

Bill No. 9-26

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE ST. JOSEPH COUNTY COUNCIL TO ADOPT  
A COUNTY OPTION HOMESTEAD PROPERTY TAX  
DEFERRAL PROGRAM  
PETITIONERS: AMY DRAKE, RANDALL FIGG, JOSEPH THOMAS AND  
ANDY RUTTEN**

WHEREAS, the Indiana Legislature codified a new “County Option Homestead Property Tax Deferral Program” under Ind. Code 6-1.1-52 effective Jul 1, 2025;

WHEREAS, this new legislation permits county fiscal bodies to establish a Deferral Program;

WHEREAS, property taxes have become a significant burden to a number of St. Joseph County residents;

WHEREAS, the St. Joseph County Council wishes to provide property tax relief as permitted under this new legislation, Ind. Code 6-1.1-52.

NOW, THEREFORE, BE IT ORDAINED BY THE ST. JOSEPH COUNTY COUNCIL THAT:

1. A County Option Homestead Property Tax Deferral Program is hereby established with the following parameters:
  - a. A ‘Qualified Individual’, as defined by Ind. Code 6-1.1-52-4, who has a ‘Qualified Interest’ as defined by Ind. Code 6-1.1-52-5, in a ‘homestead’ as defined in reference to Ind. Code 6-1.1-12-37, may defer no less than \$100 and no more than \$500 of the individual’s homestead property tax liability as defined by Ind. Code 6-1.1-52-2 and as limited by Ind. Code 6-1.1-52-3 in a given year beyond the typical (May 10 and November 10) due dates.

Qualified Individual must also qualify for and receive a homestead deduction on the subject property in which the Qualified Individual has a Qualified Interest and the Qualified Individual must be at least 55 years of age as of January 1 of the year in which the taxes being deferred would otherwise be due and payable.

- b. St. Joseph County shall NOT charge interest on the deferred tax balances.
- c. Amounts deferred may continue to accumulate until the delayed due date as defined by Ind. Code 6-1.1-52-7( c).
- d. The maximum amount that may be deferred is \$10,000 of homestead property tax liability.
- e. No deferral shall be granted if the total deferred taxes plus the total of all other liens on the homestead property plus the outstanding principal on all mortgages on the homestead property exceed 100% of the homestead's assessed value.
- f. A Qualified Individual wishing to apply for the Deferral Program shall:
  - i. File a completed County Option Property Tax Deferral Loan Application (Exhibit A) with the county auditor in the county where the homestead is located no or before January 15 of the calendar year in which the property taxes are due and payable;
  - ii. Submit with the Tax Deferral Loan Application the written approval of any holder of a lien on the homestead property;
  - iii. Agree to not pay the individual's remaining non-deferred payments by escrow;

- iv. Enter into a County Option Property Tax Deferral Loan Agreement (Exhibit B) with the county auditor before March 1 of that year, and for each subsequent year that homestead property taxes are deferred; and
  - v. Pay any recording fees required by the county recorder to file the Tax Deferral Loan Application.
2. This Ordinance applies to the entire territory of St. Joseph County.
  3. This ordinance specifically allows a Qualified Individual as defined and explained in Section 1 of this Ordinance to apply for and receive deferral of the Individual's homestead property tax liability as set forth in Ind. Code 6-1.1-52.
  4. This Ordinance shall first apply to the 2026 pay 2027 property tax obligations as it is or will be adopted prior to November 1, 2026, and the Ordinance shall continue to apply until such time as it is rescinded by the St. Joseph County Council.
  5. This Ordinance may be rescinded through a subsequent duly adopted Ordinance.
  6. If an individual who qualifies for deferred property tax payments stops using their homestead as their primary residence, loses or changes their qualifying interest in it, or if a surviving spouse becomes a qualifying individual, they must notify the county auditor in the county where the homestead is located on the form prescribed by the Department of Local Government Finance.
  7. Deferred taxes are due and payable 180 days after a deferral termination event occurs, as required by Ind. Code 6-1.1-52. However deferred taxes may be paid any time on or before the delayed due date without penalty.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

\_\_\_\_\_  
Member, St. Joseph County Council

1<sup>st</sup> READING  
PUBLIC HEARING  
2<sup>nd</sup> READING  
NOT APPROVED  
REFERRED  
PASSED

**FILED**

JAN 20 2026

COUNTY COUNCIL  
ST. JOSEPH COUNTY INDIANA

# **EXHIBIT – A –**



# COUNTY OPTION PROPERTY TAX DEFERRAL LOAN APPLICATION

State Form 57885 (R / 9-25)  
Prescribed by the Department of Local Government Finance

FOR COUNTY USE ONLY		
ORDINANCE #	COUNTY	TOWNSHIP

**INSTRUCTIONS:** To be filed in person or by mail with the county auditor of the county where the homestead is located. Beginning with proper due and payable in 2026, a qualified individual in a county that has adopted an ordinance to establish a homestead property program may defer at least \$100 but not more than \$500 of the qualified individual's homestead property tax liability in a given year.

**Filing Date:** Application must be completed, signed, and filed by January 15 of the calendar year in which the property taxes are first due payable. A qualified individual must also enter into a tax deferral agreement with the county auditor before March 1 of that year recording fees required by a county recorder to file the application shall be paid by the applicant.

See reverse side for additional instructions, definitions and qualifications.

## CERTIFICATION STATEMENT

I, \_\_\_\_\_ hereby request deferral of the due date for my homestead property tax liability in the amount of \$\_\_\_\_\_ (must be at least \$100 and no more than \$500) for the January 1, \_\_\_\_\_ assessment date, payable in \_\_\_\_\_ per Indiana Code § 6-1.1-52.

I certify that 1) on the assessment date and 2) for at least five (5) years before first applying for a deferral of homestead property tax liability, I had a qualified interest as indicated below in the homestead property described in this application:

- An ownership interest in the homestead,  An interest in a contract for the purchase of the homestead recorded in the county recorder's office acquired on \_\_\_\_\_ (date); provides that a person purchasing the homestead is to pay the property taxes on the homestead, or \_\_\_\_\_ (date)

I certify that I use the homestead as my principal place of residence and have no delinquent payment of property taxes, special assessments, or fees or that are included by law on a tax statement issued under Indiana Code 6-1.1-22-8.1 or 6-1.1-22.5. I have submitted with this application the written approval holder of a lien on the homestead property described below. I agree to not pay my remaining non-deferred property tax payments by escrow.

## HOMESTEAD PROPERTY DESCRIPTION

Address of Homestead (number and street, city, state, and ZIP code)

County	Township	Taxing District (city, town, township)	
Parcel Number	Legal Description	Record Number (contract)	Page Number
Is the Property in Question <input type="checkbox"/> Real Property <input type="checkbox"/> Annually Assessed Mobile Home (IC 6-1.1-7)		Are There Any Liens on the Homestead Property? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If there are liens on the homestead property, has applicant submitted the written approval of any lien holder on the homestead property?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Total Amount of Deferred Taxes	Amount of All Other Liens on Homestead Property (if any)		
Outstanding Principal on All Mortgages on Homestead Property	Assessed Value of Homestead Property		

## APPLICANT'S INFORMATION

Name of Applicant (legal name)	Telephone Number ( )	Email Address
Is Applicant the Sole Legal or Equitable Owner? <input type="checkbox"/> Yes <input type="checkbox"/> No	If No, What is Applicant's Exact Share or Interest?	Identify Any Non-Spouse Co-Owner (if any)
If Name on Record is Different than Applicant, Indicate Below		
Name of Contract Seller	Address of Contract Seller (number and street, city, state, and ZIP code)	

**AUDITOR USE ONLY**

Upon the filing of an application, the county auditor shall immediately notify the county treasurer and transmit the information that the county treasurer needs to match application with the county treasurer's records related to the homestead. No deferral of homestead property tax liability shall be granted if the total amount of deferred under Ind. Code § 6-1.1-52 plus the total amount of all other liens on the homestead property plus the outstanding principal on all mortgages on the homestead property 100% of the homestead's assessed value.

Does applicant meet all other property tax deferral program qualifications, if any, required under the county's ordinance adopted under Ind. Code § 6-1.1-52?  Yes

Describe Additional Qualification Required by County Ordinance

I have reviewed this application and determined that the applicant qualifies for deferral. After an initial application, an applicant remains eligible for a deferral in substance so long as the applicant continues to meet the eligibility requirements for deferral under IC 6-1.1-52.

20 _____ Pay 20 _____	Taxes approved for deferral must be the lesser of the amount requested by applicant (which may not be less than \$100); or \$500.	Taxes Deferred \$ _____
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Signature of Auditor _____	Date Signed (month, day, year) _____
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If the applicant is qualified for a deferral, the auditor shall provide for the recording of the deferral in the county recorder's office specifying the amount of property tax and shall notify the county treasurer and the Department of Local Government Finance of the amount deferred. The recording of a deferral in the county recorder's office constitute a lien on the homestead property.

**PROPERTY TAX DEFERRAL DEFINITIONS AND QUALIFICATIONS**

**IC 6-1.1-52**

The County Option Property Tax Deferral Program has been enacted to allow qualified individuals in a county with a homestead property tax deferral program to defer the due date for the qualified individual's homestead property tax liability. Read careful qualifying guidelines below:

**DEFINITIONS:** "Homestead" means an individual's principal place of residence:

1. that is located in Indiana;
2. that:
  - a. the individual owns;
  - b. the individual is buying under a contract, recorded in the county recorder's office, that provides the individual is to pay the property taxes on the residence and that obligates the seller to convey title to the individual upon completion of all of the individual's contract obligations;
  - c. the individual is entitled to occupy as a tenant-stockholder (as defined in 26 USC 216) of a cooperative housing corporation (as defined in 26 USC 216);
  - d. is a residence described in IC 6-1.1-12-17.9 that is owned by a trust if the individual is an individual described in IC 6-1.1-12-17.9; or
  - e. is a residence owned by a corporation, partnership, limited liability company, or other entity if requirements of IC 6-1.1-12-37(r) are not; and
3. that consists of a dwelling and includes up to one (1) acre of land immediately surrounding that and any of the following improvements:
  - a. any number of decks, patios, gazebos, or pools.
  - b. one (1) additional building that is not part of the dwelling if the building is predominantly used for residential purpose and is not used as an investment property or as a rental property.
  - c. one (1) additional residential yard structure other than a deck, patio, gazebo, or pool.

"Dwelling" means any of the following:

1. residential real property improvements that an individual uses as the individual's residence, limited to a single house and a single garage, regardless of whether the single garage is attached to the single house or detached from the single house;
2. a mobile home that is not assessed as real property that an individual uses as the individual's residence; or
3. a manufactured home that is not assessed as real property that an individual uses as the individual's residence.

"Homestead property tax liability" refers to a liability for property taxes:

1. that are assessed on tangible property that is a homestead, including all tangible property, regardless of type, located in any parcel that contains the homestead; and;
2. that would be first due and payable in a certain year if the property taxes were not deferred under IC 6-1.1-52.

"Qualified individual" means an individual who:

1. has a qualified interest in a homestead on the assessment date for which homestead property tax liability is imposed;
2. has held a qualified interest in the homestead for at least five (5) years before first applying for a deferral of homestead property tax liability;
3. uses the homestead in which the individual has a qualified interest as the individual's principal place of residence. An individual shall be treated as using a homestead as the individual's principal place of residence if the individual:
  1. is absent from the homestead while in a health care facility (as defined in IC 16-18-2-161 or 16-28-13-0.5) for which payment is received from the United States Department of Health and Human Services for the individual's care; but
  2. used the homestead as the individual's principal place of residence immediately before being admitted to a health care facility (as defined in IC 16-18-2-161 or IC 16-28-13-0.5);
4. is not delinquent in the payment of any property taxes, special assessments, or fees or charges that are included by law on a tax statement issued under IC 6-1.1-22-8.1 or IC 6-1.1-22.5; and
5. meets any other qualifications that a county may choose to require in an ordinance adopted under IC 6-1.1-52.

"Qualified interest" means:

1. an ownership interest in a homestead; or
2. an interest in a contract for the purchase of a homestead that:
  - a. is recorded in the county recorder's office; and
  - b. provides that a person purchasing the homestead is to pay the property taxes on the homestead.

**WHO MAY QUALIFY:** A qualified individual in a county with a homestead property tax deferral program may apply to the county auditor to defer the due date for the qualified individual's homestead property tax liability as permitted under IC 6-1.1-52.

**WHAT IS DEFERRED:** A qualified individual may defer at least \$100 but no more than \$500 of the qualified individual's homestead property tax liability in a given calendar year. Amounts deferred for prior years may continue to accumulate until the delayed due date under IC 6-1.1-52. A qualified individual may not defer more than \$10,000 of the qualified individual's homestead property tax liability over consecutive years. The county treasurer may accrue interest on a qualified individual's deferred tax balance amount on a monthly basis not to exceed four percent (4%) beginning on the date of the deferral. No deferral of homestead property tax liability shall be granted if the total amount of deferred taxes plus the total amount of all other liens on the homestead property plus the outstanding principal on all mortgages on the homestead property exceed one hundred percent (100%) of the homestead's assessed value.

**HOW TO FILE:** A qualified individual wishing to obtain a deferral of homestead property tax liability for a calendar year must file with the county auditor a completed loan application on or before January 15 of the calendar year in which the property taxes are first due and payable and must enter into a tax deferral agreement with the county auditor before March 1 of that year. Forms must be filed at the county auditor's office in the county where the homestead is located. Applications must be completed, dated, and filed or postmarked with the county auditor on or before January 15 of the calendar year in which the property taxes are first due and payable. If an individual mails this form and desires to have a file-stamped copy returned, the individual must provide a self-addressed, stamped envelope to the county auditor's office.

**WHEN DEFERRED TAXES MAY BE PAID:** Deferred property taxes and accrued interest may be paid at any time on or before the delayed due date.

**WHEN DEFERRED TAXES MUST BE PAID:** Deferred property taxes are due and payable one hundred and eighty (180) days after the date on which a deferral termination event occurs. Payment of deferred property taxes after the delayed due date shall be collected in the same manner as delinquent property taxes.

**DEFERRAL TERMINATION EVENT:** A deferral termination event occurs on the earlier of the following dates:

1. The first date on which the qualified individual who had a qualified interest in the homestead when the property taxes were deferred:
  - a. ceases to use the homestead as the individual's principal place of residence as provided in IC 6-1.1-52-4(3); or
  - b. no longer has a qualified interest in the homestead.
2. The date of the death of the qualified individual who had a qualified interest in the homestead when property taxes were deferred.

**SURVIVING SPOUSE:** The following only applies to a surviving spouse who was not a qualified individual on the date on which property taxes were deferred. If a deceased individual was a qualified individual on the date on which property taxes were deferred, the deceased individual's surviving spouse shall be treated after the deceased individual's death as if the surviving spouse had been a qualified individual on the date on which property taxes were deferred if:

1. the homestead was the surviving spouse's principal place of residence when the deceased qualified individual died; and
2. the surviving spouse has a qualified interest in the homestead not later than the later of:
  - a. the date of the deceased individual's death; or
  - b. the date of the surviving spouse's marriage to the deceased individual.

**EXHIBIT – B –**



**COUNTY OPTION PROPERTY TAX DEFERRAL  
LOAN AGREEMENT**

State Form 57889 (9-25)  
Prescribed by the Department of Local Government Finance

FOR COUNTY USE ONLY		
ORDINANCE #	COUNTY	TOWNSHIP

Indiana Code § 6-1.1-52 allows a qualified individual in a county that has adopted an ordinance establishing a homestead property tax deferral to apply for and receive a deferral of their homestead property tax liability, as specified in that chapter. To obtain a deferral of the homestead property tax liability for a given calendar year, a qualified individual must:

- (1) File a completed County Option Property Tax Deferral Loan Application (SF 57886) with the county auditor on or before January 15 of the calendar year in which the property taxes are first due and payable.
- (2) Enter into a Tax Deferral Loan Agreement with the county auditor before March 1 of the calendar year in which the property taxes are first due and payable.

**INSTRUCTIONS:** Complete all sections fully. Must be filed with the county auditor before March 1 of the calendar year in which the property taxes deferred are first due and payable. A completed County Option Property Tax Deferral Loan Application (SF 57886) must be on file.

This agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ between the \_\_\_\_\_ County Auditor ("County Auditor"), acting on behalf of \_\_\_\_\_ County and \_\_\_\_\_ (the "Qualified Individual"). It pertains to the \_\_\_\_\_ Pay \_\_\_\_\_ tax

**RECITALS**

- WHEREAS,** Indiana Code § 6-1.1-52 allows a qualified individual in a county that has adopted an ordinance establishing a homestead property tax deferral program to apply for and receive a deferral of their homestead property tax liability by submitting a Tax Deferral Loan Application and executing a Tax Deferral Loan Agreement with the County Auditor;
- WHEREAS,** The Qualified Individual seeks to defer payment of their homestead property tax liability and has submitted a Tax Deferral Loan Application to the County Auditor; and
- WHEREAS,** The County Auditor has reviewed the Tax Deferral Loan Application and has determined that the Individual is eligible for deferral of homestead property taxes in the amount of \$ \_\_\_\_\_

**DESCRIPTION OF PROPERTY**

This agreement applies to the homestead property tax liability associated with the homestead described in the Individual's Tax Deferral Loan Application, commonly described as (a description or address of property that identifies the homestead):

NOW THEREFORE, in consideration of the property tax deferral granted by \_\_\_\_\_ County, the Auditor and the Qualified Individual agree as follows:

1. The Qualified Individual's homestead property taxes in the amount of \$ \_\_\_\_\_ for \_\_\_\_\_ Pay \_\_\_\_\_ deferred until the delayed due date provided for under Indiana Code § 6-1.1-52. Subject to paragraphs 3 and 4, deferred under Indiana Code § 6-1.1-52 may continue to accumulate until the delayed due date under that chapter.

3. No deferral of homestead property tax liability shall be granted if the total amount of the Qualified Individual's taxes, not including interest, plus the total amount of all other liens on the homestead property plus the outstanding principal on all mortgages on the homestead property exceed one hundred percent (100%) of the homestead's value.
4. The Qualified Individual may not defer more than ten thousand dollars (\$10,000) of the Qualified Individual's homestead property tax liability over consecutive years.
5. The Qualified Individual shall not pay the Qualified Individual's remaining non-deferred payments by escrow.
6. Deferred property taxes and accrued interest may be paid at any time on or before the delayed due date under Indiana Code § 6-1.1-52-10. Payment of deferred property taxes after the delayed due date shall be collected in the same manner as delinquent property taxes.
7. Deferred property taxes are due and payable one hundred eighty (180) days after the date on which a deferral termination event occurs. Subject to paragraph 8, a deferral termination event occurs on the earlier of the following dates:
  - a. The first date on which the qualified individual who had a qualified interest in the homestead when the property taxes were deferred:
    - i. ceases to use the homestead as the individual's principal place of residence as provided in section 4(3) of this chapter; or
    - ii. no longer has a qualified interest in the homestead.
  - b. The date of the death of the Qualified Individual who had a qualified interest in the homestead when property taxes were deferred.
8. This provision applies only to a surviving spouse who was not a Qualified Individual on the date on which property taxes were deferred. If a deceased individual was a Qualified Individual on the date on which property taxes were deferred, the deceased individual's surviving spouse shall be treated after the deceased individual's death as if the surviving spouse had been a Qualified Individual on the date on which property taxes were deferred if:
  - a. the homestead was the surviving spouse's principal place of residence when the deceased Qualified Individual died; and
  - b. the surviving spouse has a qualified interest in the homestead not later than the later of:
    - i. the date of the deceased individual's death; or
    - ii. the date on which the estate of the deceased individual transfers any part of the ownership interest in the homestead from the estate.
9. The Qualified Individual shall submit the Notice to Auditor of Potential Property Tax Deferral Termination Event (Form 57887) form to the County Auditor in the county where the homestead is located whenever the Qualified Individual:
  - a. ceases to use the homestead as the Qualified Individual's principal place of residence as provided in Indiana Code § 6-1.1-52-4(3);
  - b. ceases to have a qualified interest in the homestead as provided in Indiana Code § 6-1.1-52-5; or
  - c. changes the Qualified Individual's qualified interest in the homestead.

The County Auditor shall review the information filed under this paragraph to determine whether a deferral termination event has occurred.

10. Whenever a surviving spouse becomes a Qualified Individual, the person responsible for paying the property taxes on the homestead shall notify the County Auditor in the county where the homestead is located. The County Auditor shall review the information filed under this paragraph to determine whether a deferral termination event has occurred.
11. If, as the result of the filing of information with the County Auditor or on the County Auditor's own motion, the County Auditor determines that a deferral termination event has occurred, the County Auditor shall notify the county clerk, the county recorder, and the Department of Local Government Finance using the Auditor's Notice of Deferral Termination Event.

12. The County Auditor shall provide for the recording of the deferral in the county recorder's office specifying the of property tax deferred. Any recording fees required by the county recorder to file the application shall be pa Qualified Individual. The County Auditor shall also notify the county treasurer and the Department of Local Gov Finance of the amount deferred.

13. The recording of the deferral in the country recorder's office shall constitute a line on the homestead property.

\_\_\_\_\_  
Signature of County Auditor

\_\_\_\_\_  
Date (month, day, year)

Under penalties of perjury, I state that, to the best of my knowledge, the information in this agreement is true, corre complete.

\_\_\_\_\_  
Signature of Qualified Individual

\_\_\_\_\_  
Date (month, day, year)

January 20, 2026

We submit and file the attached ordinance:

An ordinance to the St. Joseph County Council to adopt a County Option Homestead Property Tax Deferral Program AKA The Help Seniors Stay in Their Homes Ordinance.

Sponsors:

Amy Drake  
Joe Thomas  
Randy Figg  
Andy Rutten