

PROPOSED AMENDMENT

HB 1080 # 5

DIGEST

Monroe County food and beverage tax. Provides that the fiscal body of the town of Ellettsville (town) may, not later than December 31, 2025, adopt an ordinance to receive revenue collected from the food and beverage tax. Specifies the distribution of revenue. Provides that the ordinance must specify that the town's collection of the revenue terminates not later than July 1, 2027.

- 1 Replace the effective dates in SECTIONS 1 through 4 with
2 "[EFFECTIVE UPON PASSAGE]".
3 Page 1, between lines 4 and 5, begin a new paragraph and insert:
4 "SECTION 2. IC 6-9-41-5, AS AMENDED BY P.L.236-2023,
5 SECTION 104, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) ~~Subject to section 15-5 of~~
7 ~~this chapter,~~ The fiscal body of the county may adopt an ordinance to
8 impose an excise tax, known as the county food and beverage tax, on
9 those transactions described in section 6 of this chapter. The effective
10 date of an ordinance adopted under this subsection must be after
11 December 31, 2009.
12 (b) If the fiscal body adopts an ordinance under subsection (a), the
13 fiscal body shall immediately send a certified copy of the ordinance to
14 the commissioner of the department of state revenue.
15 (c) If the fiscal body adopts an ordinance under subsection (a), the
16 county food and beverage tax applies to transactions that occur after the
17 last day of the month that succeeds the month in which the ordinance
18 is adopted. However, if an ordinance is adopted before December 1,
19 2009, and the ordinance takes effect January 1, 2010, the tax applies to
20 transactions after December 31, 2009."
21 Page 1, line 8, after "chapter," insert "**the fiscal body of the town**
22 **may, not later than December 31, 2025, adopt an ordinance to**
23 **receive revenue collected from the tax imposed in the county. An**
24 **ordinance adopted under this subsection must specify that the**
25 **collection of revenue by the town from the tax imposed under this**
26 **chapter terminates not later than July 1, 2027.**

(b) If an ordinance is adopted under section 5 of this chapter and subsection (a),".

Page 1, line 10, delete "(b)" and insert "(c)".

Page 1, line 12, delete "(c)" and insert "(d)".

Page 1, line 14, delete "(d)" and insert "(e)".

Page 1, delete lines 16 through 17, begin a new paragraph and insert:

"(f) If the fiscal body of the town adopts an ordinance under subsection (a), the fiscal body of the town shall immediately send a certified copy of the ordinance to the department of state revenue, the county fiscal body, and the city fiscal body.

SECTION 3. IC 6-9-41-13, AS ADDED BY P.L.176-2009, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Each month, the county auditor shall distribute the county food and beverage tax revenue received by the county treasurer between the city and the county according to the location where the county food and beverage tax was collected. If the county food and beverage tax was collected in the city, the city must receive the revenue. If the county food and beverage tax was collected in the part of the county that is outside the city, ~~the county must receive the revenue:~~ **revenue must be distributed according to the following:**

(1) If the town adopts an ordinance under section 12.5 of this chapter, of the revenue collected in the part of the county that is outside the city before July 1, 2027, the county auditor shall distribute:

(A) fifty percent (50%) of the revenue to the county; and

(B) fifty percent (50%) of the revenue to the town.

(2) After June 30, 2027, or, if the town has not adopted an ordinance under section 12.5 of this chapter, the county auditor shall distribute to the county all of the revenue collected in the part of the county that is outside the city.

(b) Distribution of county food and beverage tax revenue to the city and the town must be on warrants issued by the county auditor.

SECTION 4. IC 6-9-41-14, AS AMENDED BY P.L.236-2023, SECTION 105, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The county's share of county food and beverage tax revenue deposited in the county food and beverage tax receipts fund may be used only to finance, refinance, construct, operate, or maintain a convention center, a conference

center, or related tourism or economic development projects. **However, before July 1, 2027, money deposited in the county food and beverage tax receipts fund may not be pledged as money under IC 5-1-14-4 or any other law for bonds, leases, or other obligations incurred for any purpose.**

(b) The county must develop a written plan before December 1 of each year that includes the:

- (1) proposed use of funds under subsection (a) for the upcoming calendar year;
- (2) detailed use of funds under subsection (a) in the current and prior calendar years; and
- (3) fund balance as of January 1 of the current calendar year.

The written plan described in this subsection must be submitted to the state board of accounts and be made available on the department's computer gateway within thirty (30) days of submission.

(c) **The county may not spend money in the county food and beverage tax receipts fund unless a written plan has been developed in the manner required under subsection (b). If a written plan has been developed in the manner required under subsection (b),** the county must spend the money in the county food and beverage tax receipts fund in accordance with the written plan. ~~required by subsection (b): If no funds have been expended from the county food and beverage tax receipts fund in accordance with the written plan required by subsection (b) before July 1, 2025, then section 15.5 of this chapter applies.~~

SECTION 5. IC 6-9-41-15, AS AMENDED BY P.L.236-2023, SECTION 106, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Money deposited in the city food and beverage tax receipts fund may be used only to finance, refinance, construct, operate, or maintain a convention center, a conference center, or related tourism or economic development projects.

(b) The city must develop a written plan before December 1 of each year that includes the:

- (1) proposed use of funds under subsection (a) for the upcoming calendar year;
- (2) detailed use of funds under subsection (a) in the current and prior calendar years; and
- (3) fund balance as of January 1 of the current calendar year.

The written plan described in this subsection must be submitted to the

state board of accounts and be made available on the department's computer gateway within thirty (30) days of submission.

(c) **The city may not spend money in the city food and beverage tax receipts fund unless a written plan has been developed in the manner required under subsection (b). If a written plan has been developed in the manner required under subsection (b), the city must spend the money in the city food and beverage tax receipts fund in accordance with the written plan required by subsection (b). If no funds have been expended from the city food and beverage tax receipts fund in accordance with the written plan required by subsection (b) before July 1, 2025, then section 15.5 of this chapter applies."**

Page 2, delete lines 1 through 12.

Page 2, line 15, after "15.3." insert "(a)".

Page 2, line 16, delete "for:" and insert **"only for transit related purposes."**

Page 2, delete lines 17 through 21.

Page 2, line 22, delete "including the pledge of money under IC 5-1-14-4" and insert **"However, before July 1, 2027, money deposited in the town food and beverage tax receipts fund may not be pledged as money under IC 5-1-14-4 or any other law"**.

Page 2, run in lines 16 through 22.

Page 2, line 23, delete "for a purpose described in" and insert **"for any purpose."**

Page 2, line 24, delete "subdivisions (1) through (4).", begin a new paragraph and insert:

"(b)".

Page 2, after line 28, begin a new paragraph and insert:

"SECTION 7. IC 6-9-41-15.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 15.5: (a) This section applies only if the county and city do not spend money from the county or city food and beverage tax receipts fund as required by sections 14(e) and 15(e) of this chapter.

(b) The ordinance adopted under section 5 of this chapter to impose the food and beverage tax is void and food and beverage tax revenue may not be collected after June 30, 2025. The county may not adopt a new ordinance under section 5 of this chapter after June 30, 2025.

(c) The following apply to the distribution of the unexpended money in the county food and beverage tax receipts fund and city food and beverage tax receipts fund:

(1) The:

(A) county treasurer shall certify to the county auditor the

1 balance in the county food and beverage tax receipts fund; and
 2 (B) city fiscal officer shall certify to the county auditor the
 3 balance in the city food and beverage tax receipts fund.
 4 (2) After the county auditor receives the certified fund balances
 5 under subdivision (1), the county auditor shall distribute, before
 6 October 1, 2025, the money in each fund according to the ratio
 7 that the maximum permissible ad valorem property tax levy under
 8 IC 6-1.1-18.5 for property taxes first due and payable in 2025 for
 9 each taxing unit in the county bears to the sum of all maximum
 10 permissible ad valorem property tax levies under IC 6-1.1-18.5 for
 11 property tax first due and payable in 2025 in the county.

12 SECTION 8. IC 6-9-41-17, AS ADDED BY P.L.236-2023,
 13 SECTION 109, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) ~~Except as otherwise~~
 15 ~~provided in sections 14, 15, and 15.5 of this chapter,~~ The tax authorized
 16 under this chapter expires on the later of:

17 (1) January 1, 2045; or
 18 (2) the date on which all bonds or lease agreements outstanding
 19 on May 7, 2023, for which a pledge of tax revenue is made under
 20 this chapter are completely paid.

21 (b) Not later than December 31, 2023, the fiscal officer of the
 22 county and the fiscal officer of the city shall provide to the state board
 23 of accounts:

24 (1) a list of each bond or lease agreement outstanding on May 7,
 25 2023, for which a pledge of tax revenue is made under this
 26 chapter; and
 27 (2) the date on which each bond or lease agreement identified in
 28 subdivision (1) will be completely paid.

29 The information received under this subsection shall be published on
 30 the department of local government finance's interactive and searchable
 31 website containing local government information (the Indiana gateway
 32 for governmental units).

33 SECTION 9. **An emergency is declared for this act."**

34 Renumber all SECTIONS consecutively.
 (Reference is to HB 1080 as introduced.)