



SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1427 be amended to read as follows:

- 1 Page 7, between lines 11 and 12, begin a new paragraph and insert:
2 "SECTION 7. IC 6-1.1-4-47 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2025]: **Sec. 47. (a) This section applies to assessment dates
5 occurring after December 31, 2025.**
6 **(b) As used in this section, "affordability restrictions" means
7 restrictions set forth in a ground lease concerning the future sale
8 or transfer of the community land trust improvement owned by a
9 qualified owner that are intended to maintain the continued
10 affordability of the community land trust improvement, including
11 at least the following:**
12 **(1) The community land trust improvement may only be sold
13 to another qualified owner who intends to:**
14 **(A) use the community land trust improvement as the
15 qualified owner's primary place of residence; and
16 (B) enter into a ground lease with the community land
17 trust.**
18 **(2) A formula to be used to calculate the sale or transfer price
19 that preserves the continued affordability of the community
20 land trust improvement.**
21 **(3) A purchase option for the community land trust intended
22 to preserve the continued affordability of the community land
23 trust improvement.**
24 **(4) The maximum amount for which the community land trust
25 improvement located on the community land trust land may
26 be sold or transferred.**
27 **(c) As used in this section, "community land trust" means a
28 nonprofit corporation that meets the following requirements:**

- 1 **(1) The nonprofit corporation is exempt from taxation under**
- 2 **Section 501(c)(3) of the Internal Revenue Code.**
- 3 **(2) A primary purpose of the nonprofit corporation is the**
- 4 **creation and maintenance of permanently affordable single**
- 5 **family or multi-family residences.**
- 6 **(3) The nonprofit corporation leases community land trust**
- 7 **land on which a community land trust improvement is located**
- 8 **to a qualified owner under a ground lease that provides for**
- 9 **the qualified owner's use of the community land trust**
- 10 **improvement as the qualified owner's primary place of**
- 11 **residence.**
- 12 **(d) As used in this section, "community land trust**
- 13 **improvement" means a dwelling unit and associated improvements**
- 14 **located on community land trust land that is occupied by a**
- 15 **qualified owner as the qualified owner's primary place of residence**
- 16 **according to the terms of a ground lease.**
- 17 **(e) As used in this section, "community land trust land" means**
- 18 **land owned by a community land trust for the purposes described**
- 19 **in subsection (c)(2) and (c)(3).**
- 20 **(f) As used in this section, "ground lease" means a lease entered**
- 21 **into between a community land trust and a qualified owner that**
- 22 **allows the qualified owner to occupy a community land trust**
- 23 **improvement located on community land trust land and includes**
- 24 **at least the following:**
- 25 **(1) Affordability restrictions.**
- 26 **(2) Restrictions for resale or transfer of the community land**
- 27 **trust improvement.**
- 28 **(3) A provision stating that the community land trust retains**
- 29 **an interest in the community land trust land.**
- 30 **(4) The initial appraised value of the community land trust**
- 31 **improvement at the time the lease is entered into or at the**
- 32 **time otherwise specified.**
- 33 **(5) The monthly fee that the qualified owner must pay to the**
- 34 **community land trust for use of the community land trust**
- 35 **land.**
- 36 **(6) A term of ninety-nine (99) years that may be renewed.**
- 37 **(g) As used in this section, "qualified owner" means an**
- 38 **individual who is a member of a household with annual household**
- 39 **income that is not more than eighty percent (80%) of the median**
- 40 **household income in the community land trust land's surrounding**
- 41 **area, as determined according to the median household income**
- 42 **amounts published by the United States Department of Housing**
- 43 **and Urban Development at the time the ground lease is entered**
- 44 **into.**
- 45 **(h) The assessed value of the land held by a community land**
- 46 **trust in an assessment year is equal to the assessed value of the land**
- 47 **at the time land was acquired by the community land trust.**

1 **(i) For purposes of making a reassessment of a community land**
 2 **trust improvement under section 4.2 of this chapter or an annual**
 3 **adjustment under section 4.5 of this chapter, the assessed value of**
 4 **a community land trust improvement after the initial assessment**
 5 **under this section may not exceed the maximum amount for which**
 6 **the community land trust improvement may be sold or transferred**
 7 **as set forth in the affordability restrictions of the ground lease to**
 8 **which the community land trust improvement is subject."**

9 Page 45, between lines 29 and 30, begin a new paragraph and insert:
 10 "SECTION 1. IC 6-1.1-50.1 IS ADDED TO THE INDIANA CODE
 11 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2025]:

13 **Chapter 50.1. Credit for Community Land Trust Property**

14 **Sec. 1. The credit provided by this chapter applies to assessment**
 15 **dates occurring after December 31, 2025.**

16 **Sec. 2. As used in this chapter, "net property tax" means**
 17 **liability for the tax imposed on property under this article**
 18 **determined after the application of all credits and deductions**
 19 **under this article but does not include any interest or penalty**
 20 **imposed under this article.**

21 **Sec. 3. As used in this chapter, "qualified owner" has the**
 22 **meaning set forth in IC 6-1.1-4-47(g).**

23 **Sec. 4. A qualified owner whose property is assessed under**
 24 **IC 6-1.1-4-47 is entitled to a credit in an amount equal to thirty**
 25 **percent (30%) of the qualified owner's net property tax due.**

26 **Sec. 5. The department of local government finance shall**
 27 **prescribe a form on which a qualified owner may claim the credit**
 28 **provided under this chapter."**

29 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1427 as printed April 2, 2025.)

Senator BASSLER