the aforementioned requirements and the parcel is vegetated with a herbaceous vegetation that meets the seeding specifications of filter strips created after July 1, 1991, as determined by the county surveyor in concurrence with the local soil and water conservation district in which the parcel is located. (IC 6-1.1-6.7-3)

NOTE: The owner of a parcel of land that is classified as a **filter strip** is encouraged to mark the parcel with a minimum of four (4) signs. The owner shall place the sign on the

boundaries of the parcel at the points that are the most conspicuous to the public. (IC 6-1.1-6.7-12)

Restrictions

A person may not do any of the following on land classified as a **filter strip**:

- cultivate or harvest crops except as provided below;
- erect a dwelling or other building;
- graze a domestic animal or permit grazing by domestic animals;
- burn;
- mow before July of any year after the first year in which the filter strip is established; or
- engage in any practice that permanently alters land or vegetation on the land.

A person may up to three (3) times a year cut grass-legumes for hay on land classified as a filter strip. However, reseeded is required upon recommendation of the county surveyor with the concurrence of the local soil and water conservation district in which the filter strip is located. (IC 6-1.1-6.7-22)

Survey Required

If a person wishes to have a parcel of land classified as a **filter strip**, he must have it surveyed by the county surveyor or a professional surveyor. The parcel shall be identified by section, township, range, and county references. Plats of the parcel shall be prepared in ink and on the scale and in the number prescribed by the county surveyor. An aerial photograph may be used in order to obtain a description of the parcel. However, the description must be accurate and meet the requirements mentioned above. If an aerial photograph is used, that fact shall be noted on the application. (IC 6-1.1-6.7-4)

Assessment of parcel

A person who wishes to have a parcel of land classified as a filter strip must have the land assessed by the county assessor of the county in which the land is located. (IC 6-1.1-6.7-5)

Application Requirements

A person who wishes to have a parcel of land classified as a **filter strip** must file an application with the county surveyor on forms prescribed by the county surveyor. The application must include the following:

- (1) The survey required under IC 6-1.1-6.7-4.
 - (2) The assessment required under IC 6-1.1-6.7-5.
 - (3) The signatures of the owner, the professional surveyor (if one was used), the county surveyor, and the county assessor.
 - (4) A letter of concurrence in the classification from the soil and water conservation district in which the land is located.
- (IC 6-1.1-6.7-6)

Assessor Duty

Land which is classified as a **filter strip** shall be assessed at one dollar (\$1.00) per acre for general taxation purposes. However, ditch assessments on the classified land shall be paid. (IC 6-1.1-6.7-9)

If any oil, gas, stone, coal, or other mineral is obtained from land which is classified as a **filter strip**, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate. (IC 6-1.1-6.7-10)

Voluntary Withdrawal

If the owner of land which is classified as a **filter strip** wishes to have the land withdrawn from the classification, the owner shall have the county assessor of the county in which the land is situated assess the land. The county assessor shall then file a withdrawal request in duplicate with the county surveyor on forms prescribed by the county surveyor. The county surveyor shall withdraw the land from classification upon receipt of the withdrawal forms. (IC 6-1.1-6.7-14)

Mandatory Withdrawal

The county surveyor shall withdraw land which is classified as a **filter strip** from the classification if he finds that the provisions of IC 6-1.1-6.7 are not being complied with and that the owner of the land refuses to make the changes necessary for compliance. If the county surveyor withdraws land under IC 6-1.1-6.7-15, the county surveyor shall have the county assessor of the county in which the land is situated assess the land. The county assessor shall assess the land in the manner prescribed by IC 6-1.1-6.7-5. In addition, the county surveyor shall immediately notify the owner that the land has been withdrawn from classification. (IC 6-1.1-6.7-15)

Withdrawal Penalties

If land that is classified as a filter strip is withdrawn from the classification, the owner shall pay an amount equal to the lesser of:

- (1) the sum of:
 - (A) the total property taxes that, if it were not for the classification, would have been assessed on the land during the period of classification or the ten (10) year period immediately preceding the date on which the land is withdrawn from the classification, whichever is lesser; plus
 - (B) interest on the property taxes at the rate of ten percent (10%) per year; or
- (2) the remainder of:
 - (A) the withdrawal assessment of the land; minus
 - (B) the sum of the initial classification assessment of the land and any increase in the initial classification of the land resulting from the subsequent construction of a ditch or levee.

(IC 6-1.1-6.7-18)

Appeal Rights

If any assessment made by the county assessor under the provisions of IC 6-1.1-6.7-5, IC 6-1.1-6.7-14, or IC 6-1.1-6.7-15 is not satisfactory to the owner, he may appeal the assessment to a board consisting of the assessor, auditor, and treasurer of the county in which the land proposed for classification, or land being withdrawn from classification is located. The decision of the board is final. (IC 6-1.1-6.7-5)

Additional Notes

If an error or omission affecting the eligibility of the application is discovered by the state forester, county surveyor, Department of Natural Resources (whichever one the initial application was filed with), or county assessor, the state forester, county surveyor, Department of Natural Resources, or county assessor shall promptly notify the applicant of the deficiency and allow the applicant to amend the application. (IC 6-1.1-6.7-6(c))

The applicant shall pay the expenses of any required survey under the provisions of IC 6-1.1-6, IC 6-1.1-6.2, or IC 6-1.1-6.7. The expenses of the required assessment under those same provisions shall be paid from the county general fund. In addition, the county assessor responsible for making the assessment under these provisions shall receive his/her necessary expenses. (IC 6-1.1-6.7-20)

The liability imposed by IC 6-1.1-6-24, IC 6-1.1-6.2-19, or IC 6-1.1-6.7-18 is a lien upon the land withdrawn from classification. When the amount is collected, it shall be paid into the county general fund. If the amount is not paid, it shall be treated in the same manner as the delinquent taxes on real property are treated. (IC 6-1.1-6.7-18(c))

Classification as Cemetery Land (IC 6-1.1-6.8)

For purposes of this section, the term “director” refers to the director of the division of historic preservation and archeology of the Department of Natural Resources. (IC 6-1.1-6.8-1)

For the purposes of property taxation, land on which a cemetery or burial ground (as defined by IC 14-21-1-3) is located may be classified and assessed under IC 6-1.1-6.8 if the land satisfies the conditions prescribed for classification as cemetery land. (IC 6-1.1-6.8-2)

Land may be classified as cemetery land if it is included in the registry of Indiana cemeteries and burial grounds established under IC 14-21-1-13.5. (IC 6-1.1-6.8-3)

A parcel of land **may not** be classified as cemetery land if a dwelling or other building is situated on the parcel. (IC 6-1.1-6.8-4)

A parcel of land **may not** be classified as cemetery land if it is grazed by a domestic animal. (IC 6-1.1-6.8-5)

Survey Required

A person who wishes to have a parcel of land classified as cemetery land must have it surveyed by a professional surveyor. The professional surveyor shall make the survey by metes and bounds and locate the parcel with reference to some established corner. In addition, the professional surveyor shall identify the parcel by section, township, range, and county references. The professional surveyor shall prepare plats of the parcel in ink, and shall prepare the plats on the scale, and in the number, prescribed by the director. The professional surveyor may use an aerial photograph in order to obtain a description of the parcel. However, the professional surveyor’s description must be accurate and it must meet the requirements specified from the above information. If an aerial photograph is used, that fact shall be noted on the application. (IC 6-1.1-6.8-6)

Assessment of Parcel

A person who wishes to have a parcel of land classified as cemetery land must have the land assessed by the county assessor of the county in which the land is located. The county assessor shall assess the land at its fair market value, including any mineral, stone, oil, or gas value. (IC 6-1.1-6.8-7)

Appeal Rights

If the assessment made by the county assessor is not satisfactory to the owner, the owner may appeal the assessment to a board consisting of the assessor, auditor, and treasurer of the county in which the land proposed for classification is located. The decision of the board is final. (IC 6-1.1-6.8-7(c))

Application Requirements

A person who wishes to have a parcel of land classified as cemetery land must file an application in duplicate with the director of the division of historic preservation and archeology of the Department of Natural Resources on forms prescribed by the director. The application must include the following items:

- (1) the plats prepared by the professional surveyor;
- (2) the assessment entered in ink by the county assessor; and
- (3) the signature of the owner the professional surveyor and the county assessor.

(IC 6-1.1-6.8-8)

If an error or omission affecting the eligibility of the application is discovered by the director or county assessor, the director or county assessor shall promptly notify the applicant of the deficiency and allow the applicant to amend the application. (IC 6-1.1-6.8-8(b))

If in the opinion of the director, an application and the land to be classified comply with the requirements of IC 6-1.1-6.8, the director shall approve the application. In addition, the director shall notify the auditor and recorder of the county in which the land is located with the application has been approved, and shall return one (1) approved application form to the applicant. The applicant shall record the approved application in the applicant's name. When the approved application is properly recorded, the county auditor shall enter the land for taxation. (IC 6-1.1-6.8-6 through -10)

Assessment Rate

Land that is classified as cemetery land shall be assessed at one dollar (\$1.00) per acre for general property taxation purposes. A cemetery that is less than one (1) acre shall be assessed in the amount of one dollar (\$1.00). (IC 6-1.1-6.8-11)

Mineral Wealth

If any gas, oil, stone, coal, or other mineral is obtained from land that is classified as cemetery land, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate. (IC 6-1.1-6.8-12)

Payment of Expenses

The expense of the survey required by IC 6-1.1-6.8-6 shall be paid by the applicant. The expense of an assessment that is required shall be paid from the county general fund of the county in which the parcel is located. (IC 6-1.1-6.8-14)

Chapter 12 – Omitted and Undervalued Assessments

Assessor Duty

If a township assessor (if any), county assessor, or the PTABOA believes that any taxable tangible property has been omitted from or undervalued on the assessment rolls for any year or years, the official or board shall give written notice under IC 6-1.1-3-20 or IC 6-1.1-4-22 of the assessment or increase in assessment. The notice shall contain a general description of the property and a statement describing the taxpayer's right to a preliminary conference and to a review with the PTABOA under IC 6-1.1-15-1. (IC 6-1.1-9-1)

The county assessor shall obtain from the county auditor or the township assessor, if any, all returns for tangible property made by the township assessors for the county and all assessment lists, schedules, statements, maps, and other books and papers filed with the county auditor by the township assessors. For the purposes of discovering undervalued or omitted property, the county assessor shall carefully examine the county tax duplicates and all other pertinent records and papers of the county auditor, treasurer, recorder, clerk, sheriff, and surveyor. The county assessor shall, in the manner prescribed in IC 6-1.1, assess all omitted or undervalued tangible property which is subject to assessment. (IC 6-1.1-9-6)

If a county assessor believes that a taxpayer of his county has not properly reported any personal property and that it is thus necessary to examine any records, property, or persons situated outside the county, he shall inform the county board of commissioners of his belief. If the board is satisfied that the examination is necessary, the board may direct the county assessor to conduct it. If the board so directs, the county assessor shall make the examination. The board of commissioners shall pay the expenses incurred by the county assessor in making the examination if he submits an itemized statement of his expenses and a voucher for each item of expense. (IC 6-1.1-9-7)

Omitted or Undervalued Property Defined

Undervalued property is defined as reported property that is less than the total assessed value required by law for personal property or an assessment made by the township assessor for real property that is assessed proportionately lower than comparable properties.

Omitted property is defined as property that is omitted from the assessment rolls for a specific assessment date. For personal property this means property that was owned and located within the assessment jurisdiction on the assessment date but was not reported by the owner on a personal property return. The date that personal property becomes omitted is the day following the day that the personal property return is due.

Personal property which is omitted from or undervalued on the return may be assessed, or its assessed value may be increased, only if the required notice is given within three (3) years after the date the return is filed. However, if the taxpayer's personal property return for a particular year substantially complies with the provisions of IC 6-1.1 and the regulations of the DLGF, an assessing official, or a PTABOA may change the assessed value claimed by the taxpayer on the return only within the time period prescribed in IC 6-1.1-16-1. (IC 6-1.1-9-3(a))

If a taxpayer fails to file a personal property tax return for a particular year, the taxpayer's personal property may be assessed for that year only if the required notice is given within ten (10) years after the date on which the return for that year should have been filed. (IC 6-1.1-9-3(b))

If a taxpayer files a fraudulent personal property return, or fails to file a return with the intent to evade the payment of property taxes, the assessment limitations prescribed in IC 6-1.1-9-3(a) and (b) do not apply. (IC 6-1.1-9-3(c))

Omitted or undervalued real property means property that has not been assessed by the township assessor before the county assessor has certified the township's assessment roll for a specific assessment date. **By statute, the county assessor must certify the assessment roll of the county to the county auditor on or before July 1 of each year. (Note for 2017 onward, the county assessor must certify the assessment roll of the county to the county auditor on or before June 15 of each year.)**

Real property may be assessed, or its assessed value increased, for a prior year under IC 6-1.1-9 only if the notice required by IC 6-1.1-9-1 is given within three (3) years after the assessment date for that prior year. With respect to real property which is owned by a bona fide purchaser without knowledge, no lien attaches for any property taxes which result from an assessment, or an increase in assessed value, made under IC 6-1.1-9 for any period before this purchase of the property. (IC 6-1.1-9-4)

Notice of Assessment to Property Owners for Omitted and Undervalued Assessments

Personal Property

When an official determines that taxable personal property is either not assessed or is underassessed, the owner of the property must be notified that the official is increasing the assessment of the property. The applicable notice form to increase a personal property assessment for either the current year or a preceding year is a Notice of Assessment/Change (Form 113/PP). No notice to the property owner is required if the owner filed a return that did not include a value for the property on the return.

Real Property

If a parcel of real property is omitted from the assessment roll or judged to be undervalued, the official must give the property owner written notice that an action is being taken to increase the assessed valuation of the property. Generally, an official mails a Form 113 notice to the property owner if the official is increasing the assessment for a previous year. Increasing a real property assessment as omitted or undervalued property may only be accomplished for the assessment date three years prior to the next assessment date.

Report to County Auditor of Omitted or Undervalued Property Assessment and Penalties

An official who increases an assessment as omitted or undervalued property must notify the county auditor of the amount of assessment increase. This notification is provided by a "Report of Assessment for Omitted or Undervalued Property Assessment and Assessment Penalties" (Form 122). This procedure is commonly referred to as an "added assessment" because the increased assessment is being added to the assessment rolls after the roll has been certified to the county auditor.

Chapter 13 – Assessment of Industrial Facilities

Part I – Presently Applies to Lake County only

“Industrial Company” Defined

“Industrial company” means an owner or user of industrial property. (IC 6-1.1-8.5-1)

“Industrial Facility” Defined

“Industrial facility” means a company’s real property that:

- (1) has been classified as industrial property under the rules of the DLGF; and
- (2) has a true tax value, as estimated by the DLGF, of at least twenty-five million dollars (\$25,000,000) in a qualifying county.

The term includes real property that is used under an agreement under which the user exercises the beneficial rights of ownership for the majority of a year. The term does not include real property assessed under IC 6-1.1-8. (IC 6-1.1-8.5-2)

Qualifying County

A qualifying county means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). (IC 6-1.1-8.5-3)

Assessor Duties

Before January 1 of each year the county assessor of each qualifying county shall provide the DLGF a list of each industrial facility located in the qualifying county. (IC 6-1.1-8.5-6)

The township assessor (if any) of each township in a qualifying county shall notify the DLGF of a newly constructed industrial facility that is located in the township served by the township assessor. The county assessor shall perform this duty for a township in a qualifying county if there is no township assessor for the township. Each building commissioner in a qualifying county shall notify the DLGF of a newly constructed industrial facility that is located in the jurisdiction served by the building commissioner. The DLGF shall schedule an assessment of a newly constructed industrial facility within six (6) months after receiving notice of the construction from the appropriate township assessor or building commissioner. (IC 6-1.1-8.5-7)

Duties of the Department

For purposes of a reassessment of a group of parcels under a county's reassessment plan prepared under IC 6-1.1-4-4.2 or a new assessment, the DLGF shall assess each industrial facility in a qualifying county.

The following may not assess an industrial facility in a qualifying county:

- (1) the county assessor;
- (2) an assessing official; or
- (3) a county property tax assessment board of appeals (PTABOA).

(IC 6-1.1-8.5-8)

Support from County Assessor

The county assessor of the qualifying county in which an industrial facility is located shall provide support to the assessor of the DLGF during the course of the assessment of the industrial facility. (IC 6-1.1-8.5-9)

Certification of True Tax Value

When the DLGF determines its final assessments of an industrial facility, the DLGF shall certify the true tax values to the county assessor and the county auditor of the qualifying county in which the property is located. In addition, if an industrial company has appealed the DLGF's final assessment of the industrial facility, the DLGF shall notify the county auditor of the appeal. (IC 6-1.1-8.5-10(a))

The county assessor in a qualifying county shall review the certification of the DLGF to determine if any of the industrial company's property has been omitted and notify the DLGF of additions the county assessor finds are necessary. The DLGF shall consider the county assessor's findings and make any additions to the certification the DLGF finds are necessary. The county auditor shall enter for taxation the assessed valuation of an industrial facility that is certified by the DLGF. (IC 6-1.1-8.5-10(b))

Appeal of Assessment

A taxpayer or the county assessor of the qualifying county in which the industrial facility is located may appeal an assessment by the DLGF to the Indiana Board of Tax Review. An assessment made under IC 6-1.1-8.5 that is not appealed is a final unappealable order of the DLGF. The Indiana Board of Tax Review shall hold a hearing on the appeal and issue an order within one (1) year after the date the appeal is filed. (IC 6-1.1-8.5-11)

Part II – Applies to All Counties

“Industrial Company” Defined

“Industrial company” means an owner or user of industrial property. (IC 6-1.1-8.7-1)

“Industrial Facility” Defined

“Industrial facility” means a company’s real property that:

- (1) has been classified as industrial property under the rules of the DLGF; and
- (2) has a true tax value, as estimated by the DLGF, of at least twenty-five million dollars (\$25,000,000) in a county.

The term includes real property that is used under an agreement which the user exercises the beneficial rights of ownership for the majority of a year. The term does not include real property assessed as state distributable property under IC 6-1.1-8. (IC 6-1.1-8.7-2)

Petitions for Assessments

Two hundred fifty (250) or more owners of real property in a township may petition the DLGF to assess the real property of an industrial facility in the township.

An industrial company may at any time petition the DLGF to assess an industrial facility owned or used by the company.

Before January 1 of any year, the county assessor of the county in which an industrial facility is located may petition the DLGF to assess the real property of the industrial facility for the assessment date in the following year. (IC 6-1.1-8.7-3)

Assessments by Department of Local Government Finance

The DLGF may assess the real property of an industrial facility pursuant to a petition filed under IC 6-1.1-8.7-3. (IC 6-1.1-8.7-4)

Scheduling of Assessments

If the DLGF determines to assess an industrial facility pursuant to a petition filed under IC 6-1.1-8.7-3(b) or IC 6-1.1-8.7-3(c), the DLGF shall schedule the assessment not later than six (6) months after receiving the petition.

If the DLGF determines to assess an industrial facility pursuant to a petition filed under IC 6-1.1-8.7-3(a), the DLGF shall schedule the assessment not later than three (3) months after the assessment date for which the petition is filed. (IC 6-1.1-8.7-5)

Support from County Assessors

The county assessor of the county in which the industrial facility is located shall provide support to the DLGF's assessor during the course of the assessment of an industrial facility. (IC 6-1.1-8.7-6)

Certification of Values; Appeal and Review

When the DLGF determines its final assessments of an industrial facility, the DLGF shall certify the true tax values to the county assessor and the county auditor of the county in which the property is located. In addition, if an industrial company has appealed the DLGF's final assessment of the industrial facility, the DLGF shall notify the county auditor of the appeal.

The county assessor shall review the certification of the DLGF to determine if any of an industrial company's property has been omitted and notify the DLGF of additions the county assessor finds are necessary. The DLGF shall consider the county assessor's findings and make any additions to the certification the DLGF finds are necessary. The county auditor shall enter for taxation the assessed valuation of an industrial facility that is certified by the DLGF. (IC 6-1.1-8.7-7)

Appeal of Assessments

- (a) The industrial company that owns or uses the industrial facility assessed under IC 6-1.1-8.7 may appeal that assessment to the Indiana Board of Tax Review. Subject to IC 6-1.1-8.7-8(b), (c), (d), and (e), the county assessor of the county in which the industrial facility is located may appeal an assessment by the DLGF made under this chapter to the Indiana Board of Tax Review.
- (b) The county assessor of a qualifying county may not expend public money appealing an assessment under this section unless the following requirements are met before a petition for review is submitted to the Indiana Board of Tax Review:
 - (1) The county assessor submits to the county fiscal body a written estimate of the cost of the appeal.
 - (2) The county fiscal body adopts a resolution approving the county assessor's proposed expenditure to carry out the appeal.
 - (3) The total amount of the proposed expenditure is in accordance with an appropriation made by the county fiscal body in the manner by law.

- (c) Except as otherwise provided in IC 6-1.1-8.7-8(d) and (e), an appeal shall be conducted in the same manner as an appeal of an assessment of property provided for in IC-6-1.1-15-4 through IC 6-1.1-15-8. An assessment made under IC 6-1.1-8.7 that is not appealed is a final un-appealable order of the DLGF.
- (d) With respect to an appeal filed by a county assessor the following apply:
- (1) In the petition for review to the Indiana Board of Tax Review, the county assessor shall state what the county assessor contends the assessed value of the industrial facility should be and provide substantial evidence in the support of that contention. Failure to comply with this requirement results in the dismissal of the county assessor's petition for review, and no further appeal of the assessment by the county assessor may be taken.
 - (2) Not later than thirty (30) days after the county assessor files a petition for review in compliance with subdivision (1), the Indiana Board of Tax Review shall hold a hearing at which the county assessor must establish a reasonable likelihood of success on any contentions made in the petition for review including, without limitation, the contention under subdivision (1) regarding the assessed value of the real estate. The industrial company whose industrial facility is the subject of the county assessor's petition for review and the DLGF have the right to appear at this hearing and to present testimony, to cross-examine witnesses, and to present evidence regarding the county assessor's contentions.
 - (3) Not later than thirty (30) days after the hearing held under subdivision (2), the Indiana board shall issue a determination whether the county assessor has established a reasonable likelihood of success on the contentions in the petition for review. If the Indiana Board of Tax Review determines that the county assessor has not established a reasonable likelihood of success on the contentions in the petition for review, the county assessor's petition for review shall be dismissed, and no further appeal of the assessment by the county assessor may be taken. If the Indiana Board of Tax Review determines that the county assessor has established a reasonable likelihood of success on the contentions in the petition for review, the Indiana Board of Tax Review's determination does not create the presumption that the county assessor's contentions are valid. A determination by the Indiana Board of Tax Review that the county assessor has established a reasonable likelihood of success on the contentions in the petition for review may be appealed to the Indiana Tax Court as an interlocutory appeal. A party may petition for review by the Indiana Supreme Court of the Indiana Tax Court's ruling regarding interlocutory appeal brought under this subdivision.
 - (4) The Indiana Board of Tax Review shall not hold a hearing on the appeal under IC 6-1.1-15-4 and the county assessor shall not be permitted to conduct discovery

under the Indiana Board of Tax Review's administrative rules until a determination has been issued under subdivision (3) and:

- (A) any interlocutory appeal under subdivision (3) has been ruled on by the Indiana Tax Court; or
 - (B) the Indiana Supreme Court has either rejected a petition for review concerning the Indiana Tax Court's ruling on interlocutory appeal or issued a decision regarding the Indiana Tax Court's ruling on the interlocutory appeal.
- (e) On any appeal that has not been dismissed, the Indiana Board of Tax Review shall issue an order within one (1) year after:
- (1) the taxpayer filed its petition for review;
 - (2) the issuance of the Indiana Board of Tax Review's determination under subsection (d)(3) in the case of an appeal by the county assessor; or
 - (3) the Indiana Tax Court or the Indiana Supreme Court rules on the taxpayer's interlocutory appeal in the case of an appeal by the county assessor; whichever is latest.

(IC 6-1.1-8.7-8)

Chapter 14 – Assessment Records

County Auditor Duties

The county auditor of each county shall annually prepare and deliver to the township assessor (if any) or the county assessor a list of all real property entered in the township or county as of the assessment date. The county auditor shall deliver the list within thirty (30) days after the assessment date. The county auditor shall prepare the list in the form prescribed or approved by the DLGF. (IC 6-1.1-5-8)

Township Assessor Duties

The township assessor, if any, must assess and deliver to the county assessor all real and personal property assessed values according to an established schedule. This is especially true if the county assessor is charged with the data entry of assessment information that is required to calculate an assessment. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor. (IC 6-1.1-4-25(a))

The final dates for filing assessed values with the county assessor are:

Real Property

May 15 – Last day for each township assessor to deliver to the county assessor a detailed list of the real property in the township. (Note that starting in 2017, this date changes to May 1.) (IC 6-1.1-5-14)

Personal Property

June 1 – Last day for each township assessor to deliver to the county assessor a list of all personal property returns filed on or before May 15. (IC 6-1.1-3-17(a))

June 15 – Last day for the township assessor to deliver to the county assessor a copy of each personal property return and all supporting data supplied by the taxpayer with the return.

The delivery dates listed above are of extreme importance. The county auditor must certify the total assessments for budget purposes to the various taxing units by August 1 of each year.

If a township assessor, or county assessor if there is no township assessor for the township, believes that it is necessary to obtain an accurate description of a specific lot or tract, the assessor may demand in writing that the owner or occupant of the lot or tract deliver all title papers in his possession to the assessor for the assessor's examination. If the person fails to deliver the title papers to the assessor at the

assessor's office within five (5) days after the demand is mailed, the assessor shall prepare the real property list according to the best information he can obtain. For that purpose, the assessor may examine, under oath, any person whom he believes has any knowledge relevant to the issue. (IC 6-1.1-5-10)

See IC 6-1.1-5-11 for the rules for determination of the quantity of land within a tract.

Additional Duties

For all other civil townships, except those described in IC 6-1.1-5-9, having a population of thirty-five thousand (35,000) or more, for a civil township that falls below a population of thirty-five thousand (35,000) at a federal decennial census that takes effect after December 31, 2001, and for all other civil townships in which a city of the second class is located, the township assessor shall make the real property lists and the plats described in IC 6-1.1-5-1 through IC 6-1.1-5-8. (IC 6-1.1-5-9.1(a))

In a civil township that attains a population of thirty-five thousand (35,000) or more at a federal decennial census that takes effect after December 31, 2001, the county auditor shall make the real property lists and the plats described in IC 6-1.1-5-1 through IC 6-1.1-5-8 unless the township assessor determines to assume the duty from the county auditor. (IC 6-1.1-5-9.1(b))

With respect to the townships in which the township assessor makes the real property lists and plats, the county auditor shall, upon completing the tax duplicate, return the real property lists to the township assessor for the continuation of the lists by the assessor. If land located in one (1) of these townships is platted, the plat shall be presented to the township assessor instead of the county auditor before it is recorded. The township assessor shall then enter the lots or parcels described in the plat on the tax lists in lieu of the land included in the plat. (IC 6-1.1-5-9.1(c))

In a county in which a consolidated city is located, the county assessor has the duties and authority described in IC 6-1.1-5-1 through IC 6-1.1-5-8. These duties and authority include affecting the transfer of title to real property and preparing, maintaining, approving, correcting, indexing, and publishing the list or record of, or description of title to, real property. If a court renders a judgment for the partition or transfer of real property located in one (1) of these townships, the clerk of the court shall deliver the transcript to the county assessor. (IC 6-1.1-5-9)

Consolidation of Contiguous Parcels

If an owner of existing contiguous parcels makes a written request that includes a legal description of the existing contiguous parcels sufficient for the assessing official to identify each parcel and the area of all contiguous parcels, the assessing official shall

consolidate more than one (1) existing contiguous parcel into a single parcel to the extent that the existing contiguous parcels are in a single taxing district and the same section. For existing contiguous parcels in more than one (1) taxing district or one (1) section, the assessing official shall, upon written request by the owner, consolidate the existing contiguous parcels in each taxing district and each section into a single parcel. An assessing official shall consolidate more than one (1) existing contiguous parcel into a single parcel if the assessing official has knowledge that an improvement to the real property is located on or otherwise significantly affects the parcels. (IC 6-1.1-5-16)

County Assessor Duty

The county assessor has the responsibility of coordinating the collection of both the real and personal property assessed values from each township assessor and forwarding those assessed values to the county auditor. **On or before July 1**, the county assessor shall deliver both the real and personal property assessor's books to the county auditor. Starting in 2017, the county assessor shall deliver the real and personal property assessor's books to the county auditor on or before June 1. (IC 6-1.1-3-17(b); 6-1.1-5-14)

In a county with an elected township assessor under IC 36-6-5-1 in every township, the township assessor shall prepare the list. (IC 6-1.1-3-17(a))

The delivery date listed above is of extreme importance. The county auditor must certify the total assessments for budget purposes to the various taxing units by August 1 of each year.

Gross Assessed Value

The assessor's books delivered by the county assessor to the county auditor **on or before July 1** (or June 15 starting in 2017 for personal property) contain the gross assessed values of all real and personal property throughout the county. The list of real property for each township and the personal property is electronically transferred from the county assessor to the county auditor. The county auditor will evaluate the assessed value within each book to determine if an exemption or deduction application has been filed for the property. If an exemption or deduction has been filed and the property qualifies, the county auditor will post the amount of the exemption or deduction against the gross assessed value of the property.

Computerization of the Real Property Assessment Records

Most counties utilize a central computer system to calculate the real property assessment for each parcel. The decisions on the configuration of the county system and the program vendor utilized by the system are decisions that have been made at the local level. Each program that is to be utilized after December 31, 1998, must be

certified by the DLGF using guidelines in 50 IAC 26, the Property Tax Assessment Computer Standards. The county assessor shall select the computer system used by a county. (IC 6-1.1-31.5-3.5)

Many smaller counties used to utilize the township assessing official as a collector of data only and county employees entered the collected data into the computer system. Larger counties supplied accessibility directly to the township assessor, who entered the data into the system. With the transfer of assessing duties from the township assessor to the county assessor, this role has diminished, except for those counties with a township assessor. Some computer systems utilize different codes and labels than those identified in 50 IAC 26 and 50 IAC 2.4, the "Real Property Assessment Manual."

Recordkeeping and Electronic Data Files

Each township assessor and each county assessor shall keep reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the property. The township or county assessor's records shall at all times show the assessed value of real property in accordance with IC 6-1.1-4. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor. (IC 6-1.1-4-25(a))

The county assessor shall

- (1) maintain an electronic data file of:
 - a. the parcel characteristics and parcel assessments of all parcels; and
 - b. the personal property return characteristics and assessments by return; for each township in the county as of each assessment date;
- (2) maintain the electronic file in a form that formats the information in the file with the standard data field, and record coding required and approved by:
 - a. the legislative services agency; and
 - b. the DLGF; and
- (3) transmit the data in the file with respect to the assessment date of each year before October 1 of the year (before September 1 starting in 2016) to:
 - a. the legislative services agency; and
 - b. the DLGF;
in a manner that meets the data export and transmission requirements in standard format as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and
- (4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the DLGF, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the DLGF.

An electronic data file maintained for a particular assessment year may not be overwritten with data for a subsequent date until a copy of an electronic data file that preserves the data for the particular assessment date is archived.

(IC 6-1.1-4-25(b))

Common Property Tax Management System

In 2006, the DLGF promulgated an administrative rule called “Computer Standards for a Uniform and Common Property Tax Management System.” It was 50 IAC 23, and it has since been repealed and replaced with 50 IAC 26. The purpose was to establish standards for computer systems used by Indiana counties for the administration of the property tax assessment, billing, and settlement process. There are requirements for the property assessment system and the tax and billing system. A copy of the rule is included in the appendices of this Manual for reference.

Chapter 15 – Property Tax Assessment Board of Appeals (PTABOA)

Composition of the PTABOA

Each county shall have a county property tax assessment board of appeals (PTABOA) composed of individuals who are at least eighteen (18) years of age and knowledgeable in the valuation of property. At the election of the board of commissioners of the county, a PTABOA may consist of three (3) or five (5) members. (IC 6-1.1-28-1)

Five (5) Member Board

Fiscal Body Appointees:

- Two individuals; and
- at least one (1) of the members appointed must be a certified level two or three assessor-appraiser.

Board of County Commissioners Appointees:

- Three free-hold members;
- not more than three (3) of the five (5) may be of the same political party*;
- at least three (3) of the five (5) members shall be residents of the county**; and
- at least one (1) member appointed must be a certified level two or three assessor-appraiser. ***

Three (3) Member Board

Fiscal Body Appointees:

- One individual, and
- the individual must be a certified level two or three assessor-appraiser.

Board of County Commissioners Appointees:

- Two free-hold members;
- not more than two (2) of the three (3) may be of the same political party*;
- at least two (2) of the three (3) members shall be residents of the county**; and
- at least one (1) member appointed must be a certified level two or three assessor-appraiser. ***

Note: In a county with a five-member PTABOA, the county fiscal body may waive the requirement that at least one (1) of the PTABOA members appointed by the fiscal body must be a certified level two or level three assessor-appraiser. In a county with a three-member PTABOA, the county fiscal body may waive the requirement that the PTABOA

member appointed by the fiscal body must be a certified level two or level three assessor-appraiser.

Second, an employee of the township assessor or county assessor (“employee”), or an appraiser (as defined in IC 6-1.1-31.7-1) may not serve as a voting member of a PTABOA in a county where the employee or appraiser is employed.

*The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement that not more than three (3) of the five (5) or two (2) of the three (3) members of the board may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two or three Indiana assessor-appraisers who: are willing to serve on the board, and whose political party membership status would satisfy the requirements.

**If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the PTABOA who are: residents of the county; certified level two or three Indiana assessors-appraisers; and willing to serve on the PTABOA; it is not necessary that at least three (3) of the five (5) or two (2) of the three (3) members of the PTABOA be residents of the county.

***The county board of commissioners may waive this requirement.

A person appointed to a PTABOA may serve on the PTABOA of another county at the same time.

The **county assessor** shall serve as **secretary** of the board and is a non-voting member. (IC 6-1.1-28-1 (d)) The secretary shall keep full and accurate minutes of the proceedings of the board.

The county assessor is a nonvoting member of the PTABOA. The employees of the county assessor shall provide administrative support to the board.

The term of a member is **one (1) year**; and begins January 1. If the term of a member of the PTABOA expires and the member is not reappointed and a successor is not appointed, the term of the member continues until a successor is appointed.

All information contained in this section can be found in IC 6-1.1-28-1.

Oath of Office

Before performing any of the member’s duties, each member of the county property tax assessment board of appeals shall take and subscribe to the following oath:

STATE OF INDIANA)
) SS:
COUNTY OF _____)

I, _____, do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of Indiana, and that I will faithfully and impartially discharge my duty under the law as a member of the Property Tax Assessment Board of Appeals for said County; that I will, according to my best knowledge and judgment, assess, and review the assessment of all the property of said county, and I will in no case assess any property at more or less than is provided by law, so help me God.

Member of the Board

Subscribed and sworn to before me this _____ day of _____, 20__

County Auditor

This oath shall be administered by and filed with the county auditor. (IC 6-1.1-28-2)

Voting

A majority of the board **that includes at least one (1) certified level two or three Indiana assessor-appraiser** constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board. (IC 6-1.1-28-1(d))

The county assessor is a non-voting member of the PTABOA.

Compensation

The members of the PTABOA shall receive compensation on a per diem basis for each day of actual service. The county council shall fix the rate of this compensation. The county assessor shall keep an attendance record for each meeting of the board. At the close of each annual session, the county assessor shall certify to the county board of commissioners the number of days actually served by each member. The county board

of commissioners may not allow claims for service on the PTABOA for more days than the number of days certified by the county assessor. The compensation shall be paid from the county treasury. (IC 6-1.1-28-3)

Location of Meetings

The PTABOA shall meet either in the room of the board of commissioners in the county courthouse or in some other room provided by the county board of commissioners. (IC 6-1.1-28-4)

Notice of Annual Session

The county assessor shall give notice of the time, place, and purpose of each annual session of the PTABOA. The county assessor shall give notice (2) weeks before the first meeting of the board by:

- (1) Publication in two (2) newspapers of general circulation which are published in the county and which represent different political parties; or
- (2) Publication in one (1) newspaper of general circulation published in the county if the requirements of clause (1) of this section cannot be satisfied; or
- (3) Posting in three (3) public places in each township of the county if a newspaper of general circulation is not published in the county.

(IC 6-1.1-28-6)

The board shall remain in session until the board's duties are completed. (IC 6-1.1-28-8)

Special Session of the PTABOA

If a PTABOA is unable to take action on an assessment within the time period prescribed in IC 6-1.1-16-1(a) (2) because the board is no longer in session, the board shall file with the DLGF a written petition requesting permission to conduct a special session for the purpose of reviewing the assessment within the required time period. If the DLGF approves the petition, it shall specify:

- (1) the number of session days granted to the PTABOA; and
- (2) the termination date of the special session.

The county auditor shall pay the expenses and per diem allowances resulting from the special session. The county auditor shall draw warrants for these items on county funds not otherwise appropriated, without further appropriations being required for the disbursements. (IC 6-1.1-16-3)

Powers

A PTABOA may:

- (1) subpoena witnesses;
- (2) examine witnesses, under oath, on the assessment or valuation of property;
- (3) compel witnesses to answer its questions relevant to the assessment or valuation of property; and
- (4) order the production of any papers related to the assessment or valuation of property.

The county sheriff shall serve all process issued under IC 6-1.1-28-9 which are not served by the county assessor and shall obey all orders of the board. (IC 6-1.1-28-9)

A county on behalf of the PTABOA may employ and fix the compensation of as many field representatives and hearing examiners as are necessary to promptly and efficiently perform the duties and functions of the board. A person employed under IC 6-1.1-28-10 must be a person who is certified in Indiana as a level two or level three assessor-appraiser by the DLGF. The number and compensation of all persons employed under IC 6-1.1-28-10 are subject to the appropriations made for that purpose by the county council. (IC 6-1.1-28-10)

Field representatives and hearing examiners employed under IC 6-1.1-28-10, when authorized by the PTABOA, have powers granted to the PTABOA for the review of, and hearings on, assessments. The field representatives and hearing examiners shall report their findings to the board in writing at the conclusion of each hearing. After receipt of the written report, the board may take further evidence or hold further hearings. The final decision on the matter shall be made by the board based upon the field representative's or hearing officer's report, any additional evidence taken by the board, and any records that the board considers pertinent. (IC 6-1.1-28-11)

PTABOA Session

When the PTABOA convenes, the county auditor shall submit to the board, the assessment list of the county for the current year as returned by the township assessors, if any, and as amended and returned by the county assessor. The county assessor shall make recommendations to the board for corrections and changes to the returns and assessments. The board shall consider and act upon all the recommendations. (IC 6-1.1-13-2)

The powers granted to each PTABOA under IC 6-1.1-13 apply only to the tangible property assessments made with respect to the last preceding assessment date. Before a PTABOA changes any valuation or adds any tangible property and the value of it to a return or the assessment rolls under IC 6-1.1-13, the board shall give prior notice by mail

to the taxpayer. The notice must state a time and where the taxpayer may appear before the board. The time stated in the notice must be at least thirty (30) days after the date the notice is mailed. (IC 6-1-1.13-1)

A PTABOA shall, on its own motion or on sufficient cause shown by any person, add to the assessment lists the names of persons, the correct assessed value of undervalued or omitted personal property, and the description and correct assessed value of real property undervalued or omitted from the lists. (IC 6-1-1.13-3)

A PTABOA shall correct any errors in the names of persons, in the description of tangible property, and in the assessed valuation of tangible property appearing on the assessment lists. In addition, the board shall do whatever else may be necessary to make the assessment lists and returns comply with the provisions of IC 6-1.1 and the rules and regulations of the DLGF. (IC 6-1.1-13-4)

If a county assessor proposes to change assessments for the purpose of equalization under IC 6-1.1-13-6, the PTABOA shall hold a hearing on the proposed changes before July 15 in the year in which a general reassessment is to commence. It is sufficient notice of the hearing and of any changes in assessments ordered by the board subsequent to the hearing if the board gives notice by publication once either in:

- (1) two (2) newspapers which represent different political parties and which are established in the county; or
- (2) one (1) newspaper only, if two (2) newspapers which represent different political parties are not published in the county.

(IC 6-1.1-13-7)

Appeals

(a) A taxpayer may obtain a review by the PTABOA of a county or township official's action with respect to either or both of the following :

- (1) The assessment of the taxpayer's tangible property.
- (2) A deduction for which a review IC 6-1.1-15-1 is authorized by any of the following:
 - (A) IC 6-1.1-12-25.5
 - (B) IC 6-1.1-12-28.5
 - (C) IC 6-1.1-12-35.5
 - (D) IC 6-1.1-12.1-5
 - (E) IC 6-1.1-12.1-5.3
 - (F) IC 6-1.1-12.1-5.4

(b) At the time the notice is given, the taxpayer shall also be informed in writing of:

- (1) the opportunity for review, including an informal preliminary meeting under IC 6-1.1-15.1(h)(2) with the county or township official who made the assessment; and
 - (2) the procedures the taxpayer must follow in order to obtain a review.
- (c) In order to obtain a review of an assessment or deduction effective for the assessment date to which the notice applies, the taxpayer must file a notice in writing with the county or township official not later than forty-five (45) days after the date of the notice.
- (d) A taxpayer may obtain a review by the PTABOA of the taxpayer's tangible property effective for an assessment date for which a notice of assessment is not given. To obtain the review, the taxpayer must file a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. The right of a taxpayer to obtain a review for which a notice of assessment is not given, does not relieve an assessing official of the duty to provide the taxpayer with the notice of assessment as otherwise required. The notice to obtain a review must be filed not later than the later of:
- (1) May 10 of the year; or
 - (2) forty-five (45) days after the date of the tax statement mailed by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment.
- (e) A change in an assessment made as a result of a notice for review filed by a taxpayer after the time prescribed under IC 6-1.1-15-1(d) becomes effective for the next assessment date. A change in assessment made as a result of a notice for review filed by a taxpayer under IC 6-1.1-15-1(c) or IC 6-1.1-15-1(d) remains in effect from the assessment date for which the change is made until the next assessment date for which the assessment is changed.
- (f) The written notice of the taxpayer must include the following:
- (1) the name of the taxpayer;
 - (2) the address and parcel or key number of the property; and
 - (3) the address and telephone number of the taxpayer.
- (g) The filing of a notice under IC 6-1.1-15-1(c) or IC 6-1.1-15-1(d):
- (1) initiates a review under IC 6-1.1-15-1; and
 - (2) constitutes a request by the taxpayer for a preliminary informal meeting with an official of the county or township.
- (h) A county or township official who receives a notice for review filed by a taxpayer under IC 6-1.1-15-1(c) or IC 6-1.1-15-1(d) shall:
- (1) immediately forward the notice to the PTABOA; and
 - (2) attempt to hold a preliminary informal meeting with the taxpayer to resolve as many issues as possible by:

- (A) discussing the specifics of the taxpayer's assessment or deduction;
 - (B) reviewing the taxpayer's property record card;
 - (C) explaining to the taxpayer how the assessment or deduction was determined;
 - (D) providing to the taxpayer information about statutes, rules, and guidelines that govern the determination of the assessment or deduction;
 - (E) noting and considering objections of the taxpayer;
 - (F) considering all errors alleged by the taxpayer; and
 - (G) otherwise educating the taxpayer about:
 - i. the taxpayer's assessment or deduction;
 - ii. the assessment or deduction process; and
 - iii. the assessment or deduction appeal process.
- (i) Not later than ten (10) days after the informal preliminary meeting, the county or township official shall forward to the county auditor and the PTABOA the results of the conference on a form prescribed by the DLGF that must be completed and signed by the taxpayer and the official. The form must indicate the following:
- (1) If the taxpayer and the official agree on the resolution of all assessment or deduction issues in the review, a statement of:
 - (A) those issues; and
 - (B) the assessed value of the tangible property or the amount of the deduction that results from the resolution of those issues in the manner agreed to by the taxpayer and the official.
 - (2) If the taxpayer and official do not agree on the resolution of all assessment or deduction issues in the review:
 - (A) a statement of those issues; and
 - (B) the identification of:
 - i. the issues on which the taxpayer and the official agree; and
 - ii. the issues on which the taxpayer and the official disagree.
- (j) If the PTABOA receives a form referred to IC 6-1.1-15-1(i)(1) before the hearing scheduled under IC 6-1.1-15-1(k):
- (1) the PTABOA shall cancel the hearing;
 - (2) the county official shall give notice to the taxpayer, the PTABOA, the county assessor, and the county auditor of the assessment or deduction in the amount referred to in IC 6-1.1-15(i)(1)(B); and
 - (3) if the matter in issue is the assessment of tangible property, the PTABOA may reserve the right to change the assessment under IC 6-1.1-13.
- (k) If:
- (1) IC 6-1.1-15.1(i)(2) applies; or
 - (2) the PTABOA does not receive a form about the informal hearing not later than one hundred twenty (120) days after the date of the notice for review filed by the taxpayer under IC 6-1.1-15-1(c) or IC 6-1.1-15-1(d);

the PTABOA shall hold a hearing on a review under this subsection not later than one hundred eighty (180) days after the date of that notice. The PTABOA shall, by mail, give at least thirty (30) days notice of the date, time, and place fixed for the hearing to the taxpayer and the county or township official with whom the taxpayer filed the notice for review. The taxpayer and the county or township official with whom the taxpayer filed the notice for review are parties to the proceeding before the PTABOA. A taxpayer may request a continuance of the hearing by filing, at least twenty (20) days before the hearing date, a request for continuance with the PTABOA and the county or township official with evidence supporting a just cause for continuance. The PTABOA shall, not later than ten (10) days after the date the continuance is filed, either find that the taxpayer has demonstrated a just cause for a continuance and grant the taxpayer the continuance, or deny the continuance. A taxpayer may request that the PTABOA take action without the taxpayer being present and that the PTABOA make a decision based on the evidence already submitted to the PTABOA by filing, at least eight (8) days before the hearing date, a request with the PTABOA and the county or township official. A taxpayer may withdraw a petition by filing, at least (8) days before the hearing date, a notice of withdrawal with the PTABOA and the county or township official.

- (l) At the hearing under IC 6-1.1-15-1(k):
 - (1) the taxpayer may present the taxpayer's reasons for disagreement with the assessment or deduction; and
 - (2) the county or township official with whom the taxpayer filed the notice for review must present:
 - (A) the basis for the assessment or deduction decision; and
 - (B) the reasons the taxpayer's contentions should be denied.

A penalty of fifty (\$50) dollars shall be assessed against the taxpayer if the taxpayer or representative fails to appear at the hearing and a taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without the taxpayer being present, or withdrawal is not timely filed. A taxpayer may appeal the assessment of the penalty to the IBTR or directly to the Indiana Tax Court. The penalty may not be added to the property tax statement.

- (m) The official referred to in IC 6-1.1-15-1(a) may not require the taxpayer to provide documentary evidence at the preliminary informal meeting. The PTABOA may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing. If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:
 - (1) initiate the review; and
 - (2) prosecute the review.
- (n) The PTABOA shall prepare a written decision resolving all of the issues under review. The PTABOA shall, by mail, give notice of its determination not later than one

hundred twenty (120) days after the hearing to the taxpayer, the township or county assessor, and the county auditor.

(o) If the maximum time elapses:

(1) for the hearing; or

(2) for the PTABOA to give notice of its determination;

The taxpayer may initiate a proceeding for review before the IBTR by taking the action required by IC 6-1.1-15-3 at any time after the maximum time elapses. (IC 6-1.1-15-1)

Note: all information contained in the above section is from IC 6-1.1-15-1 and references this section throughout.

Burden of Proof:

IC 6-1.1-4-4.3, enacted during the 2013 regular session, was repealed, which gave to the county assessor or township assessor, if any, (“local assessor”) the burden of proving that an assessment on real property not assessed using the income capitalization approach is correct, if the gross assessed value (“GAV”) was reduced by the PTABOA for the latest assessment date covered by the appeal, and the assessment increases the GAV above the reduced value set by the PTABOA.

IC 6-1.1-15-17.2 now places the burden of proof on the local assessor if the assessment that is subject to the appeal is an increase of more than five percent (5%) over the prior year’s assessment for that property.

In calculating the change in the assessment, the prior year’s assessment is

1) the original assessment for that prior tax year; or

2) the assessment for that prior tax year

a. as last corrected by the local assessor;

b. as stipulated or settled during an informal conference with the local assessor; or

c. as determined by the PTABOA under IC 6-1.1-15-1.

If the local assessor fails to meet the burden of proof, the taxpayer may introduce evidence to prove the correct assessment. If neither the assessing official nor the taxpayer meets the burden of proof, the assessment reverts to the prior year’s assessment.

Under IC 6-1.1-15-17.2(d), if the GAV of real property for an assessment date that follows the latest assessment date that was the subject of an appeal conducted under IC 6-1.1-15 increases above the GAV of the real property for the latest assessment date covered by the appeal, the local assessor has the burden of proving the assessment is correct, regardless of the amount of the increase. Subsection (d) does not apply for an

assessment of real property valued using the income capitalization approach in the appeal.

The amendments to IC 6-1.1-15-17.2 apply to all appeal or reviews pending on the effective date of the amendments made in the 2014 Regular Session of the General Assembly and to all appeals or reviews filed thereafter.

Review by Indiana Board of Tax Review

IC 6-1.1-15-3

Note: For purposes of this section, “county board” means the county property tax assessment board of appeals (PTABOA).

- (a) A taxpayer may obtain a review by the Indiana Board of Tax Review (“IBTR”) of a county board’s action with respect to the following:
 - (1) the assessment of that taxpayer’s tangible property if the county board’s action requires the giving of a notice to the taxpayer; and
 - (2) the exemption of that taxpayer’s tangible property if the taxpayer receives notice of an exemption determination by the county board under IC 6-1.1-11-7.

- (b) The county assessor is the party to the review under this section to defend the determination of the county board. At the time the notice of that determination is given to the taxpayer, the taxpayer shall also be informed in writing of:
 - (1) the taxpayer’s opportunity for review under IC 6-1.1-15-3; and
 - (2) the procedures the taxpayer must follow to obtain review from the IBTR.

- (c) A county assessor who dissents from the determination of an assessment or an exemption by the county board may obtain a review by the IBTR.

- (d) In order to obtain a review by the IBTR, the party must, not later than forty-five (45) days after the date of the notice given to the party or parties of the determination of the county board:
 - (1) file a petition for review with the IBTR; and
 - (2) mail a copy of the petition to the other party.

- (e) The IBTR shall prescribe the form of the petition for review of an assessment determination or an exemption by the county board (Form 131). The IBTR shall issue instructions for the completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. A petition for review of such a determination must be made on the form prescribed by the Indiana Board of Tax Review. The form must require the petitioner to specify the reasons why the petitioner believes that the assessment determination or the exemption determination by the county board is erroneous.

- (f) If the action for which a taxpayer seeks review is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:
- (1) initiate the review; and / or
 - (2) prosecute the review.

Note: All information in the above section is referenced in IC 6-1.1-15-3 unless otherwise specified.

Appeal Procedures

IC 6-1.1-15-4

- (a) After receiving a petition for review, the IBTR shall conduct a hearing at its earliest opportunity. The IBTR may correct any errors that may have been made and adjust the assessment or exemption in accordance with the correction.
- (b) If the IBTR conducts a site inspection of the property as part of its review of the petition, the IBTR shall give notice to all parties of the date and time of inspection. The IBTR shall give notice of the date fixed for the hearing, by mail, to the taxpayer and the county assessor. The IBTR shall give these notices at least thirty (30) days before the day fixed for the hearing unless the parties agree to a shorter period. With respect to a petition for review filed by a county assessor, the county board that made the determination under review under this section may file an amicus curiae brief (brief filed with the court by a party that is not involved in the case) in the review process. The expenses incurred by the county PTABOA in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment of exemption is under appeal is subject to assessment by that taxing unit.
- (c) If a petition for review does not comply with IC 6-1.1-15-3, the IBTR shall return this petition to the petitioner and include a notice describing the defect. The petitioner has thirty (30) days to correct the defect and file the corrected petition. The IBTR shall deny the corrected petition for review if it does not substantially comply with IC 6-1.1-15-3.
- (d) After the hearing, the IBTR shall give the taxpayer, the county assessor, and any entity that filed an amicus curiae brief:
- (1) notice, by mail, of its final determination; and
 - (2) for parties entitled to appeal the final determination, notice of the procedures to obtain a review under IC 6-1.1-15-5.

- (e) Except in subsection (f), the IBTR shall conduct a hearing no later than nine (9) months after a petition in proper form is filed with the IBTR, excluding any time due to a delay reasonably caused by the petitioner.
- (f) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the IBTR shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the IBTR, excluding any time due to a delay reasonably caused by the petitioner.
- (g) Except in subsection (h), the IBTR shall make a determination not later than:
 - (1) ninety (90) days after the hearing; or
 - (2) the date set in an extension order issued by the IBTR.
- (h) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the IBTR shall make a determination not later than the later of:
 - (1) one hundred eighty (180) days after the hearing; or
 - (2) the date set in an extension order issued by the IBTR.
- (i) The IBTR may not extend the final determination date under sections (g) or (h) by more than one hundred eighty (180) days. If the IBTR fails to make a final decision within the time allowed by this section, the entity that initiated the petition may:
 - (1) take no action and wait for the IBTR to make a final determination; or
 - (2) petition for judicial review under IC 6-1.1-15-5.

For more information on limitations of evidence and scope, see IC 6-1.1-15-4.

Within fifteen (15) days after the Indiana Board of Tax Review gives notice of its final determination or the maximum allowable time for the issuance of a final determination has expired, a party to the proceeding may request a rehearing before the IBTR. The IBTR has fifteen (15) days after receiving a petition for a rehearing to determine whether or not to grant a rehearing.

A party may petition for judicial review of the final determination of the IBTR regarding the assessment of that person's tangible property. The action shall be taken to the Indiana Tax Court under IC 4-21.5-5. To initiate a proceeding for judicial review, a person must file a petition within forty-five (45) days after the IBTR gives the person notice of its final determination unless a rehearing is scheduled, or forty-five (45) days after the IBTR gives the person notice under IC 6-1.1-15-5(a) of its final determination if a rehearing is scheduled or the maximum time elapses for the IBTR to make a determination. (IC 6-1.1-15-5)

Specific information concerning the appeal process can be found in IC 6-1.1-15.

Miscellaneous

Notwithstanding any provisions in the 2011 Real Property Assessment Manual and Real Property Assessment Guidelines, incorporated by reference in 50 IAC 2.4-1-2, a PTABOA or the IBTR shall consider all evidence relevant to the assessment of real property regardless of whether the evidence was submitted to the township assessor, if any, or county assessor before the assessment of the property. (IC 6-1.1-15-16)

In any assessment review, the assessing official shall:

- (1) use the DLGF's rules in effect; and
- (2) consider the conditions and circumstances of the property as they existed; on the original assessment date of the property under review. (IC 6-1.1-15-14)

Personal Property

Normally, a personal property appeal of an assessment is filed after the township assessor, if any, or county assessor places an assessment on property that is omitted or undervalued by the property owner. The property owner has 45 days after the date of the notice (Form 113PP) to appeal the assessment to the PTABOA. Personal property appeals are filed with the county assessor on Form 130.

Beginning January 1, 2002, a taxpayer who files a personal property return under IC 6-1.1-3 may not petition under IC 6-1.1-15-12 for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

Changing Personal Property Assessments

(See IC 6-1.1-16-1 or Chapter 9 for information on time limits for changing personal property assessments.)

Except as provided in IC 6-1.1-16-2, if an assessing official, a county assessor, or a PTABOA fails to change an assessment and give notice of the change within the time prescribed in IC 6-1.1-16, the assessed value claimed by the taxpayer on the personal property return is final. (IC 6-1.1-16-1(b)) However, this does not apply if the taxpayer fails to file a personal property return that substantially complies with the provisions of IC 6-1.1 and the regulations of the DLGF or if the taxpayer files a fraudulent personal property return with the intent to evade the payment of property taxes. (IC 6-1.1-16-1(d))

If a PTABOA fails to change an assessed value claimed by a taxpayer on a personal property return and give notice of the change prescribed in IC 6-1.1-16-1(a)(2), the township assessor or the county assessor may file a petition for review of the assessment by the IBTR. The township assessor or the county assessor must file the petition for review in the manner provided in IC 6-1.1-15-3(d). The period for filing the petition begins to run on the last day that the PTABOA is permitted to act on the assessment under IC 6-1.1-16-1(a)(2) as though the PTABOA acted and gave notice of its action on that day. (IC 6-1.1-16-2)

Chapter 16 – Correction of Error to Assessments

Assessor Duty

The county assessor, county auditor, and the township assessor have an equal responsibility in determining that an error exists within the assessment of the property identified on the petition. It takes two (2) of these officials to agree to sign the petition in the approval area for the assessment to be corrected on the assessment roll. IC 6-1.1-15-12(d).

Affected Assessment Date

A taxpayer or authorized representative may file a Petition for Correction of an Error (Form 133) to correct certain types of errors in an assessment listed on the current or previous assessment roll. The petitioner must identify the assessment year that the error occurred. However, any tax refund resulting from a correction to a previous assessment roll may only be made for the preceding three (3) year period. IC 6-1.1-26-1. The filing date of the petition determines whether the error is correctable for the year identified by the petitioner. A taxpayer is not entitled to the remedies available through a Correction of Error Appeal unless the taxpayer files the appeal:

- (1) with the auditor of the county in which the taxes were originally paid;
- and
- (2) within three years after the taxes were first due.

IC 6-1.1-15-12(i).

Taxes are due in installment payments on May 10 and November 10 each year. Since taxes are paid in arrears (paid the year after the assessment is made), the correction can be made to an assessment that generated those taxes within three (3) years after the taxes were first due. For example, a taxpayer seeking to file a Correction of Error Appeal concerning his November, 2011 property tax installment has until November 10, 2014 to do so. Indiana Code 6-1.1-15-12, as amended, now mirrors IC 6-1.1-26-1, which allows a person to seek a refund of a tax payment if a claim is filed within three years after the taxes were first due. In sum, a Correction of Error Appeal and corresponding claim for refund must be filed within three years after the taxes were first due.

Assessment Correction Procedures

A Form 133 is filed with the county auditor. Only specific kinds of errors are correctable by following the correction of error process. The specific types of errors are identified in Indiana Code 6-1.1-15-12. However, the **only types of errors correctable by filing a Form 133** are:

- the taxes, as a matter of law, are illegal;
- there was a mathematical error in computing the assessment; or

- through an error of omission by any state or county officer, the taxpayer was not given an exemption, deduction, or credit (including the circuit breaker credit) permitted by law.

These types of errors are considered objective in nature. For example, the measurements of a structure can be physically taken to determine the correctness of the square footage, or plumbing fixtures can be counted to insure the accuracy of the data collection. Likewise, it can be objectively determined, for example, whether a property meets the statutory definition of a “homestead” and whether a taxpayer properly filed an application to receive a homestead standard deduction. Subjective issues are not correctable with a Form 133. For example, the grade or condition of a structure is subjective, and may not be corrected using a petition for correction of an error.

Disapproval and Appeal of a Form 133 Petition

If a correction of error petition is disapproved by two (2) of the officials (county assessor, township assessor, or county auditor), the county auditor shall refer the matter to the PTABOA for determination. The PTABOA shall provide a copy of the determination to the petitioner and the county auditor. (IC 6-1.1-15-12(d))

A petitioner may appeal the PTABOA decision to the Indiana Board of Tax Review. The appeal must be made **within forty-five (45) days after the mailing date** of the PTABOA determination. The appeal is filed with the county auditor.

Chapter 17 – Annual Adjustments and Equalization

The information contained in this chapter can be found in 50 IAC 27, Annual Adjustments and Equalization Standards, except as otherwise indicated.

Definitions

Assessment ratio – (1) The fractional relationship an assessed value bears to the market value of the property in question. (2) The fractional relationship is the total the assessment roll bears to the total market value of all taxable property in a jurisdiction. This term is synonymous with assessment level and level of assessment. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 5)

Average Deviation – The arithmetic mean of the absolute deviations of a set of numbers from a measure of central tendency such as the median.

Central Tendency – The tendency of most kinds of data to cluster around some typical or central value, such as the mean, median, or mode. Can also refer to any or all statistics with this tendency. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 5)

Coefficient of Dispersion (COD) – The average deviation of a group of numbers from the median expressed as a percentage of the median. In ratio studies, it is the average percentage deviation from the median ratio. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 5)

Confidence Level – The degree of probability associated with statistical test or confidence interval, commonly 90, 95, or 99 percent.

Direct Equalization – The process of converting ratio study results into adjustment factors and changing locally determined assessed values to more nearly reflect market value-in-use or the legally required level of assessment.

Equalization – The process by which an appropriate governmental body attempts to ensure that property under its jurisdiction is assessed at the same ratio or as required by law. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 5)

IAAO Standard – The International Association of Assessing Officers (IAAO) Standard on Ratio Studies, which is incorporated by reference. (50 IAC 27-1-4)

Local assessing official – The county assessor or township assessor, if any, who is responsible for performing the tasks in accordance with the Indiana Administrative Code.

Median – A measure of central tendency. When the number of items is odd, the value of the middle item when the items are arrayed by size. When the number of items is even, the arithmetic average of the two central items when the items are similarly arranged. Thus, a positional average that is not affected by the size of extreme values. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 6)

Property tax assessment board of appeals (PTABOA) – The board authorized by IC 6-1.1-28-1 to hear appeals on property tax assessments.

Ratio Study – A generic term for sales-based studies designed to evaluate assessment performance. It is a study of the relationship between appraised or assessed values and market value-in-use as reflected by sales or other information.

Sales Chasing – As set forth in the IAAO Standard on Ratio Studies , the practice of using the sale of a property to trigger a reappraisal of that property at or near the selling price. If sales with such appraisal adjustments are used in a ratio study, the practice causes invalid uniformity results and causes invalid appraisal level results, unless similar unsold parcels are reappraised by a method that produces an appraisal level for unsold properties equal to the appraisal level of sold properties. By extension, any practice that causes the analyzed sample to misrepresent the assessment performance for the entire population as a result of acts by the assessor's office.

Sales Ratio – The ratio of an appraisal (or assessed) value to the sale price or adjusted sale price of a property.

Sales Ratio Study – A ratio study that uses sales prices as proxies for market values. (2011 Real Property Assessment Manual and Guidelines Book 1, Definitions, pg. 7)

Stratification – The process by which all properties in a county are divided into groups of similar properties by criterion such as type, location, age, or class.

Value Calibration Analysis – The process by which local assessing officials correlate proposed values with verified sales of similar properties within stratified groups as an integral part of performing annual adjustment functions to ensure that adjusted assessments will satisfy performance standards as measured by ratio studies.

Variable – An item of observation that can assume various values; for example, square feet, sale prices, or sales ratios. Variables are commonly described using measures of central tendency and dispersion.

Weighted mean; weighted average – An average in which each value is adjusted by a factor reflecting its relative importance in the whole before the values are summed and divided by their number.

Weighted mean ratio – Sum of the appraised values divided by the sum of the sale prices (or independent estimates of market value), which weighs each ratio in proportion to the sale price (or independent estimate of market value).

County Assessor Duties

A county assessor shall reduce or increase the assessed value of any tangible property in order to attain a just and equal basis of assessment between the taxpayers of the county. (IC 6-1.1-13-5)

A county assessor shall inquire into the assessment of the classes of tangible property in the various townships of the county after March 1 in the year in which the general reassessment (IC 6-1.1-4-4 and IC 6-1.1-4-4.2) becomes effective. The county assessor shall make any changes, whether increases or decreases, in the assessed values which are necessary to equalize these values in and between the various townships of the county. In addition, the county assessor shall determine the percent to be added to or deducted from the assessed values in order to make a just, equitable, and uniform equalization of assessments in and between the townships of the county. (IC 6-1.1-13-6)

If the county assessor proposes to change assessments under IC 6-1.1-13-6, the PTABOA shall hold a hearing on the proposed changes before July 15 in the year in which a general assessment is to commence. It is sufficient notice of the hearing and of any changes in the assessment ordered by the PTABOA subsequent to the hearing if the PTABOA gives notice by publication once either in:

- (1) two (2) newspapers which represent different political parties and which are published in the county; or
- (2) one (1) newspaper only, if two (2) newspapers which represent different political parties are not published in the county.

(IC 6-1.1-13-7)

Procedures

In making annual adjustments in assessed valuations of real property, local assessing officials are required to do the following:

- (1) Reevaluate the factors that affect value.
- (2) Express the interactions of those factors mathematically.
- (3) Use mass appraisal techniques to estimate updated property values within statistical measures of accuracy.
- (4) Provide notice to taxpayers of an assessment change that result from the application of annual adjustments.

- (5) Adhere to the Uniform Standards of Professional Appraisal Practice in the performance of their duties. These standards may be found at: www.appraisalfoundation.org.

Property Characteristics Data

Accuracy of property characteristics data is an essential element in developing accurate valuations for assessment. Accuracy is typically checked by selecting a sample of properties and having the property characteristics data collected again by a supervisor or deputy assessor in the county assessor's office.

Property characteristics data must be continually updated in response to changes brought about by:

- (1) new construction;
- (2) new parcels;
- (3) remodeling;
- (4) demolition; and
- (5) destruction.

The receipt of building permits for all significant construction activity, aerial photographs, and a locally-developed system for making periodic field inspections to identify properties and ensure that property characteristics data are complete and accurate shall be utilized to update property characteristics data in the county.

Property characteristics data of properties whose sales are candidates for use in value calibration analysis and ratio studies shall be independently verified and updated by field inspection within sixty (60) days of the ownership transfer sale date.

The period of time between physical inspections of individual properties in the county shall be not greater than five (5) years. Such inspections may be for any valid reason, such as reassessment, new construction, or sales data verification. When a physical inspection is conducted, all property characteristics shall be inspected and verified during the visit to the property. The county assessor shall employ a reliable record keeping system for tracking physical inspections and identification of properties requiring inspection because of the four (4) year time limit.

The basic physical characteristics of each property used in the ratio study must be the same when assessed and when sold. The basic physical characteristics of each property used in value calibration analysis must be the same when a new candidate adjusted value is calculated as when the property sold. This means that a snapshot of the physical characteristics of each sold property at the time of the sale must be retained in the database for calibration analysis.

Sales Data

To the greatest extent possible, county assessors shall use sales of properties occurring after January 1 of the calendar year immediately preceding the March 1 assessment date in performing value calibration analysis and sales ratio studies under 50 IAC 27 for the county. For example, sales beginning on January 1, 2013, shall be used for the March 1, 2014, assessment date.

If insufficient sales data satisfying the IAAO Standard for Ratio Studies are available for the county as a whole, county assessors may use data from earlier time periods, time adjusting the data as described in the applicable IAAO standards incorporated by reference in 50 IAC 27-1-4.

If data other than described above are intended for use, the county assessor shall first explain in writing to the director of the division of data analysis of the DLGF the reasons for using other data and obtain approval for in writing prior to its use.

If adequate sales data satisfying the IAAO standard are not available, other methods for testing the validity of the assessment prescribed by applicable IAAO standards incorporated by reference in 50 IAC 27-1-4 may be used.

Equation

Assessed values are the numerators in the ratios used in a ratio study. Sale price, as an indicator of market value-in-use, is the denominator in the calculation of the ratio.

Assessed Value / Sales Price = Sales Ratio

Applicability of Ratio Studies

County assessors and the DLGF use ratio studies as a primary mass appraisal testing procedure and the most important performance analysis tool.

The ratio study assists the county in providing fair and equitable assessment of all property. The ratio study is used to measure and evaluate the level and uniformity of mass appraisal models, determine time trends, and to adjust assessed values between general reassessments.

Frequency of Ratio Studies

A ratio study shall be conducted by the county assessor annually for the entire county for each property class and for each township in the county that has a sufficient number

of valid sales within property classes to satisfy the requirements of 50 IAC 27-4-6 and 50 IAC 27-5-3.

The DLGF may conduct independent ratio studies annually using the data contained in files submitted to the DLGF by the counties.

Ratio Study Statistics and Standards

Except for agricultural land, ratio study statistics shall be calculated based on the methods and procedures contained in the IAAO Standard on Ratio Studies, as incorporated by reference in 50 IAC 27-1-4.

The level of assessment, as determined by the median ratio, must fall between 0.90 and 1.10 for any class of property. However, confidence intervals, rather than the median ratio itself, will be used to determine compliance with this benchmark.

The coefficient of dispersion (COD) standard for improved residential property is 15.0 or less. Income-producing property, vacant land, and other real property have a COD standard of 20.0 or less.

The price-related differential (PRD) must be between 0.98 and 1.03. However, in accordance with the Standard on Ratio Studies, as incorporated by reference in 50 IAC 27-1-4, if there are fewer than twenty (20) sales in a particular township or class of property, the Spearman Rank test will be relied upon to determine if vertical equity has been met for that stratum. This will resolve the well-known sensitivity of the PRD to outliers in small samples.

Confidence intervals are a way of capturing the variation in a sample of properties. For example, the median ratio is generally relied upon as the best estimate of the overall level of assessment for a given property stratum. However, the sample median itself is not an exact estimate of the population median, only the assessor's best guess. The accuracy of this estimate improves when more sales are used. For example, one would have more confidence that the sample median represented the actual level of assessment, if the stratum contained fifty (50) sales rather than five (5) sales. A confidence interval consists of a lower and upper bound for the median ratio and a given level of confidence that the actual median ratio is between those two (2) bounds. In all cases, the level of confidence used by the DLGF will be ninety-five percent (95%) (two-tailed).

The goal is to achieve an overall assessment level equal to one hundred percent (100%) of market value-in-use. However, ensuring uniformity in assessment levels among strata is also important. Therefore, the assessment level of each township and major property class (residential improved, residential vacant, commercial improved, commercial

vacant, industrial improved, and industrial vacant), must be within five percent (5%) of the overall assessment level of the county.

Classification of Property for Ratio Studies

The county assessor shall calculate median assessment ratios for each of the following classes of property in the county and each township in the county:

- improved residential;
- unimproved residential;
- improved commercial;
- unimproved commercial;
- improved industrial;
- unimproved industrial; and
- agricultural land.

If any of the classes of property listed above consists of fewer than twenty-five (25) parcels in a township, no assessment ratio is required to be calculated for that class in that township.

In calculating assessment ratios, each county assessor shall disregard distributable utility property. The county assessor shall classify locally assessed utility real property according to its use (e.g., commercial or industrial) for purposes of calculating assessment ratios.

Verification Requirements

The county assessor shall retain and properly verify all sales disclosure forms forwarded under IC 6-1.1-5.5-3. In conjunction with IAAO standards incorporated by reference in 50 IAC 27-1-4, the county assessor shall utilize the sales verified to perform value calibration analysis to determine whether adjustment factors are required within any neighborhoods and property classes of the county for annual adjustment and equalization as required by 50 IAC 27.

Each county assessor shall complete all sales verification prior to March 31 for sales occurring before the March 1 assessment date, including inspection required under 50 IAC 27-3-1.

Sales data must be routinely confirmed. Receipt of properly certified sales disclosure forms required by IC 6-1.1-5.5 initiates the verification process and provides important information by which sales data are confirmed.

Sales used in a ratio study must be screened to ensure they reflect the market value-in-use of the real property transferred. Specific objectives of sales screening are to ensure the following:

- (1) Sales used in ratio studies reflect market value-in-use.
- (2) Sales prices reflect only the market value-in-use of the real property transferred and not the value of personal property, financing, leases, or other parcels of real property.
- (3) Only sales that occurred during the period of analysis are used.
- (4) Sales are excluded from the ratio study only with good cause, for example, when they compromise the reliability of the ratio study.

Every arm's length, open market sale that appears to meet the conditions of a market value-in-use transaction shall be included in the ratio study unless one (1) of the following occurs:

- (1) Data for the sale are incomplete, unverifiable, or suspect.
- (2) The sale fails to pass one (1) or more specific tests of acceptability as listed in the IAAO Standard on Ratio Studies, Appendix A, as incorporated by reference in 50 IAC 27-1-4.

All sales are candidates for the ratio study unless sufficient and compelling information can be documented to show otherwise. Sale prices used in the ratio study shall be adjusted for financing, assumed long-term leases, personal property, gift programs, and date of sale in accordance with the IAAO Standard on Ratio Studies, Appendix A, as incorporated by reference in 50 IAC 27-1-4.

When there is more than one (1) confirmed valid sale of the same property during a ratio study period, only the final transaction shall be used in the ratio study. Sales used for value calibration analysis studies must also have property characteristics at the time of the sale determined and recorded as required by 50 IAC 27-3-1.

Some sales may be valid for value calibration analysis and not valid for sales ratio studies, such as a home site subdivided from a larger parcel of land and sold in an arm's-length transaction. Hence, sales transactions must be coded to indicate which type of validity applies so that valuable market information is available for value calibration and annual adjustment that would not be used for ratio studies.

Adjustment Factors

In the annual adjustment process the county assessor shall reevaluate the factors that affect value each year, express the interactions of those factors mathematically, and use mass appraisal techniques to estimate property values to reflect a property's market value-in-use. Thus, it is necessary to observe and evaluate, but not always to change, the assessment of each property each year in order to achieve current market value-in-

use. Value calibration analysis studies performed by the county assessor will indicate where equalization action is needed to ensure annual equalization within the county.

The annual adjustment process does not mean that each assessed valuation must be reviewed or recomputed individually. Instead, adjustment factors based on criteria such as property class, type, location, size, and age will be developed and applied to stratified groups of properties. These adjustment factors shall be derived from market value-in-use calibration analyses.

Adjustment factors are not a substitute for physical reviews and individual reappraisals or reassessments, which are required to correct lack of uniformity within a class of property, and to obtain property characteristics data required by 50 IAC 27-3-1.

Valuation Date and Time Adjustment

The county assessor shall use sales of properties occurring during a time period that is as short as possible and, ideally not more than fourteen (14) months before the March 1 assessment and valuation date. A longer time period may be required to produce a representative sample for a property class within the county.

To develop an adequate sample size, the sales used in ratio studies and value calibration analyses may span a period as long as five (5) years provided economic shifts are taken into account, property characteristics are as they were at the time of the sale, and sales prices have been adjusted for time as necessary.

The valuation date is the March 1 assessment date. Sales occurring before that date shall be time adjusted if appropriate, in accordance with the IAAO standard. The time adjusted sale price shall become the basis for all ensuing analysis undertaken under 50 IAC 27.

Sample Representativeness

A ratio study or a value calibration analysis study is valid to the extent that the sample is sufficiently representative of the population. A study sample is representative when the distribution of ratios of properties in the sample reflects the distribution of ratios of properties in the population.

To be a representative sample, the sample must proportionally reflect major property characteristics, for example, property class, type, location, size, and age, present in the population of sold and unsold properties. The county assessor must incorporate a quality control program to ensure that sold and unsold parcels are assessed at the same level. See IAAO Standard on Ratio Studies, Appendix D, as incorporated by reference in 50 IAC 27-1-4.

A study sample with fewer than five (5) sales shall not be used due its exceptionally poor reliability.

Sample Size

Neighborhoods must have five (5) or more sales if the sales comparison approach is used to value improvements or land, unless the assessing official is able to justify the use of fewer sales in the neighborhood within the ratio study narrative. For greater assessment precision, a larger sample size is needed. Therefore, in accordance with IAAO standards incorporated by reference in 50 IAC 27-1-4, the DLGF will require that adequate sample sizes be used.

If commercial and industrial improved properties have a limited number of sales, for example, fewer than five (5) sales in the strata, the county must use the other approaches to value as outlined in 50 IAC 27-8; that is, cost tables, income data, MLS data, etc.

Outlier Ratios

Outlier ratios are very low or high ratios as compared with other ratios in the sample. One (1) extreme outlier can have a controlling influence over some statistical measures. Outlier ratios can result from an erroneous sale price, a nonmarket sale, unusual market variability, a mismatch between property sold and the property assessed, and other reasons listed in the IAAO Standard on Ratio Studies, Standard 5.2, as incorporated by reference in 50 IAC 27-1-4.

The preferred method of handling an outlier ratio is to subject it to additional scrutiny to determine whether the sale is a nonmarket transaction or contains an error in fact. If the error can be corrected, for example, data entry error, the property should be kept in the sample. If the error cannot be corrected, if correction of the error would cause the identified outlier to no longer be representative of the population, or if inclusion of the identified outlier would reduce sample representativeness, the sale shall be excluded.

For guidelines on outlier identification and trimming, see the IAAO Standard on Ratio Studies, Appendix B, as incorporated by reference in 50 IAC 27-1-4.

Review of Neighborhood Delineations

The assessing official shall review existing neighborhood delineations to determine if the delineations used adequately placed like property into homogeneous geographic groups. The assessing official may only modify neighborhood boundaries if their neighborhood review identifies inadequacies in the original delineations. This modification may include the development of new neighborhood delineations. If the assessing official determines through review, ratio studies, or appeals from previous assessment years that the neighborhood delineations need to be modified, the local assessing official shall proceed in setting new neighborhood boundaries.

The assessing official shall base new neighborhood delineations on geographic areas sharing locational and physical similarities, and stratified groups exhibiting a high degree of similarity in the following:

- (1) Amenities.
- (2) Use.
- (3) Economic trends.
- (4) Building characteristics, such as the following:
 - (A) Improvement quality.
 - (B) Age.
 - (C) Physical characteristics.

In areas where values are erratic or neighborhood delineations are not sufficiently homogeneous, the real property in the area shall be reassessed or further stratified by property characteristics, developing separate factors for various property strata. For example, if older homes in a specific neighborhood are appreciating or depreciating at a more rapid rate than new homes, the two (2) groups should be stratified and analyzed separately with a factor determined for each property type within the specific neighborhood.

It is not sufficient to merely stratify properties and sales according to their classification, that is, residential and commercial, and develop one (1) neighborhood and one (1) annual adjustment factor for the entire class of property. Properties throughout any area within the county, even though they have the same classification, may vary considerably in quality, style, age, location, and amenities. Therefore, they may change in value at differing rates. Sales used to develop annual adjustment factors must be comparable to the properties for which the factors are being developed. In other words, the assessor shall endeavor to ensure that adjustment factors are developed from a sample of sales that is representative to the population of parcels to which the factors will ultimately be applied.

The assessing official may also determine that it is inappropriate to apply an annual adjustment factor on both the land and improvements of a property. For example, the assessing official may determine to apply the annual adjustment factor:

- (1) only to the land; or
- (2) to the dwelling and one (1) outbuilding or garage and not on other outbuildings, recent additions, or other improvements.

In that case, the assessing official shall document the reasons for application of the annual adjustment factor to some, but not all, of the improvements or land.

Review of Land Values

The county assessor shall review land values as part of the annual adjustment process. If the county assessor determines through review, ratio studies, or appeals from previous assessment years that the land base rate units need to be modified, the county assessor shall proceed to set new land base rates. The sales comparison approach is the primary approach to land valuation and is always preferred when sufficient sales are available. If there are fewer than five (5) sales in a strata, there are several methods of determining land values in the absence of adequate sales in a neighborhood, including, but not limited to, the following:

- (1) Use land values from a similar neighborhood that has vacant land sales to support the land base rate.
- (2) Extract the land value from valid sales of improved properties.
- (3) Expand the period from which sales are drawn and adjust for time as necessary.

Preliminary Analysis

Ratio studies and value calibration analyses shall be used by local assessing officials to determine the need for and extent of annual adjustments required.

The standards contained in Part 1, Section 9 of the IAAO Standard on Ratio Studies, as incorporated by reference in 50 IAC 27-1-4 shall be used to determine the annual adjustment actions required by the local assessing official.

Mandatory Application of Factors

If, upon review of the ratio studies and value calibration analyses, the local assessing official determines that adjustment factors must be applied in order to ensure assessed values reflect market value-in-use and meet the statistical standards of 50 IAC 27-4-5, the local assessing official shall proceed with the application of the annual adjustment factors in accordance with 50 IAC 27.

If assessing officials determine that there are fewer than five (5) sales of commercial or industrial improved property in the strata to determine annual adjustment factors, the county shall use one (1) or more of the following to derive annual adjustment factors or modify the values of commercial and industrial property:

- (1) Nationally published cost data from a credible source, such as Craftsman, Marshall and Swift, or R.S. Means and locally developed depreciation tables from the last calendar year preceding the assessment date.
- (2) Income data, rental data, market value-in-use appraisals, and other relevant evidence derived from appeals of the 2002 reassessment and adjusted, as applicable, to the January 1 of the year preceding the assessment date.
- (3) Commercial real estate reports.
- (4) Governmental studies.
- (5) Census data.
- (6) Multiple listing service (MLS) data.

Stratification

Stratification is the sorting of parcels into relatively homogeneous groups based on use, physical characteristics, and location. Stratification permits analysis of mass appraisal performance within and between property groups. Care must be taken not to over-stratify, that is, to create strata that are too small to achieve statistical reliability. Ultimately, the degree of stratification will be determined largely by available sales data, unless it is cost-effective and practical to add sufficient independent appraisals. If sufficient sales or appraisals are not available for a given stratum, it should be combined with similar strata. Also, systematic sales chasing can occur if when creating adjustments for the market, characteristics are over-stratified. The most over-stratification is with the creation of neighborhoods.

If, upon review of preliminary value calibration analyses, ratio studies, neighborhood delineations, and land values, the assessing official determines that further categorization of property types is necessary to promote uniform and equal assessments, the local assessing official shall attempt stratification before commencing a reassessment to adjust real property market valuations.

The assessing official will need to identify similar groups of property, by property class and property type within neighborhoods, based on criteria such as location, structure type, and age. This dividing of property into groups of similar or homogeneous types for analysis and value adjustment is stratification. Value calibration analyses are generated for various strata and adjustment factors are refined until the assessor determines that CODs and PRDs are within the requirements of this rule. The calibrated adjustment factors are then applied to the valuation of all similarly situated properties so that the assessment statistics fall within the requirements Part 1, Section 9 of the IAAO Standard on Ratio Studies. For example, if an examination of the outlier sales indicates that properties on large acreage tracks are undervalued causing the COD to be out of line, and grouping by land size shows an acceptable COD within the group but the median ratio for the larger tracks is lower than the smaller tracks, the assessor might then adjust the excess acreage rate so that the median of the large acreage comes to the same median level as the remaining parcels. After this is accomplished in accordance with

section 6 of this rule, the application of overall adjustment factors shall be applied based on the revised value calibration analyses.

In accordance with IC 6-1.1-4-39, stratification, if appropriate, and annual adjustment of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units shall take into account that the valuation of such property is to be determined by applying the least of the following appraisal approaches:

- (1) the cost approach;
- (2) the sales comparison approach; or
- (3) the income capitalization approach.

In accordance with IC 6-1.1-4-39(b), stratification, if appropriate, and annual adjustment of real property that has at least one (1) and not more than four (4) rental units shall take into account that the gross rent multiplier method is the preferred method of valuing such property.

Agricultural Property

Land used for agricultural purposes shall be adjusted consistent with the guideline methodology developed for the 2002 and 2012 general reassessments agricultural land value except, in determining the annual base rate, the DLGF shall adjust the methodology to use a six (6) year rolling average. The DLGF will issue annually, before March 1, the base rate to be applied for that March 1 assessment date.

Those portions of agricultural parcels that include land and buildings not used agriculturally, such as homes, homesites and excess land, and commercial or industrial land and buildings, shall be adjusted by the factor or factors developed for other similar property within the geographic stratification. The residence portion of agricultural properties will be adjusted by the factors applied to similar residential properties.

Time

Assessing officials shall do the following:

- (1) perform annual adjustments compliant with this article before tax rates are set by the DLGF based on values generated by any form of annual adjustment performed under 50 IAC 27; and
- (2) execute the adjustment and subsequent finalization of values without interruption.

If the DLGF determines that further review of a county's assessed values is warranted, the DLGF will notify the county in accordance with 50 IAC 27-10, 50 IAC 27-11, IC 6-1.1-4, IC 6-1.1-14, or IC 6-1.1-33.5.

If any annual adjustment factor is applied, a notice of assessment, for example, Form 11, shall be sent to each affected taxpayer pursuant to IC 6-1.1-4-22.

Mandatory Analysis

After the application of annual adjustment factors, the county assessor shall calculate assessment ratio studies and provide the results to the DLGF in the manner specified in 50 IAC 27-4-5, 50 IAC 27-4-6, and 50 IAC 27-7-1.

Transfer of Sale and Parcel Data

On or before March 31 of each year, county assessors must submit to the DLGF all sales disclosure data in the formats specified by the DLGF in electronic form. The data format must include all sales disclosure data on all sales occurring in the county for the entire preceding calendar year and the current year before March 1.

The county assessor must submit to the DLGF all parcel data in the specified formats as required by IC 6-1.1-4-25 to be utilized by the DLGF in accordance with IC 6-1.1-33.5-3. The data may be submitted upon certification of values by the assessor to the auditor on July 1 as required by IC 6-1.1-5-14 or thereafter, but in no event later than October 1. Starting in 2016, parcel data files are due before September 1 of each year. For 2014 and 2015, parcel data files will still be due before October 1.

Upon request, the county assessor or any person that the county or township assessor, if any, has contracted to perform any studies associated with the annual adjustment rule shall provide, at no cost to the DLGF, any further information that the DLGF determines is necessary or proper to the DLGF's determination of compliance with the requirements of IC 6-1.1-4- 4.5, 50 IAC 27, or the IAAO standards incorporated by reference in 50 IAC 27-1-4.

Computer Assisted Mass Appraisal Systems

The local assessing official shall be responsible for ensuring the sales data are included in the database used in the property valuation software employed by the assessors. The local assessing official may also capture these data in other analytical or data capture software systems, but all transfers with a stated consideration must be included in the primary valuation software.

Transfer of Statistical Data

County assessors shall forward to the division of data analysis electronic spreadsheets that contain all data used to calculate a COD and median ratio for the county and each township. The data the county assessor provides must, at a minimum, include the

following information for each property used to calculate the coefficient of dispersion and median ratio:

- (1) parcel number;
- (2) assessed value of land;
- (3) assessed value of improvement;
- (4) date of sale;
- (5) sale price;
- (6) township;
- (7) school corporation;
- (8) county taxing district number;
- (9) DLGF taxing district number;
- (10) condition rating;
- (11) grade;
- (12) neighborhood code; and
- (13) property class code.

The division will review and verify the accuracy of the computations. If errors are found in the computations, the division will notify the county assessor, who shall correct all errors. Once all errors are corrected, the county assessor shall forward the corrected computations to the division for verification. When this verification is complete, the division will notify the county assessor.

Mandatory Application of Factor

If the median ratio or COD calculated for the county and each township in any property classification specified in 50 IAC 27-4-6, as verified by the DLGF, falls outside the requirements of 50 IAC 27-4-5, the county assessor shall apply an adjustment factor to bring the median ratio and COD into compliance.

If the county assessor believes that reasons exist why no factor, or a factor other than that required to bring the median ratio to one (1.0), should be applied in a particular township, the county assessor shall immediately:

- (1) notify the commissioner in writing of those reasons; and
- (2) request permission to take:
 - (A) action other than that mandated in subsection (a); or
 - (B) no action.

The commissioner shall act on the request within thirty (30) days of receiving the request. In response to a county assessor's request for permission to take action other than that mandated in subsection (a), the commissioner may:

- (1) require the county assessor to take the action mandated above;
- (2) permit the action requested by the county assessor; or
- (3) require the county assessor to take other action short of that required above.

Reassessment

If the COD calculated for the county or township for any property classification specified in 50 IAC 27-4-6, as verified by the DLGF, falls outside the requirements of 50 IAC 27-4-5 and cannot be corrected by use of the annual adjustment and equalization methods specified in this article or IC 6-1.1-13 or IC 6-1.1-14, the county assessor shall reassess the property class in the county or township, whichever is applicable, to bring it into compliance with the requirements of the IAAO standards incorporated by reference by 50 IAC 27-1-4.

If the PRD calculated for the county or township for any property classification specified in 50 IAC 27-4-6, as verified by the DLGF, falls outside the requirements of 50 IAC 27-4-5 and cannot be corrected by use of the annual adjustment and equalization methods specified in this article, the county assessor shall reassess the property class in the county or township in order to bring it into compliance with the requirements of the IAAO standard.

If the county assessor believes that reasons exist not to reassess a property class in the county above, the county assessor shall immediately:

- (1) notify the commissioner in writing of those reasons; and
- (2) request permission to take:
 - (A) action other than that mandated above; or
 - (B) no action.

The commissioner shall act on the request within thirty (30) days of receiving the request. In response to a county assessor's request for permission to take action other than mandated above, the commissioner may:

- (1) require the county assessor to take the action mandated in subsection (a) or (b);
- (2) permit the action requested by the county assessor; or
- (3) require the county assessor to take other action short of that required above.

Sales Chasing

Sales chasing is the practice of adjusting the value on properties that sold without regard to the market analysis performed in setting values for the population. Sales chasing can occur on an individual basis or done systematically. First, on an individual basis, it may occur when individual sales are reviewed with focus on the assessed value to the sales price. In such a situation, the assessor changes characteristics of the property in order for the value to come in line with the sales price. Systematic sales chasing may occur if when creating adjustments for the market, characteristics are overstratified. The most common overstratification is with the creation of neighborhoods.

A subtle, possibly inadvertent, variety of sales chasing occurs when the recorded property characteristics of sold properties are differentially changed relative to unsold

properties. Then the application of a uniform valuation model to all properties results in the recently sold properties being more accurately appraised than the unsold ones.

Local assessors shall avoid the practice of sales chasing. The DLGF shall monitor and discourage sales chasing because unless similar unsold parcels are reassessed at the same level as sold parcels, sales chasing causes inequitable treatment of taxpayers by shifting the tax burden to taxpayers who have recently bought property.

As long as sold and unsold parcels are assessed in the same manner and the data describing them are coded consistently, statistics calculated in a sales ratio study can be used to infer assessment performance for unsold parcels. However, if parcels that sell are selectively reassessed or recoded based on their sales prices or some other criterion, such as listing price, and if such parcels are in the ratio study, sales ratio study uniformity inferences will not be accurate (assessments will appear more uniform than in actuality).

Local assessors and the DLGF are not required to employ all of the detection techniques described in Appendix D of the IAAO Standard on Ratio Studies, but shall consider implementing at least one (1) procedure.

Once it is determined that sales chasing probably has occurred and probably is reducing the validity of ratio study statistical measures of level or uniformity, it is necessary for the assessor to redo the ratio study to establish valid measures before any other recommendations, such as reassessment in accordance with IC 6-1.1-4 or equalization action in IC 6-1.1-14, may be made.

Action

The DLGF shall take all action necessary under the laws and administrative rules to ensure the timely completion of the annual adjustment process by local assessing officials.

Procedures in Townships

The township:

- (1) is an integral component of the county; and
- (2) shall be analyzed and assessed accordingly.

In those townships with a township assessor, the township assessor shall perform the functions of the county assessor under this article within that township.

Chapter 18 – The Homestead Deduction

Definitions

The following definitions can be used in determining whether or not certain property is eligible for the homestead deduction. According to IC 6-1.1-12-37:

- (1) “Dwelling means any of the following:
 - (A) residential real property improvements which an individual uses as his 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; or
 - (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 which:
 - (A) is located in Indiana;
 - (B) the individual either owns or is buying under a contract, recorded in the county recorder’s office, that provides that he is to pay the property taxes on the residence, the individual is entitled to occupy as a tenant-stockholder of a cooperative housing corporation, or is a residence described in IC 6-1.1-12-17.9; and
 - (C) consists of a dwelling and the real estate, not exceeding one (1) acre that immediately surrounds that dwelling.

For more information and specifics regarding these definitions, please see IC 6-1.1-12-37.

Assessor Duties

It is the responsibility of the township assessor, if any, or county assessor to calculate the amount of assessed valuation of each real property homestead for which a Form HC 10 – Claim for Homestead Property Tax Credit/Standard Deduction has been filed. This is accomplished when the assessed value is set for each property. The township assessor, if any, or county assessor is required to break the total assessed value down in residential and non-residential portions for both the land and improvements.

The property record card allows for this breakdown in several areas of the card. First, the *Land Data and Computations* area of the card has lines to enter both total residential land value and total non-residential land value. Second, the *Improvement Data and Computations* area of the card has separate sections for the *Summary of Residential Improvements* and *Summary of Non-Residential Improvements*. Third, the

values from the land data area and the improvement data area are then summarized by residential and non-residential in the *Valuation Record* area of the card.

These numbers are then certified to or by the township assessor, if any, or the county assessor and subsequently to the county auditor when the township assessor, if any, has completed all assessments for the year. The county auditor then applies the deduction equally to each installment of taxes.

Homestead deductions are re-calculated every year. Officials should verify that there is an application on file for each homestead deduction to verify the property owner. When completing the calculation of the homestead deduction, the assessor should pay close attention to any action taken by the PTABOA on corrections or additions to insure that the form balances with the property record card.

Qualifications for a Homestead Deduction

An individual who desires to claim the deduction provided by IC 6-1.1-12-37 must file a certified statement, in duplicate, on forms prescribed by the DLGF, with the auditor of the county in which the homestead is located. The statement shall include the following:

- (1) Parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located;
- (2) The name of any other location in which the applicant or the applicant's spouse (if any) owns, is buying, or has a beneficial interest in residential real property;
- (3) If the applicant is an individual, the names of the applicant and the applicant's spouse (if any) as they appear on records of the U.S. Social Security Administration or as they sign on legal documents; or
- (4) If the applicant is not an individual, the names of each individual who qualifies property as a homestead and the individual's spouse (if any) as they appear on records of the U.S. Social Security Administration or as they sign on legal documents; and
- (5) The last five (5) digits of either
 - a. The Social Security numbers of the applicant and the applicant's spouse (Social Security Numbers are confidential); or
 - b. Any of the following, if the applicant or the applicant's spouse does not have a Social Security Number:
 - 1) A driver's license number.
 - 2) A state ID card number.
 - 3) A control number on a document issued by the U.S. government, if the individual does not have a driver's license or state ID card.

With respect to real property, the statement must be filed during the twelve (12) months 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 the first 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 applies for that first year and any succeeding year for which the deduction is allowed. (IC 6-1.1-12-37(e))

The certified statement shall contain the name of any other county and township in which the individual owns or is buying real property.

Specific qualifications for the homestead deduction include:

- (1) as of March 1, an individual uses the residence as his/her principal place of residence;
- (2) the residence is located in Indiana;
- (3) the taxpayer is either an individual or the beneficiary of a trust who uses the property as the beneficiary's principal residence;
- (4) the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides the individual is to pay property taxes on the residence; and
- (5) the residence consists of a single-family dwelling (including annually assessed mobile homes and manufactured homes) and the real estate, not exceeding one acre that immediately surrounds the dwelling.

An individual may receive one homestead in a particular year. Note: A person moving after March 1 can have it on both properties.

If an individual who is receiving the deduction changes the use of the real property, so that part or all of that real property no longer qualifies for the homestead deduction, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change within sixty (60) days after the date of the change. Failure to do so will result in the individual being liable for the amount of the deduction he was allowed for that real property plus a civil penalty equal to ten percent (10%) of additional taxes due. (IC 6-1.1-12-37(f))

An individual who receives the deduction 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 property in a divorce decree.
- (IC 6-1.1-12-17.8(d))

Property That Qualifies

Taxpayers may file a homestead standard deduction on an individual's principal place of residence including a single-family dwelling, one garage (attached or detached), improvements attached to the residence (porches, decks, patios), and up to one acre of land that immediately surrounds the dwelling.

Property That Does Not Qualify

Property that does not qualify for the homestead standard deduction includes yard improvements such as swimming pools, utility sheds, gazebos, tennis courts, barns, and other outbuildings that are not attached to the dwelling (if they are attached to the dwelling, they may be included but swimming pools whether attached or detached do not qualify). Income producing portions of a dwelling do not qualify, such as residential rental units, beauty shops, repair shops, or other similar structures or additions.

If a person resides on property and that property also produces an income (i.e. a duplex with half of the duplex occupied by the owner as his/her residence and the other half rented to another person, or a home that has been partially converted to apartments where the owner still maintains a residence), only the assessed value for the residential portion of the property is eligible for the deduction. The assessed value of the land should be apportioned in the same manner as the residential improvement.

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.

Standard Deduction

Each year a property is eligible to receive a homestead standard deduction from the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that qualifies for the homestead credit. The auditor of the county shall record and make the deduction for the person qualifying for the deduction.

The maximum amount of the deduction that a person may receive (except as provided in IC 6-1.1-12-40.5) for a particular year is the lesser of:

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

Limits on Deductions for Mobile or Manufactured Homes

Notwithstanding any other provision, the sum of the deductions provided under IC 6-1.1-12 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. (DLGF emphasis) See 6-1.1-12-40.5. Note: The supplemental homestead deduction is not subject to the 50% limit.

Hence, regardless of the amount of deductions a person has (mortgage, veterans, over 65, etc. and the standard deduction), if they own a mobile or manufactured home not assessed as real property, they will only receive a maximum of one-half of the assessed value of those deductions. (For example, if someone has a mobile home assessed at \$40,000 and has filed a mortgage and standard deduction; they can only receive a maximum deduction of \$20,000, not the \$48,000 the deductions total.)

Chapter 19 – Deduction Procedures

Assessor Duties

The assessor is responsible for verifying statements and certifications required for certain deductions. The assessor is also responsible for providing property owners with notice of the availability of a select number of property tax deductions available under specific statutory provisions.

Filing Requirements

According to the definition of a deduction in IC 6-1.1-1-5, a “Deduction” means a situation where a taxpayer is permitted to subtract a fixed dollar amount from the assessed value of his property.

Deduction applications must be filed with the county auditor on or before the deadline dates established in the statutory provisions governing the particular deduction. Each deduction has certain qualifying criteria that must be met before the deduction can be applied to the assessed value of the property. While each deduction is not identified with its specific criteria in this chapter, the different types of deductions and the applicable Indiana Code citations are listed. Assessors are encouraged to review the statutory provisions listed below.

Deductions Requiring Assessor Input

The following deductions require action by the township assessor, if any, or county assessor before the county auditor can make the deduction:

IC 6-1.1-12-18 to -25.5	Rehabilitated property*
IC 6-1.1-12-26 and -27.1	Solar energy heating or cooling system**
IC 6-1.1-12-26.1 and -27.1	Solar power devices**
IC 6-1.1-12-29 and -30	Wind power devices**
IC 6-1.1-12-33	Hydroelectric power devices***
IC 6-1.1-12-34	Geothermal energy heating or cooling device***
IC 6-1.1-12-38	Improvements made to comply with rules for storage of fertilizer or pesticides****
IC 6-1.1-42-17	Brownfield revitalization zones
*IC 6-1.1-42-27(b)	
*****IC 6-1.1-42-27(f)	

NOTES:

*If the notice of the addition to assessed value for any year is not given to the property owner before December 1 of that year (or before April 10 of that year for Brownfields), the applicant has thirty (30) days from the date the notice is mailed to the property owner at the address shown on the records of the township or county assessor to file the application. The township assessor, or county assessor if there is no assessor for the township, must verify the application before the county auditor makes the deduction.

**The township assessor, if any, or county assessor must verify a certified statement before the county auditor allows the deduction.

***The township assessor, if any, or county assessor must verify a certified statement the person must file with the county auditor before the county auditor allows the deduction. In addition, the Indiana Department of Environmental Management (IDEM) must determine if the system or device qualifies for a deduction. If IDEM determines that a system or device qualifies for a deduction, it will certify the system or device and provide proof of the certification to the property owner.

****The township assessor, if any, or county assessor must verify a certified statement and a certification from the state chemist that has been filed with the county auditor before the auditor can make the deduction. The person must submit a certification to the state chemist that lists the improvements that were made to comply with the fertilizer storage rules and the pesticide storage rules adopted by the state chemist.

*****The township assessor, if any, or county assessor must verify the correctness of a certified deduction application. The county auditor shall, if the property is covered by a resolution adopted under IC 6-1.1-42-24, make the appropriate deduction.

Rehabilitated Property

The deduction from assessed value provided by IC 6-1.1-12-18 is first available 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. In the sixth year, the county auditor shall add the amount of the deduction to the assessed value of the real property. (IC 6-1.1-12-19)

The deduction from assessed value provided by IC 6-1.1-12-22 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 year, the county auditor shall add the amount of the deduction to the assessed value of the property. Any general reassessment of real property which occurs within the five (5) year period of the deduction does not affect the amount of the deduction. (IC 6-1.1-12-23)

Other Action Required of the Assessor

When real property is reassessed because it has been rehabilitated, the assessing official who, or the PTABOA which, makes the reassessment shall give the owner notice of the property tax deductions provided by IC 6-1.1-12-18 and IC 6-1.1-12-22. The official or PTABOA shall attach the notice to the reassessment notice required by IC 6-1.1-4-22. (IC 6-1.1-12-21)

For persons who qualify for the ERA deduction for real property or the Brownfield revitalization zone deduction, the township assessor, if any, or county assessor must include a notice of the application filing deadlines to the property owner at the time the Form 11 is sent to the taxpayer. (IC 6-1.1-12.1-5(h) and IC 6-1.1-42-27(h))

Notice by Mail

If a notice is required to be given by mail under the general assessment provisions of IC 6-1.1, the day on which the notice is deposited in the United States mail is the day notice is given. The notice shall be given by first class mail. (IC 6-1.1-36-1)

Other Types of Deductions

The DLGF is responsible for reviewing and verifying the correctness of the deduction applications for the following deduction:

IC 6-1.1-40-11 (d) Deduction for new manufacturing equipment in a maritime opportunity district

The county auditor is responsible for administering the following deduction provisions without any input from the township assessor, if any, or the county assessor:

IC 6-1.1-12-1 to -7	Mortgage deductions
IC 6-1.1-12-9 and 10.1	Over age 65
IC 6-1.1-12-11 to -12	Blind and disabled persons
IC 6-1.1-12-13	Disabled veterans and surviving spouses
IC 6-1.1-12-14	Totally disabled veterans and surviving spouses
IC 6-1.1-12-16 and -17	Surviving spouses of World War I veterans
IC 6-1.1-12-17.4 and -17.5	World War I veterans
IC 6-1.1-12-17.8	Continuation of deduction from year to year
IC 6-1.1-37	Amount of homestead standard deduction
IC 6-1.1-12-40	Deduction for real property in an enterprise zone for obsolescence (approved by County Council)
IC 6-1.1-44	Purchases of investment property by manufacturers of recycled components

Heritage Barns: A new property tax deduction for certain barns designated as heritage barns has been established by P.L. 117-2014. Specifically, 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 100% of the assessed value of the structure and foundation of the heritage barn.

“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.

“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.

An eligible applicant that desires to obtain the deduction must file a certified deduction application with the auditor of the county in which the heritage barn is located. Upon verification of the application by the appropriate county or township assessor if there is a township assessor for the township, the auditor of the county must allow the deduction.

A county fiscal body may adopt an ordinance to require a person receiving this deduction to pay an annual public safety fee for each heritage barn for which the person receives this deduction. The fee may not exceed \$50.

Provisions establishing this deduction and its procedures are found in IC 6-1.1-12-26.2.

Chapter 20 – Exemption Procedures

Assessor Duties

Except as provided in IC 6-1.1-11-9(b), all property otherwise subject to assessment under IC 6-1.1 shall be assessed in the usual manner, whether or not it is exempt from taxation. (IC 6-1.1-11-9(a))

No assessment shall be made of property which is owned by the government of the United States, this state, an agency of this state, or a political subdivision of this state, if the property is used, and in the case of real property, occupied by the owner. (IC 6-1.1-11-9(b))

Filing Requirements

Subject to IC 6-1.1-11-3(e), (f) and (g), the owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application annually on or before May 15 with the county assessor in the county where the property that is the subject of the exemption is located. Except as provided in IC 6-1.1-11-1, IC 6-1.1-11-3.5, and IC 6-1.1-11-4, the application applies only for the taxes imposed for the year for which the exemption is filed. (IC 6-1.1-11-3(a)) Note: Starting in 2016, this will change to April 1.

The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney. (IC 6-1.1-3(b))

An exemption application shall contain the following information:

- (1) a description of the property claimed to be exempt in sufficient detail to afford identification;
 - (2) a statement showing the ownership, possession, and use of the property;
 - (3) the grounds for claiming the exemption;
 - (4) the full name and address of the applicant;
 - (5) for the year that ends on the assessment date of the property, identification of:
 - (A) each part of the property used or occupied; and
 - (B) each part of the property not used or occupied; for one (1) or more exempt purposes under IC 6-1.1-10 during the time the property is used or occupied;and
 - (6) any additional information which the DLGF may require.
- (IC 6-1.1-11-3(c))

An owner must file with an application for exemption of real property under IC 6-1.1-11-3(a) or IC 6-1.1-11-5 a copy of the township assessor's record kept under IC 6-1.1-4-

25(a) that shows the calculation of the assessed value of the real property for the assessment date for which the exemption is claimed. Upon receipt of the exemption application, the county assessor shall examine that record and determine if the real property for which the exemption is claimed is properly assessed. If the county assessor determines that the real property is not properly assessed, the county assessor shall:

- (1) properly assess the real property or direct the township assessor of the township in which the real property is located to properly assess the real property; and
- (2) notify the county auditor of the proper assessment or direct the township assessor of the township in which the real property is located to notify the county auditor of the proper assessment.

(IC 6-1.1-11-3(e))

If the county assessor determines that the applicant has not filed with an application for exemption a copy of the record referred to in subsection (e), the county assessor shall notify the applicant in writing of the requirement. The applicant has thirty (30) days after the date of the notice to comply with that requirement. The PTABOA shall deny an application if the applicant does not comply with that requirement within the time permitted. (IC 6-1.1-11-3(f))

Please note that the assessment date of tangible property, as specified in IC 6-1.1-2-1.5, is as follows:

- 1) For non-mobile home properties, the assessment date is March 1 in a year ending **before** January 1, 2016, and January 1 in a year **beginning after** December 31, 2015.
- 2) For mobile home properties subject to assessment under IC 6-1.1-7, the assessment date is January 15 in a year ending **before** January 1, 2017, and January 1 in a year **beginning after** December 31, 2016.

IC 6-1.1-11-1.5 provides that an award of a property tax exemption for a particular assessment date **beginning after December 31, 2015 (or December 31, 2016 for mobile homes assessed under IC 6-1.1-7)** must be based on the property's eligibility for the exemption on that assessment date. An act occurring after the assessment date, including a change in:

- (1) use, value, character, or ownership of the tangible property; or
- (2) the age, disability, or income of any owner, contract buyer, or possessor of tangible property;

does not affect the eligibility of the tangible property for an exemption for that assessment date.

Example: A property tax exemption is applied to a charitable organization's building for the January 1, 2016, assessment date. On November 1, 2016, the charitable organization sells the building to a startup, for-profit business. The exemption on that building remains for the January 1, 2016 assessment date.

For an assessment date in a year **beginning after December 31, 2015**, the deadline to submit a property tax exemption application to the county assessor is April 1 of the year containing the assessment date. If the PTABOA denies the application, it has no later than April 25 to provide notice to the taxpayer. IC 6-1.1-11-3

After December 31, 2015, a non-profit corporation that receives an exemption for a particular year but which becomes ineligible for the following year must notify the county assessor before April 1 of the year for which it becomes ineligible. Also, **after** December 31, 2015, if part or all of a non-profit corporation's property becomes ineligible due to a change in use, the non-profit corporation must notify the county assessor before April 1. IC 6-1.1-11-3.5

For clarification, for 2014 and 2015 (and 2016 for mobile homes), if a property is transferred or its use is changed so that it is no longer eligible for an exemption under IC 6-1.1-10, the exemption is removed for that year's assessment date. Starting in 2016, if non-mobile home property receiving an exemption is transferred or its use changed so that it is no longer eligible for an exemption under IC 6-1.1-10, the exemption will remain in place for that year's assessment date. Starting in 2017, if a mobile home property receiving an exemption is transferred or its use changed so that it is no longer eligible for an exemption under IC 6-1.1-10, the exemption will remain in place for that year's assessment date.

The application (Form 136) consists of three parts: SP 198, General Information Regarding Application for Property Exemption Form 136; State Form 9284, Application for Property Tax Exemption; and State Form 5748, Required Information for Property Tax Exemption. There are seven pages to the form package.

The form package and any supporting documentation must be filed **in duplicate** before May 15.

A not-for-profit corporation must file an application in every even numbered year (2012, 2014, etc.) unless the property meets the definition under IC 6-1.1-11-4(d). However, an application must be filed in any other year if the property was not exempted in the immediately preceding year. (IC 6-1.1-11-3.5(a))

An applicant that receives an exemption provided under IC 6-1.1-10 for a particular year that remains eligible for the exemption for the following year is only required to file a statement to apply for the exemption in the even numbered years if the use of the property remains unchanged. (IC 6-1.1-11-3.5(b))

IC 6-1.1-11-4, which governs the effect on an exemption of a change in ownership, was amended by P.L. 183-2014 to modify the statute to conform to existing practice.

Specifically, if, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption under IC 6-1.1-10, the county assessor must terminate the exemption for that assessment date. However, if the property remains eligible for an exemption under IC 6-1.1-10 following the transfer or change in use, the exemption must be left in place for that assessment date.

Example: If a church receives a property tax exemption on a parcel on March 1 under IC 6-1.1-10, it sells the property after March 1, and the property no longer qualifies for an exemption under IC 6-1.1-10 following the sale, the exemption is terminated for that assessment date.

For the following assessment date, the person that obtained the exemption or the current owner of the property, as applicable, must, except as otherwise provided, file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. In all cases, the person that obtained the exemption or the current owner of the property must notify (using Form 136-CO/U, as prescribed by the Department of Local Government Finance) the county assessor for the county where the tangible property is located of the change in ownership or use in the year that the change occurs.

If the county assessor discovers that title to or use of property granted an exemption under IC 6-1.1-10 has changed, the county assessor must notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title or use and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners or use of the property and indicates whether the property continues to meet the requirements for an exemption under IC 6-1.1-10. Upon receipt of the affidavit, the county assessor must reinstate the exemption under IC 6-1.1-15-12. However, a claim under IC 6-1.1-26-1 for a refund of all or a part of a tax installment paid and any correction of error under IC 6-1.1-15-12 must be filed not later than three years after the taxes are first due.

If the owner of property eligible for the exemption does not fully comply with the statutory procedures for obtaining the exemption, the exemption is waived. An exemption is a privilege which may be waived if the application is not timely filed. The PTABOA is without the power to grant an exemption. If the exemption is waived, the property is subject to taxation. (IC 6-1.1-11-1)

An exemption application is not required if the exempt property is:

- (1) owned by the United States, the state, an agency of the state, or a political subdivision of the state, so long as it is used and (in the case of real property) occupied by the owner;
- (2) a cemetery described by IC 6-1.1-2-7 or maintained by a township executive under IC 23-14-68;

- (3) owned by the bureau of motor vehicles commission;
- (4) tangible property used for religious purposes described in IC 6-1.1-10-21 or tangible property owned by a church or religious society used for educational purposes described in IC 6-1.1-10-16 and the exemption application was filed properly at least once after the property was designated for a religious use or educational use under the applicable statutes.

(IC 6-1.1-11-4)

Types of Exemptions

The exemption statutes are contained in IC 6-1.1-10. The following exemptions and their prerequisites are found in the various sections of that chapter:

IC 6-1.1-10-1	United States property
IC 6-1.1-10-2	State property
IC 6-1.1-10-3	Bridges and tangible appurtenance property
IC 6-1.1-10-4	Political subdivision property
IC 6-1.1-10-5	Municipal property
IC 6-1.1-10-5.5	Urban homesteading property
IC 6-1.1-10-6	Municipally owned water company property
IC 6-1.1-10-7	Non-profit water companies
IC 6-1.1-10-8	Non-profit sewage disposal company
IC 6-1.1-10-9	Industrial waste control facilities (including IC 6-1.1-10-10 and -11)
IC 6-1.1-10-12	Stationary or unlicensed mobile air pollution control system (including IC 6-1.1-10-13)
IC 6-1.1-10-15	Public airports
IC 6-1.1-10-15.5	Commercial passenger aircraft
IC 6-1.1-10-16	Buildings and land used for educational, literary, scientific, religious, or charitable purposes; hospitals; single family residential structures given away or sold to low-income families; qualified for-profit early childhood service providers (starting January 1, 2015, see below)
IC 6-1.1-10-16.5	Non-profit corporation property located under or adjacent to a lake or reservoir
IC 6-1.1-10-16.7	Real property developed to provide housing to income eligible persons
IC 6-1.1-10-17	Memorial corporation property
IC 6-1.1-10-18	Non-profit corporations supporting fine arts
IC 6-1.1-10-18.5	Non-profit corporation property used in operation of a health facility, home for the aged, Christian Science home, or sanatorium
IC 6-1.1-10-19	Public libraries
IC 6-1.1-10-20	Manual labor, technical or trade schools; colleges

IC 6-1.1-10-21	Churches or religious societies
IC 6-1.1-10-22	Dormitories of church colleges and universities
IC 6-1.1-10-23	Fraternal benefit associations
IC 6-1.1-10-24	College fraternities or sororities
IC 6-1.1-10-25	Miscellaneous organizations
IC 6-1.1-10-26	County or district agricultural associations
IC 6-1.1-10-27	Cemetery corporations
IC 6-1.1-10-28	Clinics and dispensaries
IC 6-1.1-10-32	Property under control of an executor
IC 6-1.1-10-39	Intangible personal property
IC 6-1.1-10-42	Property used for small business incubation

Other tax exemption provisions found throughout the Indiana Code are enumerated in IC 6-1.1-10-38.

Early Childhood Education Providers Property Tax Exemption:

A new (effective January 1, 2015) property tax exemption is created for certain early childhood education providers. Specifically, IC 6-1.1-10-16 is amended so that a for-profit provider of early childhood education services to children who are at least four but less than six years of age on the annual assessment date may receive an exemption for property used for educational purposes only if all the requirements of IC 6-1.1-10-46 (discussed below) are satisfied. A for-profit provider of early childhood education services that provides the services only to children younger than four may not receive this exemption. Where IC 6-1.1-10-36.3 addresses the applicability of an exemption to property used or occupied for one or more stated purposes, the exemption for early childhood education providers is excluded.

IC 6-1.1-10-46, effective January 1, 2015, outlines the eligibility requirements for the exemption. In sum, tangible property owned, occupied, or used by a for-profit provider of early childhood education services to children who are at least four but less than six years of age is exempt from property taxation under IC 6-1.1-10-16 only if all the following requirements are satisfied:

- (1) The primary purpose of the provider is educational.
- (2) The provider is the property owner and the provider also predominantly occupies and uses the tangible property for providing early childhood education services to children who are at least four but less than six years of age.
- (3) The provider participates in the early education evaluation program established under IC 12-17.2-3.8 and meets the standards of quality recognized by a Level 3 or Level 4 Paths to QUALITY program rating or has a comparable rating from a nationally recognized accrediting body.

If the property owner provides early childhood education services to children who are at least four but less than six years of age and to children younger than four, the amount of

the exemption must be on that part of the assessment of the property that bears the same proportion to the total assessment of the property as the percentage of the property owner's enrollment count of children who are at least four but less than six years of age compared to the property owner's total enrollment count of children of all ages. For example, if the enrollment count of children is 60% who are older than four but younger than six, with the remaining 40% enrolled being older than six or younger than four, the exemption amount will be applied to 60% of the assessment of the property.

The annual assessment date or, if the annual assessment date is not a business day for the property owner, the business day closest to the annual assessment date, must be used for the enrollment count. However, a property owner that believes that the enrollment count on this date for a particular year does not accurately represent the property owner's normal enrollment count for that year may appeal to the county assessor for a change in the date to be used for that year. The appeal must be filed on or before the deadline for filing an exemption under IC 6-1.1-10-16.

If the county assessor finds that the property owner's appeal substantiates that the property owner's normal enrollment count is not accurately represented by using the specified date, the assessor must establish an alternate date to be used for that year that represents the property owner's normal enrollment count for that year.

Property Used by Exempt Organization in Trade or Business

Tangible property is **not exempt** from property taxation under IC 6-1.1-10-16 through IC 6-1.1-10-28 or IC 6-1.1-10-33 if it is used by the exempt organization in a trade or business not substantially related to the exercise or performance of the organization's exempt purpose. (IC 6-1.1-10-36.5) The affected property shall be assessed to the extent required by IC 6-1.1-11-9.

Leased Property

IC 6-1.1-11-3.8 applies to real property that after December 31, 2003 is exempt from property taxes under an application filed under IC 6-1.1-11 or IC 6-1.1-10-2 or IC 6-1.1-10-4, and is leased to an entity other than:

- (a) a nonprofit entity;
- (b) a government entity; or
- (c) an individual who leases a dwelling unit in:
 - a. a public housing project;
 - b. a nursing facility referred to in IC 12-15-14;
 - c. an assisted living facility; or
 - d. an affordable housing development.

Each lessor of real property shall notify the county assessor of the county in which the real property is located in writing of:

- (1) the existence of the lease referred to in IC 6-1.1-11-3.8(a)(2);
- (2) the terms of the lease; and
- (3) the name and address of the lessee.

Each county assessor shall annually notify the DLGF in writing of the information received by the county assessor from the lessors.

Notification by County Assessor

The assessor of the county in which property is located shall, in each even-numbered year, mail a notice to the owner of the property if:

- (1) the owner has not applied for a tax exemption for that year;
- (2) a tax exemption for the property was in effect for the immediately preceding year; and
- (3) the owner is required to file an application for the exemption for that year under IC 6-1.1-11-3.5.

(IC 6-1.1-11-5(b))

The notice required by IC 6-1.1-11-5(b) must:

- (1) identify the property by key number, if any, and a street address, if any, or other common description of the property other than a legal description; and
- (2) state that the property will be placed on the county tax duplicate unless the owner applies for an exemption within fifteen (15) days after the date the notice is mailed.

The county assessor shall, in a year that ends before January 1, 2016, mail any notice required by IC 6-1.1-11-15 (b) before June 16 of the year in which the exemption application should have been filed and, in a year that begins after December 31, 2015, mail any notice required by IC 6-1.1-11-15 (b) on or before April 25 of the year in which the exemption application should have been filed.

A county assessor's failure to give the notice required by IC 6-1.1-11-5(b) for an assessment date in a year that ends before January 1, 2016, does not continue an exemption unless an exemption application is filed by the owner and approved by the County property tax assessment board of appeals on or before the first Monday in November of the year following the year in which the application should have been filed; and for an assessment date in a year that begins after December 31, 2015, 31, 2015, does not continue an exemption.

Approval or Disapproval of Application

Before the convening of the PTABOA, the county assessor shall submit the exemption applications to the PTABOA for examination. (IC 6-1.1-11-6)

The PTABOA, after careful examination, shall approve or disapprove each exemption application and shall note its action on the application. (IC 6-1.1-11-7)

On or before May 15 of each even-numbered year (on or before April 1 of each even-numbered year after December 31, 2015), the county auditor shall provide to the county assessor a list by taxing district of property for which a tax exemption was in effect for the immediately preceding year. On or before June 1 of each even-numbered year (or before June 1 for each even-numbered year after December 31, 2015), the county assessor shall return the list to the county auditor with a notation of any action of the PTABOA on that year's exemption of each listed property. (IC 6-1.1-11-5(a))

If the PTABOA approves the exemption, in whole or part, the county assessor shall notify the county auditor and the county auditor shall note the board's action on the tax duplicate. The county auditor's notation is notice to the county treasurer that the exempt property shall not be taxed for the current year unless otherwise ordered by the DLGF. (IC 6-1.1-11-7(b))

If the exemption application is disapproved by the PTABOA, the county assessor shall notify the applicant by mail. Within thirty (30) days after the notice is mailed, the owner may, in the manner prescribed in IC 6-1.1-15-3, petition the Indiana Board of Tax Review to review the determination. (IC 6-1.1-11-7(c))

On or before August 1 of each year (on or before July 1 of each year after December 31, 2015), the county auditor of each county shall forward to the DLGF the duplicate copies of all approved exemption applications. The DLGF shall review the approved applications. The DLGF may deny an exemption if the DLGF determines that the property is not tax exempt under the laws of the state. However, before denying an exemption, the DLGF must give notice to the applicant, and the DLGF must hold a hearing on the exemption application. The DLGF shall adopt rules under IC 4-22-2 with respect to exempt real property to:

- (1) provide just valuations; and
- (2) ensure that assessments are:
 - (A) made; and
 - (B) recorded; in accordance with law.

(IC 6-1.1-11-8)

Chapter 21 – Tax Billing on the Net Assessed Valuation

Assessor Duties

The assessor has no direct responsibility with the tax billing process, but has a very important function when bills are mailed to the individual taxpayers. Many times the taxpayer will contact the assessor to have either the assessment or the billing process explained. For real property, the assessor has had a direct impact on the assessment; for personal property, the taxpayer has filed their own assessment.

Tax Duplicates

The auditor of each county shall, before March 15 of each year, prepare a roll of property taxes payable in that year for the county. This roll shall be known as the “tax duplicate” and shall show:

- (1) the value of all assessed property of the county;
- (2) the person liable for the taxes on the assessed property; and
- (3) any other information that the state board of accounts, with the advice and approval of the DLGF, may prescribe.

If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) before the county auditor completes preparation of the tax duplicate, the county auditor shall complete preparation of the tax duplicate when the appeal is resolved by the DLGF.

If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) after the county auditor completes preparation of the tax duplicate, the county auditor shall prepare a revised tax duplicate when the appeal is resolved by the DLGF that reflects the actions of the DLGF.

The county auditor shall comply with the instructions issued by the state board of accounts for the preparation, preservation, alteration, and maintenance of the tax duplicate. The county auditor shall deliver a copy of the tax duplicate to the county treasurer when the preparation of the tax duplicate is completed. (IC 6-1.1-22-3)

Notice of Tax Rate

Immediately upon the receipt of the tax duplicate, the county treasurer shall give notice of the rate of tax per one hundred dollars (\$100) of assessed valuation to be collected in the county for each purpose and the total of the rates in each taxing district. This notice shall be published in the form prescribed by the DLGF three (3) times with each publication one (1) week apart.

The notice shall be printed in two (2) newspapers which represent different political parties and which are published in the county. However, if two (2) newspapers which represent different political parties are not published in the county, the notice shall be printed in one (1) newspaper. (IC 6-1.1-22-4)

Taxing Districts

A taxing district is a geographical area of a township where the tax rate is applied to all tangible property at the same rate. (See IC 6-1.1-1-21) The layers of services provided to the areas of the township separate the township into distinct districts or groups. For example, if the only difference in a township is the existence of two (2) separate school corporations within the township, then the township has two (2) taxing districts. County general fund operating costs are charged against all tangible property located within the county because all property located within the county is provided services from the general fund.

The taxing district rate is an accumulation of the different types of services provided to the taxpayer at that location and the levy requested to support those services. The tax statement has a breakdown of the taxing district rates so the taxpayer can observe how the rate is formulated and what taxing unit benefits the most.

Net Assessed Value and the Tax Billing

The gross assessed value represents the market value of the property in its current use. This amount includes all classifications of property and is broken out by type.

Property tax deductions are applied to the gross assessed value of a property to determine the taxable value of the property, also known as the "net assessed value." The resulting "net assessed value of property" is the amount on which the taxes are calculated. See IC 6-1.1-12-0.5; IC 6-1.1-17-0.5.

The net assessed value of the property is multiplied by the local tax rate to obtain the gross tax liability. See IC 6-1.1-2-3; IC 6-1.1-12-0.5. The circuit breaker ("tax cap") does not change the local tax rate. All property in a taxing district will be taxed at the same local rate.

Any available local credits are applied to the property tax bill to reduce the tax liability. The State homestead credit has been phased out in exchange for the State's assumption of some costs previously paid by property tax dollars. The phase-out of the State homestead credit was completed for the 2011 property taxes. Some counties offer local credits to property owners using local option income tax revenue. Depending on the county, these credits may be offered to all property owners, only residential property owners, or only homestead property owners. (See IC 6-1.1-20.4)

The amounts of the local and state credits are calculated by applying a percentage reduction to the gross tax liability of the eligible property.

Credit for Excessive Property Taxes

The next step in the calculation of the property tax bill involves the application of the appropriate cap. Homestead taxes are capped at 1 percent (1%) of gross assessed value, other residential and agricultural land property at 2 percent (2%) and all other property at 3 percent (3%). If the taxes due after applying state and local homestead credits are still over the cap, the taxpayer receives a third credit to bring the tax liability down to the cap. (IC 6-1.1-20.6-7.5)

A final credit may be applied for eligible senior citizens. Taxpayers receiving this credit do not pay more than 2 percent above what was due the previous year. If the taxes due after the credits result in more than 2 percent annual increase, a fourth credit is applied to bring the taxes due down to the allowable amount. (IC 6-1.1-20.6-8.5)

It is important to understand that local government budgets still determine property tax rates in your area. The caps ensure that a property owner does not pay more than a fixed percent of the property's gross assessed value in taxes but the caps do not change the local tax rate.

If the property is split into separate classifications, this amount will be the combined caps for the separate classes of property. For taxpayers in St. Joseph or Lake Counties, local government debt issued before July 1, 2008 is exempt from the cap. Additionally, if the majority of voters in a taxing district approve a referendum to allow a building project or to allow the school district extra operating funds, those charges are exempt from the cap. (IC 6-1.1-20.6-7.5(b), (c))

“Residential property” refers to real property that consists of any of the following:

- (1) A single family dwelling that is not part of a homestead and the land, not exceeding one (1) acre, on which the dwelling is located.
- (2) Real property that consists of:
 - (A) a building that includes two (2) or more dwelling units;
 - (B) any common areas shared by the dwelling units (including any land that is a common area; and
 - (C) the land on which the building is located.
- (3) Land rented or leased for the placement of a manufactured home or mobile home, including any common areas shared by the manufactured homes or mobile homes.

(IC 6-1.1-20.6-4)

NOTE:

Under IC 6-1.1-20.6-4, the term “residential property” now includes a single family dwelling that is under construction and the land, not exceeding one acre, on which the dwelling will be located. The term does not include real property that consists of a commercial hotel, motel, inn, tourist camp, or tourist cabin.

This amendment is effective retroactively to January 1, 2014 and thus applies to 2014 assessment dates.

A person is not required to file an application for the credit. However, if eligible, in order to receive the “Over 65 Circuit Breaker Credit,” a person must file an “Application for Senior Citizen Property Tax Benefits” (State Form 43708). The county auditor shall identify the property in the county eligible for the credit and apply the credit to property tax liability on the identified property. (IC 6-1.1-20.6-8)

Chapter 22 – Tax Refunds

Filing of Form 17-T

Indiana law permits a person, his heirs, personal representative, or successors to file a claim for a refund of all or a portion of a tax installment which he has paid. However, the claim must be:

- (1) filed with the auditor of the county in which the taxes were originally paid;
- (2) filed within three (3) years after the taxes were first due;
- (3) filed on the form prescribed by the state board of accounts and approved by the DLGF (County Form 17-T); and
- (4) based upon one (1) of the following grounds:
 - a. Taxes on the same property have been assessed and paid more than once for the same year.
 - b. The taxes, as a matter of law, were illegal.
 - c. There was a mathematical error either in the computation of the assessment upon which the taxes were based or in the computation of the taxes.

(IC 6-1.1-26-1)

Review of Form 17-T by Local Officials

A refund claim which is not subject to review by the DLGF shall be either approved or disapproved by the county auditor, county treasurer, and the county assessor.

If the claim for refund is disapproved by either the county auditor, the county treasurer, or the county assessor, the claimant may appeal that decision to the Indiana Board of Tax Review (“IBTR”). The claimant must initiate the appeal and the IBTR shall hear the appeal in the same manner that the IBTR hears assessment appeals.

If a person desires to initiate a proceeding for judicial review of the Indiana Board of Tax Review’s final determination, the person must petition for judicial review under IC 6-1.1-15-5 not more than forty-five (45) days after the IBTR gives the person notice of its final determination. (IC 6-1.1-26-3)

The county auditor shall submit a refund claim to the county board of commissioners for final review after the appropriate county officials either approve or disapprove the claim, and, if the claim is disapproved, the claimant did not initiate an appeal to the IBTR.

The county board of commissioners shall disallow a refund claim if it was disapproved by one (1) of the appropriate county officials and an appeal to the IBTR was not initiated. The county board of commissioners may either allow or disallow an approved

refund claim which is submitted to it for final review. If the county board disallows a claim, the claimant may appeal that decision to the IBTR.

If a person desires to initiate a proceeding for judicial review of the Indiana board's final determination, the person must petition for judicial review under IC 6-1.1-15-5 not more than forty-five (45) days after the IBTR gives the person notice of the final determination. (IC 6-1.1-26-4)

Review of Form 17T by the Department

The county auditor shall forward a claim for refund to the DLGF for review by the DLGF if:

- (1) the claim is for the refund of taxes paid on an assessment made or determined by the DLGF; and
- (2) the claim is based upon the grounds that the taxes, as a matter of law, were illegal or that there was a mathematical error either in the computation of the assessment upon which the taxes were based or in the computation of the taxes.

The DLGF shall review each refund claim forwarded to them, and shall certify its approval or disapproval on the claim and shall return the claim to the county auditor.

Before the DLGF disapproves a refund claim that is forwarded to it, the DLGF shall notify the claimant of its intention to disapprove the claim and of the time and place fixed for a hearing on the claim. The DLGF shall hold the hearing within thirty (30) days after the date of the notice. The claimant has a right to be heard at the hearing. After the hearing, the DLGF shall give the claimant notice of the DLGF's final determination on the claim.

If a person desires to initiate an appeal of the final determination, the person shall file a petition for review with the IBTR not more than forty-five (45) days after the DLGF gives the person notice of the final determination.

If a person desires to initiate a proceeding for judicial review of the IBTR's final determination, the person must petition for judicial review under IC 6-1.1-15-5 not more than forty-five (45) days after the Indiana Board of Tax Review gives the person notice of its final determination. (IC 6-1.1-26-2)

Payment of Refunds

When a claim for refund is allowed either by the county board of commissioners, the DLGF, the IBTR, or the Indiana Tax Court on appeal, the claimant is entitled to a refund. The amount of the refund shall equal the amount of the claim so allowed plus, with respect to claims for refund filed after December 31, 2001, interest at a rate established

by the commissioner of the DLGF of State Revenue under IC 6-8.1-10-1 from the date on which the taxes were paid or payable, whichever is later, to the date of the refund. The interest shall be computed using the rate in effect for each particular year covered by the refund. The county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due.

In the June or December settlement and apportionment of taxes, or both the June and December settlement and apportionment of taxes, immediately following a refund the county auditor shall deduct the amount refunded from the gross tax collections of the taxing units for which the refunded taxes were originally paid and shall pay the amount so deducted into the general fund of the county. However, the county auditor shall make the deductions and payments required not later than the December settlement and apportionment. (IC 6-1.1-26-5)

Surplus Tax Refunds

Each county treasurer shall place a portion of a tax or special assessment payment which exceeds the amount actually due, as shown by the tax duplicate or special assessment records, in a special fund to be known as the "surplus tax fund." Amounts placed in the fund shall first be applied to the taxpayer's delinquent taxes in the manner provided in IC 6-1.1-23-5(b). The taxpayer may then file a verified claim for money remaining in the surplus tax fund. The county treasurer or county auditor shall require reasonable proof of payment by the person making the claim. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to the taxpayer for the amount due to the taxpayer.

If an excess payment is not claimed within the three (3) year period after November 10 of the year in which the payment was made, and the county treasurer has given written notice to the taxpayer that they may be entitled to a refund [if the amount of the excess is more than five dollars (\$5)], the county auditor shall transfer the excess from the surplus tax fund into the general fund of the county. If the county treasurer has given notice to the taxpayer, the excess may not be refunded after the expiration of the three (3) year time period. (IC 6-1.1-26-6)

Interest on Refunds or Credits

If a taxpayer is entitled to a property tax refund or credit because an assessment is decreased, the taxpayer shall also be paid, or credited with, interest on the excess taxes that he paid at the rate of four percent (4%) per annum. However, in the case of an assessment that is decreased by the IBTR or the Indiana Tax Court, the taxpayer is not entitled to the greater of five hundred dollars (\$500) or twenty percent (20%) of the interest to which the taxpayer would otherwise be entitled on the excess taxes unless

the taxpayer affirms, under penalty of perjury, that substantive evidence supporting the taxpayer's position had been:

- (1) presented by the taxpayer to the assessor before; or
- (2) introduced by the taxpayer at the hearing held by the PTABOA. An appraisal may not be required by the PTABOA or the assessor in a proceeding before the PTABOA or in a preliminary informal meeting under IC 6-1.1-15-1(h) (2).

The interest shall be computed from the date on which the taxes were paid or due, whichever is later, to the date of the refund or credit. If a taxpayer is sent a provisional tax statement and is later sent a final or reconciling tax statement, interest shall be computed after the date on which the taxes were paid or first due under the provisional tax statement, whichever is later, through the date of the refund or credit.

If a taxpayer who is entitled to a refund or credit does not make a written request for the refund or credit to the county auditor **within forty-five (45) days after the final determination** of the PTABOA, the DLGF, the IBTR, or the Indiana Tax Court that entitles the taxpayer to the refund or credit, the interest shall be computed from the date on which the taxes were paid or due to the date that is forty-five (45) days after the final determination. In any event, a property tax refund or credit must be issued not later than ninety (90) days after the request is received. (IC 6-1.1-37-11)

Chapter 23 – Interest and Penalties

Interest on Underpayment of Disputed Assessment

Interest payments are required when:

- (1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were originally due;
- (2) the assessment upon which a taxpayer has been paying taxes under IC 6-1.1-15-10 while a petition for review or a judicial proceeding has been pending is less than the assessment that results from the final determination of the petition for review or judicial proceeding; or
- (3) the collection of certain ad valorem property taxes has been enjoined under IC 33-26-6-2, and under the final determination of the petition for judicial review the taxpayer is liable for at least part of those taxes.

The taxpayer shall pay the taxes resulting from the actions or determinations described above and the interest prescribed on or before the next May 10 or the next November 10, whichever occurs first.

A taxpayer shall pay interest on the taxes the taxpayer is required to pay as a result of an action or determination at the rate determined by the commissioner of the Department of State Revenue from the original due date or dates for those taxes to the date of payment or the date on which penalties for the late payment of a tax installment may be charged, whichever occurs first. The interest shall be computed using the rate in effect for each particular year in which the interest accrued. (IC 6-1.1-37-9(b))

If a petition for review or a judicial proceeding has been pending, the taxpayer shall pay interest on the taxes the taxpayer is ultimately required to pay in excess of the amount the taxpayer is required to pay under IC 6-1.1-15-10(a)(1). The interest shall be paid at the overpayment rate established under Section 6621(c)(1) of the Internal Revenue Code in effect on the original due date or dates for those taxes from the original due date or dates for those taxes to:

- (1) the date of payment; or
- (2) the date on which penalties for the late payment of a tax installment may be charged;

whichever occurs first. (IC 6-1.1-37-9(c))

A taxpayer is not subject to the payment of interest on real property assessments if:

- (1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were due;**
- (2) the assessment or the assessment increase is made as the result of error or neglect by the assessor or by any other official involved with the assessment of property or the collection of property taxes; and**

(3) the assessment:

- a. would have been made on the normal assessment date if the error or neglect had not occurred; or
- b. increase would have been included in the assessment on the normal annual assessment date if the error or neglect had not occurred.

For more details see IC 6-1.1-37-9.

Penalties on Delinquent Property Tax Installment

If an installment of property taxes is not completely paid on or before the due date, a penalty shall be added to the unpaid portion in the year of the initial delinquency. The penalty is equal to an amount determined as follows:

- (1) If:
 - a. an installment of property taxes is completely paid on or before the date thirty (30) days after the due date; and
 - b. the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel; the amount of the penalty is equal to five percent (5%) of the amount of the delinquent taxes.
- (2) If an installment of personal property taxes is completely paid on or before the date thirty (30) days after the due date; and the taxpayer is not liable for delinquent property taxes first due and payable in a previous installment for personal property in the same taxing district; the amount of the penalty is equal to five percent (5%) of the amount of delinquent taxes.
- (3) If (1) or (2) do not apply, the amount of the penalty is equal to ten percent (10%) of the amount of delinquent taxes.
(IC 6-1.1-37-10(a))

These penalties are imposed only on the principal amount of the delinquent taxes.

A county treasurer shall waive the penalty if the taxpayer or the taxpayer's representative

- (1) petitions the county treasurer to waive the penalty not later than thirty (30) days after the due date of the installment subject to the penalty; and
- (2) files with the petition written proof that during the seven (7) day period ending on the installment due date the taxpayer or an immediate family member of the taxpayer died.

"Immediate family member of the taxpayer" is defined as the spouse, child, stepchild, parent, or stepparent of the taxpayer, including adoptive relationships, who resides in the taxpayer's home.

The county treasurer must give written notice to the taxpayer or the taxpayer's representative by mail of the treasurer's determination on the petition not later than

thirty (30) days after the petition is filed. A taxpayer or taxpayer's representative may appeal a determination of the county treasurer to deny a penalty waiver by filing a notice in writing with the treasurer not more than forty-five (45) days after the treasurer gives the notice of determination. An initiated appeal is process and determined in the same manner as a property tax assessment appeal under IC 6-1.1-15. (IC 6-1.1-37-10.7)

With respect to property taxes due in installments under IC 6-1.1-22-9.5, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be added on the day immediately following each date that succeeds the last installment due date by :

- (1) six (6) months; or
- (2) a multiple of six (6) months.

These penalties are imposed only on the principal amount of the delinquent taxes. (IC 6-1.1-37-10(b))

If the DLGF determines that an emergency has occurred which precludes the mailing of the tax statement in any county at the time set forth in IC 6-1.1-22-8.1, the DLGF shall establish by order a new date on which the installment of taxes in that county is due and no installment is delinquent if paid by the date so established. (IC 6-1.1-37-10(d))

If any due date falls on a Saturday, a Sunday, a national legal holiday recognized by the federal government, or a statewide holiday, the act that must be performed by that date is timely **if** performed by the next succeeding day that is not a Saturday, a Sunday, or one (1) of those holidays. (IC 6-1.1-37-10(e))

A payment to the county treasurer is considered to have been paid by the due date if the payment is:

- (1) received on or before the due date to the county treasurer or a collecting agent appointed by the county treasurer;
- (2) deposited in the United States first class mail:
 - a. properly addressed to the principal office of the county treasurer;
 - b. with sufficient postage; and
 - c. certified or postmarked by the United States postal service as mailed on or before the due date (as defined in IC 6-1.1-22-9); or
- (3) deposited with a nationally recognized express parcel carrier and is:
 - a. properly addressed to the principal office of the county treasurer; and
 - b. verified by the express parcel carrier as:
 - i. paid in full for final delivery; and
 - ii. received on or before the due date (as defined in IC 6-1.1-22-9);
- (4) deposited to be mailed through United States registered mail, United States certified mail, or United States certificate of mailing:
 - a. properly addressed to the principal office of the county treasurer;
 - b. with sufficient postage; and

- c. with a date of registration, certification, or certificate, as evidenced by any record authenticated by the United States Postal Service, on or before the due date; or
 - (5) made by an electronic funds transfer and taxpayer's bank account is charged on or before the due date.
- (IC 6-1.1-37-10(f))

For purposes of IC 6-1.1-37-10(f), "postmarked" **does not** mean the date printed by a postage meter that affixes postage to the envelope or package containing a payment.

Personal Property Return – Violations and Penalties

If a person fails to file a required personal property return on or before the due date, the county auditor shall add a penalty of twenty-five dollars (\$25) to the person's next property tax installment. The county auditor shall also add an additional penalty to the taxes payable by the person if he fails to file the personal property return within thirty (30) days after the due date. The amount of the additional penalty is twenty percent (20%) of the taxes finally determined to be due with respect to the personal property which should have been reported with the return. (IC 6-1.1-37-7(a))

A personal property return is not due until the expiration of any extension period granted by the township assessor or county assessor under IC 6-1.1-3-7(b).

The penalties prescribed under IC 6-1.1-37-7 do not apply to an individual or his dependents if he:

- (1) is in the military or naval forces of the United States on the assessment date; and
- (2) is covered by the federal Soldiers' and Sailors' Civil Relief Act. (IC 6-1.1-37-7(c))

If a person subject to IC 6-1.1-3-7(d) fails to include on a personal property return the information, if any, the DLGF requires under IC 6-1.1-3-9 or IC 6-1.1-5-13, the county auditor shall add a penalty to the property tax installment next due for the return. The amount of the penalty is twenty-five dollars (\$25). (IC 6-1.1-37-7(d))

If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation. (IC 6-1.1-37-7(e))

A person who is required to file an annual certification with the county assessor but fails to do so shall receive a penalty, imposed by the county auditor, of twenty-five dollars (\$25) that must be paid by the person with the next property tax installment that is collected. (IC 6-1.1-37-7(f))

A penalty is due with the installment under IC 6-1.1-37-7(a), (d), or (e) whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment. (IC 6-1.1-37-7(g))

A person who fails to provide, within forty-five (45) days after the filing deadline, evidence of the filing of a personal property return to the township assessor or county assessor in which the owner resides, as required under IC 6-1.1-3-1(d), shall pay, to the township in which the owner resides, a penalty equal to ten percent (10%) of the tax liability. (IC 6-1.1-37-7.5)

Vending machines

A township assessor, or the county assessor if there is no township assessor for the township, shall inform the county auditor of any vending machine which does not, as required under IC 6-1.1-3-8, have an identification device on its face. The county auditor shall then add a one dollar (\$1.00) penalty to the next property tax installment of the person on whose premises the machine is located. (IC 6-1.1-37-8)

Other Penalty Provisions

An assessing official or a representative of the DLGF who:

- (1) knowingly assesses any property at more or less than what he believes is the proper assessed value of the property;
- (2) knowingly fails to perform any of the duties imposed on the official or representative under the general assessment provisions of IC 6-1.1; or
- (3) recklessly violates any of the other general assessment provisions of IC 6-1.1; commits a Class A misdemeanor. (IC 6-1.1-37-2)

A person who signs a sales disclosure form shall attest in writing and under penalties of perjury that to the best of the person's knowledge and belief the information contained in the sales disclosure form is true and correct. (IC 6-1.1-5.5-9)

A person who knowingly and intentionally:

- (1) falsifies the value of transferred real property; or
 - (2) omits or falsifies any information required to be provided in the sales disclosure form;
- commits a Class C felony. (IC 6-1.1-5.5-10(a))

A public official who knowingly and intentionally accepts:

- (1) a sales disclosure document for filing that:
 - a. falsifies the value of transferred real property; or
 - b. omits or falsifies any information required to be provided in the sales disclosure form; or
- (2) a conveyance document for recording in violation of IC 6-1.1-5.5-6;

commits a Class A infraction. (IC 6-1.1-5.5-10(b))

Failure to file a sales disclosure form (IC 6-1.1-5.5-12)

A party to a conveyance who:

- (1) is required to file a sales disclosure form under IC 6-1.1-5.5; and
- (2) fails to file a sales disclosure form at the time and in the manner required by IC 6-1.1-5.5; is subject to a penalty in the amount which is the greater of:
 - a. one hundred dollars (\$100); or
 - b. twenty-five thousandths percent (0.025%) of the sale price of the real property transferred under the conveyance document.

(IC 6-1.1-5.5-12)

The **township assessor in a county containing a consolidated city** or the **county assessor in any other county** shall:

- (1) determine the penalty imposed by IC 6-1.1-5.5-12;
- (2) assess the penalty to the party to a conveyance; and
- (3) notify the party to the conveyance that the penalty is payable not later than thirty (30) days after notice of the assessment.

The county auditor shall:

- (1) collect the penalty imposed by IC 6-1.1-5.5-12;
- (2) deposit penalty collections in the same manner as the sales disclosure fee; and
- (3) notify the county prosecuting attorney of delinquent payments.

Other Miscellaneous Penalties

A person commits a Level 6 felony if:

- (1) he makes and subscribes a property tax return, statement, or document that he does not believe is correct in every material respect; and
- (2) the return, statement, or document is certified to as to the truth of the information appearing on it.

(IC 6-1.1-37-3)

A person who makes a false statement, with intent to obtain the property tax deduction provided in either IC 6-1.1-12-13 or IC 6-1.1-12-14 (Partially or totally disabled veteran), when he is not entitled to the deduction, commits a Class B misdemeanor. (IC 6-1.1-37-4)

A person, who recklessly makes a false statement on a report or application described in IC 6-1.1-6 (Assessment of forest land), commits a Class B misdemeanor. (IC 6-1.1-37-5)

A person who recklessly, knowingly, or intentionally:

- (1) disobeys a subpoena, or a subpoena duces tecum, issued under the general assessment provisions of IC 6-1.1;
- (2) refuses to give evidence when directed to do so by an individual or board authorized under the general assessment provisions of IC 6-1.1 to require the evidence;
- (3) fails to file a personal property return required under IC 6-1.1-3;
- (4) fails to subscribe to an oath or certificate required under the general assessment provisions of IC 6-1.1;
- (5) temporarily converts property which is taxable under IC 6-1.1 into property that is not taxable to evade the payment of taxes on the converted property; or
- (6) fails to file an information return required by the DLGF under IC 6-1.1-4-42;

commits a Class A misdemeanor. (IC6-1.1-37-6)

The amount of interest or penalty collected from, or credited or refunded to, a taxpayer under IC 6-1.1-37 shall be credited or charged to the appropriate taxing unit. (IC 6-1.1-37-12)

Unless otherwise specifically provided by law, the prosecuting attorneys of this state shall enforce all the penalties and forfeitures prescribed under IC 6-1.1-37.

Chapter 24 – Sales Disclosure Forms

Originally created to collect data for studying the impact of moving to a market value assessment system, sales disclosure forms are an excellent source of market value data for local assessors. Information provided on the forms is essential for evaluation of local market conditions.

Definitions

“Conveyance” means any transfer of a real property interest for valuable consideration. (IC 6-1.1-5.5-1)

A **“conveyance document”** means

- (1) Any of the following documents that purports to transfer a real property interest for valuable consideration:
 - (A) a document,
 - (B) a deed,
 - (C) a contract of sale,
 - (D) an agreement,
 - (E) a judgment,
 - (F) a lease that includes the fee simple estate and is for a period in excess of ninety (90) years, or
 - (G) a quitclaim deed serving as a source of title, and
 - (H) another document presented for recording.
- (2) Documents for compulsory transactions as a result of foreclosure or express threat of foreclosure, divorce, court order, condemnation, or probate.
- (3) Documents involving the partition of land between tenants in common, joint tenants, or tenants by entirety.

The following are not considered conveyance documents:

- (1) security interest documents such as mortgages and trust deeds;
- (2) leases that are for a term of less than ninety (90) years;
- (3) documents for compulsory transactions as a result of foreclosure or express threat of foreclosure, divorce, court order, condemnation, or probate;
- (4) documents involving the partition of land between tenants in common, joint tenants or tenants by the entirety;
- (5) agreements and other documents for mergers, consolidations, and incorporations involving solely nonlisted stock; and
- (6) quitclaim deeds not serving as a source of title.

(IC 6-1.1-5.5-2)

For purposes of IC 6-1.1-5.5-3, **“party”** includes:

- (1) the seller of property that is exempt under the seller’s ownership; or

- (2) a purchaser of property that is exempt under the purchaser's ownership from property taxes under IC 6-1.1-10.

Forwarding

Before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must:

Complete and sign a sales disclosure agreement form prescribed by the DLGF. All parties must sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form. For conveyance transactions involving more than two (2) parties, one (1) transferor, and one (1) transferee signing the sales disclosure form is sufficient.

Before filing a sales disclosure form with the county auditor, submit the sales disclosure form to the county assessor. The county assessor must review the accuracy and completeness of each sales disclosure form submitted immediately upon receipt of the form and, if the form is accurate and complete, stamp or otherwise approve the form as eligible for filing with the county auditor and return the form to the appropriate party for filing with the county auditor. If multiple forms are filed, the county assessor must process the forms as quickly as possible. A sales disclosure form is considered to be accurate and complete if:

- (A) the county assessor does not have substantial evidence that information in the form is inaccurate; and
- (B) the form contains all the necessary and correct information and is submitted to the county assessor in a format usable to the county assessor.

The auditor shall review each sales disclosure form and process any deduction for which the form serves as an application under IC 6-1.1-12-44. The auditor shall forward each sales disclosure form to the county assessor. The county assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the DLGF and the Legislative Services Agency in an electronic format specified jointly by the DLGF and the Legislative Services Agency. The county assessor shall forward a copy of the sales disclosure forms to the township assessor(s), if any, in the county.

In a county containing a consolidated city, the auditor shall review each sales disclosure form and process any deduction for which the form serves as an application under IC 6-1.1-12-44. The auditor shall forward the sales disclosure form to the appropriate township assessor, if any. The township assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that

assessed valuation to the auditor. The township or county assessor shall forward the sales disclosure form to the DLGF and the Legislative Services Agency.

If any confidential information appears on the sales disclosure form such as a telephone number or Social Security number, that information is confidential.

County assessing officials, county auditors, and other local officials may not divert from procedures or requirements contained in IC 6-1.1-5.5-3.

A separate sales disclosure form is required for each parcel conveyed, regardless whether more than one (1) parcel is conveyed under a single conveyance document. This is true in all situations except when only one (1) sales disclosure form is required for the conveyance under a single conveyance document of two (2) or more contiguous parcels located entirely within a single taxing district. (IC 6-1.1-5.5-3)

Assessor Duties

When the assessor receives the form, they are to complete Part 2, attach a copy of the corresponding property record card, and make the appropriate number of copies.

The assessor also must verify or confirm the sale, since sales data is the backbone of all market studies. The required information to confirm a sale is:

- Property
- Adjusted Value Land
- Adjusted Value Improvement
- Value of Personal Property
- Adjusted Value Total
- Property Class Code
- Neighborhood Code
- Tax District
- Acreage
- Any physical changes to the property since March 1 and date of sale
- The form is completed
- State sales fee required
- Date of sale
- Date form received

For more information on what is required in a sales disclosure form, see IC 6-1.1-5.5-5.

Assessing officials need to have a standard procedure for confirming sales. This procedure should be followed uniformly for all sales.

Methods for confirming sales

There are several methods that can be used to confirm sales. The buyer and seller may be contacted, as well as the realtor or closing agent or other knowledgeable participants. This can be done either by phone or in person. A questionnaire mailed to any or all of the aforementioned parties may also be used.

The assessor may choose to join a local multi-list service and use their information, or possibly work out an exchange with them for information.

Per 50 IAC 27-3-1(d), property characteristics data of properties whose sales are candidates for use in value calibration analysis and ratio studies shall be independently verified and updated by field inspection within sixty (60) days of the ownership transfer sale date.

If a questionnaire is used, it should be as concise as possible while still obtaining all the necessary information. It should be mailed with a postage-paid return envelope to help insure a return reply. Any request for information should be accompanied by a letter on official stationery and should bear an authorized signature.

Sales Disclosure Funds

A person filing a sales disclosure form shall pay a fee on ten dollars (\$10) to the county auditor. (IC 6-1.1-5.5-4(a))

No fee is due if the conveyance applies to a charity or under IC 6-1.1-5.5-2(a)(2) (compulsory transaction) or IC 6-1.1-5.5-2(a)(3) (partition of land between tenants in common, joint tenants, or tenants by the entirety).

Fifty percent (50%) of the revenue collected shall be deposited in the county sales disclosure fund. Fifty percent (50%) of the revenue shall be transferred to the state treasurer for deposit in the assessment training fund. (IC 6-1.1-5.5-4)

The fiscal body of each county (the county council) shall establish a sales disclosure fund. The county auditor shall deposit into the fund the money received from filing fees and penalties. Money in the sales disclosure fund may be expended **only** for:

- (1) administration of the sales disclosure form requirements as set out in IC 6-1.1-5.5;
- (2) verification of the information contained on a sales disclosure form;
- (3) training of assessing officials; or
- (4) purchasing computer software or hardware for a property record system.

The county fiscal body **shall** appropriate the money in the sales disclosure fund for the purposes stated in IC 6-1.1-5.5-4.5(a) based on requests by assessing officials in the county. (IC 6-1.1-5.5-4.5)

Requirements of the Form

The DLGF has prescribed a form (State Form 46021) for use as the sales disclosure form. The following information must be contained on that form:

- The key number of the parcel (as defined in IC 6-1.1-8.5).
- Whether or not the entire parcel is being conveyed.
- The address of the property.
- The date of the execution of the form.
- The date the property was transferred.
- Whether the transfer includes an interest in land, improvements, or both.
- Whether the transfer includes any personal property and an estimate of any personal property included in the transfer.
- The name, address, and telephone number of each transferor, transferee, and the person who prepared the form.
- The mailing address to which the property tax bills or other official correspondence should be sent.
- The ownership interest transferred.
- The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).
- The total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.
- The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.
- Any family or business relationship existing between the transferor and the transferee.
- A legal description of each parcel subject to the conveyance.
- Whether the transferee is using the form to claim one (1) or more deductions under IC 6-1.1-12-44 for property taxes first due and payable in a calendar year after 2008.
- If the transferee uses the form to claim the standard deduction under IC 6-1.1-12-37, the information required for the standard deduction under IC 6-1.1-12-37.
- Sufficient instructions and information to permit a party to terminate a standard deduction under IC 6-1.1-12-37 on any parcel of property on which the party or the party's spouse begins to reside at the property that is the subject of the sales disclosure form, including an explanation of the tax consequences and applicable penalties if a party unlawfully claims a standard deduction under IC 6-1.1-12-37.

- Other information as required by the DLGF to carry out the requirements of IC 6-1.1-5.5.

Note: Any phone numbers or Social Security numbers on this form are **confidential**.

Infractions and Penalty Provisions

A person who signs a sales disclosure form shall attest in writing and under penalties of perjury that to the best of the person's knowledge and belief the information contained in the sales disclosure form is true and correct. (IC 6-1.1-5.5-9)

A person who knowingly and intentionally:

- (1) falsifies the value of transferred real property; or
- (2) omits or falsifies any information required to be provided in the sales disclosure form;

commits a Level 5 felony. (IC 6-1.1-5.5-10(a))

A public official who knowingly and intentionally accepts:

- (1) a sales disclosure document for filing that:
 - a. falsifies the value of transferred real property; or
 - b. omits or falsifies any information required to be provided in the sales disclosure form; or

(2) a conveyance document for recording in violation of IC 6-1.1-5.5-6; commits a Class A infraction. (IC 6-1.1-5.5-10(b))

Failure to file a sales disclosure form (IC 6-1.1-5.5-12)

A party to a conveyance who:

- (1) either:
 - (A) files a sales disclosure form that does not contain all of the information required by this chapter; or
 - (B) files a sales disclosure form that contains inaccurate information; and receives from the township assessor (in a city containing a consolidated city) or the county assessor (in any other county) written notice of the problems in IC 6-1.1-5.5-12(A) or (B); and
- (2) fails to file a correct sales disclosure form that fully complies with all requirements of this chapter within thirty (30) days after the date of the notice; is subject to the penalties, the amount of which is the greater of:
 - (A) one hundred dollars (\$100); or
 - (B) twenty-five thousandths percent (0.025%) of the sale price of the real property transferred under the conveyance document.

The **township assessor in a county containing a consolidated city** or the **county assessor in any other county** shall:

- (1) determine the penalty imposed by IC 6-1.1-5.5-12;
- (2) assess the penalty to the party to a conveyance; and
- (3) notify the party to the conveyance that the penalty is payable not later than thirty (30) days after notice of the assessment.

The county auditor shall:

- 1) collect the penalty imposed by IC 6-1.1-5.5-12
- 2) deposit penalty collections in the same manner as the sales disclosure fee; and
- 3) notify the county prosecuting attorney of delinquent payments.
(IC 6-1.1-5.5.12)

Confidentiality of Forms

The sales disclosure form **is not** a confidential form, and should be treated as any other regular county form subject to the Public Records law. However, **the telephone numbers and Social Security numbers listed on the form are confidential** under IC 6-1.1-5.5-3(e), and should be redacted on any public copies distributed.

Chapter 25 – Disaster Petitions

Per IC 6-1.1-4-11(a): If a substantial amount of real and personal property in a township has been partially or totally destroyed as a result of a disaster, upon a person's petition to the county assessor, the county assessor shall:

- (1) cause a survey to be made of the area or areas in which the property has been destroyed; and
- (2) order a reassessment of the destroyed property.

The county assessor shall specify in the assessor's order the time within which the reassessment must be completed and the date on which the reassessment will become effective. However, the reassessed value and the corresponding adjustment of tax due, past due, or already paid is effective as of the date the disaster occurred, without penalty.

The petition for reassessment of destroyed property, the reassessment order, and the tax adjustment order may not be made after December 31 of the year in which taxes which would first be affected by the reassessment are payable.

Assessor Duty

It is the duty of the assessor to investigate a petitioner's claim that a disaster has partially or totally destroyed real or personal property within the county/township. The survey of damage and the resulting reassessment of destroyed property is conducted by the county assessor.

In many cases, by the time the county assessor is aware of a petition, the damaged property is already replaced or repaired. Since the damaged property may be repaired before the county assessor is able to view the damage, it is very important that when a disaster occurs within a jurisdiction, the assessor takes steps toward documenting the damage that has occurred. Photographs are good evidence and should be submitted with the petitions whenever possible.

Procedures for Processing Form 137R

The owner of real or personal property may file a Petition for Survey and Reassessment – Real and Personal Property Partially or Totally Destroyed by Disaster (Form 137R) when a disaster has occurred. This petition is filed with the county assessor in which the property lies, who must determine if a substantial amount of property has been partially or totally destroyed due to the incident.

Note: Only the taxpayer may initiate the filing of the Form 137R; an assessing official is **not** allowed to file for them.

Following the submission of the petitions, an employee or official of the county assessor will survey the property. If the county assessor determines that a reassessment order is warranted, the county assessor will issue an order directing the township assessor to reassess all properties listed on the order. The order will also contain the time within which the reassessment must be completed and the date on which the reassessment will become effective.

However, the petition for reassessment of destroyed property, the reassessment order, and the tax adjustment order may not be made after December 31 of the year in which the taxes which would first be affected by the reassessment are payable.

For example, any disaster occurring between March 1, 2012 and February 28, 2013 shall have the petition filed, reassessment order issued, and tax adjustment order issued by December 31, 2013.

Chapter 26 – Training Opportunities

Training and professional development play an important role in the duties of assessors. As an assessor, you will have numerous opportunities to attend conferences, courses, seminars, and workshops. Below are some of the programs that are regularly attended by assessors in the State of Indiana. Registration information will be mailed to you for many of the programs listed below by the association sponsoring the conference or program. The DLGF has information on the available courses for the year on its website www.in.gov/dlgf under the Continuing Education tab on the page. A mailing concerning the continuing education classes will be sent by the responsible organization. It is the responsibility of the assessor to complete the registration information in a timely manner and return it to the proper organization.

The **Indiana County Assessors' Association** produces an educational conference each winter and summer for the 92 county assessors and their staffs. The winter conference is generally held in January and the summer conference is held in August. Both conferences are held in Indianapolis.

The **Association of Indiana Counties** holds an educational conference each year for county officials throughout the state. This conference is held in locations throughout the state.

New Official Training is conducted by the DLGF for newly elected and appointed assessing officials in the state. The DLGF offers courses for those newly elected officials following the election, every **four** years. This course is designed for the newly elected assessors (county and township) who are eligible for payment of per diem and travel, and may also be attended by deputy assessors who are not eligible for any payment. It is designed to acquaint them with the duties they will be performing as well as other information they need shortly after taking office.

Continuing Education classes are offered each year by a contractor selected by the DLGF. The one-day courses are open to any county or township assessing official or vendor and carry 7.5 hours of continuing education credit for those who are certified Level I, Level II, or Level III Assessor-Appraisers. The courses are tailored to assessing issues that affect the day-to-day work of the officials and those that will affect the next reassessment. There is no charge for the classes.

Continuing education classes, other than those offered by the DLGF, are offered by the various state assessing associations and professional assessing associations, such as IAAO. These classes, which must be pre-approved by the DLGF, may be used toward the continuing education requirements to maintain the assessor-appraiser certification. A list of already approved classes is available on the DLGF's website at www.in.gov/dlgf under the Continuing Education tab. If you desire to take a class that has not already

been pre-approved, please contact the DLGF **prior to taking the class** for the approval criteria.

All assessing officials are encouraged to participate in the continuing education classes even if they are not certified assessor-appraisers.

Level I, Level II, and Level III Certification

The State of Indiana offers three levels of professional certification for members of the assessing community. Like other professional designations and certifications, the state also has continuing education requirements and pre-certification coursework that must be completed in order to earn and maintain a Level I, Level II, or Level III certification.

The DLGF offers online tutorials to prepare individuals for the Level I and Level II examinations. These tutorials are in PowerPoint format and are instructed by employees of the DLGF through a sound feature on the presentation. The tutorials explain concepts in the Real Property Assessment Manual and Guidelines, Indiana Code, and the Indiana Administrative Code. The tutorials also have practice problems that are relevant to questions asked on the examinations. The tutorials are available on the DLGF's website at www.in.gov/dlgf under the Assessors and Auditors tab. The Level III certification does not have an online tutorial.

Under IC 6-1.1-35.5-4 as amended by Senate Bill 1 – Special Session, 2003, the DLGF shall:

- (1) give both the level one (I) examination and the level two (II) examination in open book format; and
- (2) design both examinations to approximate the work an assessing official is required to perform, including the use of appropriate computer applications.

Level I Certification

In order to be certified as a Level I Assessor-Appraiser, an individual must complete six (6) hours of Level I pre-examination course work designated by the DLGF and pass the Level I examination. (50 IAC 15-3-1)

In order to maintain the Level I status, the individual must complete thirty (30) hours of continuing education classes during a two-year cycle. The continuing education cycle begins the next January 1 following the successful passage of the Level I examination. For example, if you pass the examination in September 2013, your continuing education cycle will begin on January 1, 2014. (50 IAC 15-3-2)

Level II Certification

In order to be certified as a Level II Assessor-Appraiser, an individual must have successfully passed the Level I examination, completed six (6) hours of Level II pre-examination course work designated by the DLGF, and then pass the Level II examination. (50 IAC 15-3-3)

In order to maintain the Level II status, the individual must complete forty-five (45) hours of continuing education classes during a two-year cycle. The continuing education cycle begins the next January 1 following the successful passage of the Level II examination. (50 IAC 15-3-4)

Level III Certification

To achieve Level III Assessor-Appraiser certification, an individual must pass the Level II certification and complete the following courses provided by the International Association of Assessing Officials (IAAO):

- IAAO Course 101 – Fundamentals of Real Property Appraisal
- IAAO Course 102 – Income Approach to Valuation
- IAAO Course 300 – Fundamentals of Mass Appraisal
- IAAO Course 400 – Assessment Administration
- IAAO Workshop 151 – Uniform Standards of Professional Appraisal Practice

Note: These classes can be counted as credit towards continuing education of a Level II Assessor-Appraiser.

Once these classes are completed, the person must submit an application and the certificates of completion to the DLGF for approval. (50 IAC 15-3-7)

To maintain the Level III status, the individual must complete forty-five (45) hours of continuing education classes during a two-year cycle. The continuing education cycle begins the next January 1 following the successful attainment of the Level III status. (50 IAC 15-3-8)

Compensation for Obtaining Level II or Level III Certification

Once a county assessor or elected township assessor or their deputies attain a Level II or Level III certification, they are eligible for additional compensation as reflected in IC 36-2-5-3(b), which states: “The county fiscal body **shall** provide for a county assessor or elected township assessor who has attained a level two or level three certification under IC 6-1.1-35.5 to receive annually one thousand dollars (\$1,000) which is **in addition to and not part of the annual compensation** of the assessor. The county fiscal body **shall** provide for a county or township deputy assessor who has attained a level two or level

three certification under IC 6-1.1-35.5 to receive annually five hundred dollars (\$500) which is **in addition to and not part of the annual compensation** of the county or township deputy assessor.” (DLGF emphasis)

Compensation for Attending Assessment Instructional Sessions

The DLGF may require township assessors, county assessors, or members of the PTABOA, county auditors, and their employees to attend instructional sessions held by the DLGF or held by others but approved by the DLGF. An assessing official, or an employee, who are required to attend an instructional session or who, at the DLGF’s request, meets with the DLGF on official business shall receive reimbursement for travel expenses incurred as provided by the county’s written travel policy in effect at the time of the session. If the county does not have a written travel policy, the reimbursement shall be based on the travel policy of the State of Indiana in effect at the time of the session.

The amount a county assessor, a township assessor, a member of a PTABOA, or an employee shall receive for subsistence shall be established by the county fiscal body. (IC 6-1.1-35-3(a))

If a county assessor, a township assessor, a member of a PTABOA, or an employee is entitled to receive an allowance, the DLGF shall furnish the appropriate county auditor with a certified statement which indicates the dates of attendance. The official or employee may file a claim for payment with the county auditor. The county treasurer shall pay the warrant from the county general fund from funds not otherwise appropriated. (IC 6-1.1-35-3(b))

If a training session only consists of one (1) day of instruction, a lodging allowance may be paid only to persons who reside more than fifty (50) miles from the session location. Regardless of the duration of the session, only one (1) mileage allowance may be paid to an official or employee furnishing the conveyance, even if more than one (1) person may have been transported. (IC 6-1.1-35-3(c))

Compensation for New Assessing Officials or New County Assessors

Any new assessing official or county assessor who attends:

- (1) a required session during the official’s or assessor’s term of office; or
- (2) training between the date the person is elected to office and January 1 of the year the person takes office for the first time;

is entitled to receive per diem and mileage based on the county’s written travel policy in effect at that time. If the county does not have a written travel policy, reimbursement shall be based on the travel policy of the State of Indiana in effect at that time. (See IC 6-1.1-35.2-2; IC 6-1.1-35.2-3; 50 IAC 20-3)

Certification Requirements for Election

County Assessor (IC 3-8-1-23)

A candidate for the office of county assessor must:

- (1) have resided in the county for at least (1) year before the election, as provided in Article 6, Sections 4 of the Constitution of the State of Indiana;
- (2) own real property located in the county upon taking office; and
- (3) fulfill the requirements of IC 3-8-1-23(b) through IC 3-8-1-23(d), as applicable.

A candidate for the office of county assessor who runs in an election after June 30, 2008, must have attained the certification of a level two assessor-appraiser under IC 6-1.1-35.5.

A candidate for the office of county assessor who:

- (1) did not hold the office of county assessor on January 1, 2012; and
- (2) runs in an election after January 1, 2012;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5.

A candidate for the office of county assessor who:

- (1) held the office of county assessor on January 1, 2012; and
- (2) runs in an election after January 1, 2016;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5. IC 3-8-1-23.

Note: IC 3-8-1-23 Version b, effective January 1, 2015, requires that a candidate for county assessor running in an election after January 1, 2012, and who did not hold the office of township assessor on January 1, 2012, attain Level III assessor-appraiser status before taking office. An incumbent county assessor running in an election after January 1, 2016, must attain Level III assessor-appraiser status before taking office.

Township Assessor

A person who runs in an election after June 30, 2008, for the office of township assessor under IC 36-6-5-1 must have attained the certification of a level two assessor-appraiser under IC 6-1.1-35.5 before taking office.

A person who runs in an election after January 1, 2012 for the office of township assessor under IC 36-6-5-1 must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 before taking office.

IC 3-8-1-23.6

Note: IC 3-8-1-23.6 Version b, effective January 1, 2015, requires that a candidate for township assessor running in an election after January 1, 2012, and who did not hold the office of township assessor on January 1, 2012, attain Level III assessor-appraiser status before taking office. An incumbent township assessor running in an election after January 1, 2016, must attain Level III assessor-appraiser status before taking office.