

NEW LEGISLATION

TREASURER ANNUAL CONFERENCE

AUGUST 2022

1

SEA 62 SALE OF TAX SALE PROPERTIES TO NONPROFITS

- IC 6-1.1-24-17.5 effective 7-1-22
- Does not apply to homestead property
- Does not apply to a property for which a set off has been obtained against a delinquent debt
- Applies to a county with a consolidated city
- Not more than 5% of real property on the tax sale list may be sold to an eligible nonprofit.



Indiana State Board of Accounts

2

SEA 119 TAXATION OF FARM PROPERTY

- IC 6-1.1-12.1-1 effective 7-1-22
- Economic revitalization area now includes an area of land classified as agricultural land for property tax purposes that, as a condition of being designated an economic revitalization area, will be predominantly used for agricultural purposes for a period specified by the designating body.
- New Farm Equipment and new agricultural improvement can receive an abatement.
- Abatement schedule is limited to five years



Indiana State Board of Accounts

3

SEA 134 APPROPRIATION OF DONATED MONEY

- IC 3-5-3-1 effective 3-11-22 – A political subdivision may not accept private donations to prepare, administer or conduct elections or to employ individuals on a temporary basis for preparing, administering or conducting elections.
- IC 36-1-30 effective 3-11-22 - Requires all local units of government to submit to the SBOA a report of each individual employee employed by the governmental unit whose salary is funded in whole or part from donated money.



Indiana State Board of Accounts

4

SEA 145 PROPERTY TAX MATTERS

- IC 6-1.1-4-43.5 effective 1-1-23
- Assessment of commercial property of 100,000 square feet or larger, used for retail space by a single retailer and assessed for the first time after December 31, 2022, shall be assessed by a cost approach
- DLGF to establish a standard construction cost per square feet
- If appeal is under review, the auditor can establish a separate account for the tax receipts that are attributable to the property tax assessment under review.



Indiana State Board of Accounts

5

SEA 166 PUBLIC PRIVATE AGREEMENTS

- IC 5-23-8 is added for Transportation and Transpiration Infrastructure projects and provides guidelines for public private agreements for their construction
- IC 6-1.1-10-49 effective 7-1-22 and makes tangible property that is part of the transportation facility under a public private agreement is exempt from property tax.
- IC 6-2.5-5-56 effective 1-1-23 makes the sale of the personal property exempt from sales tax if it is part of the transportation facility under a public private agreement.



Indiana State Board of Accounts

6

SEA 299 ANNEXATION OF FIRE PROTECTION DISTRICT TERRITORY

- IC 36-4-3-7.2 effective 1-1-22 - For annexation after 12-31-2020 if the property is with a fire protection district, and the petition to annex is initiated by property owners, the annexation takes effect 30 days after the annexation is adopted, published and filed.
- Municipalities are exempt from providing fire protection service to the annexed territory on the ordinance's effective date however, the municipality must notify the fire district within 10 days of commencing fire protection service to the annexed territory.



Indiana State Board of Accounts

7

SEA 357 ACCEPTANCE OF ELECTRONIC DOCUMENTS

- IC 6-1.1-5-4 effective 7-1-22 – After December 31, 2023, County Auditor may not refuse to endorse a deed or instrument of conveyance because the deed or instrument is an electronic document.
- IC 6-1.1-5.5-3 effective 7-1-22 – After December 31, 2023, County Assessor or County Auditor may not refuse to accept a sales disclosure form for filing because the sales disclosure form is an electronic document
- IC 6-1.1-25-20 effective 7-1-22 – Amends this section that a County Auditor may collect the recording fee for a tax deed. If the County Recorder does not collect the recording fee, the County Recorder shall collect the recording fee for the tax deed.



Indiana State Board of Accounts

8

SEA 357 ACCEPTANCE OF ELECTRONIC DOCUMENTS

- IC 29-1-7-23 effective 7-1-22 – After December 31, 2023, an Auditor may not refuse to endorse an affidavit (for transfer to person's heirs) because the affidavit is an electronic document.
- IC 32-21-2.5-8 effective 7-1-22 – Amends this section for the following exceptions (1) military discharge under IC 10-17-2 (2) a survey of real property and (3) a plat of real property
- IC 36-2-9-18 effective 7-1-22 – After December 31, 2023, a County Auditor may not refuse to endorse an electronic deed or instrument because it is electronic. Expands use of Plat Book fund to include electronic property tax records.



Indiana State Board of Accounts

9

SEA 361 ECONOMIC DEVELOPMENT

- Establishes IC 36-1-29.5 for a Workforce Retention and Recruitment Program and Fund
- The program established by the executive of the unit is for the purpose of recruiting and retaining the current and future workforce needed to provide substantial economic impact to the unit including providing incentives in the form of grants or loans to qualified workers
- The fund shall consist of any private grants or contributions, appropriations to the fund included in the unit's budget, transfers of money to the fund and any repayments to the fund.



Indiana State Board of Accounts

10

SEA 382 VARIOUS TAX MATTERS

- IC 6-1.1-3-7.2 effective 1-1-23 – A taxpayer is not required to file subsequent personal property tax returns for the business personal property exemption.
- IC 6-3.6-6-2.7 effective 7-1-22 – LIT tax rate established for correctional facility or rehabilitation facility after 1-1-2019 can be in effect for 25 years.
- IC 6-8.1-3-28 effective 7-1-22 - Adds procedures to allow DOR to offset LIT distributions when an overdistribution has been made in error or because of a taxpayer refund after the distribution.



Indiana State Board of Accounts

11

HEA 1048 SHERIFF SALES

- IC 32-29-7-3 effective 7-1-22 – Allows sheriff sales to be conducted electronically and increases the administrative fee the sheriff may charge from \$200 to \$300.
- IC 32-29-7-4.5 effective 7-1-22 – establishes a new section for ineligible bidders at a sheriff sale and requires the sheriff to obtain a statement from each bidder acknowledging that they are not ineligible bidders.



Indiana State Board of Accounts

12

HEA 1130 AND SEA 83 OPEN MEETINGS

- IC 5-14-1.5-3.7 effective 7-1-22 - Restricts the circumstances in which the governing body of local political subdivision may hold a virtual meeting during a declared disaster emergency without any of the governing body members being physically present.



Indiana State Board of Accounts

13

HEA 1193 OPIOID LITIGATION

- IC 4-6-15-2 effective 3-10-22 - A political subdivision may opt back in before July 15, 2022
- IC 4-6-15-4 effective 3-10-22 - Distributions will be in two parts; one part is unrestricted, and the second part is restricted to the programs or treatment, prevention and care that are best practices as defined or required by the settlement documents or court order.



Indiana State Board of Accounts

14

HEA 1246 FIRE PROTECTION TERRITORIES

- IC 6-1.1-18-29.5 effective 3-1-22 – provides procedures for an increase in max levy for a fire protection territory that experiences 6% population growth for property taxes due and payable in 2023
- IC 36-7-14-1.7 effective 1-1-22 –Notwithstanding any other law; for: (1) areas needing redevelopment (2) redevelopment project areas (3) urban renewal areas or (4) economic development areas established after December 31, 2021 – chapter 14 on allocation of TIF revenues does not apply to the participating unit's proceeds of property taxes imposed to meet the participating unit's obligations to a fire protection territory established under IC 36-8-19.



Indiana State Board of Accounts

15

HEA 1246 FIRE PROTECTION TERRITORIES

- IC 6-3.6-6-2.8 effective 7-1-22 – For counties that provide emergency medical services for all local units in the county and pay 100% of the costs to provide those services, the fiscal body may establish a LIT rate that may not exceed 0.2% for EMS.
- The EMS LIT would be distributed to the county before the remainder of the expenditure rate revenue is distributed. The revenue must be maintained in a dedicated county fund and used only to pay for the operating costs of EMS provided throughout the county.



Indiana State Board of Accounts

16

I260 DEPARTMENT OF LOCAL GOVERNMENT FINANCE

- IC 6-1.1-12-1 is repealed effective 1-1-23– mortgage deduction
- IC 6-1.1-12-9 amended effective 7-1-22 – Age 65 deduction – increases limit on assessed value of property to \$240,000. Adds that increases in assessed value in the first year after the individual receives the deduction that are not due to substantial renovation or new improvements are not considered.
- IC 6-1.1-12-37 effective 1-1-23 – Homestead deduction increases to \$48,000
- IC 6-1.1-15-20 is a new chapter effective 3-21-22 – appeals where assessment exceeds 5% over last year’s assessment.



Indiana State Board of Accounts

17

HEA 1167 BUREAU OF MOTOR VEHICLES

- IC 6-1.1-7-10 effective 7-1-22 – changes ‘embossed seal’ to ‘official seal’ with the meaning defined in IC 33-42-0.5-21
- IC 33-42-0.5-21 “Official Seal” means either of the following: (1) A physical image that is affixed to or embossed upon a tangible record. (2) An electronic image that is attached to or associated with an electronic record.”



Indiana State Board of Accounts

18

HEA 1299 PERMIT TRANSFER

- IC 7.1-3-21-15 effective 7-1-22 – allows ATC to give a one-time extension on a permit to a holder that is delinquent in the payment of a listed tax under IC 6-8.1-1-1 for not more than 90 days.



Indiana State Board of Accounts

19

SEA 304 TOWNSHIP TRUSTEE

- IC 36-6-4.5 effective 7-1-22 - The bill provides that the township board, county executive and county fiscal body may adopt resolutions to collectively petition a court to remove a township trustee from office for committing certain violations.



Indiana State Board of Accounts

20