

INDIANA SALES DISCLOSURE FORM INSTRUCTIONS

TABLE 1 – Deductions covered under the Sales Disclosure Form

Listed below are certain deductions and credits that are available to lower property taxes in Indiana for which the Sales Disclosure Form serves as application. Taxpayers may claim these benefits by filing a Sales Disclosure Form or an application with the auditor in the county where the property is situated. The previous tax bill will facilitate filing, but it is not required. Individuals that purchase property, or record a transfer or mortgage document after March 1 may file for the deductions at the earliest opportunity, but the deduction will not apply until the following March 1st assessment date. The deduction will appear on the tax bill the year following the assessment date. For additional information on these and other benefits, please consult Indiana Code 6-1.1-12 and 6-1.1-20.9.

DEDUCTION (Indiana Code)	MAXIMUM AMOUNT ***	ELIGIBILITY REQUIREMENTS	APPLICATION FORM AND VERIFICATION (PROOF) REQUIRED	RESTRICTIONS WHEN COMBINING WITH OTHER DEDUCTIONS***
Homestead Credit (6-1.1-20.9) *	A designated percentage of net tax bill * (PL 146-2008 Sec. 848 grants an owner entitled to homestead credit for 2007 pay 2008 an additional homestead credit and section 849 gives those entitled to the standard deduction for 2008 pay 2009 a homestead credit.)	1) individual must own or be buying a homestead under contract which provides buyer is to pay taxes; 2) with respect to real property, or a mobile or manufactured home that is not assessed as real property, the individual must own the real property, mobile or manufactured home not assessed as real property, or be buying under contract on the date the application form is filed; 3)a taxpayer other than individual may apply for the credit if an individual uses the residence as the individual's principal place of residence, the residence is located in Indiana, the individual has a beneficial interest in taxpayer, taxpayer owns or is buying under recorded contract that requires taxpayer to pay taxes and the residence consists of a single family dwelling, including mobile and manufactured homes, and the real estate surrounding the dwelling cannot exceed one acre; 4) the Sales Disclosure Form is an application for the first year, but NOT subsequent years for mobile or manufactured home not assessed as real property.	Sales Disclosure Form 46021 or State Form 5473 Previous tax bill will facilitate filing.	None
Homestead Standard Deduction (6-1.1-12-37(b))	\$45,000 Starting on January 1, 2009, the amount of the standard deduction is the lesser of: 60% of the assessed value of the real property or \$45,000.	Until 12/31/08: A person entitled to receive the homestead credit for taxes payable in the following year is entitled to a standard deduction for the assessed value of the real property, mobile home or manufactured home that qualifies for the homestead credit. (See above). Law as of 1/1/09: 1) residential real property improvements located in Indiana that an individual uses as the individual's principal residence, including a mobile or manufactured home not assessed as real property; 2) as of March 1, or in the case of a mobile home that is assessed as personal property, the immediately following January 15, property must be owned , occupied by tenant-stockholder of cooperative housing corporation, or under contract purchase that provides that the buyer is to pay the property taxes; 3) consists of dwelling and real estate not to exceed one acre surrounding the dwelling; 4) one standard deduction per married couple or individual.	Sales Disclosure Form 46021 or DLGF Form HC10 (State Form 5473). One form filed for both the Homestead Credit and the Standard Deduction.	
Supplemental Homestead Deduction (PL 146-2008 Sec. 116) (Effective on January 1, 2009 and applies to applying to property taxes first due and payable in 2009 and thereafter.)	Equal to the sum of the following: (1) thirty-five percent (35%) of the assessed value that is less than six hundred thousand dollars (\$600,000). (2) twenty-five percent (25%) of the assessed value that is more than six hundred thousand dollars (\$600,000).	A person who is entitled to a standard deduction from the assessed value of property under IC 6-1.1-12-37 is also entitled to receive a supplemental deduction from the assessed value of the homestead to which the standard deduction applies after the application of the standard deduction but before the application of any other deduction, exemption, or credit for which the person is eligible.	Sales Disclosure Form 46021 or DLGF Form HC10 (State Form 5473). One form filed for both the Homestead Credit and the Standard Deduction.	This deduction granted must not be considered in applying the limits in IC 6-1.1-12-40.5. IC 6-1.1-12-40.5 states that the sum of the deductions provided to an annually assessed mobile home or manufactured home may not exceed one-half (1/2) of its assessed value.

DEDUCTION (Indiana Code)	MAXIMUM AMOUNT ***	ELIGIBILITY REQUIREMENTS	APPLICATION FORM AND VERIFICATION (PROOF) REQUIRED	RESTRICTIONS WHEN COMBINING WITH OTHER DEDUCTIONS***
Solar Energy Heating or Cooling Systems (6-1.1-12-26)	Assessed value (AV) with the device, less the AV without the device. In other words, the value of the device.	1) individual must own the real property or mobile or manufactured home not assessed as real property or be buying on contract on the date the application is filed; 2) real property or mobile home not assessed as real property is equipped with a solar energy system or wind power device; hydroelectric power device, or geothermal energy heating or cooling device; 3) with respect to real property, file during the year for which the person desires to obtain the deduction, and with respect to mobile home which is not assessed as real property file during the 12 months before March 31 of each year for which the deduction is sought.	Sales Disclosure Form 46021 or State Form 18865	PARTIALLY - These deductions may be claimed with all other deductions EXCEPT the Over 65 Deduction.
Wind Power Device (6-1.1-12-29)			Sales Disclosure Form 46021 or State Form 18865	PARTIALLY - These deductions may be claimed with all other deductions EXCEPT the Over 65 Deduction
Hydroelectric Power Device (6-1.1-12-33)			Sales Disclosure Form 46021 or State Form 18865 Certificate of Qualification from the Indiana Department of Environmental Management (IDEM). IDEM certification may be obtained by mailing copy of State form to IDEM, 100 N. Senate Ave., Indianapolis, IN 46204	PARTIALLY - These deductions may be claimed with all other deductions EXCEPT the Over 65 Deduction.
Geothermal Device 6-1.1-12-34)			Sales Disclosure Form 46021 or State Form 18865 Indiana Department of Environmental Management certification (IDEM). IDEM certification may be obtained by mailing State form to IDEM 100 N. Senate Ave. ,Office of Water Quality, 65-40 Geothermal, Indianapolis, IN 46204	PARTIALLY - These deductions may be claimed with all other deductions EXCEPT the Over 65 Deduction.

* The rate used is specific to the county. Depending on the county, you may also receive a County Homestead Credit on your residence. Please consult with your county auditor.

** Any unused portion after application to residence property applies next to personal property and lastly as Excise Tax Credit on either motor vehicle excise tax (IC 6-6-5-5) or aircraft license tax (IC 6-6-6.5)

*** The sum of the deductions provided to a mobile home or to a manufactured home that is not assessed as real property may not exceed one-half (1/2) of the assessed value of the mobile home or manufactured home. (IC 6-1.1-12-40.5)