

State of Indiana Property Tax Assessments Statutes

Basis for Property Tax Assessments – Market Value

Property is assessed at its true tax value (IC 6-1.1-1-3). However, true tax value does not mean fair market value; it means the resultant value of property determined in accordance with the following specific rules (50 IAC 4.2-1-1): (1) mobile homes (50 IAC 3.1); (2) tangible personal property (50 IAC 4.2); (3) real estate (50 IAC 2.1); and (4) public utility property (50 IAC 5). A number of provisions regarding valuation and assessment are included in 50 IAC 4.2-1-1.1.

Oil interests: The total assessed value of all oil interests in a particular tract of land equals the product of the average daily production of the oil multiplied by 365 and, furthermore, multiplied by the posted price of oil on the assessment date (IC 6-1.1-4-12.6(b)). If the oil is being extracted by use of a secondary recovery method, the total assessed value of all interests in the oil equals one-half of the assessed value computed under the above formula;—Petroleum products: Crude oil, natural gas, grease, gasoline, motor oil, LP gas, and distillate fuel such as kerosene, fuel oil, tractor fuel, jet fuel, and diesel fuel, are valued on the basis of commodity prices reported in the Oil Daily, Oil and Gas Journal, and the Wall Street Journal as of March 1 of the assessment year (50IAC 4.2-15-7).

Real Property Defined

Real property means (1) land, buildings, fixtures, or other appurtenances, (2) estates in land or mineral rights located in the land when the ownership of the mineral rights is distinct from the land ownership, and (3) a riverboat on which lawful gambling is authorized (IC 6-1.1-1-15).

Personal Property Defined

Personal Property is (IC 6-1.1-1-11, 50 IAC 4.2-1-1) (1) nursery stock severed from the ground, (2) florists' stock of growing crops ready for sale as potted plants on benches, (3) billboards and other advertising devices located on real property that is not owned by the owner of the devices, (4) motor vehicles, mobile homes, airplanes, boats(not subject to boat excise tax), and trailers (not subject to trailer tax), (5) foundations (other than those supporting a building or structure) on which machinery or equipment is



installed, and (6) all other tangible personal property that is being held for sale in the ordinary course of a trade or business, or that is held, used, or consumed in connection with the production of income or as an investment. Depreciable personal property is tangible personal property used in a trade or business, used for the production of income, or held as an investment that is subject to depreciation (50 IAC 4.2-4-1).

Intangible Property Taxes

Exempt (Sec. 1(a), Art. 10, Ind. Const., IC 6-1.1-10-39).