

IC 6-1.1-45

Chapter 45. Enterprise Zone Investment Deduction

IC 6-1.1-45-1

Definition applicability

Sec. 1. The definitions in this chapter apply throughout this chapter.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-2

"Base year assessed value"

Sec. 2. "Base year assessed value" equals the total assessed value of the real and personal property assessed at an enterprise zone location on the assessment date in the calendar year immediately preceding the calendar year in which a taxpayer makes a qualified investment with respect to the enterprise zone location.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-3

"Corporation"

Sec. 3. "Corporation" refers to the Indiana economic development corporation established under IC 5-28-3-1.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-4

"Enterprise zone"

Sec. 4. "Enterprise zone" refers to an enterprise zone created under IC 5-28-15.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-5

"Enterprise zone location"

Sec. 5. "Enterprise zone location" means a lot, parcel, or tract of land located in an enterprise zone.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-6

"Enterprise zone property"

Sec. 6. "Enterprise zone property" refers to real and tangible personal property that is located within an enterprise zone on an assessment date.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-7

"Qualified investment"

Sec. 7. As used in this chapter, "qualified investment" means any of the following expenditures relating to an enterprise zone location on which a taxpayer's zone business is located:

- (1) The purchase of a building.
- (2) The purchase of new manufacturing or production

equipment.

(3) Costs associated with the repair, rehabilitation, or modernization of an existing building and related improvements.

(4) Onsite infrastructure improvements.

(5) The construction of a new building.

(6) Costs associated with retooling existing machinery.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-8

"Zone business"

Sec. 8. "Zone business" has the meaning set forth in IC 5-28-15-3.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-9

Eligibility for deduction; amount; conditions; approval by fiscal body or legislative body

Sec. 9. (a) Subject to subsection (c), a taxpayer that makes a qualified investment is entitled to a deduction from the assessed value of the taxpayer's enterprise zone property located at the enterprise zone location for which the taxpayer made the qualified investment. The amount of the deduction is equal to the remainder of:

(1) the total amount of the assessed value of the taxpayer's enterprise zone property assessed at the enterprise zone location on a particular assessment date; minus

(2) the total amount of the base year assessed value for the enterprise zone location.

(b) To receive the deduction allowed under subsection (a) for a particular year, a taxpayer must comply with the conditions set forth in this chapter.

(c) A taxpayer that makes a qualified investment in an enterprise zone established under IC 5-28-15-11 that is under the jurisdiction of a military base reuse authority board created under IC 36-7-14.5 or IC 36-7-30-3 is entitled to a deduction under this section only if the deduction is approved by the legislative body of the unit that established the military base reuse authority board.

(d) Except as provided in subsection (c), a taxpayer that makes a qualified investment at an enterprise zone location that is located within an allocation area, as defined by IC 6-1.1-21.2-3, is entitled to a deduction under this section only if the deduction is approved by the:

(1) fiscal body of the unit, in the case of an allocation area established under IC 6-1.1-39;

(2) legislative body of the unit described in IC 8-22-3.5-1, in the case of an allocation area located in an airport development zone;

(3) legislative body of the unit that established the department of redevelopment, in the case of an allocation area established under IC 36-7-14;

- (4) legislative body of the unit that established the redevelopment authority, in the case of an allocation area established under IC 36-7-14.5;
- (5) legislative body of the consolidated city or excluded city that approved the establishment of the allocation area, in the case of an allocation area established under IC 36-7-15.1; or
- (6) legislative body of the unit that established the reuse authority, in the case of an allocation area established under IC 36-7-30.

As added by P.L.214-2005, SEC.16. Amended by P.L.154-2006, SEC.60; P.L.211-2007, SEC.5; P.L.146-2008, SEC.304.

IC 6-1.1-45-10

Deduction application; extension

Sec. 10. (a) A taxpayer that desires to claim the deduction provided by section 9 of this chapter for a particular year shall file a certified application, on forms prescribed by the department of local government finance, with the auditor of the county where the property for which the deduction is claimed was located on the assessment date. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsections (c) and (d), the application must be filed before May 15 of the assessment year to obtain the deduction.

(b) A taxpayer shall include on an application filed under this section all information that the department of local government finance and the corporation require to determine eligibility for the deduction provided under this chapter.

(c) The county auditor may grant a taxpayer an extension of not more than thirty (30) days to file the taxpayer's application if:

- (1) the taxpayer submits a written application for an extension before May 15 of the assessment year; and
- (2) the taxpayer is prevented from filing a timely application because of sickness, absence from the county, or any other good and sufficient reason.

(d) An urban enterprise association created under IC 5-28-15-13 may by resolution waive failure to file a:

- (1) timely; or
- (2) complete;

deduction application under this section. Before adopting a waiver under this section, the urban enterprise association shall conduct a public hearing on the waiver.

As added by P.L.214-2005, SEC.16. Amended by P.L.211-2007, SEC.6.

IC 6-1.1-45-11

Eligibility; appeals

Sec. 11. (a) The county auditor shall determine the eligibility of each applicant under this chapter and shall notify the applicant of the determination before August 15 of the year in which the application

is made.

(b) A person may appeal the determination of the county auditor under subsection (a) by filing a complaint in the office of the clerk of the circuit or superior court not later than forty-five (45) days after the county auditor gives the person notice of the determination.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-12

Deduction limitation; claiming deduction after expiration of zone

Sec. 12. (a) Subject to subsection (b), a taxpayer may claim a deduction under this chapter for property other than property located in a consolidated city for an assessment date that occurs after the expiration of the enterprise zone in which the enterprise zone property for which the taxpayer made the qualified investment is located.

(b) A taxpayer may not claim a deduction under this chapter for more than ten (10) years.

As added by P.L.214-2005, SEC.16. Amended by P.L.211-2007, SEC.7.