

# PROPOSED AMENDMENT

## HB 1427 # 17

### DIGEST

Annual report. Removes the requirement that before January 1, 2023, and before each January 1 thereafter, when taxes or special assessments become delinquent, a county executive must provide an annual report to the legislative council in an electronic format concerning the sale of real property to eligible nonprofit entities for a low or moderate income housing project.

---

- 1       Page 11, between lines 13 and 14, begin a new paragraph and insert:  
2       "SECTION 10. IC 6-1.1-24-17.5, AS AMENDED BY  
3       P.L.159-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS  
4       [EFFECTIVE JULY 1, 2025]: Sec. 17.5. (a) This section does not  
5       apply to real property:  
6             (1) used as a principal place of residence and receiving a  
7             homestead standard deduction under IC 6-1.1-12-37 for the most  
8             recent assessment date; or  
9             (2) for which a set off has been obtained under IC 6-8.1-9.5  
10            against the delinquent debt owed on the real property.  
11       This subsection includes any real property adjacent to and under the  
12       same ownership as the homestead real property described in  
13       subdivision (1).  
14       (b) This section applies only to real property that has been offered  
15       for sale by the county at two (2) or more public tax sales held under  
16       this chapter.  
17       (c) For purposes of this section, "county executive" refers to:  
18             (1) in a county containing a consolidated city, the board of  
19             commissioners as provided in IC 36-3-3-10; and  
20             (2) in all other counties, the board of commissioners.  
21       (d) For purposes of this section, "eligible nonprofit entity" means an  
22       organization exempt from federal income tax under 26 U.S.C.  
23       501(c)(3) that is either:  
24             (1) an entity that:  
25                 (A) acquires real property to stabilize and provide future home  
26                 ownership opportunities to those who would not otherwise be

- 1 financially capable of purchasing a home;
- 2 (B) has the organizational capacity and community experience
- 3 necessary to successfully undertake community development
- 4 projects;
- 5 (C) has been organized and in operation for at least five (5)
- 6 years; and
- 7 (D) has each year of the immediately preceding two (2) years,
- 8 rehabilitated and transferred at least one (1) single family
- 9 dwelling to a low or moderate income household for use as a
- 10 residence; or
- 11 (2) a community development corporation (as defined in
- 12 IC 4-4-28-2).
- 13 (e) For purposes of this section, "low or moderate income
- 14 household" means a household having an income equal to or less than
- 15 the Section 8 low income limit established by the United States
- 16 Department of Housing and Urban Development.
- 17 (f) A county treasurer may, as a separate part of a regularly
- 18 scheduled sale conducted under section 5 of this chapter, offer for sale
- 19 a tract or item of real property, subject to the right of redemption, to an
- 20 eligible nonprofit entity for purposes of a project for the development
- 21 of low or moderate income housing, using either:
- 22 (1) the sale process under section 5 of this chapter; or
- 23 (2) a procedure developed and implemented by resolution of the
- 24 county executive that conforms in all material respects to the
- 25 procedures under section 5 of this chapter.
- 26 (g) Not more than five percent (5%) of the number of parcels listed
- 27 for sale under section 5 of this chapter may be made available for sale
- 28 to eligible nonprofit entities under subsection (f). However, an eligible
- 29 nonprofit entity may acquire not more than ten (10) parcels made
- 30 available for sale under subsection (f).
- 31 (h) To participate in a sale under subsection (f), an eligible nonprofit
- 32 entity must file, not later than forty-five (45) days prior to the
- 33 advertised date of the sale under section 5 of this chapter:
- 34 (1) an application to the county executive, signed by an officer or
- 35 member of the eligible nonprofit entity, that includes:
- 36 (A) the address or parcel number of the tract or item of real
- 37 property the entity desires to acquire;
- 38 (B) the intended use of the tract or item of real property;
- 39 (C) the time period anticipated for implementation of the
- 40 intended use; and

- 1 (D) any additional information required by the county  
 2 executive and communicated to potential applicants in  
 3 advance that demonstrates the entity meets the definition of an  
 4 eligible nonprofit entity under subsection (d); and  
 5 (2) documentation verifying:  
 6 (A) the entity's federal tax exempt status; and  
 7 (B) the entity's good standing in Indiana as determined by the  
 8 secretary of state.
- 9 (i) If an eligible nonprofit entity takes possession of a tax sale  
 10 certificate under this section, the eligible nonprofit entity acquires the  
 11 same rights and obligations as a purchaser under section 6.1 of this  
 12 chapter. However, if an eligible nonprofit entity obtains a tax deed after  
 13 the expiration of the redemption period specified under IC 6-1.1-25, the  
 14 eligible nonprofit entity shall first offer an occupant of the parcel the  
 15 opportunity to purchase the parcel.
- 16 (j) If an eligible nonprofit entity uses a tract or item of real property  
 17 obtained under this section for a purpose other than the development  
 18 of low or moderate income housing, the tract or item of real property  
 19 is subject to forfeiture.
- 20 ~~(k) Before January 1, 2023, and before each January 1 thereafter, the~~  
 21 ~~county executive shall provide an annual report to the legislative~~  
 22 ~~council in an electronic format under IC 5-14-6 concerning the tax sale~~  
 23 ~~program established by this section."~~
- 24 Renumber all SECTIONS consecutively.  
 (Reference is to HB 1427 as introduced.)