

IC 6-1.1-3-7.2 Exemption for certain business personal property with acquisition cost less than \$40,000; information required on return

Sec. 7.2. (a) This section applies to assessment dates occurring after December 31, 2015.

(b) As used in this section, "affiliate" means an entity that effectively controls or is controlled by a taxpayer or is associated with a taxpayer under common ownership or control, whether by shareholdings or other means.

(c) As used in this section, "business personal property" means personal property that:

- (1) is otherwise subject to assessment and taxation under this article;
- (2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income; and

(3) was:

- (A) acquired by the taxpayer in an arms length transaction from an entity that is not an affiliate of the taxpayer, if the personal property has been previously used in Indiana before being placed in service in the county; or
- (B) acquired in any manner, if the personal property has never been previously used in Indiana before being placed in service in the county.

The term does not include mobile homes assessed under [IC 6-1.1-7](#), personal property held as an investment, or personal property that is assessed under [IC 6-1.1-8](#) and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (3), regardless of whether that personal property is assessed under [IC 6-1.1-8](#) and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

(d) Notwithstanding section 7 of this chapter, if the acquisition cost of a taxpayer's total business personal property in a county is less than forty thousand dollars (\$40,000) for that assessment date, the taxpayer's business personal property in the county for that assessment date is exempt from taxation.

(e) A taxpayer that is eligible for the exemption under this section for an assessment date shall include the following information on the taxpayer's personal property tax return:

- (1) A declaration that the taxpayer's business personal property in the county is exempt from property taxation.
- (2) Whether the taxpayer's business personal property within the county is in one (1) location or multiple locations.
- (3) An address for the location of the property.

If the business personal property is in multiple locations within a county, the taxpayer shall provide an address for the location where the sum of acquisition costs for business personal property is greatest. If two (2) or more addresses contain the greatest equivalent sum of acquisition costs for business personal property within a given county, the taxpayer shall choose only one (1) address to list on the return.

As added by P.L.80-2014, SEC.1. Amended by P.L.249-2015, SEC.3; P.L.199-2016, SEC.1; P.L.273-2019, SEC.2.