

IC 6-1.1-10

Chapter 10. Exemptions

IC 6-1.1-10-1

United States property

Sec. 1. (a) The property of the United States and its agencies and instrumentalities is exempt from property taxation to the extent that this state is prohibited by law from taxing it. However, any interest in tangible property of the United States shall be assessed and taxed to the extent this state is not prohibited from taxing it by the Constitution of the United States.

(b) If the United States provides for the payment of money in lieu of property taxes upon tangible property which is exempt from taxation, the payment shall be made to and settled by the department of local government finance. The department of local government finance may make appraisements, assessments, and agreements and may do all acts necessary to the ascertainment, settlement, and collection of such a payment. The department of local government finance may distribute amounts so received to the taxing units that would be entitled to the money if the payment were for taxes upon the property. However, if the payment is made by the United States for the rendition of a particular service, the department of local government finance shall distribute the payment to the taxing unit which rendered the service. Where payment is made for a service, the department of local government finance may not make a settlement with the United States without the prior approval of the taxing unit involved.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.99.

IC 6-1.1-10-2

State property

Sec. 2. Except as otherwise provided by law, the property owned by this state, a state agency, or the bureau of motor vehicles commission is exempt from property taxation.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1991, SEC.34.

IC 6-1.1-10-3

Bridges and tangible appurtenant property

Sec. 3. (a) A bridge, including the tangible property appurtenant to it, is exempt from property taxation if:

- (1) the bridge is constructed:
 - (A) entirely within this state and across a navigable stream;
 - or
 - (B) across a stream forming a boundary of this state;
- (2) the bridge is owned by a state or a political subdivision of a state; and
- (3) the bridge:
 - (A) is (except as provided in subsection (b) of this section)

operated free of tolls; or

(B) was authorized or consented to by an act of Congress.

(b) The exemption provided in this section may not be denied because tolls are charged if the tolls are levied:

(1) to establish a sinking fund for the cost, including interest and other financing charges, of the bridge and its approaches;

or

(2) to provide for the proper maintenance, repair, and operation of the bridge and its approaches.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.42-2011, SEC.5.

IC 6-1.1-10-4

Political subdivision property

Sec. 4. Except as otherwise provided by law, the property owned by a political subdivision of this state is exempt from property taxation.

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

IC 6-1.1-10-5

Municipal property

Sec. 5. (a) Property is exempt from property taxation if it is owned by a city or town and is used to provide a municipal service.

(b) For purposes of this section, property used to provide a municipal service includes:

(1) a public school or library;

(2) a municipally owned park, golf course, playground, swimming pool, hospital, waterworks, electric utility, gas or heating plant, sewage treatment or disposal plant, cemetery, auditorium, or gymnasium; and

(3) any other municipally owned property, utility, or institution.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.15.

IC 6-1.1-10-5.5

Urban homesteading property

Sec. 5.5. Real property held under IC 36-7-17, which is conveyed by contract with retention of the deed by the city is deemed to be the property of the city held for municipal purposes and is exempt from property taxation.

(Formerly: Acts 1975, P.L.195, SEC.4.) As amended by Acts 1981, P.L.11, SEC.22.

IC 6-1.1-10-6

Municipally owned water company property

Sec. 6. (a) Property which is owned by a domestic corporation of this state is exempt from property taxation if:

(1) the corporation owns a water system or waterworks;

(2) the corporation is, pursuant to a contract, supplying its entire output of water at wholesale rates to a city or town of this state;

and

(3) the city or town which receives the water owns at least ninety-five percent (95%) of the corporation's capital stock.

(b) For purposes of this section, stock is preferred stock and not capital stock if:

(1) fixed dividends are payable to the stock owner at a rate not to exceed six percent (6%) per year; and

(2) the stock owner has no further right to participate in the profits of the corporation.

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

IC 6-1.1-10-7

Nonprofit water companies

Sec. 7. Property is exempt from property taxation if it is owned by a non-profit corporation which is engaged in the sale and distribution of water. However, this exemption only applies if the corporation is operated on a not-for-profit basis.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.65-1983, SEC.1.

IC 6-1.1-10-8

Nonprofit sewage disposal company

Sec. 8. Property is exempt from property taxation if it is owned by a non-profit corporation which is engaged in a sewage disposal service within a rural area of this state. However, this exemption only applies if the corporation is operated on a not-for-profit basis.

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

IC 6-1.1-10-9

Industrial waste control facilities

Sec. 9. (a) For purposes of this section, "industrial waste control facility" means personal property which is:

(1) included either as a part of or an adjunct to a privately owned manufacturing or industrial plant or coal mining operation; and

(2) used predominantly to:

(A) prevent, control, reduce, or eliminate pollution of a stream or a public body of water located within or adjoining this state by treating, pretreating, stabilizing, isolating, collecting, holding, controlling, or disposing of waste or contaminants generated by the plant; or

(B) meet state or federal reclamation standards for a coal mining operation.

The term includes personal property that is under construction or in the process of installation and that will be used for the purposes described in this subsection when placed in service. The term also includes spare parts held exclusively for installation in or as part of personal property that qualifies for the exemption under this section.

(b) An industrial waste control facility is exempt from property taxation if it is not used in the production of property for sale.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.16; P.L.79-1987, SEC.1; P.L.41-1993, SEC.8.

IC 6-1.1-10-10

Industrial waste control facilities; claiming exemptions; investigations; determinations of department

Sec. 10. (a) The owner of an industrial waste control facility who wishes to obtain the exemption provided in section 9 of this chapter shall file an exemption claim along with the owner's annual personal property return. The claim shall describe and state the assessed value of the property for which an exemption is claimed.

(b) The owner shall, by registered or certified mail, forward a copy of the exemption claim to the department of environmental management. The department shall acknowledge its receipt of the claim.

(c) The department of environmental management may investigate any claim. The department may also determine if the property for which the exemption is claimed is being utilized as an industrial waste control facility. Within one hundred twenty (120) days after a claim is mailed to the department, the department may certify its written determination to the township or county assessor with whom the claim was filed.

(d) The determination of the department remains in effect:

- (1) as long as the owner owns the property and uses the property as an industrial waste control facility; or
- (2) for five (5) years;

whichever is less. In addition, during the five (5) years after the department's determination the owner of the property must notify the county assessor and the department in writing if any of the property on which the department's determination was based is disposed of or removed from service as an industrial waste control facility.

(e) The department may revoke a determination if the department finds that the property is not predominantly used as an industrial waste control facility.

(f) The township or county assessor, in accord with the determination of the department, shall allow or deny in whole or in part each exemption claim. However, if the owner provides the assessor with proof that a copy of the claim has been mailed to the department, and if the department has not certified a determination to the assessor within one hundred twenty (120) days after the claim has been mailed to the department, the assessor shall allow the total exemption claimed by the owner.

(g) The assessor shall reduce the assessed value of the owner's personal property for the year for which an exemption is claimed by the amount of exemption allowed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.143-1985, SEC.183; P.L.80-1987, SEC.1; P.L.41-1993, SEC.9; P.L.146-2008, SEC.104.

IC 6-1.1-10-11

Industrial waste control facilities; appeal of exemption claims

Sec. 11. A determination by the department of environmental management under section 10 of this chapter may be appealed by the property owner to the circuit court of the county in which the property is located. The court shall try the appeal without a jury. Either party may appeal the circuit court's decision in the same manner that other civil cases may be appealed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.143-1985, SEC.184.

IC 6-1.1-10-12

Stationary or unlicensed mobile air pollution control system

Sec. 12. (a) Personal property is exempt from property taxation if:

- (1) it is part of a stationary or unlicensed mobile air pollution control system of a private manufacturing, fabricating, assembling, extracting, mining, processing, generating, refining, or other industrial facility;
- (2) it is not primarily used in the production of property for sale;
- (3) it is employed predominantly in the operation of the air pollution control system;
- (4) the air pollution control system is designed and used for the improvement of public health and welfare by the prevention or elimination of air contamination caused by industrial waste or contaminants;
- (5) a sanitary treatment or elimination service for the waste or contaminants is not provided by public authorities; and
- (6) it is acquired for the purpose of complying with any state, local, or federal environmental quality statutes, regulations, or standards.

(b) The property that is exempt under this section includes the following personal property:

- (1) Personal property that is under construction or in the process of installation and that will be used for the purposes described in subsection (a) when placed in service.
- (2) Spare parts held exclusively for installation in or as part of personal property that qualifies for the exemption under this section.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.37, SEC.1; P.L.41-1993, SEC.10.

IC 6-1.1-10-13

Stationary or unlicensed mobile air pollution control system; claim for exemption

Sec. 13. (a) The owner of personal property which is part of a stationary or unlicensed mobile air pollution control system who wishes to obtain the exemption provided in section 12 of this chapter shall claim the exemption on the owner's annual personal property return. On the return, the owner shall describe and state the assessed value of the property for which the exemption is claimed.

(b) The township or county assessor shall:

- (1) review the exemption claim; and
- (2) allow or deny it in whole or in part.

In making the decision, the township or county assessor shall consider the requirements stated in section 12 of this chapter.

(c) The township or county assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.37, SEC.2; P.L.146-2008, SEC.105.

IC 6-1.1-10-14

Industrial waste control facility; stationary air purification system; action on exemption claim treated as assessment

Sec. 14. The action taken by a township or county assessor on an exemption claim filed under section 10 or 13 of this chapter shall be treated as an assessment of personal property. Thus, the assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.106.

IC 6-1.1-10-15

Public airports

Sec. 15. (a) The acquisition and improvement of land for use by the public as an airport and the maintenance of commercial passenger aircraft is a municipal purpose regardless of whether the airport or maintenance facility is owned or operated by a municipality. The owner of any airport located in this state, who holds a valid and current public airport certificate issued by the Indiana department of transportation, may claim an exemption for only so much of the land as is reasonably necessary to and used for public airport purposes. A person maintaining commercial passenger aircraft in a county having a population of more than two hundred thousand (200,000) but less than four hundred thousand (400,000) may claim an exemption for commercial passenger aircraft not subject to the aircraft excise tax under IC 6-6-6.5 that is being assessed under this article, if it is located in the county only for the purposes of maintenance.

(b) The exemption provided by this section is noncumulative and applies only to property that would not otherwise be exempt. Nothing contained in this section applies to or affects any other tax exemption provided by law.

(c) As used in this section, "land used for public airport purposes" includes the following:

- (1) That part of airport land used for the taking off or landing of aircraft, taxiways, runway and taxiway lighting, access roads, auto and aircraft parking areas, and all buildings providing basic facilities for the traveling public.
- (2) Real property owned by the airport owner and used directly

for airport operation and maintenance purposes.

(3) Real property used in providing for the shelter, storage, or care of aircraft, including hangars.

(4) Housing for weather and signaling equipment, navigational aids, radios, or other electronic equipment.

The term does not include land areas used solely for purposes unrelated to aviation.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.74, SEC.15; P.L.77-1989, SEC.1; P.L.18-1990, SEC.18; P.L.126-2000, SEC.3.

IC 6-1.1-10-15.5

Commercial passenger aircraft; resolution required; tenancy and use requirement; term of exemption

Sec. 15.5. (a) As used in this section, "airport development zone" means an airport development zone designated under IC 8-22-3.5-5.

(b) As used in this section, "allocated tax proceeds" refers to property taxes allocated under IC 8-22-3.5-9.

(c) As used in this section, "commission" has the meaning set forth in IC 8-22-3.5-2.

(d) As used in this section, "qualified airport development project" has the meaning set forth in IC 8-22-3.5-3.

(e) Before a person maintaining commercial passenger aircraft that is not subject to the aircraft excise tax under IC 6-6-6.5 may claim an exemption from property taxation for the commercial passenger aircraft, the commission must adopt a resolution authorizing the exemption for the commercial passenger aircraft.

(f) After the commission adopts a resolution described in subsection (e), a person maintaining a commercial passenger aircraft that is not subject to the aircraft excise tax under IC 6-6-6.5 may claim an exemption from property taxation for the commercial passenger aircraft if the following conditions exist when the commission adopts the resolution:

(1) The person is:

(A) a tenant or subtenant of any portion of the qualified airport development project; and

(B) a current user of all or any portion of the qualified airport development project.

(2) For purposes of maintenance, the aircraft will be located in the airport development zone.

(3) If bonds have been issued, either:

(A) the pledge of allocated tax proceeds to the payment of any bonds issued under IC 8-22-3-18.1 to finance any portion of the costs of the qualified airport development project has been discharged; or

(B) any bonds to which allocated tax proceeds were pledged have been paid in full in accordance with the documents under which the bonds were issued.

If this subdivision applies, the person may not claim the exemption for a period longer than the original term of the

bonds.
As added by P.L.224-2003, SEC.266.

IC 6-1.1-10-16

Exemption of building, land, and personal property used for various purposes; termination of eligibility for exemption

Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

(1) a building that is exempt under subsection (a) or (b) is situated on it;

(2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it; or

(3) the tract:

(A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;

(B) does not exceed five hundred (500) acres; and

(C) is not used by the nonprofit entity to make a profit.

(d) A tract of land is exempt from property taxation if:

(1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and

(2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable

for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

- (1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
- (2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

- (1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given away or sold:
 - (A) in a charitable manner;
 - (B) by a nonprofit organization; and
 - (C) to low income individuals who will:
 - (i) use the land as a family residence; and
 - (ii) not have an exemption for the land under this section;

- (2) the tract does not exceed three (3) acres;
- (3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section; and
- (4) not more than four (4) years after the property is acquired for the purpose described in subdivision (1), and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection, renovation, or improvement of the intended structure. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

- (A) Organization of and activity by a building committee or other oversight group.

- (B) Completion and filing of building plans with the appropriate local government authority.

- (C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within five (5) years of the initial exemption received under this subsection.

- (D) The breaking of ground and the beginning of actual construction.

- (E) Any other factor that would lead a reasonable individual to believe that construction of the structure is an active plan and that the structure is capable of being:

- (i) completed; and

- (ii) transferred to a low income individual who does not receive an exemption under this section;

- within eight (8) years considering the circumstances of the owner.

- (j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner. When the property is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

- (k) If property is granted an exemption in any year under subsection (i) and the owner:

- (1) ceases to be eligible for the exemption under subsection (i)(4);

- (2) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or

- (3) transfers the tangible property to a person who:

- (A) is not a low income individual; or

(B) does not use the transferred property as a residence for at least one (1) year after the property is transferred; the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1), (2), or (3) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

(1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.

(2) Interest on the property taxes at the rate of ten percent (10%) per year.

(m) The liability imposed by subsection (l) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (l) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(n) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.51, SEC.1; P.L.74-1987, SEC.4; P.L.57-1993, SEC.7; P.L.25-1995, SEC.13; P.L.6-1997, SEC.35; P.L.2-1998, SEC.17; P.L.126-2000, SEC.4; P.L.198-2001, SEC.28; P.L.264-2003, SEC.1; P.L.196-2007, SEC.1; P.L.156-2011, SEC.2; P.L.197-2011, SEC.32.

IC 6-1.1-10-16.5

Nonprofit corporation property located under or adjacent to lake or reservoir

Sec. 16.5. (a) This section applies to real property located in the following:

(1) A county having a population of more than twenty thousand (20,000) but less than twenty thousand three hundred (20,300).

(2) A county having a population of more than twenty-five thousand (25,000) but less than twenty-five thousand five hundred (25,500).

(b) A tract of real property owned by a nonprofit public benefit corporation (as defined in IC 23-17-2-23) is exempt from property taxation if all of the following apply:

(1) The tract is located:

(A) under a lake or reservoir; or

(B) adjacent to a lake or reservoir.

(2) The lake or reservoir under which or adjacent to which the tract is located was formed by a dam or control structure owned and operated by a public utility for the generation of hydroelectric power.

(3) The public benefit corporation that owns the tract is exempt from federal income taxation under Section 501(c)(3) of the

Internal Revenue Code and has maintained its tax exempt status for the previous three (3) years.

(4) The public benefit corporation that owns the tract is primarily engaged in active efforts to protect and enhance the environment and water quality of the lake or reservoir under which or adjacent to which the tract is located in order to facilitate the public recreational use of the lake or reservoir.

(c) A tract of real property owned by a nonprofit public benefit corporation described in subsection (b) is exempt from property taxation if the tract is used by the public benefit corporation in the public benefit corporation's efforts to enhance the environment and water quality of a lake or reservoir described in subsection (b).

As added by P.L.2-1999, SEC.1. Amended by P.L.170-2002, SEC.16.

IC 6-1.1-10-16.7

Real property

Sec. 16.7. All or part of real property is exempt from property taxation if:

(1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42;

(2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana housing and community development authority; and

(3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.2, IC 36-2-6-22, or IC 36-3-2-11.

As added by P.L.19-2000, SEC.1. Amended by P.L.185-2001, SEC.1 and P.L.291-2001, SEC.195; P.L.186-2001, SEC.2; P.L.1-2002, SEC.18; P.L.179-2002, SEC.3; P.L.1-2006, SEC.133 and P.L.181-2006, SEC.42.

IC 6-1.1-10-17

Memorial corporation property

Sec. 17. Tangible property is exempt from property taxation if it is owned by a corporation which is organized and operated under IC 10-18-7 for the purpose of perpetuating the memory of soldiers and sailors.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.17; P.L.2-2003, SEC.35.

IC 6-1.1-10-18

Nonprofit corporations supporting fine arts

Sec. 18. (a) Tangible property is exempt from property taxation if it is owned by an Indiana not-for-profit corporation which is organized and operated for the primary purpose of coordinating, promoting, encouraging, housing, or providing financial support to activities in the field of fine arts.

(b) For purposes of this section, the field of fine arts includes, but

is not limited to, the following art forms:

- (1) classical, semi-classical, or modern instrumental and vocal music;
- (2) classical dance, including ballet, modern adaptations of formal dance, and ethnic dance;
- (3) painting, drawing, and the graphic arts;
- (4) sculpture;
- (5) architecture;
- (6) drama and musical theater.

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

IC 6-1.1-10-18.5

Nonprofit corporation property used in operation of health facility or home for the aged

Sec. 18.5. (a) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

- (1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
- (2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program, alone, does not entitle an office, a practice, or other property described in this subsection to an exemption under this section.

- (b) Tangible property is exempt from property taxation if it is:
 - (1) owned by an Indiana nonprofit corporation; and
 - (2) used by that corporation in the operation of a hospital licensed under IC 16-21, a health facility licensed under IC 16-28, or in the operation of a residential facility for the aged and licensed under IC 16-28, or in the operation of a Christian Science home or sanatorium.

(c) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

As added by Acts 1978, P.L.30, SEC.1. Amended by Acts 1982, P.L.29, SEC.2; P.L.66-1983, SEC.1; P.L.2-1993, SEC.53; P.L.25-1995, SEC.14; P.L.198-2001, SEC.29; P.L.156-2011, SEC.3; P.L.197-2011, SEC.33.

IC 6-1.1-10-19

Public libraries

Sec. 19. Tangible property is exempt from property taxation if it is:

- (1) owned by a corporation which has established a public library under Indiana law; and

(2) used exclusively for public library purposes.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-20

Manual labor, technical, or trade schools; colleges

Sec. 20. Tangible property is exempt from property taxation if it is:

- (1) owned by a manual labor school, a technical high school, a trade school, or a college which is incorporated within this state; and
- (2) used, and in the case of real property actually occupied, for the purpose for which the institution is incorporated.

However, the institution's real property which is exempt from taxation under this section may not exceed eight hundred (800) acres in any one (1) county of this state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.18.

IC 6-1.1-10-21

Churches or religious societies

Sec. 21. (a) The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:

- (1) A building that is used for religious worship.
- (2) The pews and furniture contained within a building that is used for religious worship.
- (3) The tract of land upon which a building that is used for religious worship is situated.

(b) The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:

- (1) A building that is used as a parsonage.
- (2) The tract of land, not exceeding fifteen (15) acres, upon which a building that is used as a parsonage is situated.

(c) To obtain an exemption for parsonages, a church or religious society must provide the county assessor with an affidavit at the time the church or religious society applies for the exemptions. The affidavit must state that:

- (1) all parsonages are being used to house one (1) of the church's or religious society's rabbis, priests, preachers, ministers, or pastors; and
- (2) none of the parsonages are being used to make a profit.

The affidavit shall be signed under oath by the church's or religious society's head rabbi, priest, preacher, minister, or pastor.

(d) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.68, SEC.1; P.L.74-1987, SEC.5; P.L.198-2001, SEC.30; P.L.264-2003, SEC.2.

IC 6-1.1-10-22

Dormitories of church colleges and universities

Sec. 22. A tract of land, not exceeding one (1) acre, and the improvements situated on the land are exempt from property taxation if they are:

- (1) owned by a church; and
 - (2) exclusively used by the church as a dormitory for the students of a college or university which is located within this state.
- (Formerly: Acts 1975, P.L.47, SEC.1.)*

IC 6-1.1-10-23

Fraternal benefit associations

Sec. 23. (a) Subject to the limitations contained in subsection (b) of this section, tangible property is exempt from property taxation if it is owned by a fraternal beneficiary association which is incorporated, organized, or licensed under the laws of this state.

(b) This exemption does not apply to real property unless it is actually occupied and exclusively used by the association in carrying out the purpose for which it was incorporated, organized, or licensed.

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

IC 6-1.1-10-24

Fraternity or sorority property

Sec. 24. (a) Subject to the limitations contained in subsection (b) of this section, the following tangible property is exempt from property taxation if it is owned by a fraternity or sorority that is exempt from federal income taxation under Section 501(c)(2), Section 501(c)(3), or Section 501(c)(7) of the Internal Revenue Code:

- (1) a tract of land;
- (2) the improvements situated on the tract of land; and
- (3) all personal property.

(b) This exemption does not apply unless:

- (1) the fraternity or sorority is connected with or related to, and under the supervision of, a college, university, or other educational institution; or
- (2) the property is used by the fraternity or sorority to carry out its purpose, including as an international, national, state, or local headquarters or to support the administrative, executive, or other functions associated with the operation of a fraternity or sorority.

(c) For purposes of this section, "fraternity or sorority" includes:

- (1) a fraternity or sorority that is connected with or related to, and under the supervision of, a college, university, or other educational institution;
- (2) an international, national, state, or local fraternity or sorority that administers, coordinates, operates, or governs fraternity or sorority chapters, units, divisions, or other groups or group members that are connected with or related to, and under the supervision of, a college, university, or other educational

institution;

(3) a foundation related to a fraternity or sorority; or

(4) a housing corporation or similar entity related to a fraternity or sorority.

(d) To qualify for the exemption allowed by this section, the property may be owned, occupied, or used by more than one (1) fraternity or sorority, as long as the property is used to carry out the purposes of fraternities or sororities.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.173-2011, SEC.2.

IC 6-1.1-10-25

Miscellaneous organizations

Sec. 25. (a) Subject to the limitations contained in subsection (b) of this section, tangible property is exempt from property taxation if it is owned by any of the following organizations:

(1) The Young Men's Christian Association.

(2) The Salvation Army, Inc.

(3) The Knights of Columbus.

(4) The Young Men's Hebrew Association.

(5) The Young Women's Christian Association.

(6) A chapter or post of Disabled American Veterans of World War I or II.

(7) A chapter or post of the Veterans of Foreign Wars.

(8) A post of the American Legion.

(9) A post of the American War Veterans.

(10) A camp of United States Spanish War Veterans.

(11) The Boy Scouts of America, one (1) or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.

(12) The Girl Scouts of the U.S.A., one or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.

(b) This exemption does not apply unless the property is exclusively used, and in the case of real property actually occupied, for the purposes and objectives of the organization.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.66, SEC.1; Acts 1980, P.L.38, SEC.1; P.L.67-1983, SEC.1.

IC 6-1.1-10-26

County or district agricultural associations

Sec. 26. (a) Subject to the limitations contained in subsection (b) of this section, the following tangible property is exempt from property taxation if it is owned by a county or district agricultural association of this state:

(1) a tract of land not exceeding eighty (80) acres; and

(2) the improvements situated on the tract of land.

(b) This exemption does not apply unless:

(1) the association is organized under IC 1971, 15-1-3; and

(2) the property is exclusively used and occupied for the purposes

specified in IC 1971, 15-1-3.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-27

Cemetery corporations

Sec. 27. (a) Subject to the limitations contained in subsections (b) and (c) the following tangible property is exempt from property taxation if it is owned by a cemetery corporation, firm, or association which is organized under the laws of this state:

(1) The real property, including mausoleums and other structures in which human remains are buried or interred but not including crematories, funeral homes, offices, or maintenance structures. However, offices and maintenance structures are exempt if they are owned by, or held in trust for the use of, a church or religious society, or if they are owned by a not-for-profit corporation or association.

(2) The personal property which is used exclusively in the establishment, operation, administration, preservation, repair, or maintenance of the cemetery.

(b) The exemption under subsection (a) does not apply to real property unless:

(1) it has been dedicated or platted for cemetery use;

(2) a plat of it has been recorded in the county in which the property is located; and

(3) it is exclusively used for cemetery or burial purposes.

(c) The exemption under subsection (a) does not apply to personal property unless it is used exclusively for cemetery purposes and:

(1) it is owned by, or held in trust for the use of, a church or religious society; or

(2) it is owned by a not-for-profit corporation or association.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.74-1987, SEC.6; P.L.5-1988, SEC.42.

IC 6-1.1-10-28

Free medical clinics

Sec. 28. A building and the land on which the building is located are exempt from property taxation if:

(1) the building is used for the purpose of gratuitously dispensing medicines and medical advice and aid to people; and

(2) the real property is owned by a corporation, institution, or association which exists exclusively for that charitable purpose.

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

IC 6-1.1-10-29

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-29.3

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-29.5

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-30

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-30.5

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31

Repealed

(Repealed by P.L.11-1987, SEC.11.)

IC 6-1.1-10-31.1

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.4

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.5

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.6

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.7

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-32

Certain exempt property under control of executor

Sec. 32. Tangible property is exempt from property taxation if it:

- (1) is under the control of an executor;
- (2) is to pass, under the terms of a will, to a municipal corporation or to a literary, scientific, benevolent, religious, or charitable institution; and
- (3) would be exempt from property taxation if it had already been distributed to the devisee or legatee.

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

IC 6-1.1-10-33

Certain exempt property under control of executor or trustee

Sec. 33. (a) Tangible property which is under the control of an executor or a trustee is exempt from property taxation if it is to be used and applied:

(1) within this state for a municipal, educational, literary, scientific, religious, or charitable purpose; or

(2) for the benefit of this state or a state institution.

(b) Subsection (a) does not apply unless the executor or trustee diligently and in good faith carries out the provisions of the will or trust agreement by using and applying the property for the intended purpose.

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

IC 6-1.1-10-34

Contracts relating to certain exempt property; unenforceability

Sec. 34. (a) A contract is not valid or enforceable in any court of this state if:

(1) the contract is related to tangible property which is given, devised, or bequeathed to an educational, literary, scientific, religious, or charitable institution;

(2) the contract provides that the institution shall pay any income or proceeds received for the tangible property to the donor, or other person designated by the donor, for life or for a determinate period of time; and

(3) the contract does not provide that all property taxes that the donor would have paid if the donor had retained title to the property shall be paid by:

(A) the donor;

(B) the person, if any, designated by the donor to receive the income or proceeds; or

(C) the institution.

(b) Tangible property transferred in the manner described in subsection (a) is subject to property taxation to the same extent as tangible property which is owned by an individual.

(c) This section does not apply to real property transferred under contracts which were entered into before March 9, 1937.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.42-2011, SEC.6.

IC 6-1.1-10-35

School lands; when considered sold

Sec. 35. (a) For purposes of this chapter, school lands have been sold if:

(1) a certificate of sale has been issued to the purchaser or recorded in the proper office;

(2) the purchaser has paid all or part of the purchase money; and

(3) the purchaser has or could have entered into possession of the land.

(b) If subsection (a) of this section is applicable, the land is subject to assessment and taxation in the same manner as if a deed had been delivered to the purchaser.

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

IC 6-1.1-10-36

Repealed

(Repealed by P.L.66-1983, SEC.3.)

IC 6-1.1-10-36.3

Property used or occupied for one or more stated purposes; applicability of exemption; limitations

Sec. 36.3. (a) For purposes of this section, property is predominantly used or occupied for one (1) or more stated purposes if it is used or occupied for one (1) or more of those purposes during more than fifty percent (50%) of the time that it is used or occupied in the year that ends on the assessment date of the property.

(b) The determination under subsection (c) of:

- (1) the use or occupation of the property; and
- (2) the application of an exemption;

applies separately to each part of the property identified under IC 6-1.1-11-3(c)(5).

(c) If a section of this chapter states one (1) or more purposes for which property must be used or occupied in order to qualify for an exemption, then the exemption applies as follows:

- (1) Property that is exclusively used or occupied for one (1) or more of the stated purposes is totally exempt under that section.
- (2) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a church, religious society, or not-for-profit school is totally exempt under that section.
- (3) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a person other than a church, religious society, or not-for-profit school is exempt under that section from property tax on the part of the assessment of the property that bears the same proportion to the total assessment of the property as the amount of time that the property was used or occupied for one (1) or more of the stated purposes during the year that ends on the assessment date of the property bears to the amount of time that the property was used or occupied for any purpose during that year.
- (4) Property that is predominantly used or occupied for a purpose other than one (1) of the stated purposes is not exempt from any part of the property tax.

(d) Property is not used or occupied for one (1) or more of the stated purposes during the time that a predominant part of the property is used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of one (1) or more of the stated purposes.

As added by P.L.66-1983, SEC.2. Amended by P.L.264-2003, SEC.3.

IC 6-1.1-10-36.5

Property of exempt organization used in nonexempt trade or business

Sec. 36.5. (a) Tangible property is not exempt from property taxation under sections 16 through 28 of this chapter or under section 33 of this chapter 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.

(b) Property referred to in sections 16 through 28 of this chapter or under section 33 of this chapter shall be assessed to the extent required under IC 6-1.1-11-9.

(c) The department of local government finance shall adopt rules under IC 4-22-2 to carry out this section.

As added by Acts 1978, P.L.32, SEC.1. Amended by P.L.198-2001, SEC.31.

IC 6-1.1-10-37

Leases of exempt property; effect

Sec. 37. (a) This section does not apply to the lease of a dwelling unit within a public housing project by the tenant of that dwelling unit.

(b) If real property that is exempt from taxation is leased to another whose property is not exempt and the leasing of the real property does not make it taxable, the leasehold estate and the appurtenances to the leasehold estate shall be assessed and taxed as if they were real property owned by the lessee or his assignee.

(c) If personal property that is exempt from taxation is leased to another whose property is not exempt and the leasing of the personal property does not make it taxable, the leased personal property shall be assessed and taxed as if it were personal property owned by the lessee or his assignee.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.42-1984, SEC.1; P.L.59-1986, SEC.1.

IC 6-1.1-10-38

Property tax exemption provisions; enumeration

Sec. 38. This chapter does not contain all of the property tax exemption provisions. The property taxation exemption provisions include, but are not limited to, the following sections:

IC 4-20.5-14-3	IC 21-35-2-19
IC 4-20.5-19	IC 21-35-3-20
IC 5-1-4-26	IC 20-47-2-21
IC 6-1.1-10-5	IC 20-47-3-15
IC 6-1.1-24-6.8(k)	IC 23-7-7-3
IC 8-10-1-27	IC 36-1-10-18
IC 8-23-7-31	IC 36-7-14-37
IC 8-15-2-12	IC 36-7-15.1-25
IC 8-21-9-31	IC 36-7-18-25
IC 10-18-2-22	IC 36-9-4-52
IC 10-18-1-36	IC 36-9-11-10
IC 10-18-3-12	IC 36-9-11.1-11
IC 10-18-4-21	IC 36-9-13-36
IC 10-18-7-9	IC 36-9-13-37

IC 14-33-20-27 IC 36-9-30-31
IC 15-13-4-4 IC 36-10-8-18
IC 16-22-6-34 IC 36-10-9-18
IC 21-34-8-3

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.3-1990, SEC.23; P.L.20-1990, SEC.6; P.L.2-1993, SEC.54; P.L.7-1993, SEC.9; P.L.1-1994, SEC.25; P.L.1-1995, SEC.43; P.L.52-1997, SEC.3; P.L.2-2003, SEC.36; P.L.2-2006, SEC.36; P.L.2-2007, SEC.113; P.L.2-2008, SEC.21; P.L.98-2010, SEC.1.

IC 6-1.1-10-39

Intangible personal property exemptions

Sec. 39. Intangible personal property, including the following, is exempt from taxation under this article:

- (1) A promissory note.
- (2) A share of stock in a foreign corporation.
- (3) A bond.
- (4) A debenture.
- (5) A postal savings certificate.
- (6) Equity in a brokerage or trading account.
- (7) A deposit of money.
- (8) A loan account.
- (9) A debt instrument with interest coupons.
- (10) A registered corporate security evidencing a debt.
- (11) A written instrument or certificate evidencing a debt, including a mortgage, a chattel mortgage, a bill of sale, and a conditional sales contract.
- (12) A written instrument securing an unwritten debt.
- (13) A written instrument evidencing an exchange of property when the ultimate transfer of title is intended.
- (14) A written contract for payment of money.
- (15) An instrument bearing interest for the benefit of the holder of that instrument or the holder of another instrument.

As added by P.L.80-1989, SEC.1.

IC 6-1.1-10-40

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-41

Exempt property purchased under contract of sale by person not qualifying for exemption

Sec. 41. (a) This section does not apply to a contract described in section 5.5 of this chapter.

(b) If real or personal property that is exempt from taxation under section 2 or 4 of this chapter:

- (1) is being purchased under a contract of sale by another person:
 - (A) whose real or personal property is not exempt from taxation; and
 - (B) who is not engaged in an exempt purpose with the real or personal property; and

(2) the contract of sale does not make the real or personal property taxable;
the real or personal property shall be assessed and taxed as if the real or personal property were owned by the purchaser or the purchaser's assignee.

As added by P.L.31-1994, SEC.1.

IC 6-1.1-10-42

Small business incubator program

Sec. 42. (a) A corporation that is:

- (1) nonprofit; and
- (2) participates in the small business incubator program under IC 5-28-21;

is exempt from property taxation to the extent of tangible property used for small business incubation.

(b) A corporation that wishes to obtain an exemption from property taxation under this section must file an exemption application under IC 6-1.1-11.

As added by P.L.178-2002, SEC.14. Amended by P.L.4-2005, SEC.35.

IC 6-1.1-10-43

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-44

Enterprise information technology equipment

Sec. 44. (a) As used in this section, "designating body" means the fiscal body of:

- (1) a county that does not contain a consolidated city; or
- (2) a municipality.

(b) As used in this section, "eligible business" means an entity that meets the following requirements:

- (1) The entity is engaged in a business that operates one (1) or more facilities dedicated to computing, networking, or data storage activities.
- (2) The entity is located in a facility or data center in Indiana.
- (3) The entity invests in the aggregate at least ten million dollars (\$10,000,000) in real and personal property in Indiana after June 30, 2009.
- (4) The average employee wage of the entity is at least one hundred twenty-five percent (125%) of the county average wage for each county in which the entity conducts business operations.

(c) As used in this section, "enterprise information technology equipment" means the following:

- (1) Hardware supporting computing, networking, or data storage functions, including servers and routers.
- (2) Networking systems having an industry designation as equipment within the "enterprise" or "data center" class of networking systems that support the computing, networking, or data storage functions.
- (3) Generators and other equipment used to ensure an

uninterrupted power supply to equipment described in subdivision (1) or (2).

The term does not include computer hardware designed for single user, workstation, or departmental level use.

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

(e) As used in this section, "municipality" has the meaning set forth in IC 36-1-2-11.

(f) As used in this section, "qualified property" means enterprise information technology equipment purchased after June 30, 2009.

(g) Before adopting a final resolution under subsection (h) to provide a property tax exemption, a designating body must first adopt a declaratory resolution provisionally specifying that qualified property owned by a particular eligible business is exempt from property taxation. The designating body shall file a declaratory resolution adopted under this subsection with the county assessor. After a designating body adopts a declaratory resolution specifying that qualified property owned by a particular eligible business is exempt from property taxation, the designating body shall publish notice of the adoption and the substance of the declaratory resolution in accordance with IC 5-3-1 and file a copy of the notice and the declaratory resolution with each taxing unit in the county. The notice must specify a date when the designating body will receive and hear all remonstrances and objections from interested persons. The designating body shall file the notice and the declaratory resolution with the officers of the taxing units who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date for the public hearing. After the designating body considers the testimony presented at the public hearing, the designating body may adopt a second and final resolution under subsection (h). The second and final resolution under subsection (h) may modify, confirm, or rescind the declaratory resolution.

(h) Before January 1, 2017, a designating body may, after following the procedures of subsection (g), adopt a final resolution providing that qualified property owned by a particular eligible business is exempt from property taxation. In the case of a county, the exemption applies only to qualified property that is located in unincorporated territory of the county. In the case of a municipality, the exemption applies only to qualified property that is located in the municipality. The property tax exemption applies to the qualified property only if the designating body and the eligible business enter into an agreement concerning the property tax exemption. The agreement must specify the duration of the property tax exemption. The agreement may specify that if the ownership of qualified property is transferred by an eligible business, the transferee is entitled to the property tax exemption on the same terms as the transferor. If a designating body adopts a final resolution under this subsection and enters into an agreement with an eligible business, the qualified property owned by the eligible business is exempt from property taxation as provided in the resolution and the agreement.

(i) If a designating body adopts a final resolution and enters into an

agreement under subsection (h) to provide a property tax exemption, the property tax exemption continues for the period specified in the agreement, notwithstanding the January 1, 2017, deadline to adopt a final resolution under subsection (h).

As added by P.L.163-2009, SEC.1. Amended by P.L.173-2011, SEC.1.