

Merrillville / Lake County Area Property Tax Credits & Deductions

Relevant to ZIP Code 46410 (Merrillville, Indiana)

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■ Residential Credits & Deductions (Lake County)

These are the programs most relevant to homeowners in your area. Indiana law provides a number of property tax deductions and credits. It is the property owner's responsibility to apply for these through the Lake County Auditor's office. New applications must generally be filed by January 15 of the year the taxes are due in order for the reduction to appear on that year's bill.

Major Reform: Indiana SB 1 Property Tax Changes

Indiana's landmark Senate Bill 1, signed into law in 2025, restructures how homestead property tax relief is delivered. The standard deduction is being phased out and replaced by a larger supplemental deduction and a new tax credit. Two-thirds of Indiana homeowners are expected to see a lower property tax bill in 2026 compared to 2025. If you are already receiving a homestead deduction, the new credits will be applied automatically—no action is required.

Homestead Standard Deduction

Most homeowners are eligible if they own and occupy the property as their principal residence and their Indiana driver's license or state ID matches the property address. Under Indiana's recent SB 1 reform, the standard deduction is being phased down over several years: up to \$48,000 for taxes payable in 2025, \$40,000 for 2026, \$30,000 for 2027, and continuing to decrease through 2030. Once filed, the deduction automatically renews each year unless the property is sold or the title changes.

Supplemental Homestead Deduction

Applied automatically on top of the standard deduction, the supplemental deduction is increasing to offset the phase-down of the standard deduction. For 2026, it rises to 40% of assessed value (after the standard deduction), growing to 46% in 2027 and ultimately reaching 66.7% by 2031. No separate application is needed—this is calculated automatically if you have the homestead deduction on file.

Homestead Tax Credit (New for 2026)

Beginning with taxes payable in 2026, all homestead property owners receive a new annual credit equal to 10% of their property tax liability, up to a maximum of \$300. Homeowners age 65 and older are eligible for an additional \$150 credit, and disabled veterans receive an additional \$250 credit. This credit is applied after all deductions and the constitutional cap.

Over 65 Credit (Replaces Prior Deduction)

Starting with taxes payable in 2026, the previous Over 65 Deduction has been replaced with an Over 65 Credit of up to \$150. The Over 65 Circuit Breaker Credit also remains in effect, preventing property tax liability on a qualified homestead from increasing by more than 2% over the previous year's liability.

Blind/Disabled Credit

The former Blind/Disabled Deduction has been converted to a \$125 credit with no income limitation. Property owners already receiving the deduction will transition automatically, but newly eligible applicants should file with the Lake County Auditor by January 15.

Other Deductions Available

Additional deductions and credits are available for: Disabled Veterans (100% service-connected disability now qualifies for a deduction equal to 100% of assessed value, effective 2026), Partially Disabled Veterans (deduction of up to \$24,960), and a Non-Homestead Property Deduction (6% of assessed value for 2026, increasing annually to 33.4% by 2031).

■ Commercial/Business Property Tax Incentives (Town of Merrillville)

The Town of Merrillville and Lake County offer several programs to encourage business investment and job creation. Tax abatements of up to 10 years are available for new real estate investment and manufacturing equipment through the Merrillville Town Council. Tax Increment Financing (TIF) districts are used to support infrastructure and redevelopment in targeted areas. Indiana's Enterprise Zone program also provides incentives for businesses operating in designated zones within Lake County. Contact the Merrillville Town Hall or the Lake County Economic Development office for current programs and eligibility.

■ Home Improvements (Homeowners in 46410)

Indiana allows local governments to grant property tax abatements on the increased assessed value resulting from qualifying improvements to residential property. If you are planning a significant renovation or addition to your home, you may be eligible to apply for a partial abatement on the resulting increase in your assessed value. Abatement terms and eligibility vary and must be approved by your Town Council. We can check with the Lake County Auditor to determine whether your planned improvements qualify.

■ Action Steps for 46410 Homeowners

- 1 **Check your current deductions** — send us a message at TaxReductions.org/contact with your address or parcel number for the latest information on which deductions and credits are applied to your property.
- 2 **Recover missed deductions** — if a deduction or credit was missing from a recent bill, we can assist in contacting the Lake County Auditor's Office to correct previous years. Indiana law permits corrections for Objective Errors for up to three years from the date the assessment was filed.
- 3 **We will assist in filing all applications and appeals**, our fee is only 33% of what we are able to save you.

Note: This document is informational only and does not constitute legal or tax advice. Please schedule an appointment now for property-specific guidance. Our consultation fee is fully refundable, subject to referral conditions. Schedule now!