

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County Assessing Officials and Auditors
FROM: Brian Bailey, Commissioner 
RE: Changes to Requirements for Claiming the Homestead Deduction
DATE: July 6, 2012

Introduction

On March 19, 2012, Governor Mitch Daniels signed into law House Enrolled Act 1072-2012 ("HEA 1072"). Effective July 1, 2012, section 17 of HEA 1072 changed the proof of principal place of residence the county auditor may require from a taxpayer who claims a homestead deduction under IC 6-1.1-12-37. In addition, non-code section 133, also effective July 1, 2012, voids administrative rule 50 IAC 24-3-2, which listed the kinds of proof a taxpayer could provide as evidence of principal place of residence for purposes of the homestead deduction.

Taxpayer's Evidence of Principal Place of Residence

Section 17 of HEA 1072 adds IC 6-1.1-12-37(j), and states that a county auditor may require a taxpayer to provide evidence that the taxpayer's residence is the taxpayer's principal place of residence as claimed in the certified statement filed under IC 6-1.1-12-37(e). The county auditor may limit the evidence the taxpayer must provide to any of the following:

- (1) State income tax return,
- (2) Valid driver's license, or
- (3) Valid voter registration card,

showing that the residence for which the deduction is claimed is the taxpayer's principal place of residence.

Taxpayer's Notice of Right to Appeal Ineligibility Determination

HEA 1072 also adds to IC 6-1.1-12-37(o), which requires that the county auditor provide the taxpayer with a written determination of the taxpayer's eligibility for the deduction. If a county auditor determines that the taxpayer's residence is not the taxpayer's principal place of residence and is not eligible for the homestead deduction, the taxpayer may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor must inform the taxpayer of this right to appeal in writing, along with the written determination of eligibility.

Non-code Section 133 Voids 50 IAC 24-3-2

50 IAC 24-3-2 listed sixteen (16) items that the taxpayer could use as evidence of principal place of residence for purposes of the homestead deduction. Under non-code section 133 of HEA 1072, 50 IAC 24-3-2 was voided and will be removed from the Indiana Administrative Code. Non-code section 133 expires July 1, 2014.

Contact Information

Questions may be directed to Staff Attorney David Marusarz at dmarusarz@dlgf.in.gov or (317) 233-6770.