

# PROPOSED AMENDMENT

## SB 147 # 10

### DIGEST

Exemption eligibility and other child care provider requirements. Limits the scope of the property tax exemption for the provision of onsite child care for employees (exemption) to an employer that: (1) has annual revenues of less than \$25,000,000; (2) employs 50 employees or less; and (3) is located in a child care desert as designated by the office of the secretary of family and social services and the department of education. Requires an employer that receives the exemption and as a result of operating a child care center to reduce the cost that the employer charges to those parents or guardians who purchase the child care services by an amount equal to the value of the subsidy received. Prohibits a for-profit employer that operates a child care center and that receives a tax subsidy as a result of operating the child care center from discriminating against any child on the basis of the race, ethnicity, gender, religion, or national origin of the child or any member of the child's household, or based on the child's household income.

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- 1           Page 6, delete lines 6 through 31, begin a new paragraph and insert:  
2           "SECTION 3. IC 6-1.1-10-51 IS ADDED TO THE INDIANA  
3           CODE AS A NEW SECTION TO READ AS FOLLOWS  
4           [EFFECTIVE JANUARY 1, 2025]: **Sec. 51. (a) This section applies**  
5           **to an employer that:**  
6                 **(1) has annual revenues of less than twenty-five million**  
7                 **dollars (\$25,000,000);**  
8                 **(2) employs fifty (50) employees or less; and**  
9                 **(3) is located in a child care desert as designated by the office**  
10                **of the secretary of family and social services and the**  
11                **department of education.**  
12           **(b) As used in this section, "child care" has the meaning set**  
13           **forth in IC 12-7-2-28.2.**  
14           **(c) As used in this section, "employer" means any person,**  
15           **corporation, limited liability company, partnership, or other entity**  
16           **with employees employed at a physical location in Indiana. The**  
17           **term includes a pass through entity. However, the term does not**  
18           **include an employer who is in the business of operating a child care**  
19           **facility.**  
20           **(d) The part of the gross assessed value of tangible property that**  
21           **is attributable to tangible property owned and used by an**

1 employer, or a parent company, subsidiary, or affiliate company  
 2 of an employer, to provide child care for children of the employer's  
 3 employees is exempt from property taxation if the primary purpose  
 4 of the provision of child care is educational and the following  
 5 conditions are met:

6 (1) The child care is provided in a facility located on the  
 7 workplace premises of the employer.

8 (2) The child care is provided only for children of the  
 9 employer's employees.

10 (3) The child care facility is licensed by the division of family  
 11 resources under IC 12-17.2.

12 (e) The child care facility may be operated by the employer or  
 13 under a contract described in Section 45F(c)(1)(A)(iii) of the  
 14 Internal Revenue Code to provide child care services to the  
 15 employer's employees.

16 (f) An employer that receives the exemption under this section  
 17 must reduce the cost that the employer charges to those parents or  
 18 guardians who purchase the child care services.

19 (g) The reduction required by subsection (f) must be noted in a  
 20 separately stated itemization on the billing statement that clearly  
 21 indicates that the reduction is made in compliance with subsection  
 22 (f). Alternatively, an employer may provide a refund or rebate to  
 23 its customers of the reduced cost amount at the end of the calendar  
 24 year.

25 (h) The amount of the reduction required by subsection (f) is  
 26 equal to a per customer, pro rata share of:

27 (1) the employer's total amount of foregone property tax  
 28 liability; plus

29 (2) any direct government subsidy payments received by the  
 30 employer;

31 in the taxable year as a result of operating a child care center."

32 Page 7, between lines 15 and 16, begin a new paragraph and insert:

33 "SECTION 5. IC 12-17.2-8 IS ADDED TO THE INDIANA CODE  
 34 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2024]:

36 **Chapter 8. Nondiscrimination Requirement**

37 **Sec. 1. A for-profit employer that operates a child care center**  
 38 **and that receives a property tax exemption under IC 6-1.1-10, a tax**  
 39 **benefit under any other provision in IC 6, or any other government**  
 40 **subsidy as a result of operating the child care center shall not**

1       **discriminate against any child on the basis of the race, ethnicity,**  
2       **gender, religion, or national origin of the child or any member of**  
3       **the child's household, or based on the child's household income."**

4       Renumber all SECTIONS consecutively.  
      (Reference is to SB 147 as introduced.)