

APPLICATION FOR PROPERTY TAX EXEMPTION - GENERAL INFORMATION

WHY MUST I FILE FOR AN EXEMPTION?

An exemption is a privilege which may be waived if an application for exemption is not timely filed. If an application for exemption is not filed, the County Property Tax Assessment Board of Appeals (PTABOA) is without power to grant an exemption. Only property which the taxpayer shows is exempt pursuant to statute may be granted an exemption. Generally, property may be granted an exemption only if it is used for the specific purposes set out in a specific statute.

WHAT PROPERTY MAY BE GRANTED AN EXEMPTION?

Property may be granted an exemption if an application has been timely filed and the property has been shown to qualify for an exemption specifically provided by statute. Generally, such statutes require ownership of the property by a specified type of entity and use of the property for a specific purpose.

WHO MUST FILE?

The owner of property who wishes to obtain an exemption must file a certified application in duplicate.

WHERE MUST I FILE?

The application must be filed with the County Assessor of the county where the property is located.

WHEN MUST I FILE?

The exemption application must be filed on or before April 1 of the assessment year (the year prior to the tax billing date) and must be re-filed every even year unless the exempt property is owned, occupied, and used for educational, literary, scientific, religious, or charitable purposes and continues to meet the requirements of IC 6-1.1-10-16 or IC 6-1.1-10-21, or is owned by a fraternity or sorority and continues to meet the requirements of IC 6-1.1-10-24. An application should be filed in any year in which an appeal to the Indiana Board of Tax Review or to a court for an exemption determination on the property is pending from any preceding year.

WHAT MUST I FILE?

The owner of the property must file State Form 9284 / Form 136 with the County Assessor. The owner must provide all information requested on the application and accompanying information sheet. There is no filing fee.

WHAT HAPPENS IF THE OWNERSHIP OR USE OF AN EXEMPT PROPERTY CHANGES?

If an exempt property is transferred or its use is changed after an assessment date, the transfer or change of use will not affect the property's eligibility for an exemption for that assessment date. For the following assessment date, the person that obtained the exemption or the current owner of the property, as applicable, shall file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. In all cases, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in ownership or use in the year that the change occurs.

WHY AM I NOT AUTOMATICALLY EXEMPT FOR PROPERTY TAX PURPOSES IF I AM EXEMPT FOR INCOME TAX PURPOSES?

The granting of a federal or state income tax exemption does not entitle a taxpayer to a property tax exemption because an income tax exemption does not depend so much on how the property is used, but how the money is spent. (*See Raintree Friends Housing, Inc. v. Indiana Department of Revenue, 667 N.E. 2d 810*). It has also been determined that a worthwhile activity or noble purpose alone is not enough because a property tax exemption is justified when it helps accomplish some public purpose. (*See National Association of Miniature Enthusiasts v. State Board of Tax Commissioners, 671 N.E. 2d 218*).

THE APPLICANT SHOULD MAKE A COPY OF THE COMPLETED FORM FOR HIS / HER RECORDS.

WHAT HAPPENS AFTER I FILE?

The application will be considered by the County PTABOA. If the application is rejected in whole or in part, notice of that action will be given to the applicant on Form 120.

An applicant may appeal to the Indiana Board of Tax Review within thirty (30) days from the date the notice of rejection is given by the County PTABOA (IC 6-1.1-11-7). The appeal must be filed with the Indiana Board of Tax Review on the Form 132 and a copy mailed to the County Assessor (IC 6-1.1-15-3).

Before August 2nd, the County Assessor will forward to the Department of Local Government Finance the duplicate copy of each approved application. The Department may review those applications and, upon notice and hearing, may deny any exemption if it determines that the property is not eligible for exemption.

WHAT ACTIVITIES QUALIFY AS CHARITABLE, EDUCATIONAL, AND RELIGIOUS?

Charitable, educational, and religious activities are not defined in statute. Case law suggests that a variety of factors may be relevant and should be considered. For examples of this case law, applicants could research the "Decisions" section of the Indiana Board of Tax Review's website at www.in.gov/ibtr. Applicants are encouraged to specify in as much detail as possible their precise use of the property and how that use substantially relates to the purposes that they believe qualify the property for exempt status. Applicants should seriously consider consulting an attorney for assistance because qualification for exemption often presents complex legal questions.