



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 true tax value of community land trust land in an**
46 **assessment year is the present value of the long term revenue that**
47 **will be received from fees required under the ground lease to which**

1 the community land trust land is subject.
 2 (i) The true tax value of a community land trust improvement
 3 in an assessment year that occurs in the first year of a ground lease
 4 to which the community land trust improvement is subject is equal
 5 to either:
 6 (1) the initial appraised value; or
 7 (2) a formula price based on a market based index that uses
 8 a median income index for income in the county in which the
 9 community land trust improvement is located;
 10 as set forth in the ground lease.
 11 (j) For purposes of making a reassessment of a community land
 12 trust improvement under section 4.2 of this chapter or an annual
 13 adjustment under section 4.5 of this chapter, the true tax value of
 14 a community land trust improvement after the initial assessment
 15 under subsection (i) may not exceed the maximum amount for
 16 which the community land trust improvement may be sold or
 17 transferred as set forth in the affordability restrictions of the
 18 ground lease to which the community land trust improvement is
 19 subject."
 20 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1427 as printed April 2, 2025.)

Senator BASSLER