



February 19, 2014

ENGROSSED HOUSE BILL No. 1020

DIGEST OF HB 1020 (Updated February 18, 2014 11:14 am - DI 58)

Citations Affected: IC 2-5; IC 4-4; IC 4-33; IC 5-28; IC 6-1.1; IC 6-3; IC 6-3.1; IC 6-3.5; IC 12-8; IC 21-12; IC 27-6; IC 27-8; IC 34-55; IC 35-51; IC 36-7.

Synopsis: Economic development incentives. Requires the commission on state tax and financing policy to review, analyze, and evaluate state and local tax incentives that are provided to encourage economic development or to alter, reward, or subsidize a particular action or behavior by a tax incentive recipient. Provides that certain income tax credits (which were reviewed by the commission on state tax and financing policy in 2012 and 2013) expire on January 1, 2020.

Effective: July 1, 2014.

Koch, Heuer, Austin, Klinker, Lutz

(SENATE SPONSOR — HERSHMAN)

January 7, 2014, read first time and referred to Committee on Commerce, Small Business and Economic Development.

January 16, 2014, amended, reported — Do Pass.

January 21, 2014, read second time, ordered engrossed. Engrossed.

January 23, 2014, read third time, passed. Yeas 93, nays 0.

SENATE ACTION

February 4, 2014, read first time and referred to Committee on Tax and Fiscal Policy.

February 18, 2014, amended, reported favorably — Do Pass.

EH 1020—LS 6406/DI 58



February 19, 2014

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1020

A BILL FOR AN ACT to amend the Indiana Code concerning economic development.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 2-5-3.2 IS ADDED TO THE INDIANA CODE AS
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2014]:

4 **Chapter 3.2. Review, Analysis, and Evaluation of Tax Incentives**
5 **Sec. 1. (a) As used in this section, "tax incentive" means a**
6 **benefit provided through a state or local tax that is intended to**
7 **alter, reward, or subsidize a particular action or behavior by the**
8 **tax incentive recipient, including a benefit intended to encourage**
9 **economic development. The term includes the following:**

10 **(1) An exemption, deduction, credit, preferential rate, or other**
11 **tax benefit that:**

12 **(A) reduces the amount of a tax that would otherwise be**
13 **due to the state;**

14 **(B) results in a tax refund in excess of any tax due; or**

15 **(C) reduces the amount of property taxes that would**
16 **otherwise be due to a political subdivision of the state.**

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1 **(2) The dedication of revenue by a political subdivision to**
2 **provide improvements or to retire bonds issued to pay for**
3 **improvements in an economic or sports development area, a**
4 **community revitalization area, an enterprise zone, or a tax**
5 **increment financing district.**

6 **(b) The general assembly intends that each tax incentive**
7 **effectuate the purposes for which it was enacted and that the cost**
8 **of tax incentives should be included more readily in the biennial**
9 **budgeting process. To provide the general assembly with the**
10 **information it needs to make informed policy choices about the**
11 **efficacy of each tax incentive, the commission on state tax and**
12 **financing policy (or its successor committee) shall conduct a**
13 **regular review, analysis, and evaluation of all tax incentives**
14 **according to a schedule developed by the commission.**

15 **(c) The legislative services agency, under the direction of the**
16 **commission, shall conduct a systematic and comprehensive review,**
17 **analysis, and evaluation of each tax incentive scheduled for review**
18 **by the commission. The review, analysis, and evaluation must**
19 **include information about each tax incentive that is necessary to**
20 **achieve the goals described in subsection (b), such as any of the**
21 **following:**

22 **(1) The basic attributes and policy goals of the tax incentive,**
23 **including the statutory and programmatic goals of the tax**
24 **incentive, the economic parameters of the tax incentive, the**
25 **original scope and purpose of the tax incentive, and how the**
26 **scope or purpose has changed over time.**

27 **(2) The tax incentive's equity, simplicity, competitiveness,**
28 **public purpose, adequacy, and extent of conformance with the**
29 **original purposes of the legislation enacting the tax incentive.**

30 **(3) The types of activities on which the tax incentive is based**
31 **and how effective the tax incentive has been in promoting**
32 **these targeted activities and in assisting recipients of the tax**
33 **incentive.**

34 **(4) The count of the following:**

35 **(A) Applicants for the tax incentive.**

36 **(B) Applicants that qualify for the tax incentive.**

37 **(C) Qualified applicants that, if applicable, are approved**
38 **to receive the tax incentive.**

39 **(D) Taxpayers that actually claim the tax incentive.**

40 **(E) Taxpayers that actually receive the tax incentive.**

41 **(5) The dollar amount of the tax incentive benefits that has**
42 **been actually claimed by all taxpayers over time, including**



- 1 the following:
- 2 (A) The dollar amount of the tax incentive, listed by the
- 3 North American Industrial Classification System (NAICS)
- 4 Code associated with the tax incentive recipients, if an
- 5 NAICS Code is available.
- 6 (B) The dollar amount of income tax credits that can be
- 7 carried forward for the next five (5) state fiscal years.
- 8 (6) An estimate of the economic impact of the tax incentive,
- 9 including the following:
- 10 (A) A return on investment calculation for the tax
- 11 incentive. For purposes of this clause, "return on
- 12 investment calculation" means analyzing the cost to the
- 13 state or political subdivision of providing the tax incentive,
- 14 analyzing the benefits realized by the state or political
- 15 subdivision from providing the tax incentive.
- 16 (B) A cost benefit comparison of the state and local
- 17 revenue foregone and property taxes shifted to other
- 18 taxpayers as a result of allowing the tax incentive,
- 19 compared to tax revenue generated by the taxpayer
- 20 receiving the incentive, including direct taxes applied to
- 21 the taxpayer and taxes applied to the taxpayer's
- 22 employees.
- 23 (C) An estimate of the number of jobs that were the direct
- 24 result of the tax incentive.
- 25 (D) For any tax incentive that is reviewed or approved by
- 26 the Indiana economic development corporation, a
- 27 statement by the chief executive officer of the Indiana
- 28 economic development corporation as to whether the
- 29 statutory and programmatic goals of the tax incentive are
- 30 being met, with obstacles to these goals identified, if
- 31 possible.
- 32 (7) The methodology and assumptions used in carrying out
- 33 the reviews, analyses, and evaluations required under this
- 34 subsection.
- 35 (8) The estimated cost to the state to administer the tax
- 36 incentive.
- 37 (9) An estimate of the extent to which benefits of the tax
- 38 incentive remained in Indiana or flowed outside Indiana.
- 39 (10) Whether the effectiveness of the tax incentive could be
- 40 determined more definitively if the general assembly were to
- 41 clarify or modify the tax incentive's goals and intended
- 42 purpose.



1 **(11) Whether measuring the economic impact is significantly**
 2 **limited due to data constraints and whether any changes in**
 3 **statute would facilitate data collection in a way that would**
 4 **allow for better review, analysis, or evaluation.**

5 **(12) Any additional review, analysis, or evaluation the**
 6 **commission considers advisable. Among other things, the**
 7 **commission and the legislative services agency are encouraged**
 8 **to include comparisons with tax incentives offered by other**
 9 **states if those comparisons would add value to the review,**
 10 **analysis, and evaluation.**

11 **The legislative services agency may request a state or local official**
 12 **or a state agency, a political subdivision, a body corporate and**
 13 **politic, or a county or municipal redevelopment commission to**
 14 **furnish information necessary to complete the tax incentive review,**
 15 **analysis, and evaluation required by this section. An official or**
 16 **entity presented with a request from the legislative services agency**
 17 **under this subsection shall cooperate with the legislative services**
 18 **agency in providing the requested information. An official or entity**
 19 **may require that the legislative services agency adhere to the**
 20 **provider's rules, if any, that concern the confidential nature of the**
 21 **information.**

22 **(d) The commission shall hold public hearings to receive**
 23 **information concerning tax incentives. On or before November 1,**
 24 **2014, and each year thereafter, the commission shall submit a**
 25 **report to the legislative council, in an electronic format under**
 26 **IC 5-14-6, containing the results of the commission's review,**
 27 **analysis, and evaluation. The report must include at least the**
 28 **following:**

29 **(1) A detailed description of the review, analysis, and**
 30 **evaluation for each tax incentive reviewed.**

31 **(2) A recommendation as to whether a reviewed tax incentive**
 32 **should be continued, modified, or terminated, the basis for the**
 33 **recommendation, and the expected impact of the**
 34 **recommendation on the state's economy.**

35 **(3) Recommendations for better aligning a reviewed tax**
 36 **incentive with the original intent of the legislation that**
 37 **enacted the tax incentive.**

38 **(4) An estimate for each fiscal year of the next biennial budget**
 39 **of the cost of each tax incentive and the total cost of all tax**
 40 **incentives, including those not scheduled for review under this**
 41 **section. The estimates shall be provided to the chairperson**
 42 **and ranking minority member of the house committee on**



1 ways and means and the senate committee on appropriations
2 for use in the preparation of the budget and to the general
3 assembly to be used in the budget process.

4 **(5) To the extent possible, an estimate of the indirect economic
5 benefit or activity stimulated by the tax incentive.**

6 **The report required by this subsection must not disclose any
7 proprietary or otherwise confidential taxpayer information.**

8 **(e) The general assembly shall use the commission's report to
9 determine whether a particular tax incentive:**

10 **(1) is successful;**

11 **(2) is provided at a cost that can be accommodated by the
12 state's biennial budget; and**

13 **(3) should be continued, amended, or repealed.**

14 **(f) The legislative services agency shall establish and maintain
15 a system for making available to the public information about the
16 amount and effectiveness of tax incentives.**

17 **(g) The commission shall, before November 1, 2014, develop and
18 publish on the general assembly's Internet web site a multi-year
19 schedule that lists all tax incentives and indicates the year when the
20 report will be published for each tax incentive reviewed. The
21 commission may revise the schedule as long as the commission
22 provides for a systematic review, analysis, and evaluation of all tax
23 incentives and that each tax incentive is reviewed at least once
24 every five (5) years.**

25 **(h) This section expires December 31, 2023.**

26 SECTION 2. IC 4-4-28-5, AS AMENDED BY P.L.150-2007,
27 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2014]: Sec. 5. As used in this chapter, "individual
29 development account" means an account in a financial institution
30 administered by a community development corporation that allows a
31 qualifying individual to deposit money:

32 (1) to be matched by the state, financial institutions, corporations,
33 and other entities; and

34 (2) that will be used by the qualifying individual for one (1) or
35 more of the following:

36 (A) To pay for costs (including tuition, laboratory costs, books,
37 computer costs, and other costs associated with attendance) at
38 an accredited postsecondary educational institution or a
39 vocational school that is not a postsecondary educational
40 institution, for the individual or for a dependent of the
41 individual.

42 (B) To pay for the costs (including tuition, laboratory costs,



1 books, computer costs, and other costs) associated with an
 2 accredited or a licensed training program that may lead to
 3 employment for the individual or for a dependent of the
 4 individual.

5 (C) To purchase a primary residence for the individual or for
 6 a dependent of the individual or to reduce the principal amount
 7 owed on a primary residence that was purchased by the
 8 individual or a dependent of the individual with money from
 9 an individual development account.

10 (D) To pay for the rehabilitation (as defined in IC 6-3.1-11-11,
 11 **before its expiration January 1, 2020**) of the individual's
 12 primary residence.

13 (E) To begin or to purchase part or all of a business or to
 14 expand an existing small business.

15 SECTION 3. IC 4-4-28-13 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) Each
 17 community development corporation shall establish an individual
 18 development account fund to provide money to be used to finance
 19 additional accounts to be administered by the community development
 20 corporation under this chapter and to help pay for the community
 21 development corporation's expenses related to the administration of
 22 accounts.

23 (b) Each community development corporation shall encourage
 24 individuals, financial institutions, corporations, and other entities to
 25 contribute to the fund. A contributor to the fund may qualify for a tax
 26 credit as provided under IC 6-3.1-18 (**before its expiration January**
 27 **1, 2020**).

28 (c) Each community development corporation may use up to twenty
 29 percent (20%) of the first one hundred thousand dollars (\$100,000)
 30 deposited each calendar year in the fund under subsection (b) to help
 31 pay for the community development corporation's expenses related to
 32 the administration of accounts established under this chapter. All
 33 deposits in the fund under subsection (b) of more than one hundred
 34 thousand dollars (\$100,000) during each calendar year may be used
 35 only to fund accounts administered by the community development
 36 corporation under this chapter.

37 (d) A community development corporation may allow an individual
 38 to establish a new account as adequate funding becomes available.

39 (e) Only money from the fund may be used to make the deposit
 40 described in subsection (f) into an account established under this
 41 section.

42 (f) The community development corporation shall annually deposit



1 at least three dollars (\$3) into each account for each one dollar (\$1) an
 2 individual has deposited into the individual's account as of June 30.

3 (g) A community development corporation may not allow a
 4 qualifying individual to establish an account if the community
 5 development corporation does not have adequate funds to deposit into
 6 the account under subsection (f).

7 SECTION 4. IC 4-4-28-16, AS AMENDED BY P.L.150-2007,
 8 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2014]: Sec. 16. (a) Money withdrawn from an individual's
 10 account is not subject to taxation under IC 6-3-1 through IC 6-3-7 if the
 11 money is used for at least one (1) of the following:

12 (1) To pay for costs (including tuition, laboratory costs, books,
 13 computer costs, and other costs) at an accredited postsecondary
 14 educational institution or a vocational school that is not a
 15 postsecondary educational institution for the individual or for a
 16 dependent of the individual.

17 (2) To pay for the costs (including tuition, laboratory costs, books,
 18 computer costs, and other costs) associated with an accredited or
 19 a licensed training program that may lead to employment for the
 20 individual or for a dependent of the individual.

21 (3) To purchase a primary residence for the individual or for a
 22 dependent of the individual or to reduce the principal amount
 23 owed on a primary residence that was purchased by the individual
 24 or a dependent of the individual with money from an individual
 25 development account.

26 (4) To pay for the rehabilitation (as defined in IC 6-3.1-11-11,
 27 **before its expiration January 1, 2020**) of the individual's
 28 primary residence.

29 (5) To begin or to purchase part or all of a business or to expand
 30 an existing small business.

31 (b) At the time of requesting authorization under section 15 of this
 32 chapter to withdraw money from an individual's account under
 33 subsection (a)(5), the individual must provide the community
 34 development corporation with a business plan that:

35 (1) is approved by:

36 (A) a financial institution; or

37 (B) a nonprofit loan fund that has demonstrated fiduciary
 38 stability;

39 (2) includes a description of services or goods to be sold, a
 40 marketing plan, and projected financial statements; and

41 (3) may require the individual to obtain the assistance of an
 42 experienced business advisor.



1 SECTION 5. IC 4-33-12-6, AS AMENDED BY SEA 24-2014, IS
 2 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:
 3 Sec. 6. (a) The department shall place in the state general fund the tax
 4 revenue collected under this chapter.

5 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7
 6 **(before its expiration January 1, 2020)**, the treasurer of state shall
 7 quarterly pay the following amounts:

8 (1) Except as provided in subsection (k), one dollar (\$1) of the
 9 admissions tax collected by the licensed owner for each person
 10 embarking on a gambling excursion during the quarter or
 11 admitted to a riverboat that has implemented flexible scheduling
 12 under IC 4-33-6-21 during the quarter shall be paid to:

13 (A) the city in which the riverboat is docked, if the city:

14 (i) is located in a county having a population of more than
 15 one hundred eleven thousand (111,000) but less than one
 16 hundred fifteen thousand (115,000); or

17 (ii) is contiguous to the Ohio River and is the largest city in
 18 the county; and

19 (B) the county in which the riverboat is docked, if the
 20 riverboat is not docked in a city described in clause (A).

21 (2) Except as provided in subsection (k), one dollar (\$1) of the
 22 admissions tax collected by the licensed owner for each person:

23 (A) embarking on a gambling excursion during the quarter; or

24 (B) admitted to a riverboat during the quarter that has
 25 implemented flexible scheduling under IC 4-33-6-21;

26 shall be paid to the county in which the riverboat is docked. In the
 27 case of a county described in subdivision (1)(B), this one dollar
 28 (\$1) is in addition to the one dollar (\$1) received under
 29 subdivision (1)(B).

30 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
 31 admissions tax collected by the licensed owner for each person:

32 (A) embarking on a gambling excursion during the quarter; or

33 (B) admitted to a riverboat during the quarter that has
 34 implemented flexible scheduling under IC 4-33-6-21;

35 shall be paid to the county convention and visitors bureau or
 36 promotion fund for the county in which the riverboat is docked.

37 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
 38 the admissions tax collected by the licensed owner for each
 39 person:

40 (A) embarking on a gambling excursion during the quarter; or

41 (B) admitted to a riverboat during a quarter that has
 42 implemented flexible scheduling under IC 4-33-6-21;



1 shall be paid to the state fair commission, for use in any activity
2 that the commission is authorized to carry out under IC 15-13-3.

3 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
4 admissions tax collected by the licensed owner for each person:

5 (A) embarking on a gambling excursion during the quarter; or

6 (B) admitted to a riverboat during the quarter that has
7 implemented flexible scheduling under IC 4-33-6-21;

8 shall be paid to the division of mental health and addiction. The
9 division shall allocate at least twenty-five percent (25%) of the
10 funds derived from the admissions tax to the prevention and
11 treatment of compulsive gambling.

12 (6) Except as provided in subsection (k), sixty-five cents (\$0.65)
13 of the admissions tax collected by the licensed owner for each
14 person embarking on a gambling excursion during the quarter or
15 admitted to a riverboat during the quarter that has implemented
16 flexible scheduling under IC 4-33-6-21 shall be paid to the state
17 general fund.

18 (c) With respect to tax revenue collected from a riverboat located in
19 a historic hotel district, the treasurer of state shall quarterly pay the
20 following:

21 (1) With respect to admissions taxes collected for a person
22 admitted to the riverboat before July 1, 2010, the following
23 amounts:

24 (A) Twenty-two percent (22%) of the admissions tax collected
25 during the quarter shall be paid to the county treasurer of the
26 county in which the riverboat is located. The county treasurer
27 shall distribute the money received under this clause as
28 follows:

29 (i) Twenty-two and seventy-five hundredths percent
30 (22.75%) shall be quarterly distributed to the county
31 treasurer of a county having a population of more than forty
32 thousand (40,000) but less than forty-two thousand (42,000)
33 for appropriation by the county fiscal body after receiving a
34 recommendation from the county executive. The county
35 fiscal body for the receiving county shall provide for the
36 distribution of the money received under this item to one (1)
37 or more taxing units (as defined in IC 6-1.1-1-21) in the
38 county under a formula established by the county fiscal body
39 after receiving a recommendation from the county executive.

40 (ii) Twenty-two and seventy-five hundredths percent
41 (22.75%) shall be quarterly distributed to the county
42 treasurer of a county having a population of more than ten



1 thousand seven hundred (10,700) but less than twelve
 2 thousand (12,000) for appropriation by the county fiscal
 3 body. The county fiscal body for the receiving county shall
 4 provide for the distribution of the money received under this
 5 item to one (1) or more taxing units (as defined in
 6 IC 6-1.1-1-21) in the county under a formula established by
 7 the county fiscal body after receiving a recommendation
 8 from the county executive.

9 (iii) Fifty-four and five-tenths percent (54.5%) shall be
 10 retained by the county where the riverboat is located for
 11 appropriation by the county fiscal body after receiving a
 12 recommendation from the county executive.

13 (B) Five percent (5%) of the admissions tax collected during
 14 the quarter shall be paid to a town having a population of more
 15 than two thousand (2,000) but less than three thousand five
 16 hundred (3,500) located in a county having a population of
 17 more than nineteen thousand five hundred (19,500) but less
 18 than twenty thousand (20,000). At least twenty percent (20%)
 19 of the taxes received by a town under this clause must be
 20 transferred to the school corporation in which the town is
 21 located.

22 (C) Five percent (5%) of the admissions tax collected during
 23 the quarter shall be paid to a town having a population of more
 24 than three thousand five hundred (3,500) located in a county
 25 having a population of more than nineteen thousand five
 26 hundred (19,500) but less than twenty thousand (20,000). At
 27 least twenty percent (20%) of the taxes received by a town
 28 under this clause must be transferred to the school corporation
 29 in which the town is located.

30 (D) Twenty percent (20%) of the admissions tax collected
 31 during the quarter shall be paid in equal amounts to each town
 32 that:

- 33 (i) is located in the county in which the riverboat is located;
- 34 and
- 35 (ii) contains a historic hotel.

36 At least twenty percent (20%) of the taxes received by a town
 37 under this clause must be transferred to the school corporation
 38 in which the town is located.

39 (E) Ten percent (10%) of the admissions tax collected during
 40 the quarter shall be paid to the Orange County development
 41 commission established under IC 36-7-11.5. At least one-third
 42 (1/3) of the taxes paid to the Orange County development



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commission under this clause must be transferred to the Orange County convention and visitors bureau.

(F) Thirteen percent (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(G) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

- (i) Job creation and retention.
- (ii) Infrastructure, including water, wastewater, and storm water infrastructure needs.
- (iii) Housing.
- (iv) Workforce training.
- (v) Health care.
- (vi) Local planning.
- (vii) Land use.
- (viii) Assistance to regional economic development groups.
- (ix) Other regional development issues as determined by the Indiana economic development corporation.

(2) With respect to admissions taxes collected for a person admitted to the riverboat after June 30, 2010, the following amounts:

(A) Twenty-nine and thirty-three hundredths percent (29.33%) to the county treasurer of Orange County. The county treasurer shall distribute the money received under this clause as follows:

- (i) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Dubois County for distribution in the manner described in subdivision (1)(A)(i).
- (ii) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Crawford County for distribution in the manner described in subdivision (1)(A)(ii).



- 1 (iii) Fifty-four and five-tenths percent (54.5%) to be retained
- 2 by the county treasurer of Orange County for appropriation
- 3 by the county fiscal body after receiving a recommendation
- 4 from the county executive.
- 5 (B) Six and sixty-seven hundredths percent (6.67%) to the
- 6 fiscal officer of the town of Orleans. At least twenty percent
- 7 (20%) of the taxes received by the town under this clause must
- 8 be transferred to Orleans Community Schools.
- 9 (C) Six and sixty-seven hundredths percent (6.67%) to the
- 10 fiscal officer of the town of Paoli. At least twenty percent
- 11 (20%) of the taxes received by the town under this clause must
- 12 be transferred to the Paoli Community School Corporation.
- 13 (D) Twenty-six and sixty-seven hundredths percent (26.67%)
- 14 to be paid in equal amounts to the fiscal officers of the towns
- 15 of French Lick and West Baden Springs. At least twenty
- 16 percent (20%) of the taxes received by a town under this
- 17 clause must be transferred to the Springs Valley Community
- 18 School Corporation.
- 19 (E) Thirty and sixty-six hundredths percent (30.66%) to the
- 20 Indiana economic development corporation to be used in the
- 21 manner described in subdivision (1)(G).
- 22 (d) With respect to tax revenue collected from a riverboat that
- 23 operates from a county having a population of more than four hundred
- 24 thousand (400,000) but less than seven hundred thousand (700,000),
- 25 the treasurer of state shall quarterly pay the following amounts:
- 26 (1) Except as provided in subsection (k), one dollar (\$1) of the
- 27 admissions tax collected by the licensed owner for each person:
- 28 (A) embarking on a gambling excursion during the quarter; or
- 29 (B) admitted to a riverboat during the quarter that has
- 30 implemented flexible scheduling under IC 4-33-6-21;
- 31 shall be paid to the city in which the riverboat is docked.
- 32 (2) Except as provided in subsection (k), one dollar (\$1) of the
- 33 admissions tax collected by the licensed owner for each person:
- 34 (A) embarking on a gambling excursion during the quarter; or
- 35 (B) admitted to a riverboat during the quarter that has
- 36 implemented flexible scheduling under IC 4-33-6-21;
- 37 shall be paid to the county in which the riverboat is docked.
- 38 (3) Except as provided in subsection (k), nine cents (\$0.09) of the
- 39 admissions tax collected by the licensed owner for each person:
- 40 (A) embarking on a gambling excursion during the quarter; or
- 41 (B) admitted to a riverboat during the quarter that has
- 42 implemented flexible scheduling under IC 4-33-6-21;



1 shall be paid to the county convention and visitors bureau or
 2 promotion fund for the county in which the riverboat is docked.

3 (4) Except as provided in subsection (k), one cent (\$0.01) of the
 4 admissions tax collected by the licensed owner for each person:

5 (A) embarking on a gambling excursion during the quarter; or

6 (B) admitted to a riverboat during the quarter that has
 7 implemented flexible scheduling under IC 4-33-6-21;

8 shall be paid to the northwest Indiana law enforcement training
 9 center.

10 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of
 11 the admissions tax collected by the licensed owner for each
 12 person:

13 (A) embarking on a gambling excursion during the quarter; or

14 (B) admitted to a riverboat during a quarter that has
 15 implemented flexible scheduling under IC 4-33-6-21;

16 shall be paid to the state fair commission for use in any activity
 17 that the commission is authorized to carry out under IC 15-13-3.

18 (6) Except as provided in subsection (k), ten cents (\$0.10) of the
 19 admissions tax collected by the licensed owner for each person:

20 (A) embarking on a gambling excursion during the quarter; or

21 (B) admitted to a riverboat during the quarter that has
 22 implemented flexible scheduling under IC 4-33-6-21;

23 shall be paid to the division of mental health and addiction. The
 24 division shall allocate at least twenty-five percent (25%) of the
 25 funds derived from the admissions tax to the prevention and
 26 treatment of compulsive gambling.

27 (7) Except as provided in subsection (k), sixty-five cents (\$0.65)
 28 of the admissions tax collected by the licensed owner for each
 29 person embarking on a gambling excursion during the quarter or
 30 admitted to a riverboat during the quarter that has implemented
 31 flexible scheduling under IC 4-33-6-21 shall be paid to the state
 32 general fund.

33 (e) Money paid to a unit of local government under subsection (b),
 34 (c), or (d):

35 (1) must be paid to the fiscal officer of the unit and may be
 36 deposited in the unit's general fund or riverboat fund established
 37 under IC 36-1-8-9, or both;

38 (2) may not be used to reduce the unit's maximum levy under
 39 IC 6-1.1-18.5 but may be used at the discretion of the unit to
 40 reduce the property tax levy of the unit for a particular year;

41 (3) may be used for any legal or corporate purpose of the unit,
 42 including the pledge of money to bonds, leases, or other



- 1 obligations under IC 5-1-14-4; and
 2 (4) is considered miscellaneous revenue.
 3 (f) Money paid by the treasurer of state under subsection (b)(3) or
 4 (d)(3) shall be:
 5 (1) deposited in:
 6 (A) the county convention and visitor promotion fund; or
 7 (B) the county's general fund if the county does not have a
 8 convention and visitor promotion fund; and
 9 (2) used only for the tourism promotion, advertising, and
 10 economic development activities of the county and community.
 11 (g) Money received by the division of mental health and addiction
 12 under subsections (b)(5) and (d)(6):
 13 (1) is annually appropriated to the division of mental health and
 14 addiction;
 15 (2) shall be distributed to the division of mental health and
 16 addiction at times during each state fiscal year determined by the
 17 budget agency; and
 18 (3) shall be used by the division of mental health and addiction
 19 for programs and facilities for the prevention and treatment of
 20 addictions to drugs, alcohol, and compulsive gambling, including
 21 the creation and maintenance of a toll free telephone line to
 22 provide the public with information about these addictions. The
 23 division shall allocate at least twenty-five percent (25%) of the
 24 money received to the prevention and treatment of compulsive
 25 gambling.
 26 (h) This subsection applies to the following:
 27 (1) Each entity receiving money under subsection (b)(1) through
 28 (b)(5).
 29 (2) Each entity receiving money under subsection (d)(1) through
 30 (d)(2).
 31 (3) Each entity receiving money under subsection (d)(5) through
 32 (d)(6).
 33 The treasurer of state shall determine the total amount of money paid
 34 by the treasurer of state to an entity subject to this subsection during
 35 the state fiscal year 2002. The amount determined under this subsection
 36 is the base year revenue for each entity subject to this subsection. The
 37 treasurer of state shall certify the base year revenue determined under
 38 this subsection to each entity subject to this subsection.
 39 (i) This subsection applies to an entity receiving money under
 40 subsection (d)(3) or (d)(4). The treasurer of state shall determine the
 41 total amount of money paid by the treasurer of state to the entity
 42 described in subsection (d)(3) during state fiscal year 2002. The



1 amount determined under this subsection multiplied by nine-tenths
 2 (0.9) is the base year revenue for the entity described in subsection
 3 (d)(3). The amount determined under this subsection multiplied by
 4 one-tenth (0.1) is the base year revenue for the entity described in
 5 subsection (d)(4). The treasurer of state shall certify the base year
 6 revenue determined under this subsection to each entity subject to this
 7 subsection.

8 (j) This subsection does not apply to an entity receiving money
 9 under subsection (c). The total amount of money distributed to an entity
 10 under this section during a state fiscal year may not exceed the entity's
 11 base year revenue as determined under subsection (h) or (i). If the
 12 treasurer of state determines that the total amount of money distributed
 13 to an entity under this section during a state fiscal year is less than the
 14 entity's base year revenue, the treasurer of state shall make a
 15 supplemental distribution to the entity under IC 4-33-13-5.

16 (k) This subsection does not apply to an entity receiving money
 17 under subsection (c). The treasurer of state shall pay that part of the
 18 riverboat admissions taxes that:

19 (1) exceeds a particular entity's base year revenue; and

20 (2) would otherwise be due to the entity under this section;

21 to the state general fund instead of to the entity.

22 SECTION 6. IC 4-33-13-5, AS AMENDED BY SEA 24-2014, IS
 23 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:
 24 Sec. 5. (a) This subsection does not apply to tax revenue remitted by an
 25 operating agent operating a riverboat in a historic hotel district. After
 26 funds are appropriated under section 4 of this chapter, each month the
 27 treasurer of state shall distribute the tax revenue deposited in the state
 28 gaming fund under this chapter to the following:

29 (1) The first thirty-three million dollars (\$33,000,000) of tax
 30 revenues collected under this chapter shall be set aside for
 31 revenue sharing under subsection (e).

32 (2) Subject to subsection (c), twenty-five percent (25%) of the
 33 remaining tax revenue remitted by each licensed owner shall be
 34 paid:

35 (A) to the city that is designated as the home dock of the
 36 riverboat from which the tax revenue was collected, in the case
 37 of:

38 (i) a city described in IC 4-33-12-6(b)(1)(A); or

39 (ii) a city located in a county having a population of more
 40 than four hundred thousand (400,000) but less than seven
 41 hundred thousand (700,000); or

42 (B) to the county that is designated as the home dock of the



- 1 riverboat from which the tax revenue was collected, in the case
 2 of a riverboat whose home dock is not in a city described in
 3 clause (A).
- 4 (3) Subject to subsection (d), the remainder of the tax revenue
 5 remitted by each licensed owner shall be paid to the state general
 6 fund. In each state fiscal year, the treasurer of state shall make the
 7 transfer required by this subdivision not later than the last
 8 business day of the month in which the tax revenue is remitted to
 9 the state for deposit in the state gaming fund. However, if tax
 10 revenue is received by the state on the last business day in a
 11 month, the treasurer of state may transfer the tax revenue to the
 12 state general fund in the immediately following month.
- 13 (b) This subsection applies only to tax revenue remitted by an
 14 operating agent operating a riverboat in a historic hotel district. After
 15 funds are appropriated under section 4 of this chapter, each month the
 16 treasurer of state shall distribute the tax revenue remitted by the
 17 operating agent under this chapter as follows:
- 18 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the
 19 state general fund.
- 20 (2) Nineteen percent (19%) shall be paid to the West Baden
 21 Springs historic hotel preservation and maintenance fund
 22 established by IC 36-7-11.5-11(b). However, at any time the
 23 balance in that fund exceeds twenty million dollars
 24 (\$20,000,000), the amount described in this subdivision shall be
 25 paid to the state general fund.
- 26 (3) Eight percent (8%) shall be paid to the Orange County
 27 development commission established under IC 36-7-11.5.
- 28 (4) Sixteen percent (16%) shall be paid in equal amounts to each
 29 town that is located in the county in which the riverboat is located
 30 and contains a historic hotel. The following apply to taxes
 31 received by a town under this subdivision:
- 32 (A) At least twenty-five percent (25%) of the taxes must be
 33 transferred to the school corporation in which the town is
 34 located.
- 35 (B) At least twelve and five-tenths percent (12.5%) of the
 36 taxes imposed on adjusted gross receipts received after June
 37 30, 2010, must be transferred to the Orange County
 38 development commission established by IC 36-7-11.5-3.5.
- 39 (5) Nine percent (9%) shall be paid to the county treasurer of the
 40 county in which the riverboat is located. The county treasurer
 41 shall distribute the money received under this subdivision as
 42 follows:



- 1 (A) Twenty-two and twenty-five hundredths percent (22.25%)
 2 shall be quarterly distributed to the county treasurer of a
 3 county having a population of more than forty thousand
 4 (40,000) but less than forty-two thousand (42,000) for
 5 appropriation by the county fiscal body after receiving a
 6 recommendation from the county executive. The county fiscal
 7 body for the receiving county shall provide for the distribution
 8 of the money received under this clause to one (1) or more
 9 taxing units (as defined in IC 6-1.1-1-21) in the county under
 10 a formula established by the county fiscal body after receiving
 11 a recommendation from the county executive.
- 12 (B) Twenty-two and twenty-five hundredths percent (22.25%)
 13 shall be quarterly distributed to the county treasurer of a
 14 county having a population of more than ten thousand seven
 15 hundred (10,700) but less than twelve thousand (12,000) for
 16 appropriation by the county fiscal body after receiving a
 17 recommendation from the county executive. The county fiscal
 18 body for the receiving county shall provide for the distribution
 19 of the money received under this clause to one (1) or more
 20 taxing units (as defined in IC 6-1.1-1-21) in the county under
 21 a formula established by the county fiscal body after receiving
 22 a recommendation from the county executive.
- 23 (C) Fifty-five and five-tenths percent (55.5%) shall be retained
 24 by the county in which the riverboat is located for
 25 appropriation by the county fiscal body after receiving a
 26 recommendation from the county executive.
- 27 (6) Five percent (5%) shall be paid to a town having a population
 28 of more than two thousand (2,000) but less than three thousand
 29 five hundred (3,500) located in a county having a population of
 30 more than nineteen thousand five hundred (19,500) but less than
 31 twenty thousand (20,000). At least forty percent (40%) of the
 32 taxes received by a town under this subdivision must be
 33 transferred to the school corporation in which the town is located.
- 34 (7) Five percent (5%) shall be paid to a town having a population
 35 of more than three thousand five hundred (3,500) located in a
 36 county having a population of more than nineteen thousand five
 37 hundred (19,500) but less than twenty thousand (20,000). At least
 38 forty percent (40%) of the taxes received by a town under this
 39 subdivision must be transferred to the school corporation in which
 40 the town is located.
- 41 (8) Five-tenths percent (0.5%) of the taxes imposed on adjusted
 42 gross receipts received after June 30, 2010, shall be paid to the



- 1 Indiana economic development corporation established by
2 IC 5-28-3-1.
- 3 (c) For each city and county receiving money under subsection
4 (a)(2), the treasurer of state shall determine the total amount of money
5 paid by the treasurer of state to the city or county during the state fiscal
6 year 2002. The amount determined is the base year revenue for the city
7 or county. The treasurer of state shall certify the base year revenue
8 determined under this subsection to the city or county. The total
9 amount of money distributed to a city or county under this section
10 during a state fiscal year may not exceed the entity's base year revenue.
11 For each state fiscal year, the treasurer of state shall pay that part of the
12 riverboat wagering taxes that:
- 13 (1) exceeds a particular city's or county's base year revenue; and
 - 14 (2) would otherwise be due to the city or county under this
15 section;
- 16 to the state general fund instead of to the city or county.
- 17 (d) Each state fiscal year the treasurer of state shall transfer from the
18 tax revenue remitted to the state general fund under subsection (a)(3)
19 to the build Indiana fund an amount that when added to the following
20 may not exceed two hundred fifty million dollars (\$250,000,000):
- 21 (1) Surplus lottery revenues under IC 4-30-17-3.
 - 22 (2) Surplus revenue from the charity gaming enforcement fund
23 under IC 4-32.2-7-7.
 - 24 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.
- 25 The treasurer of state shall make transfers on a monthly basis as needed
26 to meet the obligations of the build Indiana fund. If in any state fiscal
27 year insufficient money is transferred to the state general fund under
28 subsection (a)(3) to comply with this subsection, the treasurer of state
29 shall reduce the amount transferred to the build Indiana fund to the
30 amount available in the state general fund from the transfers under
31 subsection (a)(3) for the state fiscal year.
- 32 (e) Before August 15 of each year, the treasurer of state shall
33 distribute the wagering taxes set aside for revenue sharing under
34 subsection (a)(1) to the county treasurer of each county that does not
35 have a riverboat according to the ratio that the county's population
36 bears to the total population of the counties that do not have a
37 riverboat. Except as provided in subsection (h), the county auditor shall
38 distribute the money received by the county under this subsection as
39 follows:
- 40 (1) To each city located in the county according to the ratio the
41 city's population bears to the total population of the county.
 - 42 (2) To each town located in the county according to the ratio the



1 town's population bears to the total population of the county.

2 (3) After the distributions required in subdivisions (1) and (2) are
3 made, the remainder shall be retained by the county.

4 (f) Money received by a city, town, or county under subsection (e)
5 or (h) may be used for any of the following purposes:

6 (1) To reduce the property tax levy of the city, town, or county for
7 a particular year (a property tax reduction under this subdivision
8 does not reduce the maximum levy of the city, town, or county
9 under IC 6-1.1-18.5).

10 (2) For deposit in a special fund or allocation fund created under
11 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
12 IC 36-7-30 to provide funding for debt repayment.

13 (3) To fund sewer and water projects, including storm water
14 management projects.

15 (4) For police and fire pensions.

16 (5) To carry out any governmental purpose for which the money
17 is appropriated by the fiscal body of the city, town, or county.

18 Money used under this subdivision does not reduce the property
19 tax levy of the city, town, or county for a particular year or reduce
20 the maximum levy of the city, town, or county under
21 IC 6-1.1-18.5.

22 (g) This subsection does not apply to an entity receiving money
23 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer
24 of state shall determine the total amount of money distributed to an
25 entity under IC 4-33-12-6 during the preceding state fiscal year. If the
26 treasurer of state determines that the total amount of money distributed
27 to an entity under IC 4-33-12-6 during the preceding state fiscal year
28 was less than the entity's base year revenue (as determined under
29 IC 4-33-12-6), the treasurer of state shall make a supplemental
30 distribution to the entity from taxes collected under this chapter and
31 deposited into the state general fund. Except as provided in subsection
32 (i), the amount of an entity's supplemental distribution is equal to:

33 (1) the entity's base year revenue (as determined under
34 IC 4-33-12-6); minus

35 (2) the sum of:

36 (A) the total amount of money distributed to the entity during
37 the preceding state fiscal year under IC 4-33-12-6; plus

38 (B) any amounts deducted under IC 6-3.1-20-7 (**before its**
39 **expiration January 1, 2020**).

40 (h) This subsection applies only to a county containing a
41 consolidated city. The county auditor shall distribute the money
42 received by the county under subsection (e) as follows:



1 (1) To each city, other than a consolidated city, located in the
 2 county according to the ratio that the city's population bears to the
 3 total population of the county.

4 (2) To each town located in the county according to the ratio that
 5 the town's population bears to the total population of the county.

6 (3) After the distributions required in subdivisions (1) and (2) are
 7 made, the remainder shall be paid in equal amounts to the
 8 consolidated city and the county.

9 (i) This subsection applies to a supplemental distribution made after
 10 June 30, 2013. The maximum amount of money that may be distributed
 11 under subsection (g) in a state fiscal year is forty-eight million dollars
 12 (\$48,000,000). If the total amount determined under subsection (g)
 13 exceeds forty-eight million dollars (\$48,000,000), the amount
 14 distributed to an entity under subsection (g) must be reduced according
 15 to the ratio that the amount distributed to the entity under IC 4-33-12-6
 16 bears to the total amount distributed under IC 4-33-12-6 to all entities
 17 receiving a supplemental distribution.

18 SECTION 7. IC 5-28-11-1, AS ADDED BY P.L.4-2005, SECTION
 19 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 20 2014]: Sec. 1. As used in this chapter, "economically disadvantaged
 21 area" has the meaning set forth in IC 6-3.1-9-1 **(before its expiration**
 22 **January 1, 2020).**

23 SECTION 8. IC 5-28-15-3, AS AMENDED BY P.L.146-2008,
 24 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2014]: Sec. 3. As used in this chapter, "zone business" means
 26 an entity that accesses at least one (1) tax credit, deduction, or
 27 exemption incentive available under this chapter, IC 6-1.1-45,
 28 IC 6-3-3-10 **(before its expiration January 1, 2020)**, IC 6-3.1-7
 29 **(before its expiration January 1, 2020)**, or IC 6-3.1-10 **(before its**
 30 **expiration January 1, 2020).**

31 SECTION 9. IC 5-28-15-5, AS AMENDED BY P.L.288-2013,
 32 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2014]: Sec. 5. (a) The board has the following powers, in
 34 addition to other powers that are contained in this chapter:

35 (1) To review and approve or reject all applicants for enterprise
 36 zone designation, according to the criteria for designation that this
 37 chapter provides.

38 (2) To waive or modify rules as provided in this chapter.

39 (3) To provide a procedure by which enterprise zones may be
 40 monitored and evaluated on an annual basis.

41 (4) To adopt rules for the disqualification of a zone business from
 42 eligibility for any or all incentives available to zone businesses,



- 1 if that zone business does not do one (1) of the following:
- 2 (A) If all its incentives, as contained in the summary required
- 3 under section 7 of this chapter, exceed one thousand dollars
- 4 (\$1,000) in any year, pay a registration fee to the board in an
- 5 amount equal to one percent (1%) of all its incentives.
- 6 (B) Use all its incentives, except for the amount of the
- 7 registration fee, for its property or employees in the zone.
- 8 (C) Remain open and operating as a zone business for twelve
- 9 (12) months of the assessment year for which the incentive is
- 10 claimed.
- 11 (5) To disqualify a zone business from eligibility for any or all
- 12 incentives available to zone businesses in accordance with the
- 13 procedures set forth in the board's rules.
- 14 (6) After a recommendation from a U.E.A., to modify an
- 15 enterprise zone boundary if the board determines that the
- 16 modification:
- 17 (A) is in the best interests of the zone; and
- 18 (B) meets the threshold criteria and factors set forth in section
- 19 9 of this chapter.
- 20 (7) To employ staff and contract for services.
- 21 (8) To receive funds from any source and expend the funds for the
- 22 administration and promotion of the enterprise zone program.
- 23 (9) To make determinations under IC 6-3.1-11 **(before its**
- 24 **expiration January 1, 2020)** concerning the designation of
- 25 locations as industrial recovery sites.
- 26 (10) To make determinations under IC 6-3.1-11 **(before its**
- 27 **expiration January 1, 2020)** concerning the disqualification of
- 28 persons from claiming credits provided by that chapter in
- 29 appropriate cases.
- 30 (b) In addition to a registration fee paid under subsection (a)(4)(A),
- 31 each zone business that receives an incentive described in section 3 of
- 32 this chapter shall assist the zone U.E.A. in an amount determined by
- 33 the legislative body of the municipality in which the zone is located. If
- 34 a zone business does not assist a U.E.A., the legislative body of the
- 35 municipality in which the zone is located may pass an ordinance
- 36 disqualifying a zone business from eligibility for all credits or
- 37 incentives available to zone businesses. If a legislative body
- 38 disqualifies a zone business under this subsection, the legislative body
- 39 shall notify the board, the department of local government finance, and
- 40 the department of state revenue in writing not more than thirty (30)
- 41 days after the passage of the ordinance disqualifying the zone business.
- 42 Disqualification of a zone business under this section is effective



1 beginning with the taxable year in which the ordinance disqualifying
2 the zone business is adopted.

3 SECTION 10. IC 5-28-21-1, AS ADDED BY P.L.4-2005,
4 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2014]: Sec. 1. As used in this chapter, "economically
6 disadvantaged area" has the meaning set forth in IC 6-3.1-9-1 (**before
7 its expiration January 1, 2020**).

8 SECTION 11. IC 5-28-28-4, AS AMENDED BY P.L.288-2013,
9 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2014]: Sec. 4. As used in this chapter, "tax credit" means a
11 state tax liability credit under any of the following:

- 12 (1) IC 6-3.1-7 (**before its expiration January 1, 2020**).
- 13 (2) IC 6-3.1-13 (**before its expiration January 1, 2020**).
- 14 (3) IC 6-3.1-26.
- 15 (4) IC 6-3.1-27.
- 16 (5) IC 6-3.1-28.
- 17 (6) IC 6-3.1-30 (**before its expiration January 1, 2020**).
- 18 (7) IC 6-3.1-31.9.
- 19 (8) IC 6-3.1-33.

20 SECTION 12. IC 6-1.1-43-1, AS AMENDED BY P.L.288-2013,
21 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2014]: Sec. 1. This chapter applies to the following economic
23 development incentive programs:

- 24 (1) Grants and loans provided by the Indiana economic
25 development corporation under IC 5-28 or the office of tourism
26 development under IC 5-29.
- 27 (2) Incentives provided in an economic revitalization area under
28 IC 6-1.1-12.1.
- 29 (3) Incentives provided under IC 6-3.1-13 (**before its expiration
30 January 1, 2020**).

31 SECTION 13. IC 6-3-3-5.1, AS AMENDED BY P.L.2-2007,
32 SECTION 122, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2014]: Sec. 5.1. (a) At the election of the
34 taxpayer, a credit against the adjusted gross income tax imposed by
35 IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an
36 amount (subject to the applicable limitations provided by this section)
37 equal to fifty percent (50%) of the aggregate amount of contributions
38 made by the taxpayer during the taxable year to the twenty-first century
39 scholars program support fund established under IC 21-12-7-1.

40 (b) In the case of a taxpayer other than a corporation, the amount
41 allowable as a credit under this section for any taxable year may not
42 exceed:



- 1 (1) one hundred dollars (\$100) in the case of a single return; or
 2 (2) two hundred dollars (\$200) in the case of a joint return.
- 3 (c) In the case of a taxpayer that is a corporation, the amount
 4 allowable as a credit under this section for any taxable year may not
 5 exceed the lesser of the following amounts:
- 6 (1) Ten percent (10%) of the corporation's total adjusted gross
 7 income tax under IC 6-3-1 through IC 6-3-7 for the taxable year
 8 (as determined without regard to any credits against that tax).
 9 (2) One thousand dollars (\$1,000).
- 10 (d) The credit permitted under this section may not exceed the
 11 amount of the adjusted gross income tax imposed by IC 6-3-1 through
 12 IC 6-3-7 for the taxable year, reduced by the sum of all credits (as
 13 determined without regard to this section) allowed by IC 6-3-1 through
 14 IC 6-3-7.
- 15 **(e) This section expires January 1, 2020.**
- 16 SECTION 14. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The credit provided by this
 18 section shall be known as the unified tax credit for the elderly.
- 19 (b) As used in this section, unless the context clearly indicates
 20 otherwise:
- 21 (1) "Household federal adjusted gross income" means the total
 22 adjusted gross income, as defined in Section 62 of the Internal
 23 Revenue Code, of an individual, or of an individual and his **or**
 24 **her** spouse if they reside together for the taxable year for which
 25 the credit provided by this section is claimed.
- 26 (2) "Household" means a claimant or, if applicable, a claimant
 27 and his or her spouse if the spouse resides with the claimant and
 28 "household income" means the income of the claimant or, if
 29 applicable, the combined income of the claimant and his or her
 30 spouse if the spouse resides with the claimant.
- 31 (3) "Claimant" means an individual, other than an individual
 32 described in subsection (c) of this section, who:
- 33 (A) has filed a claim under this section;
 34 (B) was a resident of this state for at least six (6) months
 35 during the taxable year for which he or she has filed a claim
 36 under this section; and
 37 (C) was sixty-five (65) years of age during some portion of the
 38 taxable year for which ~~he~~ **the individual** has filed a claim
 39 under this section or whose spouse was either sixty-five (65)
 40 years of age or over during the taxable year.
- 41 (c) The credit provided under this section shall not apply to an
 42 individual who, for a period of at least one hundred eighty (180) days



1 during the taxable year for which ~~he~~ **the individual** has filed a claim
 2 under this section, was incarcerated in a local, state, or federal
 3 correctional institution.

4 (d) The right to file a claim under this section shall be personal to
 5 the claimant and shall not survive ~~his~~ **the claimant's** death, except that
 6 a surviving spouse of a claimant is entitled to claim the credit provided
 7 by this section. For purposes of determining the amount of the credit a
 8 surviving spouse is entitled to claim under this section, the deceased
 9 spouse shall be treated as having been alive on the last day of the
 10 taxable year in which the deceased spouse died. When a claimant dies
 11 after having filed a timely claim, the amount thereof shall be disbursed
 12 to another member of the household as determined by the
 13 commissioner. If the claimant was the only member of ~~his~~ **the**
 14 **claimant's** household, the claim may be paid to ~~his~~ **the claimant's**
 15 executor or administrator, but if neither is appointed and qualified
 16 within two (2) years of the filing of the claim, the amount of the claim
 17 shall escheat to the state.

18 (e) For each taxable year, subject to the limitations provided in this
 19 section, one (1) claimant per household may claim, as a credit against
 20 Indiana adjusted gross income taxes otherwise due, the credit provided
 21 by this section. If the allowable amount of the claim exceeds the
 22 income taxes otherwise due on the claimant's household income or if
 23 there are no Indiana income taxes due on such income, the amount of
 24 the claim not used as an offset against income taxes after audit by the
 25 department, at the taxpayer's option, shall be refunded to the claimant
 26 or taken as a credit against such taxpayer's income tax liability
 27 subsequently due.

28 (f) No claim filed pursuant to this section shall be allowed unless
 29 filed within six (6) months following the close of claimant's taxable
 30 year or within the extension period if an extension of time for filing the
 31 return has been granted under IC 6-8.1-6-1, whichever is later.

32 (g) The amount of any claim otherwise payable under this section
 33 may be applied by the department against any liability outstanding on
 34 the books of the department against the claimant, or against any other
 35 individual who was a member of ~~his~~ **the claimant's** household in the
 36 taxable year to which the claim relates.

37 (h) The amount of a claim filed pursuant to this section by a
 38 claimant that either (i) does not reside with ~~his~~ **the claimant's** spouse
 39 during the taxable year, or (ii) resides with ~~his~~ **the claimant's** spouse
 40 during the taxable year and only one (1) of them is sixty-five (65) years
 41 of age or older at the end of the taxable year, shall be determined in
 42 accordance with the following schedule:



1 HOUSEHOLD FEDERAL
 2 ADJUSTED GROSS INCOME
 3 FOR TAXABLE YEAR CREDIT
 4 less than \$1,000 \$100
 5 at least \$1,000, but less than \$3,000 \$ 50
 6 at least \$3,000, but less than \$10,000 \$ 40
 7 (i) The amount of a claim filed pursuant to this section by a claimant
 8 that resides with **his the claimant's** spouse during **his the claimant's**
 9 taxable year shall be determined in accordance with the following
 10 schedule if both the claimant and spouse are sixty-five (65) years of age
 11 or older at the end of the taxable year:
 12 HOUSEHOLD FEDERAL
 13 ADJUSTED GROSS INCOME
 14 FOR TAXABLE YEAR CREDIT
 15 less than \$1,000 \$140
 16 at least \$1,000, but less than \$3,000 \$ 90
 17 at least \$3,000, but less than \$10,000 \$ 80
 18 (j) The department may promulgate reasonable rules under
 19 IC 4-22-2 for the administration of this section.
 20 (k) Every claimant under this section shall supply to the department
 21 on forms provided under IC 6-8.1-3-4, in support of **his the claimant's**
 22 claim, reasonable proof of household income and age.
 23 (l) Whenever on the audit of any claim filed under this section the
 24 department finds that the amount of the claim has been incorrectly
 25 determined, the department shall redetermine the claim and notify the
 26 claimant of the redetermination and the reasons therefor. The
 27 redetermination shall be final.
 28 (m) In any case in which it is determined that a claim is or was
 29 excessive and was filed with fraudulent intent, the claim shall be
 30 disallowed in full, and, if the claim has been paid or a credit has been
 31 allowed against income taxes otherwise payable, the credit shall be
 32 canceled and the amount paid shall be recovered by assessment as
 33 income taxes are assessed and such assessment shall bear interest from
 34 the date of payment or credit of the claim, until refunded or paid at the
 35 rate determined under IC 6-8.1-10-1. The claimant in such a case
 36 commits a Class A misdemeanor. In any case in which it is determined
 37 that a claim is or was excessive and was negligently prepared, ten
 38 percent (10%) of the corrected claim shall be disallowed and, if the
 39 claim has been paid or credited against income taxes otherwise
 40 payable, the credit shall be reduced or canceled, and the proper portion
 41 of any amount paid shall be similarly recovered by assessment as
 42 income taxes are assessed, and such assessment shall bear interest at



1 the rate determined under IC 6-8.1-10-1 from the date of payment until
2 refunded or paid.

3 **(n) This section expires January 1, 2020.**

4 SECTION 15. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss),
5 SECTION 197, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) As used in this section:

7 "Base period wages" means the following:

8 (1) In the case of a taxpayer other than a pass through entity,
9 wages paid or payable by a taxpayer to its employees during the
10 year that ends on the last day of the month that immediately
11 precedes the month in which an enterprise zone is established, to
12 the extent that the wages would have been qualified wages if the
13 enterprise zone had been in effect for that year. If the taxpayer did
14 not engage in an active trade or business during that year in the
15 area that is later designated as an enterprise zone, then the base
16 period wages equal zero (0). If the taxpayer engaged in an active
17 trade or business during only part of that year in an area that is
18 later designated as an enterprise zone, then the department shall
19 determine the amount of base period wages.

20 (2) In the case of a taxpayer that is a pass through entity, base
21 period wages equal zero (0).

22 "Enterprise zone" means an enterprise zone created under
23 IC 5-28-15.

24 "Enterprise zone adjusted gross income" means adjusted gross
25 income of a taxpayer that is derived from sources within an enterprise
26 zone. Sources of adjusted gross income shall be determined with
27 respect to an enterprise zone, to the extent possible, in the same manner
28 that sources of adjusted gross income are determined with respect to
29 the state of Indiana under IC 6-3-2-2.

30 "Enterprise zone gross income" means gross income of a taxpayer
31 that is derived from sources within an enterprise zone.

32 "Enterprise zone insurance premiums" means insurance premiums
33 derived from sources within an enterprise zone.

34 "Monthly base period wages" means base period wages divided by
35 twelve (12).

36 "Qualified employee" means an individual who is employed by a
37 taxpayer and who:

38 (1) has the individual's principal place of residence in the
39 enterprise zone in which the individual is employed;

40 (2) performs services for the taxpayer, ninety percent (90%) of
41 which are directly related to the conduct of the taxpayer's trade or
42 business that is located in an enterprise zone;



1 (3) performs at least fifty percent (50%) of the individual's
 2 services for the taxpayer during the taxable year in the enterprise
 3 zone; and

4 (4) in the case of an individual who is employed by a taxpayer
 5 that is a pass through entity, was first employed by the taxpayer
 6 after December 31, 1998.

7 "Qualified increased employment expenditures" means the
 8 following:

9 (1) For a taxpayer's taxable year other than the taxpayer's taxable
 10 year in which the enterprise zone is established, the amount by
 11 which qualified wages paid or payable by the taxpayer during the
 12 taxable year to qualified employees exceeds the taxpayer's base
 13 period wages.

14 (2) For the taxpayer's taxable year in which the enterprise zone is
 15 established, the amount by which qualified wages paid or payable
 16 by the taxpayer during all of the full calendar months in the
 17 taxpayer's taxable year that succeed the date on which the
 18 enterprise zone was established exceed the taxpayer's monthly
 19 base period wages multiplied by that same number of full
 20 calendar months.

21 "Qualified state tax liability" means a taxpayer's total income tax
 22 liability incurred under:

23 (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with
 24 respect to enterprise zone adjusted gross income;

25 (2) IC 27-1-18-2 (insurance premiums tax) with respect to
 26 enterprise zone insurance premiums; and

27 (3) IC 6-5.5 (the financial institutions tax);

28 as computed after the application of the credits that, under
 29 IC 6-3.1-1-2, are to be applied before the credit provided by this
 30 section.

31 "Qualified wages" means the wages paid or payable to qualified
 32 employees during a taxable year.

33 "Taxpayer" includes a pass through entity.

34 (b) A taxpayer is entitled to a credit against the taxpayer's qualified
 35 state tax liability for a taxable year in the amount of the lesser of:

36 (1) the product of ten percent (10%) multiplied by the qualified
 37 increased employment expenditures of the taxpayer for the
 38 taxable year; or

39 (2) one thousand five hundred dollars (\$1,500) multiplied by the
 40 number of qualified employees employed by the taxpayer during
 41 the taxable year.

42 (c) The amount of the credit provided by this section that a taxpayer



1 uses during a particular taxable year may not exceed the taxpayer's
 2 qualified state tax liability for the taxable year. If the credit provided by
 3 this section exceeds the amount of that tax liability for the taxable year
 4 it is first claimed, then the excess may be carried back to preceding
 5 taxable years or carried over to succeeding taxable years and used as
 6 a credit against the taxpayer's qualified state tax liability for those
 7 taxable years. Each time that the credit is carried back to a preceding
 8 taxable year or carried over to a succeeding taxable year, the amount
 9 of the carryover is reduced by the amount used as a credit for that
 10 taxable year. Except as provided in subsection (e), the credit provided
 11 by this section may be carried forward and applied in the ten (10)
 12 taxable years that succeed the taxable year in which the credit accrues.
 13 The credit provided by this section may be carried back and applied in
 14 the three (3) taxable years that precede the taxable year in which the
 15 credit accrues.

16 (d) A credit earned by a taxpayer in a particular taxable year shall
 17 be applied against the taxpayer's qualified state tax liability for that
 18 taxable year before any credit carryover or carryback is applied against
 19 that liability under subsection (c).

20 (e) Notwithstanding subsection (c), if a credit under this section
 21 results from wages paid in a particular enterprise zone, and if that
 22 enterprise zone terminates in a taxable year that succeeds the last
 23 taxable year in which a taxpayer is entitled to use the credit carryover
 24 that results from those wages under subsection (c), then the taxpayer
 25 may use the credit carryover for any taxable year up to and including
 26 the taxable year in which the enterprise zone terminates.

27 (f) A taxpayer is not entitled to a refund of any unused credit.

28 (g) A taxpayer that:

- 29 (1) does not own, rent, or lease real property outside of an
 30 enterprise zone that is an integral part of its trade or business; and
- 31 (2) is not owned or controlled directly or indirectly by a taxpayer
 32 that owns, rents, or leases real property outside of an enterprise
 33 zone;

34 is exempt from the allocation and apportionment provisions of this
 35 section.

36 (h) If a pass through entity is entitled to a credit under subsection (b)
 37 but does not have state tax liability against which the tax credit may be
 38 applied, an individual who is a shareholder, partner, beneficiary, or
 39 member of the pass through entity is entitled to a tax credit equal to:

- 40 (1) the tax credit determined for the pass through entity for the
 41 taxable year; multiplied by
- 42 (2) the percentage of the pass through entity's distributive income



1 to which the shareholder, partner, beneficiary, or member is
2 entitled.

3 The credit provided under this subsection is in addition to a tax credit
4 to which a shareholder, partner, beneficiary, or member of a pass
5 through entity is entitled. However, a pass through entity and an
6 individual who is a shareholder, partner, beneficiary, or member of a
7 pass through entity may not claim more than one (1) credit for the
8 qualified expenditure.

9 **(i) This chapter expires January 1, 2020.**

10 SECTION 16. IC 6-3-3-12, AS AMENDED BY P.L.182-2009(ss),
11 SECTION 198, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) As used in this section,
13 "account" has the meaning set forth in IC 21-9-2-2.

14 (b) As used in this section, "account beneficiary" has the meaning
15 set forth in IC 21-9-2-3.

16 (c) As used in this section, "account owner" has the meaning set
17 forth in IC 21-9-2-4.

18 (d) As used in this section, "college choice 529 education savings
19 plan" refers to a college choice 529 investment plan established under
20 IC 21-9.

21 (e) As used in this section, "contribution" means the amount of
22 money directly provided to a college choice 529 education savings plan
23 account by a taxpayer. A contribution does not include any of the
24 following:

25 (1) Money credited to an account as a result of bonus points or
26 other forms of consideration earned by the taxpayer that result in
27 a transfer of money to the account.

28 (2) Money transferred from any other qualified tuition program
29 under Section 529 of the Internal Revenue Code or from any other
30 similar plan.

31 (f) As used in this section, "nonqualified withdrawal" means a
32 withdrawal or distribution from a college choice 529 education savings
33 plan that is not a qualified withdrawal.

34 (g) As used in this section, "qualified higher education expenses"
35 has the meaning set forth in IC 21-9-2-19.5.

36 (h) As used in this section, "qualified withdrawal" means a
37 withdrawal or distribution from a college choice 529 education savings
38 plan that is made:

39 (1) to pay for qualified higher education expenses, excluding any
40 withdrawals or distributions used to pay for qualified higher
41 education expenses if the withdrawals or distributions are made
42 from an account of a college choice 529 education savings plan



- 1 that is terminated within twelve (12) months after the account is
 2 opened;
- 3 (2) as a result of the death or disability of an account beneficiary;
 4 (3) because an account beneficiary received a scholarship that
 5 paid for all or part of the qualified higher education expenses of
 6 the account beneficiary, to the extent that the withdrawal or
 7 distribution does not exceed the amount of the scholarship; or
 8 (4) by a college choice 529 education savings plan as the result of
 9 a transfer of funds by a college choice 529 education savings plan
 10 from one (1) third party custodian to another.
- 11 A qualified withdrawal does not include a rollover distribution or
 12 transfer of assets from a college choice 529 education savings plan to
 13 any other qualified tuition program under Section 529 of the Internal
 14 Revenue Code or to any other similar plan.
- 15 (i) As used in this section, "taxpayer" means:
 16 (1) an individual filing a single return; or
 17 (2) a married couple filing a joint return.
- 18 (j) A taxpayer is entitled to a credit against the taxpayer's adjusted
 19 gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable
 20 year equal to the least of the following:
 21 (1) Twenty percent (20%) of the amount of the total contributions
 22 made by the taxpayer to an account or accounts of a college
 23 choice 529 education savings plan during the taxable year.
 24 (2) One thousand dollars (\$1,000).
 25 (3) The amount of the taxpayer's adjusted gross income tax
 26 imposed by IC 6-3-1 through IC 6-3-7 for the taxable year,
 27 reduced by the sum of all credits (as determined without regard to
 28 this section) allowed by IC 6-3-1 through IC 6-3-7.
- 29 (k) A taxpayer is not entitled to a carryback, carryover, or refund of
 30 an unused credit.
- 31 (l) A taxpayer may not sell, assign, convey, or otherwise transfer the
 32 tax credit provided by this section.
- 33 (m) To receive the credit provided by this section, a taxpayer must
 34 claim the credit on the taxpayer's annual state tax return or returns in
 35 the manner prescribed by the department. The taxpayer shall submit to
 36 the department all information that the department determines is
 37 necessary for the calculation of the credit provided by this section.
- 38 (n) An account owner of an account of a college choice 529
 39 education savings plan must repay all or a part of the credit in a taxable
 40 year in which any nonqualified withdrawal is made from the account.
 41 The amount the taxpayer must repay is equal to the lesser of:
 42 (1) twenty percent (20%) of the total amount of nonqualified



1 withdrawals made during the taxable year from the account; or

2 (2) the excess of:

3 (A) the cumulative amount of all credits provided by this
4 section that are claimed by any taxpayer with respect to the
5 taxpayer's contributions to the account for all prior taxable
6 years beginning on or after January 1, 2007; over

7 (B) the cumulative amount of repayments paid by the account
8 owner under this subsection for all prior taxable years
9 beginning on or after January 1, 2008.

10 (o) Any required repayment under subsection (o) shall be reported
11 by the account owner on the account owner's annual state income tax
12 return for any taxable year in which a nonqualified withdrawal is made.

13 (p) A nonresident account owner who is not required to file an
14 annual income tax return for a taxable year in which a nonqualified
15 withdrawal is made shall make any required repayment on the form
16 required under IC 6-3-4-1(2). If the nonresident account owner does
17 not make the required repayment, the department shall issue a demand
18 notice in accordance with IC 6-8.1-5-1.

19 (q) The executive director of the Indiana education savings authority
20 shall submit or cause to be submitted to the department a copy of all
21 information returns or statements issued to account owners, account
22 beneficiaries, and other taxpayers for each taxable year with respect to:

23 (1) nonqualified withdrawals made from accounts of a college
24 choice 529 education savings plan for the taxable year; or

25 (2) account closings for the taxable year.

26 **(r) This section expires January 1, 2020.**

27 SECTION 17. IC 6-3.1-1-3, AS AMENDED BY P.L.288-2013,
28 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2014]: Sec. 3. A taxpayer (as defined in the following laws),
30 pass through entity (as defined in the following laws), or shareholder,
31 partner, or member of a pass through entity may not be granted more
32 than one (1) tax credit under the following laws for the same project:

33 (1) IC 6-3.1-10 (enterprise zone investment cost credit) **(before**
34 **its expiration January 1, 2020).**

35 (2) IC 6-3.1-11 (industrial recovery tax credit) **(before its**
36 **expiration January 1, 2020).**

37 (3) IC 6-3.1-19 (community revitalization enhancement district
38 tax credit) **(before its expiration January 1, 2020).**

39 (4) IC 6-3.1-24 (venture capital investment tax credit) **(before its**
40 **expiration January 1, 2020).**

41 (5) IC 6-3.1-26 (Hoosier business investment tax credit).

42 (6) IC 6-3.1-31.9 (Hoosier alternative fuel vehicle manufacturer



1 tax credit).
 2 If a taxpayer, pass through entity, or shareholder, partner, or member
 3 of a pass through entity has been granted more than one (1) tax credit
 4 for the same project, the taxpayer, pass through entity, or shareholder,
 5 partner, or member of a pass through entity must elect to apply only
 6 one (1) of the tax credits in the manner and form prescribed by the
 7 department.

8 SECTION 18. IC 6-3.1-1-4.2 IS ADDED TO THE INDIANA
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2014]: **Sec. 4.2. This section applies to tax**
 11 **credits that are repealed after June 30, 2014, or that expire after**
 12 **June 30, 2014. Except as otherwise expressly provided, a taxpayer**
 13 **may carry forward any unused tax credit from a prior taxable year**
 14 **to a taxable year that begins after the repeal or expiration of the**
 15 **statute that provided the tax credit, if the statute that is repealed**
 16 **or expired authorized unused tax credits to be carried forward.**
 17 **However, any:**

18 (1) limits on:
 19 (A) the amount that may be carried forward; or
 20 (B) the number of years to which an unused tax credit may
 21 be carried forward; or
 22 (2) other restrictions or procedures governing the tax credit;
 23 apply to any part of a tax credit carried forward under this section
 24 as if the statute allowing the unused tax credit to be carried
 25 forward had not been repealed or had not expired.

26 SECTION 19. IC 6-3.1-2-2 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Subject to the
 28 limitation established in sections 4 and 5 of this chapter, a taxpayer that
 29 employs an eligible teacher in a qualified position during a school
 30 summer recess is entitled to a tax credit against his the taxpayer's state
 31 income tax liability as provided for under section 3 of this chapter.

32 (b) This chapter expires January 1, 2020.

33 SECTION 20. IC 6-3.1-4-3, AS ADDED BY P.L.197-2005,
 34 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2014]: Sec. 3. (a) The amount of the credit provided by this
 36 chapter that a taxpayer uses during a particular taxable year may not
 37 exceed the sum of the taxes imposed by IC 6-3 for the taxable year after
 38 the application of all credits that under IC 6-3.1-1-2 are to be applied
 39 before the credit provided by this chapter. If the credit provided by this
 40 chapter exceeds that sum for the taxable year for which the credit is
 41 first claimed, then the excess may be carried over to succeeding taxable
 42 years and used as a credit against the tax otherwise due and payable by



1 the taxpayer under IC 6-3 during those taxable years. Each time that the
 2 credit is carried over to a succeeding taxable year, it is to be reduced by
 3 the amount which was used as a credit during the immediately
 4 preceding taxable year. The credit provided by this chapter may be
 5 carried forward and applied to succeeding taxable years for ten (10)
 6 taxable years following the unused credit year.

7 (b) A credit earned by a taxpayer in a particular taxable year shall
 8 be applied against the taxpayer's tax liability for that taxable year
 9 before any credit carryover is applied against that liability under
 10 subsection (a).

11 (c) A taxpayer is not entitled to any carryback or refund of any
 12 unused credit.

13 **(d) This chapter expires January 1, 2020.**

14 SECTION 21. IC 6-3.1-6-2 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A taxpayer who
 16 enters into an agreement is entitled to receive an income tax credit for
 17 a taxable year equal to:

- 18 (1) the taxpayer's state income tax liability for the taxable year;
- 19 (2) an amount equal to the sum of:
 - 20 (A) fifty percent (50%) of any investment in qualified property
 - 21 made by the taxpayer during the taxable year as part of the
 - 22 agreement; plus
 - 23 (B) twenty-five percent (25%) of the wages paid to inmates
 - 24 during the taxable year as part of the agreement; or
- 25 (3) one hundred thousand dollars (\$100,000);

26 whichever is least.

27 (b) A tax credit shall be allowed under this chapter only for the
 28 taxable year of the taxpayer during which:

- 29 (1) the investment in qualified property is made in accordance
- 30 with Section 38 of the Internal Revenue Code; or
- 31 (2) the wages are paid to inmates;

32 as part of an agreement.

33 **(c) This chapter expires January 1, 2020.**

34 SECTION 22. IC 6-3.1-7-3 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) If the amount
 36 determined under section 2(b) of this chapter for a particular taxpayer
 37 and a particular taxable year exceeds the taxpayer's state tax liability
 38 for that taxable year, then the taxpayer may carry the excess over to the
 39 immediately succeeding taxable years. Except as provided in
 40 subsection (b), the credit carryover may not be used for any taxable
 41 year that begins more than ten (10) years after the date on which the
 42 qualified loan from which the credit results is made. The amount of the



1 credit carryover from a taxable year shall be reduced to the extent that
 2 the carryover is used by the taxpayer to obtain a credit under this
 3 chapter for any subsequent taxable year.

4 (b) Notwithstanding subsection (a), if a loan is a qualified loan as
 5 the result of the use of the loan proceeds in a particular enterprise zone,
 6 and if the phase-out period of that enterprise zone terminates in a
 7 taxable year that succeeds the last taxable year in which a taxpayer is
 8 entitled to use credit carryover that results from that loan under
 9 subsection (a), then the taxpayer may use the credit carryover for any
 10 taxable year up to and including the taxable year in which the
 11 phase-out period of the enterprise zone terminates.

12 **(c) This chapter expires January 1, 2020.**

13 SECTION 23. IC 6-3.1-9-6 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) A tax credit shall
 15 be allowable under this chapter only for the taxable year of the taxpayer
 16 in which the contribution qualifying for the credit is paid or
 17 permanently set aside in a special account for the approved program or
 18 purpose.

19 **(b) This chapter expires January 1, 2020.**

20 SECTION 24. IC 6-3.1-10-7 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If the amount
 22 determined under section 6(b) of this chapter for a taxpayer in a taxable
 23 year exceeds the taxpayer's state tax liability for that taxable year, the
 24 taxpayer may carry the excess over to the following taxable years. The
 25 amount of the credit carryover from a taxable year shall be reduced to
 26 the extent that the carryover is used by the taxpayer to obtain a credit
 27 under this chapter for any subsequent taxable year.

28 (b) A taxpayer is not entitled to a carryback or refund of any unused
 29 credit.

30 **(c) This chapter expires January 1, 2020.**

31 SECTION 25. IC 6-3.1-11-17 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If the amount
 33 determined under section 16(b) of this chapter for a taxable year
 34 exceeds the taxpayer's state tax liability for that taxable year, the
 35 taxpayer may carry the excess over to the immediately following
 36 taxable years. The amount of the credit carryover from a taxable year
 37 shall be reduced to the extent that the carryover is used by the taxpayer
 38 to obtain a credit under this chapter for any subsequent taxable year.

39 (b) A taxpayer is not entitled to a carryback or refund of any unused
 40 credit.

41 **(c) This chapter expires January 1, 2020.**

42 SECTION 26. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005,



1 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards
3 under this chapter to foster job creation in Indiana or, as provided in
4 section 15.5 of this chapter, job retention in Indiana.

5 (b) The credit shall be claimed for the taxable years specified in the
6 taxpayer's tax credit agreement.

7 **(c) This chapter expires January 1, 2020.**

8 SECTION 27. IC 6-3.1-16-13 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit
10 provided by this chapter exceeds a taxpayer's state tax liability for the
11 taxable year for which the credit is first claimed, the excess may be
12 carried over to succeeding taxable years and used as a credit against the
13 tax otherwise due and payable by the taxpayer under IC 6-3 during
14 those taxable years. Each time that the credit is carried over to a
15 succeeding taxable year, the credit is to be reduced by the amount that
16 was used as a credit during the immediately preceding taxable year.
17 The credit provided by this chapter may be carried forward and applied
18 to succeeding taxable years for fifteen (15) taxable years following the
19 unused credit year.

20 (b) A credit earned by a taxpayer in a particular taxable year shall
21 be applied against the taxpayer's tax liability for that taxable year
22 before any credit carryover is applied against that liability under
23 subsection (a).

24 (c) A taxpayer is not entitled to any carryback or refund of any
25 unused credit.

26 **(d) This chapter expires January 1, 2020.**

27 SECTION 28. IC 6-3.1-18-11 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A tax credit
29 shall be allowable under this chapter only for the taxable year of the
30 taxpayer in which the contribution qualifying for the credit is paid.

31 **(b) This chapter expires January 1, 2020.**

32 SECTION 29. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011,
33 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2014]: Sec. 3. (a) Except as provided in section 5 of this
35 chapter, a taxpayer is entitled to a credit against the taxpayer's state and
36 local tax liability for a taxable year if the taxpayer makes a qualified
37 investment in that year.

38 (b) The amount of the credit to which a taxpayer is entitled is the
39 qualified investment made by the taxpayer during the taxable year
40 multiplied by twenty-five percent (25%).

41 (c) A taxpayer may assign any part of the credit to which the
42 taxpayer is entitled under this chapter to a lessee of property



1 redeveloped or rehabilitated under section 2 of this chapter. A credit
2 that is assigned under this subsection remains subject to this chapter.

3 (d) An assignment under subsection (c) must be in writing and both
4 the taxpayer and the lessee must report the assignment on their state tax
5 return for the year in which the assignment is made, in the manner
6 prescribed by the department. The taxpayer may not receive value in
7 connection with the assignment under subsection (c) that exceeds the
8 value of the part of the credit assigned.

9 (e) If a pass through entity is entitled to a credit under this chapter
10 but does not have state and local tax liability against which the tax
11 credit may be applied, a shareholder, partner, or member of the pass
12 through entity is entitled to a tax credit equal to:

13 (1) the tax credit determined for the pass through entity for the
14 taxable year; multiplied by

15 (2) the percentage of the pass through entity's distributive income
16 to which the shareholder, partner, or member is entitled.

17 The credit provided under this subsection is in addition to a tax credit
18 to which a shareholder, partner, or member of a pass through entity is
19 otherwise entitled under this chapter. However, a pass through entity
20 and an individual who is a shareholder, partner, or member of the pass
21 through entity may not claim more than one (1) credit for the same
22 investment.

23 (f) A taxpayer that is otherwise entitled to a credit under this chapter
24 for a taxable year may claim the credit regardless of whether any
25 income tax incremental amount or gross retail incremental amount has
26 been:

27 (1) deposited in the incremental tax financing fund established for
28 the community revitalization enhancement district; or

29 (2) allocated to the district.

30 **(g) This chapter expires January 1, 2020.**

31 SECTION 30. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013,
32 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2014]: Sec. 4. (a) Except as provided in subsection (b), an
34 individual is entitled to a credit under this chapter if:

35 (1) the individual's earned income for the taxable year is less than
36 eighteen thousand six hundred dollars (\$18,600); and

37 (2) the individual pays property taxes in the taxable year on a
38 homestead that:

39 (A) the individual:

40 (i) owns; or

41 (ii) is buying under a contract that requires the individual to
42 pay property taxes on the homestead, if the contract or a



1 memorandum of the contract is recorded in the county
 2 recorder's office; and
 3 (B) is located in a county having a population of more than
 4 four hundred thousand (400,000) but less than seven hundred
 5 thousand (700,000).

6 (b) An individual is not entitled to a credit under this chapter for a
 7 taxable year for property taxes paid on the individual's homestead if the
 8 individual claims the deduction under IC 6-3-1-3.5(a)(15) for the
 9 homestead for that same taxable year.

10 **(c) This chapter expires January 1, 2020.**

11 SECTION 31. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011,
 12 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2014]: Sec. 8. (a) To obtain a credit under this chapter, a
 14 taxpayer must claim the advance payment or credit in the manner
 15 prescribed by the department of state revenue. The taxpayer shall
 16 submit to the department of state revenue all information that the
 17 department of state revenue determines is necessary for the calculation
 18 of the credit provided by this chapter.

19 **(b) This chapter expires January 1, 2020.**

20 SECTION 32. IC 6-3.1-24-12, AS AMENDED BY P.L.193-2005,
 21 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2014]: Sec. 12. (a) If the amount of the credit determined
 23 under section 10 of this chapter for a taxpayer in a taxable year exceeds
 24 the taxpayer's state tax liability for that taxable year, the taxpayer may
 25 carry the excess credit over for a period not to exceed the taxpayer's
 26 following five (5) taxable years. The amount of the credit carryover
 27 from a taxable year shall be reduced to the extent that the carryover is
 28 used by the taxpayer to obtain a credit under this chapter for any
 29 subsequent taxable year. A taxpayer is not entitled to a carryback or a
 30 refund of any unused credit amount.

31 **(b) This chapter expires January 1, 2020.**

32 SECTION 33. IC 6-3.1-26-3 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. As used in this
 34 chapter, "director" has the meaning set forth in IC 6-3.1-13-3 **(before**
 35 **its expiration January 1, 2020).**

36 SECTION 34. IC 6-3.1-26-6 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. As used in this
 38 chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6
 39 **(before its expiration January 1, 2020).**

40 SECTION 35. IC 6-3.1-29-21, AS ADDED BY P.L.191-2005,
 41 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2014]: Sec. 21. (a) To receive the credit awarded by this



1 chapter, a taxpayer must claim the credit on the taxpayer's annual state
 2 tax return or returns in the manner prescribed by the department. The
 3 taxpayer shall submit to the department a copy of the commission's
 4 determination required under section 19 of this chapter, a copy of the
 5 taxpayer's certificate of compliance issued under section 19 of this
 6 chapter, and all information that the department determines is
 7 necessary for the calculation of the credit provided by this chapter.

8 **(b) This chapter expires January 1, 2020.**

9 SECTION 36. IC 6-3.1-30-11, AS ADDED BY P.L.193-2005,
 10 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 11. (a) If the credit provided by this chapter
 12 exceeds the taxpayer's state tax liability for the taxable year for which
 13 the credit is first claimed, the excess may be carried forward to
 14 succeeding taxable years and used as a credit against the taxpayer's
 15 state tax liability during those taxable years. Each time that the credit
 16 is carried forward to a succeeding taxable year, the credit is to be
 17 reduced by the amount that was used as a credit during the immediately
 18 preceding taxable year. The credit provided by this chapter may be
 19 carried forward and applied to succeeding taxable years for nine (9)
 20 taxable years following the unused credit year.

21 (b) A taxpayer is not entitled to any carryback or refund of any
 22 unused credit.

23 **(c) This chapter expires January 1, 2020.**

24 SECTION 37. IC 6-3.1-30.5-9.5, AS ADDED BY P.L.211-2013,
 25 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2014]: Sec. 9.5. (a) This section applies to a taxpayer that is
 27 entitled to a tax credit under this chapter for a taxable year beginning
 28 after December 31, 2012.

29 (b) If the credit provided by this chapter exceeds the taxpayer's state
 30 tax liability for the taxable year for which the credit is first claimed, the
 31 excess may be carried forward to succeeding taxable years and used as
 32 a credit against the taxpayer's state tax liability during those taxable
 33 years. Each time the credit is carried forward to a succeeding taxable
 34 year, the credit is reduced by the amount that was used as a credit
 35 during the immediately preceding taxable year. The credit provided by
 36 this chapter may be carried forward and applied to succeeding taxable
 37 years for nine (9) taxable years following the unused credit year.

38 (c) A taxpayer is not entitled to a carryback or refund of any unused
 39 credit.

40 **(d) This section expires January 1, 2020.**

41 SECTION 38. IC 6-3.1-31.9-4, AS ADDED BY P.L.223-2007,
 42 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2014]: Sec. 4. As used in this chapter, "director" has the
 2 meaning set forth in IC 6-3.1-13-3 (**before its expiration January 1,**
 3 **2020**).

4 SECTION 39. IC 6-3.1-31.9-6, AS ADDED BY P.L.223-2007,
 5 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2014]: Sec. 6. As used in this chapter, "new employee" has the
 7 meaning set forth in IC 6-3.1-13-6 (**before its expiration January 1,**
 8 **2020**).

9 SECTION 40. IC 6-3.1-33-5, AS ADDED BY P.L.110-2010,
 10 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 5. As used in this chapter, "qualified employee"
 12 means an individual who is:

- 13 (1) a full-time employee (as defined in IC 6-3.1-13-4, **before its**
 14 **expiration January 1, 2020**) first hired by a new Indiana
 15 business during the period specified in section 10(b) of this
 16 chapter;
 17 (2) a resident of Indiana; and
 18 (3) not more than a five percent (5%) shareholder, partner,
 19 member, or owner of the applicant;

20 as determined by the IEDC. The term does not include rehired
 21 individuals, individuals employed to fill positions vacated as the result
 22 of a layoff that occurred during the previous two (2) years, or
 23 individuals employed in the same business operation before and after
 24 a change of business ownership.

25 SECTION 41. IC 6-3.5-9-4, AS ADDED BY P.L.173-2011,
 26 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2014]: Sec. 4. As used in this chapter, "new employee" has the
 28 meaning set forth in IC 6-3.1-13-6 (**before its expiration January 1,**
 29 **2020**), except that as applied to a project that is the subject of a hiring
 30 incentive agreement under this chapter, the phrase "tax credit
 31 agreement" in the definition of "new employee" under IC 6-3.1-13-6
 32 (**before its expiration January 1, 2020**) is construed as a hiring
 33 incentive agreement under this chapter.

34 SECTION 42. IC 12-8-12.5-2, AS ADDED BY P.L.110-2010,
 35 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2014]: Sec. 2. The secretary may apply to the United States
 37 Department of Health and Human Services for maximum
 38 reimbursement available to the state from the TANF emergency fund
 39 under Division B, Title II, Subtitle B of the federal American Recovery
 40 and Reinvestment Act of 2009 as follows:

- 41 (1) Nonrecurrent short term benefits, including qualified state
 42 expenditures for the following:



- 1 (A) The earned income tax credit under IC 6-3.1-21 **(before**
 2 **its expiration January 1, 2020).**
- 3 (B) The domestic violence prevention and treatment fund
 4 under IC 5-2-6.7.
- 5 (C) Food bank allocations as supplemented by third party
 6 expenditures that qualify as the state's maintenance of effort
 7 under TANF (45 CFR 263.2(e)).
- 8 (D) Any other qualified state expenditure.
- 9 (2) The HIRE program.
- 10 SECTION 43. IC 21-12-7-4, AS ADDED BY P.L.2-2007,
 11 SECTION 253, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2014]: Sec. 4. A contributor to the fund is
 13 entitled to an income tax credit under IC 6-3-3-5.1 **(before its**
 14 **expiration January 1, 2020).**
- 15 SECTION 44. IC 27-6-8-15 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Member
 17 insurers, which during any preceding calendar year shall have paid one
 18 (1) or more assessments levied pursuant to section 7 of this chapter,
 19 shall be allowed a credit against premium taxes, adjusted gross income
 20 taxes, or any combination thereof upon revenue or income of member
 21 insurers which may be imposed by the state, up to twenty percent
 22 (20%) of the assessment described in section 7 of this chapter for each
 23 calendar year following the year the assessment was paid until the
 24 aggregate of all assessments paid to the guaranty association shall have
 25 been offset by either credits against such taxes or refunds from the
 26 association. The provisions herein are applicable to all assessments
 27 levied after the passage of this article.
- 28 (b) To the extent a member insurer elects not to utilize the tax
 29 credits authorized by subsection (a), the member insurer may utilize the
 30 provisions of subsection (c) as a secondary method of recoupment.
- 31 (c) The rates and premiums charged for insurance policies to which
 32 this chapter applies shall include amounts sufficient to recoup a sum
 33 equal to the amounts paid to the association by the member insurer less
 34 any amounts returned to the member insurer by the association and the
 35 rates shall not be deemed excessive because they contain an amount
 36 reasonably calculated to recoup assessments paid by the member
 37 insurer.
- 38 **(d) This section expires January 1, 2020.**
- 39 SECTION 45. IC 27-8-8-16, AS AMENDED BY P.L.193-2006,
 40 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2014]: Sec. 16. (a) A member insurer may take as a credit
 42 against premium taxes, adjusted gross income taxes, or any



1 combination of them imposed by the state upon the member insurer's
 2 revenue or income not more than twenty percent (20%) of the amount
 3 of each assessment described in section 6 of this chapter for each
 4 calendar year following the year in which the assessment was paid until
 5 the assessment has been offset by either credits against the taxes or
 6 refunds from the association. If the member insurer ceases doing
 7 business, all uncredited assessments may be credited against the
 8 member insurer's premium taxes, adjusted gross income taxes, or a
 9 combination of the premium taxes and adjusted gross income taxes of
 10 the member insurer for the year the member insurer ceases doing
 11 business.

12 **(b) This section expires January 1, 2020.**

13 SECTION 46. IC 27-8-8-17, AS AMENDED BY P.L.193-2006,
 14 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2014]: Sec. 17. (a) Sums acquired by refund under section
 16 6(m) of this chapter from the association by member insurers and offset
 17 against taxes as provided by section 16 of this chapter **(before its**
 18 **expiration January 1, 2020)** shall be paid by the member insurers to
 19 the state in the manner required by the tax authorities.

20 (b) The association shall notify the commissioner when refunds
 21 under section 6 of this chapter have been made.

22 SECTION 47. IC 27-8-10-2.3, AS AMENDED BY P.L.1-2006,
 23 SECTION 488, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2014]: Sec. 2.3. (a) A member shall, not later
 25 than October 31 of each year, certify an independently audited report
 26 to the:

- 27 (1) association;
- 28 (2) legislative council; and
- 29 (3) department of insurance;

30 of the amount of tax credits taken against assessments by the member
 31 under section 2.1 (as in effect December 31, 2004) or 2.4 of this
 32 chapter **(before its expiration January 1, 2020)** during the previous
 33 calendar year. A report certified under this section to the legislative
 34 council must be in an electronic format under IC 5-14-6.

35 (b) A member shall, not later than October 31 of each year, certify
 36 an independently audited report to the association of the amount of
 37 assessments paid by the member against which a tax credit has not
 38 been taken under section 2.1 (as in effect December 31, 2004) or 2.4
 39 of this chapter **(before its expiration January 1, 2020)** as of the date
 40 of the report.

41 SECTION 48. IC 27-8-10-2.4 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.4. (a) Beginning



1 January 1, 2005, a member that, before January 1, 2005, has:

2 (1) paid an assessment; and

3 (2) not taken a credit against taxes;

4 under section 2.1 of this chapter (as in effect December 31, 2004) is not
5 entitled to claim or carry forward the unused tax credit except as
6 provided in this section.

7 (b) A member described in subsection (a) may, for each taxable year
8 beginning after December 31, 2006, take a credit of not more than ten
9 percent (10%) of the amount of the assessments paid before January 1,
10 2005, against which a tax credit has not been taken before January 1,
11 2005. A credit under this subsection may be taken against premium
12 taxes, adjusted gross income taxes, or any combination of these, or
13 similar taxes upon revenues or income of the member that may be
14 imposed by the state, up to the amount of the taxes due for each taxable
15 year.

16 (c) If the maximum amount of a tax credit determined under
17 subsection (b) for a taxable year exceeds a member's liability for the
18 taxes described in subsection (b), the member may carry the unused
19 portion of the tax credit forward to subsequent taxable years. Tax
20 credits carried forward under this subsection are not subject to the ten
21 percent (10%) limit set forth in subsection (b).

22 (d) The total amount of credits taken by a member under this section
23 in all taxable years may not exceed the total amount of assessments
24 paid by the member before January 1, 2005, minus the total amount of
25 tax credits taken by the member under section 2.1 of this chapter (as in
26 effect December 31, 2004) before January 1, 2005.

27 **(e) This section expires January 1, 2020.**

28 SECTION 49. IC 34-55-10-2, AS AMENDED BY P.L.160-2012,
29 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2014]: Sec. 2. (a) This section does not apply to judgments
31 obtained before October 1, 1977.

32 (b) The amount of each exemption under subsection (c) applies until
33 a rule is adopted by the department of financial institutions under
34 section 2.5 of this chapter.

35 (c) The following property of a debtor domiciled in Indiana is
36 exempt:

37 (1) Real estate or personal property constituting the personal or
38 family residence of the debtor or a dependent of the debtor, or
39 estates or rights in that real estate or personal property, of not
40 more than fifteen thousand dollars (\$15,000). The exemption
41 under this subdivision is individually available to joint debtors
42 concerning property held by them as tenants by the entireties.



- 1 (2) Other real estate or tangible personal property of eight
 2 thousand dollars (\$8,000).
 3 (3) Intangible personal property, including choses in action,
 4 deposit accounts, and cash (but excluding debts owing and
 5 income owing), of three hundred dollars (\$300).
 6 (4) Professionally prescribed health aids for the debtor or a
 7 dependent of the debtor.
 8 (5) Any interest that the debtor has in real estate held as a tenant
 9 by the entireties. The exemption under this subdivision does not
 10 apply to a debt for which the debtor and the debtor's spouse are
 11 jointly liable.
 12 (6) An interest, whether vested or not, that the debtor has in a
 13 retirement plan or fund to the extent of:
 14 (A) contributions, or portions of contributions, that were made
 15 to the retirement plan or fund by or on behalf of the debtor or
 16 the debtor's spouse:
 17 (i) which were not subject to federal income taxation to the
 18 debtor at the time of the contribution; or
 19 (ii) which are made to an individual retirement account in
 20 the manner prescribed by Section 408A of the Internal
 21 Revenue Code of 1986;
 22 (B) earnings on contributions made under clause (A) that are
 23 not subject to federal income taxation at the time of the levy;
 24 and
 25 (C) roll-overs of contributions made under clause (A) that are
 26 not subject to federal income taxation at the time of the levy.
 27 (7) Money that is in a medical care savings account established
 28 under IC 6-8-11.
 29 (8) Money that is in a health savings account established under
 30 Section 223 of the Internal Revenue Code of 1986.
 31 (9) Any interest the debtor has in a qualified tuition program, as
 32 defined in Section 529(b) of the Internal Revenue Code of 1986,
 33 but only to the extent funds in the program are not attributable to:
 34 (A) excess contributions, as described in Section 529(b)(6) of
 35 the Internal Revenue Code of 1986, and earnings on the excess
 36 contributions;
 37 (B) contributions made by the debtor within one (1) year
 38 before the date of the levy or the date a bankruptcy petition is
 39 filed by or against the debtor, and earnings on the
 40 contributions; or
 41 (C) the excess over five thousand dollars (\$5,000) of aggregate
 42 contributions made by the debtor for all programs under this



- 1 subdivision and education savings accounts under subdivision
 2 (10) having the same designated beneficiary:
 3 (i) not later than one (1) year before; and
 4 (ii) not earlier than two (2) years before;
 5 the date of the levy or the date a bankruptcy petition is filed by
 6 or against the debtor, and earnings on the aggregate
 7 contributions.
- 8 (10) Any interest the debtor has in an education savings account,
 9 as defined in Section 530(b) of the Internal Revenue Code of
 10 1986, but only to the extent funds in the account are not
 11 attributable to:
 12 (A) excess contributions, as described in Section 4973(e) of
 13 the Internal Revenue Code of 1986, and earnings on the excess
 14 contributions;
 15 (B) contributions made by the debtor within one (1) year
 16 before the date of the levy or the date a bankruptcy petition is
 17 filed by or against the debtor, and earnings on the
 18 contributions; or
 19 (C) the excess over five thousand dollars (\$5,000) of aggregate
 20 contributions made by the debtor for all accounts under this
 21 subdivision and qualified tuition programs under subdivision
 22 (9) having the same designated beneficiary:
 23 (i) not later than one (1) year before; and
 24 (ii) not earlier than two (2) years before;
 25 the date of the levy or the date a bankruptcy petition is filed by
 26 or against the debtor, and earnings on the excess contributions.
- 27 (11) The debtor's interest in a refund or a credit received or to be
 28 received under the following:
 29 (A) Section 32 of the Internal Revenue Code of 1986 (the
 30 federal earned income tax credit).
 31 (B) IC 6-3.1-21-6 (the Indiana earned income tax credit)
 32 **(before its expiration January 1, 2020).**
- 33 (12) A disability benefit awarded to a veteran for a service
 34 connected disability under 38 U.S.C. 1101 et seq. This
 35 subdivision does not apply to a service connected disability
 36 benefit that is subject to child and spousal support enforcement
 37 under 42 U.S.C. 659(h)(1)(A)(ii)(V).
- 38 (13) Compensation distributed from the supplemental state fair
 39 relief fund under IC 34-13-8 to an eligible person (as defined in
 40 IC 34-13-8-1) for an occurrence (as defined in IC 34-13-8-2). This
 41 subdivision applies even if a debtor is not domiciled in Indiana.
 42 (d) A bankruptcy proceeding that results in the ownership by the



1 bankruptcy estate of a debtor's interest in property held in a tenancy by
 2 the entireties does not result in a severance of the tenancy by the
 3 entireties.

4 (e) Real estate or personal property upon which a debtor has
 5 voluntarily granted a lien is not, to the extent of the balance due on the
 6 debt secured by the lien:

7 (1) subject to this chapter; or

8 (2) exempt from levy or sale on execution or any other final
 9 process from a court.

10 SECTION 50. IC 35-51-6-1, AS AMENDED BY P.L.13-2013,
 11 SECTION 146, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2014]: Sec. 1. The following statutes define
 13 crimes in IC 6:

14 IC 6-1.1-5.5-10 (Concerning sales disclosure forms).

15 IC 6-1.1-37-1 (Concerning officers of the state or local
 16 government).

17 IC 6-1.1-37-2 (Concerning officials or representatives of the
 18 department of local government finance).

19 IC 6-1.1-37-3 (Concerning property tax returns, statements, or
 20 documents).

21 IC 6-1.1-37-4 (Concerning property tax deductions).

22 IC 6-1.1-37-5 (Concerning false statements on a report or
 23 application).

24 IC 6-1.1-37-6 (Concerning general assessments).

25 IC 6-2.3-5.5-12 (Concerning utility taxes).

26 IC 6-2.3-7-1 (Concerning taxes).

27 IC 6-2.3-7-2 (Concerning taxes).

28 IC 6-2.3-7-3 (Concerning taxes).

29 IC 6-2.3-7-4 (Concerning taxes).

30 IC 6-2.5-9-1 (Concerning taxes).

31 IC 6-2.5-9-2 (Concerning taxes).

32 IC 6-2.5-9-3 (Concerning taxes).

33 IC 6-2.5-9-6 (Concerning taxes).

34 IC 6-2.5-9-7 (Concerning retail sales).

35 IC 6-2.5-9-8 (Concerning taxes).

36 IC 6-3-3-9 (Concerning taxes) **(before its expiration January 1,**
 37 **2020).**

38 IC 6-3-4-8 (Concerning taxes).

39 IC 6-3-6-10 (Concerning taxes).

40 IC 6-3-6-11 (Concerning taxes).

41 IC 6-3-7-5 (Concerning taxes).

42 IC 6-3.5-4-16 (Concerning taxes).



1	IC 6-4.1-12-12 (Concerning taxes).
2	IC 6-5.5-7-3 (Concerning taxes).
3	IC 6-5.5-7-4 (Concerning taxes).
4	IC 6-6-1.1-1307 (Concerning taxes).
5	IC 6-6-1.1-1308 (Concerning taxes).
6	IC 6-6-1.1-1309 (Concerning taxes).
7	IC 6-6-1.1-1310 (Concerning taxes).
8	IC 6-6-1.1-1311 (Concerning taxes).
9	IC 6-6-1.1-1312 (Concerning taxes).
10	IC 6-6-1.1-1313 (Concerning taxes).
11	IC 6-6-1.1-1316 (Concerning taxes).
12	IC 6-6-2.5-28 (Concerning taxes).
13	IC 6-6-2.5-40 (Concerning fuel).
14	IC 6-6-2.5-56.5 (Concerning fuel).
15	IC 6-6-2.5-62 (Concerning fuel).
16	IC 6-6-2.5-63 (Concerning taxes).
17	IC 6-6-2.5-71 (Concerning taxes).
18	IC 6-6-5-11 (Concerning taxes).
19	IC 6-6-5.1-25 (Concerning taxes).
20	IC 6-6-6-10 (Concerning taxes).
21	IC 6-6-11-27 (Concerning taxes).
22	IC 6-7-1-15 (Concerning tobacco taxes).
23	IC 6-7-1-21 (Concerning tobacco taxes).
24	IC 6-7-1-22 (Concerning tobacco taxes).
25	IC 6-7-1-23 (Concerning tobacco taxes).
26	IC 6-7-1-24 (Concerning tobacco taxes).
27	IC 6-7-1-36 (Concerning tobacco taxes).
28	IC 6-7-2-18 (Concerning tobacco taxes).
29	IC 6-7-2-19 (Concerning tobacco taxes).
30	IC 6-7-2-20 (Concerning tobacco taxes).
31	IC 6-7-2-21 (Concerning tobacco taxes).
32	IC 6-8-1-19 (Concerning petroleum severance taxes).
33	IC 6-8-1-23 (Concerning petroleum severance taxes).
34	IC 6-8-1-24 (Concerning petroleum severance taxes).
35	IC 6-8.1-3-21.2 (Concerning taxes).
36	IC 6-8.1-7-3 (Concerning taxes).
37	IC 6-8.1-8-2 (Concerning taxes).
38	IC 6-8.1-10-4 (Concerning taxes).
39	IC 6-9-2-5 (Concerning innkeeper's taxes).
40	IC 6-9-2.5-8 (Concerning innkeeper's taxes).
41	IC 6-9-4-8 (Concerning innkeeper's taxes).
42	IC 6-9-6-8 (Concerning innkeeper's taxes).



- 1 IC 6-9-7-8 (Concerning innkeeper's taxes).
- 2 IC 6-9-10-8 (Concerning innkeeper's taxes).
- 3 IC 6-9-10.5-12 (Concerning innkeeper's taxes).
- 4 IC 6-9-11-8 (Concerning innkeeper's taxes).
- 5 IC 6-9-14-8 (Concerning innkeeper's taxes).
- 6 IC 6-9-15-8 (Concerning innkeeper's taxes).
- 7 IC 6-9-16-8 (Concerning innkeeper's taxes).
- 8 IC 6-9-17-8 (Concerning innkeeper's taxes).
- 9 IC 6-9-18-8 (Concerning innkeeper's taxes).
- 10 IC 6-9-19-8 (Concerning innkeeper's taxes).
- 11 IC 6-9-29-2 (Concerning innkeeper's taxes).
- 12 IC 6-9-32-8 (Concerning innkeeper's taxes).
- 13 IC 6-9-37-8 (Concerning innkeeper's taxes).

14 SECTION 51. IC 36-7-12-27, AS AMENDED BY P.L.146-2008,
 15 SECTION 722, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2014]: Sec. 27. (a) Bonds issued by a unit under
 17 section 25 of this chapter may be issued as serial bonds, term bonds, or
 18 a combination of both types. The ordinance of the fiscal body
 19 authorizing bonds, notes, or warrants, or the financing agreement or the
 20 trust indenture approved by the ordinance, must provide:

- 21 (1) the manner of their execution, either by the manual or
- 22 facsimile signatures of the executive of the unit and the clerk of
- 23 the fiscal body;
- 24 (2) their date;
- 25 (3) their term or terms, which may not exceed forty (40) years,
- 26 except as otherwise provided by subsection (e);
- 27 (4) their maximum interest rate if fixed rates are used or the
- 28 manner in which the interest rate will be determined if variable or
- 29 adjustable rates are used;
- 30 (5) their denominations;
- 31 (6) their form, either coupon or registered;
- 32 (7) their registration privileges;
- 33 (8) the medium of their payment;
- 34 (9) the place or places of their payment;
- 35 (10) the terms of their redemption; and
- 36 (11) any other provisions not inconsistent with this chapter.
- 37 (b) Bonds, notes, or warrants issued under section 25 of this chapter
- 38 may be sold at public or private sale for the price or prices, in the
- 39 manner, and at the time or times determined by the unit. The unit may
- 40 advance all expenses, premiums, and commissions that it considers
- 41 necessary or advantageous in connection with their issuance.
- 42 (c) The bonds, notes, or warrants and their authorization, issuance,



1 sale, and delivery are not subject to any general statute concerning
2 bonds, notes, or warrants of units.

3 (d) An action to contest the validity of bonds, notes, or warrants
4 issued under section 25 of this chapter may not be commenced more
5 than thirty (30) days after the adoption of the ordinance approving them
6 under section 25 of this chapter.

7 (e) This subsection applies only to bonds, notes, or warrants issued
8 under this chapter after June 30, 2008, that are wholly or partially
9 payable from tax increment revenues derived from property taxes. The
10 maximum term or repayment period for the bonds, notes, or warrants
11 may not exceed:

12 (1) twenty-five (25) years, unless the bonds, notes, or warrants
13 were:

14 (A) issued or entered into before July 1, 2008;

15 (B) issued or entered into after June 30, 2008, but authorized
16 by a resolution adopted before July 1, 2008; or

17 (C) issued or entered into after June 30, 2008, in order to
18 fulfill the terms of agreements or pledges entered into before
19 July 1, 2008, with the holders of the bonds, notes, warrants, or
20 other contractual obligations by or with developers, lenders, or
21 units, or otherwise prevent an impairment of the rights or
22 remedies of the holders of the bonds, notes, warrants, or other
23 contractual obligations; or

24 (2) thirty (30) years, if the bonds, notes, or warrants were issued
25 after June 30, 2008, to finance:

26 (A) an integrated coal gasification powerplant (as defined by
27 IC 6-3.1-29-6, **before its expiration January 1, 2020**);

28 (B) a part of an integrated coal gasification powerplant (as
29 defined by IC 6-3.1-29-6, **before its expiration January 1,**
30 **2020**); or

31 (C) property used in the operation or maintenance of an
32 integrated coal gasification powerplant (as defined by
33 IC 6-3.1-29-6, **before its expiration January 1, 2020**);

34 that received a certificate of public convenience and necessity
35 from the Indiana utility regulatory commission under IC 8-1-8.5
36 et seq. before July 1, 2008.

37 (f) The general assembly makes the following findings of fact with
38 respect to an integrated coal gasification powerplant (as defined in
39 IC 6-3.1-29-6, **before its expiration January 1, 2020**) that received a
40 certificate of public convenience and necessity from the Indiana utility
41 regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008:

42 (1) The health, safety, general welfare, and economic and energy



1 security of the people of the state of Indiana require as a public
 2 purpose of the state the promotion of clean energy, including
 3 clean coal, technologies in Indiana.

4 (2) These technologies include the integrated coal gasification
 5 powerplant contemplated by this chapter, IC 6-1.1-20-1.1, and
 6 IC 36-7-14.

7 (3) Investment in the integrated coal gasification powerplant
 8 contemplated by this chapter, IC 6-1.1-20-1.1, and IC 36-7-14
 9 will result in substantial financial and other benefits to the state
 10 and its political subdivisions and the people of Indiana, including
 11 increased employment, tax revenue, and use of Indiana coal.

12 (4) It is in the best interest of the state and its citizens to promote
 13 and preserve financial and other incentives for the integrated coal
 14 gasification powerplant.

15 SECTION 52. IC 36-7-13-3.4, AS AMENDED BY P.L.199-2005,
 16 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2014]: Sec. 3.4. (a) Except as provided in subsection (b), as
 18 used in this chapter, "income tax incremental amount" means the
 19 remainder of:

20 (1) the aggregate amount of state and local income taxes paid by
 21 employees employed in a district with respect to wages earned for
 22 work in the district for a particular state fiscal year; minus

23 (2) the sum of the:

24 (A) income tax base period amount; and

25 (B) tax credits awarded by the economic development for a
 26 growing economy board under IC 6-3.1-13 (**before its**
 27 **expiration January 1, 2020**) to businesses operating in a
 28 district as the result of wages earned for work in the district for
 29 the state fiscal year;

30 as determined by the department of state revenue under section 14 of
 31 this chapter.

32 (b) For purposes of a district designated under section 12.1 of this
 33 chapter, "income tax incremental amount" means seventy-five percent
 34 (75%) of the amount described in subsection (a).

35 SECTION 53. IC 36-7-14-25.1, AS AMENDED BY P.L.203-2011,
 36 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2014]: Sec. 25.1. (a) In addition to other methods of raising
 38 money for property acquisition or redevelopment in a redevelopment
 39 project area, and in anticipation of the special tax to be levied under
 40 section 27 of this chapter, the taxes allocated under section 39 of this
 41 chapter, or other revenues of the district, or any combination of these
 42 sources, the redevelopment commission may, by resolution and subject



1 to subsection (p), issue the bonds of the special taxing district in the
 2 name of the unit. The amount of the bonds may not exceed the total, as
 3 estimated by the commission, of all expenses reasonably incurred in
 4 connection with the acquisition and redevelopment of the property,
 5 including:

6 (1) the total cost of all land, rights-of-way, and other property to
 7 be acquired and redeveloped;

8 (2) all reasonable and necessary architectural, engineering, legal,
 9 financing, accounting, advertising, bond discount, and
 10 supervisory expenses related to the acquisition and redevelopment
 11 of the property or the issuance of bonds;

12 (3) capitalized interest permitted by this chapter and a debt
 13 service reserve for the bonds to the extent the redevelopment
 14 commission determines that a reserve is reasonably required; and

15 (4) expenses that the redevelopment commission is required or
 16 permitted to pay under IC 8-23-17.

17 (b) If the redevelopment commission plans to acquire different
 18 parcels of land or let different contracts for redevelopment work at
 19 approximately the same time, whether under one (1) or more
 20 resolutions, the commission may provide for the total cost in one (1)
 21 issue of bonds.

22 (c) The bonds must be dated as set forth in the bond resolution and
 23 negotiable, subject to the requirements of the bond resolution for
 24 registering the bonds. The resolution authorizing the bonds must state:

25 (1) the denominations of the bonds;

26 (2) the place or places at which the bonds are payable; and

27 (3) the term of the bonds, which may not exceed:

28 (A) fifty (50) years, for bonds issued before July 1, 2008;

29 (B) thirty (30) years, for bonds issued after June 30, 2008, to
 30 finance:

31 (i) an integrated coal gasification powerplant (as defined in
 32 IC 6-3.1-29-6, **before its expiration January 1, 2020**);

33 (ii) a part of an integrated coal gasification powerplant (as
 34 defined in IC 6-3.1-29-6, **before its expiration January 1,
 35 2020**); or

36 (iii) property used in the operation or maintenance of an
 37 integrated coal gasification powerplant (as defined in
 38 IC 6-3.1-29-6, **before its expiration January 1, 2020**);

39 that received a certificate of public convenience and necessity
 40 from the Indiana utility regulatory commission under
 41 IC 8-1-8.5 et seq. before July 1, 2008; or

42 (C) twenty-five (25) years, for bonds issued after June 30,



1 2008, that are not described in clause (B).
2 The resolution may also state that the bonds are redeemable before
3 maturity with or without a premium, as determined by the
4 redevelopment commission.

5 (d) The redevelopment commission shall certify a copy of the
6 resolution authorizing the bonds to the municipal or county fiscal
7 officer, who shall then prepare the bonds, subject to subsection (p). The
8 seal of the unit must be impressed on the bonds, or a facsimile of the
9 seal must be printed on the bonds.

10 (e) The bonds must be executed by the appropriate officer of the
11 unit and attested by the municipal or county fiscal officer.

12 (f) The bonds are exempt from taxation for all purposes.

13 (g) The municipal or county fiscal officer shall give notice of the
14 sale of the bonds by publication in accordance with IC 5-3-1. The
15 municipal fiscal officer, or county fiscal officer or executive, shall sell
16 the bonds to the highest bidder, but may not sell them for less than
17 ninety-seven percent (97%) of their par value. However, bonds payable
18 solely or in part from tax proceeds allocated under section 39(b)(3) of
19 this chapter, or other revenues of the district may be sold at a private
20 negotiated sale.

21 (h) Except as provided in subsection (i), a redevelopment
22 commission may not issue the bonds when the total issue, including
23 bonds already issued and to be issued, exceeds two percent (2%) of the
24 adjusted value of the taxable property in the special taxing district, as
25 determined under IC 36-1-15.

26 (i) The bonds are not a corporate obligation of the unit but are an
27 indebtedness of the taxing district. The bonds and interest are payable,
28 as set forth in the bond resolution of the redevelopment commission:

29 (1) from a special tax levied upon all of the property in the taxing
30 district, as provided by section 27 of this chapter;

31 (2) from the tax proceeds allocated under section 39(b)(3) of this
32 chapter;

33 (3) from other revenues available to the redevelopment
34 commission; or

35 (4) from a combination of the methods stated in subdivisions (1)
36 through (3).

37 If the bonds are payable solely from the tax proceeds allocated under
38 section 39(b)(3) of this chapter, other revenues of the redevelopment
39 commission, or any combination of these sources, they may be issued
40 in any amount without limitation.

41 (j) Proceeds from the sale of bonds may be used to pay the cost of
42 interest on the bonds for a period not to exceed five (5) years from the



- 1 date of issuance.
- 2 (k) All laws relating to the giving of notice of the issuance of bonds,
 3 the giving of notice of a hearing on the appropriation of the proceeds
 4 of the bonds, the right of taxpayers to appear and be heard on the
 5 proposed appropriation, and the approval of the appropriation by the
 6 department of local government finance apply to all bonds issued under
 7 this chapter that are payable from the special benefits tax levied
 8 pursuant to section 27 of this chapter or from taxes allocated under
 9 section 39 of this chapter.
- 10 (l) All laws relating to:
- 11 (1) the filing of petitions requesting the issuance of bonds; and
 12 (2) the right of:
- 13 (A) taxpayers and voters to remonstrate against the issuance of
 14 bonds in the case of a proposed bond issue described by
 15 IC 6-1.1-20-3.1(a); or
 16 (B) voters to vote on the issuance of bonds in the case of a
 17 proposed bond issue described by IC 6-1.1-20-3.5(a);
 18 apply to bonds issued under this chapter except for bonds payable
 19 solely from tax proceeds allocated under section 39(b)(3) of this
 20 chapter, other revenues of the redevelopment commission, or any
 21 combination of these sources.
- 22 (m) If a debt service reserve is created from the proceeds of bonds,
 23 the debt service reserve may be used to pay principal and interest on
 24 the bonds as provided in the bond resolution.
- 25 (n) Any amount remaining in the debt service reserve after all of the
 26 bonds of the issue for which the debt service reserve was established
 27 have matured shall be:
- 28 (1) deposited in the allocation fund established under section
 29 39(b)(3) of this chapter; and
 30 (2) to the extent permitted by law, transferred to the county or
 31 municipality that established the department of redevelopment for
 32 use in reducing the county's or municipality's property tax levies
 33 for debt service.
- 34 (o) If bonds are issued under this chapter that are payable solely or
 35 in part from revenues to the redevelopment commission from a project
 36 or projects, the redevelopment commission may adopt a resolution or
 37 trust indenture or enter into covenants as is customary in the issuance
 38 of revenue bonds. The resolution or trust indenture may pledge or
 39 assign the revenues from the project or projects, but may not convey or
 40 mortgage any project or parts of a project. The resolution or trust
 41 indenture may also contain any provisions for protecting and enforcing
 42 the rights and remedies of the bond owners as may be reasonable and



1 proper and not in violation of law, including covenants setting forth the
 2 duties of the redevelopment commission. The redevelopment
 3 commission may establish fees and charges for the use of any project
 4 and covenant with the owners of any bonds to set those fees and
 5 charges at a rate sufficient to protect the interest of the owners of the
 6 bonds. Any revenue bonds issued by the redevelopment commission
 7 that are payable solely from revenues of the commission shall contain
 8 a statement to that effect in the form of bond.

9 (p) If the total principal amount of bonds authorized by a resolution
 10 of the redevelopment commission adopted before July 1, 2008, is equal
 11 to or greater than three million dollars (\$3,000,000), the bonds may not
 12 be issued without the approval, by resolution, of the legislative body of
 13 the unit. Bonds authorized in any principal amount by a resolution of
 14 the redevelopment commission adopted after June 30, 2008, may not
 15 be issued without the approval of the legislative body of the unit.

16 SECTION 54. IC 36-7-32-8.5, AS ADDED BY P.L.199-2005,
 17 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2014]: Sec. 8.5. As used in this chapter, "income tax
 19 incremental amount" means the remainder of:

20 (1) the total amount of state adjusted gross income taxes, county
 21 adjusted gross income tax, county option income taxes, and
 22 county economic development income taxes paid by employees
 23 employed in the territory comprising the certified technology park
 24 with respect to wages and salary earned for work in the territory
 25 comprising the certified technology park for a particular state
 26 fiscal year; minus

27 (2) the sum of the:

28 (A) income tax base period amount; and

29 (B) tax credits awarded by the economic development for a
 30 growing economy board under IC 6-3.1-13 (**before its**
 31 **expiration January 1, 2020**) to businesses operating in a
 32 certified technology park as the result of wages earned for
 33 work in the certified technology park for the state fiscal year;

34 as determined by the department of state revenue.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1020, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 16, delete "at least the following for each tax incentive:" and insert **"information about each tax incentive that is necessary to achieve the goals described in subsection (b), such as any of the following:"**.

Page 3, line 12, delete "incentive, and reaching" and insert **"incentive."**

Page 3, delete lines 13 through 15.

Page 4, line 6, after "advisable." insert **"Among other things, the commission and the legislative services agency are encouraged to include comparisons with tax incentives offered by other states if those comparisons would add value to the review, analysis, and evaluation."**

Page 4, line 13, after "information." insert **"A state official or a state agency may require that the legislative services agency adhere to the provider's rules, if any, that concern the confidential nature of the information."**

Page 4, delete lines 30 through 32.

Page 4, line 33, delete "(5)" and insert **"(4)"**.

Page 4, between lines 40 and 41, begin a new line block indented and insert:

"(5) To the extent possible, an estimate of the indirect economic benefit or activity stimulated by the tax incentive. The report required by this subsection must not disclose any proprietary or otherwise confidential taxpayer information."

Page 5, after line 15, begin a new paragraph and insert:

"(h) This section expires December 31, 2023."

Page 5, after line 15, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-12.1-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. The department of local government finance shall conduct an annual audit of one percent (1%) of the statement of benefits submitted by taxpayers who receive deductions under this chapter. A taxpayer audited under this section shall submit any books, records, or property requested by the department of local government finance for the purposes of



verifying the information contained in the taxpayer's statement of benefits. Information submitted under this section is confidential and may not be disclosed to any person or agency that is not involved with the audit of the statement of benefits. The department of local government finance shall return information submitted under this section to the taxpayer not more than thirty (30) days after the audit is completed."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1020 as introduced.)

MESSMER, Chair

Committee Vote: yeas 13, nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1020, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 1, delete "IC 2-5-3-9" and insert "IC 2-5-3.2".

Page 1, line 2, delete "SECTION" and insert "CHAPTER".

Page 1, line 3, delete "Sec. 9.", begin a new paragraph and insert:

"Chapter 3.2. Review, Analysis, and Evaluation of Tax Incentives

Sec. 1."

Page 2, line 9, after "commission" insert **"on state tax and financing policy (or its successor committee)"**.

Page 3, delete lines 5 through 6.

Page 3, line 7, delete "(7)" and insert **"(6)"**.

Page 3, line 31, delete "(8)" and insert **"(7)"**.

Page 3, line 34, delete "(9)" and insert **"(8)"**.

Page 3, line 36, delete "(10)" and insert **"(9)"**.

Page 3, line 38, delete "(11)" and insert **"(10)"**.

Page 3, line 42, delete "(12)" and insert **"(11)"**.

Page 4, line 4, delete "(13)" and insert **"(12)"**.

Page 4, line 10, delete "official or" and insert **"or local official or a"**.

Page 4, line 11, after "agency" insert **", a political subdivision, a**



body corporate and politic, or a county or municipal redevelopment commission".

Page 4, line 13, delete "A state official or state agency" and insert "**An official or entity**".

Page 4, line 16, delete "A state official or a state agency" and insert "**An official or entity**".

Page 4, line 21, delete "2015," and insert "**2014**".

Page 4, line 28, after "a" insert "**reviewed**".

Page 4, line 32, after "a" insert "**reviewed**".

Page 5, delete lines 23 through 37, begin a new paragraph and insert:

"SECTION 2. IC 4-4-28-5, AS AMENDED BY P.L.150-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. As used in this chapter, "individual development account" means an account in a financial institution administered by a community development corporation that allows a qualifying individual to deposit money:

- (1) to be matched by the state, financial institutions, corporations, and other entities; and
- (2) that will be used by the qualifying individual for one (1) or more of the following:
 - (A) To pay for costs (including tuition, laboratory costs, books, computer costs, and other costs associated with attendance) at an accredited postsecondary educational institution or a vocational school that is not a postsecondary educational institution, for the individual or for a dependent of the individual.
 - (B) To pay for the costs (including tuition, laboratory costs, books, computer costs, and other costs) associated with an accredited or a licensed training program that may lead to employment for the individual or for a dependent of the individual.
 - (C) To purchase a primary residence for the individual or for a dependent of the individual or to reduce the principal amount owed on a primary residence that was purchased by the individual or a dependent of the individual with money from an individual development account.
 - (D) To pay for the rehabilitation (as defined in IC 6-3.1-11-11, **before its expiration January 1, 2020**) of the individual's primary residence.
 - (E) To begin or to purchase part or all of a business or to expand an existing small business.



SECTION 3. IC 4-4-28-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) Each community development corporation shall establish an individual development account fund to provide money to be used to finance additional accounts to be administered by the community development corporation under this chapter and to help pay for the community development corporation's expenses related to the administration of accounts.

(b) Each community development corporation shall encourage individuals, financial institutions, corporations, and other entities to contribute to the fund. A contributor to the fund may qualify for a tax credit as provided under IC 6-3.1-18 (**before its expiration January 1, 2020**).

(c) Each community development corporation may use up to twenty percent (20%) of the first one hundred thousand dollars (\$100,000) deposited each calendar year in the fund under subsection (b) to help pay for the community development corporation's expenses related to the administration of accounts established under this chapter. All deposits in the fund under subsection (b) of more than one hundred thousand dollars (\$100,000) during each calendar year may be used only to fund accounts administered by the community development corporation under this chapter.

(d) A community development corporation may allow an individual to establish a new account as adequate funding becomes available.

(e) Only money from the fund may be used to make the deposit described in subsection (f) into an account established under this section.

(f) The community development corporation shall annually deposit at least three dollars (\$3) into each account for each one dollar (\$1) an individual has deposited into the individual's account as of June 30.

(g) A community development corporation may not allow a qualifying individual to establish an account if the community development corporation does not have adequate funds to deposit into the account under subsection (f).

SECTION 4. IC 4-4-28-16, AS AMENDED BY P.L.150-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) Money withdrawn from an individual's account is not subject to taxation under IC 6-3-1 through IC 6-3-7 if the money is used for at least one (1) of the following:

- (1) To pay for costs (including tuition, laboratory costs, books, computer costs, and other costs) at an accredited postsecondary educational institution or a vocational school that is not a



postsecondary educational institution for the individual or for a dependent of the individual.

(2) To pay for the costs (including tuition, laboratory costs, books, computer costs, and other costs) associated with an accredited or a licensed training program that may lead to employment for the individual or for a dependent of the individual.

(3) To purchase a primary residence for the individual or for a dependent of the individual or to reduce the principal amount owed on a primary residence that was purchased by the individual or a dependent of the individual with money from an individual development account.

(4) To pay for the rehabilitation (as defined in IC 6-3.1-11-11, **before its expiration January 1, 2020**) of the individual's primary residence.

(5) To begin or to purchase part or all of a business or to expand an existing small business.

(b) At the time of requesting authorization under section 15 of this chapter to withdraw money from an individual's account under subsection (a)(5), the individual must provide the community development corporation with a business plan that:

(1) is approved by:

(A) a financial institution; or

(B) a nonprofit loan fund that has demonstrated fiduciary stability;

(2) includes a description of services or goods to be sold, a marketing plan, and projected financial statements; and

(3) may require the individual to obtain the assistance of an experienced business advisor.

SECTION 5. IC 4-33-12-6, AS AMENDED BY SEA 24-2014, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:
Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7 (**before its expiration January 1, 2020**), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than



one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or



admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following:

(1) With respect to admissions taxes collected for a person admitted to the riverboat before July 1, 2010, the following amounts:

(A) Twenty-two percent (22%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is located. The county treasurer shall distribute the money received under this clause as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(ii) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(iii) Fifty-four and five-tenths percent (54.5%) shall be retained by the county where the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more



than two thousand (2,000) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(C) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(D) Twenty percent (20%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

- (i) is located in the county in which the riverboat is located; and
- (ii) contains a historic hotel.

At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(E) Ten percent (10%) of the admissions tax collected during the quarter shall be paid to the Orange County development commission established under IC 36-7-11.5. At least one-third (1/3) of the taxes paid to the Orange County development commission under this clause must be transferred to the Orange County convention and visitors bureau.

(F) Thirteen percent (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(G) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional



economic development strategy must include goals concerning the following issues:

- (i) Job creation and retention.
- (ii) Infrastructure, including water, wastewater, and storm water infrastructure needs.
- (iii) Housing.
- (iv) Workforce training.
- (v) Health care.
- (vi) Local planning.
- (vii) Land use.
- (viii) Assistance to regional economic development groups.
- (ix) Other regional development issues as determined by the Indiana economic development corporation.

(2) With respect to admissions taxes collected for a person admitted to the riverboat after June 30, 2010, the following amounts:

(A) Twenty-nine and thirty-three hundredths percent (29.33%) to the county treasurer of Orange County. The county treasurer shall distribute the money received under this clause as follows:

- (i) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Dubois County for distribution in the manner described in subdivision (1)(A)(i).
- (ii) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Crawford County for distribution in the manner described in subdivision (1)(A)(ii).
- (iii) Fifty-four and five-tenths percent (54.5%) to be retained by the county treasurer of Orange County for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Orleans. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to Orleans Community Schools.

(C) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Paoli. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to the Paoli Community School Corporation.

(D) Twenty-six and sixty-seven hundredths percent (26.67%) to be paid in equal amounts to the fiscal officers of the towns



of French Lick and West Baden Springs. At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the Springs Valley Community School Corporation.

(E) Thirty and sixty-six hundredths percent (30.66%) to the Indiana economic development corporation to be used in the manner described in subdivision (1)(G).

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the city in which the riverboat is docked.

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked.

(3) Except as provided in subsection (k), nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), one cent (\$0.01) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has



implemented flexible scheduling under IC 4-33-6-21; shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(6) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

(e) Money paid to a unit of local government under subsection (b), (c), or (d):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;



(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

(1) Each entity receiving money under subsection (b)(1) through (b)(5).

(2) Each entity receiving money under subsection (d)(1) through (d)(2).

(3) Each entity receiving money under subsection (d)(5) through (d)(6).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). The total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a



supplemental distribution to the entity under IC 4-33-13-5.

(k) This subsection does not apply to an entity receiving money under subsection (c). The treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceeds a particular entity's base year revenue; and
- (2) would otherwise be due to the entity under this section; to the state general fund instead of to the entity.

SECTION 6. IC 4-33-13-5, AS AMENDED BY SEA 24-2014, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:
Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

- (1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

- (2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

- (A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

- (i) a city described in IC 4-33-12-6(b)(1)(A); or
- (ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

- (B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

- (3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After



funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Thirty-seven and one-half percent (37.5%) shall be paid to the state general fund.

(2) Nineteen percent (19%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars (\$20,000,000), the amount described in this subdivision shall be paid to the state general fund.

(3) Eight percent (8%) shall be paid to the Orange County development commission established under IC 36-7-11.5.

(4) Sixteen percent (16%) shall be paid in equal amounts to each town that is located in the county in which the riverboat is located and contains a historic hotel. The following apply to taxes received by a town under this subdivision:

(A) At least twenty-five percent (25%) of the taxes must be transferred to the school corporation in which the town is located.

(B) At least twelve and five-tenths percent (12.5%) of the taxes imposed on adjusted gross receipts received after June 30, 2010, must be transferred to the Orange County development commission established by IC 36-7-11.5-3.5.

(5) Nine percent (9%) shall be paid to the county treasurer of the county in which the riverboat is located. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty-two and twenty-five hundredths percent (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty-two and twenty-five hundredths percent (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven



hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Fifty-five and five-tenths percent (55.5%) shall be retained by the county in which the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(6) Five percent (5%) shall be paid to a town having a population of more than two thousand (2,000) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.

(7) Five percent (5%) shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.

(8) Five-tenths percent (0.5%) of the taxes imposed on adjusted gross receipts received after June 30, 2010, shall be paid to the Indiana economic development corporation established by IC 5-28-3-1.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city's or county's base year revenue; and
- (2) would otherwise be due to the city or county under this



section;
to the state general fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the state general fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

- (1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).
- (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.
- (3) To fund sewer and water projects, including storm water management projects.



(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

(1) the entity's base year revenue (as determined under IC 4-33-12-6); minus

(2) the sum of:

(A) the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6; plus

(B) any amounts deducted under IC 6-3.1-20-7 (**before its expiration January 1, 2020**).

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

(1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) This subsection applies to a supplemental distribution made after June 30, 2013. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is forty-eight million dollars (\$48,000,000). If the total amount determined under subsection (g) exceeds forty-eight million dollars (\$48,000,000), the amount distributed to an entity under subsection (g) must be reduced according



to the ratio that the amount distributed to the entity under IC 4-33-12-6 bears to the total amount distributed under IC 4-33-12-6 to all entities receiving a supplemental distribution.

SECTION 7. IC 5-28-11-1, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. As used in this chapter, "economically disadvantaged area" has the meaning set forth in IC 6-3.1-9-1 **(before its expiration January 1, 2020)**.

SECTION 8. IC 5-28-15-3, AS AMENDED BY P.L.146-2008, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. As used in this chapter, "zone business" means an entity that accesses at least one (1) tax credit, deduction, or exemption incentive available under this chapter, IC 6-1.1-45, IC 6-3-3-10 **(before its expiration January 1, 2020)**, IC 6-3.1-7 **(before its expiration January 1, 2020)**, or IC 6-3.1-10 **(before its expiration January 1, 2020)**.

SECTION 9. IC 5-28-15-5, AS AMENDED BY P.L.288-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) The board has the following powers, in addition to other powers that are contained in this chapter:

- (1) To review and approve or reject all applicants for enterprise zone designation, according to the criteria for designation that this chapter provides.
- (2) To waive or modify rules as provided in this chapter.
- (3) To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.
- (4) To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one (1) of the following:
 - (A) If all its incentives, as contained in the summary required under section 7 of this chapter, exceed one thousand dollars (\$1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all its incentives.
 - (B) Use all its incentives, except for the amount of the registration fee, for its property or employees in the zone.
 - (C) Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is claimed.
- (5) To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.
- (6) After a recommendation from a U.E.A., to modify an



enterprise zone boundary if the board determines that the modification:

- (A) is in the best interests of the zone; and
 - (B) meets the threshold criteria and factors set forth in section 9 of this chapter.
- (7) To employ staff and contract for services.
 - (8) To receive funds from any source and expend the funds for the administration and promotion of the enterprise zone program.
 - (9) To make determinations under IC 6-3.1-11 **(before its expiration January 1, 2020)** concerning the designation of locations as industrial recovery sites.
 - (10) To make determinations under IC 6-3.1-11 **(before its expiration January 1, 2020)** concerning the disqualification of persons from claiming credits provided by that chapter in appropriate cases.

(b) In addition to a registration fee paid under subsection (a)(4)(A), each zone business that receives an incentive described in section 3 of this chapter shall assist the zone U.E.A. in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist a U.E.A., the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the department of local government finance, and the department of state revenue in writing not more than thirty (30) days after the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is adopted.

SECTION 10. IC 5-28-21-1, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. As used in this chapter, "economically disadvantaged area" has the meaning set forth in IC 6-3.1-9-1 **(before its expiration January 1, 2020)**.

SECTION 11. IC 5-28-28-4, AS AMENDED BY P.L.288-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. As used in this chapter, "tax credit" means a state tax liability credit under any of the following:

- (1) IC 6-3.1-7 **(before its expiration January 1, 2020)**.
- (2) IC 6-3.1-13 **(before its expiration January 1, 2020)**.
- (3) IC 6-3.1-26.



- (4) IC 6-3.1-27.
- (5) IC 6-3.1-28.
- (6) IC 6-3.1-30 **(before its expiration January 1, 2020).**
- (7) IC 6-3.1-31.9.
- (8) IC 6-3.1-33.

SECTION 12. IC 6-1.1-43-1, AS AMENDED BY P.L.288-2013, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. This chapter applies to the following economic development incentive programs:

- (1) Grants and loans provided by the Indiana economic development corporation under IC 5-28 or the office of tourism development under IC 5-29.
- (2) Incentives provided in an economic revitalization area under IC 6-1.1-12.1.
- (3) Incentives provided under IC 6-3.1-13 **(before its expiration January 1, 2020).**

SECTION 13. IC 6-3-3-5.1, AS AMENDED BY P.L.2-2007, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.1. (a) At the election of the taxpayer, a credit against the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an amount (subject to the applicable limitations provided by this section) equal to fifty percent (50%) of the aggregate amount of contributions made by the taxpayer during the taxable year to the twenty-first century scholars program support fund established under IC 21-12-7-1.

(b) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year may not exceed:

- (1) one hundred dollars (\$100) in the case of a single return; or
- (2) two hundred dollars (\$200) in the case of a joint return.

(c) In the case of a taxpayer that is a corporation, the amount allowable as a credit under this section for any taxable year may not exceed the lesser of the following amounts:

- (1) Ten percent (10%) of the corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for the taxable year (as determined without regard to any credits against that tax).
- (2) One thousand dollars (\$1,000).

(d) The credit permitted under this section may not exceed the amount of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.



(e) This section expires January 1, 2020.

SECTION 14. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The credit provided by this section shall be known as the unified tax credit for the elderly.

(b) As used in this section, unless the context clearly indicates otherwise:

(1) "Household federal adjusted gross income" means the total adjusted gross income, as defined in Section 62 of the Internal Revenue Code, of an individual, or of an individual and his **or her** spouse if they reside together for the taxable year for which the credit provided by this section is claimed.

(2) "Household" means a claimant or, if applicable, a claimant and his or her spouse if the spouse resides with the claimant and "household income" means the income of the claimant or, if applicable, the combined income of the claimant and his or her spouse if the spouse resides with the claimant.

(3) "Claimant" means an individual, other than an individual described in subsection (c) of this section, who:

(A) has filed a claim under this section;

(B) was a resident of this state for at least six (6) months during the taxable year for which he or she has filed a claim under this section; and

(C) was sixty-five (65) years of age during some portion of the taxable year for which ~~he~~ **the individual** has filed a claim under this section or whose spouse was either sixty-five (65) years of age or over during the taxable year.

(c) The credit provided under this section shall not apply to an individual who, for a period of at least one hundred eighty (180) days during the taxable year for which ~~he~~ **the individual** has filed a claim under this section, was incarcerated in a local, state, or federal correctional institution.

(d) The right to file a claim under this section shall be personal to the claimant and shall not survive ~~his~~ **the claimant's** death, except that a surviving spouse of a claimant is entitled to claim the credit provided by this section. For purposes of determining the amount of the credit a surviving spouse is entitled to claim under this section, the deceased spouse shall be treated as having been alive on the last day of the taxable year in which the deceased spouse died. When a claimant dies after having filed a timely claim, the amount thereof shall be disbursed to another member of the household as determined by the commissioner. If the claimant was the only member of ~~his~~ **the claimant's** household, the claim may be paid to ~~his~~ **the claimant's**



executor or administrator, but if neither is appointed and qualified within two (2) years of the filing of the claim, the amount of the claim shall escheat to the state.

(e) For each taxable year, subject to the limitations provided in this section, one (1) claimant per household may claim, as a credit against Indiana adjusted gross income taxes otherwise due, the credit provided by this section. If the allowable amount of the claim exceeds the income taxes otherwise due on the claimant's household income or if there are no Indiana income taxes due on such income, the amount of the claim not used as an offset against income taxes after audit by the department, at the taxpayer's option, shall be refunded to the claimant or taken as a credit against such taxpayer's income tax liability subsequently due.

(f) No claim filed pursuant to this section shall be allowed unless filed within six (6) months following the close of claimant's taxable year or within the extension period if an extension of time for filing the return has been granted under IC 6-8.1-6-1, whichever is later.

(g) The amount of any claim otherwise payable under this section may be applied by the department against any liability outstanding on the books of the department against the claimant, or against any other individual who was a member of ~~his~~ **the claimant's** household in the taxable year to which the claim relates.

(h) The amount of a claim filed pursuant to this section by a claimant that either (i) does not reside with ~~his~~ **the claimant's** spouse during the taxable year, or (ii) resides with ~~his~~ **the claimant's** spouse during the taxable year and only one (1) of them is sixty-five (65) years of age or older at the end of the taxable year, shall be determined in accordance with the following schedule:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
less than \$1,000	\$100
at least \$1,000, but less than \$3,000	\$ 50
at least \$3,000, but less than \$10,000	\$ 40

(i) The amount of a claim filed pursuant to this section by a claimant that resides with ~~his~~ **the claimant's** spouse during ~~his~~ **the claimant's** taxable year shall be determined in accordance with the following schedule if both the claimant and spouse are sixty-five (65) years of age or older at the end of the taxable year:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
--	--------



less than \$1,000	\$140
at least \$1,000, but less than \$3,000	\$ 90
at least \$3,000, but less than \$10,000	\$ 80

(j) The department may promulgate reasonable rules under IC 4-22-2 for the administration of this section.

(k) Every claimant under this section shall supply to the department on forms provided under IC 6-8.1-3-4, in support of ~~his~~ **the claimant's** claim, reasonable proof of household income and age.

(l) Whenever on the audit of any claim filed under this section the department finds that the amount of the claim has been incorrectly determined, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final.

(m) In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and, if the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be canceled and the amount paid shall be recovered by assessment as income taxes are assessed and such assessment shall bear interest from the date of payment or credit of the claim, until refunded or paid at the rate determined under IC 6-8.1-10-1. The claimant in such a case commits a Class A misdemeanor. In any case in which it is determined that a claim is or was excessive and was negligently prepared, ten percent (10%) of the corrected claim shall be disallowed and, if the claim has been paid or credited against income taxes otherwise payable, the credit shall be reduced or canceled, and the proper portion of any amount paid shall be similarly recovered by assessment as income taxes are assessed, and such assessment shall bear interest at the rate determined under IC 6-8.1-10-1 from the date of payment until refunded or paid.

(n) This section expires January 1, 2020.

SECTION 15. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss), SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) As used in this section:

"Base period wages" means the following:

- (1) In the case of a taxpayer other than a pass through entity, wages paid or payable by a taxpayer to its employees during the year that ends on the last day of the month that immediately precedes the month in which an enterprise zone is established, to the extent that the wages would have been qualified wages if the enterprise zone had been in effect for that year. If the taxpayer did not engage in an active trade or business during that year in the



area that is later designated as an enterprise zone, then the base period wages equal zero (0). If the taxpayer engaged in an active trade or business during only part of that year in an area that is later designated as an enterprise zone, then the department shall determine the amount of base period wages.

(2) In the case of a taxpayer that is a pass through entity, base period wages equal zero (0).

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Enterprise zone adjusted gross income" means adjusted gross income of a taxpayer that is derived from sources within an enterprise zone. Sources of adjusted gross income shall be determined with respect to an enterprise zone, to the extent possible, in the same manner that sources of adjusted gross income are determined with respect to the state of Indiana under IC 6-3-2-2.

"Enterprise zone gross income" means gross income of a taxpayer that is derived from sources within an enterprise zone.

"Enterprise zone insurance premiums" means insurance premiums derived from sources within an enterprise zone.

"Monthly base period wages" means base period wages divided by twelve (12).

"Qualified employee" means an individual who is employed by a taxpayer and who:

- (1) has the individual's principal place of residence in the enterprise zone in which the individual is employed;
- (2) performs services for the taxpayer, ninety percent (90%) of which are directly related to the conduct of the taxpayer's trade or business that is located in an enterprise zone;
- (3) performs at least fifty percent (50%) of the individual's services for the taxpayer during the taxable year in the enterprise zone; and
- (4) in the case of an individual who is employed by a taxpayer that is a pass through entity, was first employed by the taxpayer after December 31, 1998.

"Qualified increased employment expenditures" means the following:

- (1) For a taxpayer's taxable year other than the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during the taxable year to qualified employees exceeds the taxpayer's base period wages.
- (2) For the taxpayer's taxable year in which the enterprise zone is



established, the amount by which qualified wages paid or payable by the taxpayer during all of the full calendar months in the taxpayer's taxable year that succeed the date on which the enterprise zone was established exceed the taxpayer's monthly base period wages multiplied by that same number of full calendar months.

"Qualified state tax liability" means a taxpayer's total income tax liability incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with respect to enterprise zone adjusted gross income;
- (2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; and
- (3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this section.

"Qualified wages" means the wages paid or payable to qualified employees during a taxable year.

"Taxpayer" includes a pass through entity.

(b) A taxpayer is entitled to a credit against the taxpayer's qualified state tax liability for a taxable year in the amount of the lesser of:

- (1) the product of ten percent (10%) multiplied by the qualified increased employment expenditures of the taxpayer for the taxable year; or
- (2) one thousand five hundred dollars (\$1,500) multiplied by the number of qualified employees employed by the taxpayer during the taxable year.

(c) The amount of the credit provided by this section that a taxpayer uses during a particular taxable year may not exceed the taxpayer's qualified state tax liability for the taxable year. If the credit provided by this section exceeds the amount of that tax liability for the taxable year it is first claimed, then the excess may be carried back to preceding taxable years or carried over to succeeding taxable years and used as a credit against the taxpayer's qualified state tax liability for those taxable years. Each time that the credit is carried back to a preceding taxable year or carried over to a succeeding taxable year, the amount of the carryover is reduced by the amount used as a credit for that taxable year. Except as provided in subsection (e), the credit provided by this section may be carried forward and applied in the ten (10) taxable years that succeed the taxable year in which the credit accrues. The credit provided by this section may be carried back and applied in the three (3) taxable years that precede the taxable year in which the



credit accrues.

(d) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's qualified state tax liability for that taxable year before any credit carryover or carryback is applied against that liability under subsection (c).

(e) Notwithstanding subsection (c), if a credit under this section results from wages paid in a particular enterprise zone, and if that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use the credit carryover that results from those wages under subsection (c), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the enterprise zone terminates.

(f) A taxpayer is not entitled to a refund of any unused credit.

(g) A taxpayer that:

- (1) does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and
- (2) is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise zone;

is exempt from the allocation and apportionment provisions of this section.

(h) If a pass through entity is entitled to a credit under subsection (b) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

(i) This chapter expires January 1, 2020.

SECTION 16. IC 6-3-3-12, AS AMENDED BY P.L.182-2009(ss), SECTION 198, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) As used in this section, "account" has the meaning set forth in IC 21-9-2-2.

(b) As used in this section, "account beneficiary" has the meaning



set forth in IC 21-9-2-3.

(c) As used in this section, "account owner" has the meaning set forth in IC 21-9-2-4.

(d) As used in this section, "college choice 529 education savings plan" refers to a college choice 529 investment plan established under IC 21-9.

(e) As used in this section, "contribution" means the amount of money directly provided to a college choice 529 education savings plan account by a taxpayer. A contribution does not include any of the following:

- (1) Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account.
- (2) Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

(f) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is not a qualified withdrawal.

(g) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5.

(h) As used in this section, "qualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is made:

- (1) to pay for qualified higher education expenses, excluding any withdrawals or distributions used to pay for qualified higher education expenses if the withdrawals or distributions are made from an account of a college choice 529 education savings plan that is terminated within twelve (12) months after the account is opened;
- (2) as a result of the death or disability of an account beneficiary;
- (3) because an account beneficiary received a scholarship that paid for all or part of the qualified higher education expenses of the account beneficiary, to the extent that the withdrawal or distribution does not exceed the amount of the scholarship; or
- (4) by a college choice 529 education savings plan as the result of a transfer of funds by a college choice 529 education savings plan from one (1) third party custodian to another.

A qualified withdrawal does not include a rollover distribution or transfer of assets from a college choice 529 education savings plan to any other qualified tuition program under Section 529 of the Internal Revenue Code or to any other similar plan.



- (i) As used in this section, "taxpayer" means:
- (1) an individual filing a single return; or
 - (2) a married couple filing a joint return.
- (j) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:
- (1) Twenty percent (20%) of the amount of the total contributions made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year.
 - (2) One thousand dollars (\$1,000).
 - (3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.
- (k) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.
- (l) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.
- (m) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.
- (n) An account owner of an account of a college choice 529 education savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made from the account. The amount the taxpayer must repay is equal to the lesser of:
- (1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the account; or
 - (2) the excess of:
 - (A) the cumulative amount of all credits provided by this section that are claimed by any taxpayer with respect to the taxpayer's contributions to the account for all prior taxable years beginning on or after January 1, 2007; over
 - (B) the cumulative amount of repayments paid by the account owner under this subsection for all prior taxable years beginning on or after January 1, 2008.
- (o) Any required repayment under subsection (n) shall be reported by the account owner on the account owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.
- (p) A nonresident account owner who is not required to file an annual income tax return for a taxable year in which a nonqualified



withdrawal is made shall make any required repayment on the form required under IC 6-3-4-1(2). If the nonresident account owner does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(q) The executive director of the Indiana education savings authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to account owners, account beneficiaries, and other taxpayers for each taxable year with respect to:

- (1) nonqualified withdrawals made from accounts of a college choice 529 education savings plan for the taxable year; or
- (2) account closings for the taxable year.

(r) This section expires January 1, 2020.

SECTION 17. IC 6-3.1-1-3, AS AMENDED BY P.L.288-2013, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. A taxpayer (as defined in the following laws), pass through entity (as defined in the following laws), or shareholder, partner, or member of a pass through entity may not be granted more than one (1) tax credit under the following laws for the same project:

- (1) IC 6-3.1-10 (enterprise zone investment cost credit) **(before its expiration January 1, 2020).**
- (2) IC 6-3.1-11 (industrial recovery tax credit) **(before its expiration January 1, 2020).**
- (3) IC 6-3.1-19 (community revitalization enhancement district tax credit) **(before its expiration January 1, 2020).**
- (4) IC 6-3.1-24 (venture capital investment tax credit) **(before its expiration January 1, 2020).**
- (5) IC 6-3.1-26 (Hoosier business investment tax credit).
- (6) IC 6-3.1-31.9 (Hoosier alternative fuel vehicle manufacturer tax credit).

If a taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity has been granted more than one (1) tax credit for the same project, the taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity must elect to apply only one (1) of the tax credits in the manner and form prescribed by the department.

SECTION 18. IC 6-3.1-1-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 4.2. This section applies to tax credits that are repealed after June 30, 2014, or that expire after June 30, 2014. Except as otherwise expressly provided, a taxpayer may carry forward any unused tax credit from a prior taxable year to a taxable year that begins after the repeal or expiration of the**



statute that provided the tax credit, if the statute that is repealed or expired authorized unused tax credits to be carried forward. However, any:

(1) limits on:

(A) the amount that may be carried forward; or

(B) the number of years to which an unused tax credit may be carried forward; or

(2) other restrictions or procedures governing the tax credit; apply to any part of a tax credit carried forward under this section as if the statute allowing the unused tax credit to be carried forward had not been repealed or had not expired.

SECTION 19. IC 6-3.1-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a)** Subject to the limitation established in sections 4 and 5 of this chapter, a taxpayer that employs an eligible teacher in a qualified position during a school summer recess is entitled to a tax credit against ~~his~~ **the taxpayer's** state income tax liability as provided for under section 3 of this chapter.

(b) This chapter expires January 1, 2020.

SECTION 20. IC 6-3.1-4-3, AS ADDED BY P.L.197-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. **(a)** The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the sum of the taxes imposed by IC 6-3 for the taxable year after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter. If the credit provided by this chapter exceeds that sum for the taxable year for which the credit is first claimed, then the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount which was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for ten (10) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) This chapter expires January 1, 2020.

SECTION 21. IC 6-3.1-6-2 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A taxpayer who enters into an agreement is entitled to receive an income tax credit for a taxable year equal to:

- (1) the taxpayer's state income tax liability for the taxable year;
- (2) an amount equal to the sum of:
 - (A) fifty percent (50%) of any investment in qualified property made by the taxpayer during the taxable year as part of the agreement; plus
 - (B) twenty-five percent (25%) of the wages paid to inmates during the taxable year as part of the agreement; or
- (3) one hundred thousand dollars (\$100,000);

whichever is least.

(b) A tax credit shall be allowed under this chapter only for the taxable year of the taxpayer during which:

- (1) the investment in qualified property is made in accordance with Section 38 of the Internal Revenue Code; or
- (2) the wages are paid to inmates;

as part of an agreement.

(c) This chapter expires January 1, 2020.

SECTION 22. IC 6-3.1-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) If the amount determined under section 2(b) of this chapter for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. Except as provided in subsection (b), the credit carryover may not be used for any taxable year that begins more than ten (10) years after the date on which the qualified loan from which the credit results is made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) Notwithstanding subsection (a), if a loan is a qualified loan as the result of the use of the loan proceeds in a particular enterprise zone, and if the phase-out period of that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use credit carryover that results from that loan under subsection (a), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the phase-out period of the enterprise zone terminates.

(c) This chapter expires January 1, 2020.

SECTION 23. IC 6-3.1-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) A tax credit shall



be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid or permanently set aside in a special account for the approved program or purpose.

(b) This chapter expires January 1, 2020.

SECTION 24. IC 6-3.1-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If the amount determined under section 6(b) of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) This chapter expires January 1, 2020.

SECTION 25. IC 6-3.1-11-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If the amount determined under section 16(b) of this chapter for a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the immediately following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) This chapter expires January 1, 2020.

SECTION 26. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards under this chapter to foster job creation in Indiana or, as provided in section 15.5 of this chapter, job retention in Indiana.

(b) The credit shall be claimed for the taxable years specified in the taxpayer's tax credit agreement.

(c) This chapter expires January 1, 2020.

SECTION 27. IC 6-3.1-16-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a



succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) This chapter expires January 1, 2020.

SECTION 28. IC 6-3.1-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid.

(b) This chapter expires January 1, 2020.

SECTION 29. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) Except as provided in section 5 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state and local tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by twenty-five percent (25%).

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of property redeveloped or rehabilitated under section 2 of this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department. The taxpayer may not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

(e) If a pass through entity is entitled to a credit under this chapter but does not have state and local tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by



- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and an individual who is a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same investment.

(f) A taxpayer that is otherwise entitled to a credit under this chapter for a taxable year may claim the credit regardless of whether any income tax incremental amount or gross retail incremental amount has been:

- (1) deposited in the incremental tax financing fund established for the community revitalization enhancement district; or
 (2) allocated to the district.

(g) This chapter expires January 1, 2020.

SECTION 30. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:

- (1) the individual's earned income for the taxable year is less than eighteen thousand six hundred dollars (\$18,600); and
 (2) the individual pays property taxes in the taxable year on a homestead that:

(A) the individual:

- (i) owns; or
 (ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and

(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

(c) This chapter expires January 1, 2020.

SECTION 31. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) To obtain a credit under this chapter, a taxpayer must claim the advance payment or credit in the manner



prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

(b) This chapter expires January 1, 2020.

SECTION 32. IC 6-3.1-24-12, AS AMENDED BY P.L.193-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) If the amount of the credit determined under section 10 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

(b) This chapter expires January 1, 2020.

SECTION 33. IC 6-3.1-26-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. As used in this chapter, "director" has the meaning set forth in IC 6-3.1-13-3 **(before its expiration January 1, 2020)**.

SECTION 34. IC 6-3.1-26-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6 **(before its expiration January 1, 2020)**.

SECTION 35. IC 6-3.1-29-21, AS ADDED BY P.L.191-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21. (a) To receive the credit awarded by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department a copy of the commission's determination required under section 19 of this chapter, a copy of the taxpayer's certificate of compliance issued under section 19 of this chapter, and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

(b) This chapter expires January 1, 2020.

SECTION 36. IC 6-3.1-30-11, AS ADDED BY P.L.193-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's



state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

(c) This chapter expires January 1, 2020.

SECTION 37. IC 6-3.1-30.5-9.5, AS ADDED BY P.L.211-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9.5. (a) This section applies to a taxpayer that is entitled to a tax credit under this chapter for a taxable year beginning after December 31, 2012.

(b) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time the credit is carried forward to a succeeding taxable year, the credit is reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(c) A taxpayer is not entitled to a carryback or refund of any unused credit.

(d) This section expires January 1, 2020.

SECTION 38. IC 6-3.1-31.9-4, AS ADDED BY P.L.223-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. As used in this chapter, "director" has the meaning set forth in IC 6-3.1-13-3 **(before its expiration January 1, 2020)**.

SECTION 39. IC 6-3.1-31.9-6, AS ADDED BY P.L.223-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6 **(before its expiration January 1, 2020)**.

SECTION 40. IC 6-3.1-33-5, AS ADDED BY P.L.110-2010, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. As used in this chapter, "qualified employee" means an individual who is:

- (1) a full-time employee (as defined in IC 6-3.1-13-4, **before its expiration January 1, 2020**) first hired by a new Indiana



business during the period specified in section 10(b) of this chapter;

(2) a resident of Indiana; and

(3) not more than a five percent (5%) shareholder, partner, member, or owner of the applicant;

as determined by the IEDC. The term does not include rehired individuals, individuals employed to fill positions vacated as the result of a layoff that occurred during the previous two (2) years, or individuals employed in the same business operation before and after a change of business ownership.

SECTION 41. IC 6-3.5-9-4, AS ADDED BY P.L.173-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6 (**before its expiration January 1, 2020**), except that as applied to a project that is the subject of a hiring incentive agreement under this chapter, the phrase "tax credit agreement" in the definition of "new employee" under IC 6-3.1-13-6 (**before its expiration January 1, 2020**) is construed as a hiring incentive agreement under this chapter.

SECTION 42. IC 12-8-12.5-2, AS ADDED BY P.L.110-2010, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The secretary may apply to the United States Department of Health and Human Services for maximum reimbursement available to the state from the TANF emergency fund under Division B, Title II, Subtitle B of the federal American Recovery and Reinvestment Act of 2009 as follows:

(1) Nonrecurrent short term benefits, including qualified state expenditures for the following:

(A) The earned income tax credit under IC 6-3.1-21 (**before its expiration January 1, 2020**).

(B) The domestic violence prevention and treatment fund under IC 5-2-6.7.

(C) Food bank allocations as supplemented by third party expenditures that qualify as the state's maintenance of effort under TANF (45 CFR 263.2(e)).

(D) Any other qualified state expenditure.

(2) The HIRE program.

SECTION 43. IC 21-12-7-4, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. A contributor to the fund is entitled to an income tax credit under IC 6-3-3-5.1 (**before its expiration January 1, 2020**).



SECTION 44. IC 27-6-8-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Member insurers, which during any preceding calendar year shall have paid one (1) or more assessments levied pursuant to section 7 of this chapter, shall be allowed a credit against premium taxes, adjusted gross income taxes, or any combination thereof upon revenue or income of member insurers which may be imposed by the state, up to twenty percent (20%) of the assessment described in section 7 of this chapter for each calendar year following the year the assessment was paid until the aggregate of all assessments paid to the guaranty association shall have been offset by either credits against such taxes or refunds from the association. The provisions herein are applicable to all assessments levied after the passage of this article.

(b) To the extent a member insurer elects not to utilize the tax credits authorized by subsection (a), the member insurer may utilize the provisions of subsection (c) as a secondary method of recoupment.

(c) The rates and premiums charged for insurance policies to which this chapter applies shall include amounts sufficient to recoup a sum equal to the amounts paid to the association by the member insurer less any amounts returned to the member insurer by the association and the rates shall not be deemed excessive because they contain an amount reasonably calculated to recoup assessments paid by the member insurer.

(d) This section expires January 1, 2020.

SECTION 45. IC 27-8-8-16, AS AMENDED BY P.L.193-2006, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A member insurer may take as a credit against premium taxes, adjusted gross income taxes, or any combination of them imposed by the state upon the member insurer's revenue or income not more than twenty percent (20%) of the amount of each assessment described in section 6 of this chapter for each calendar year following the year in which the assessment was paid until the assessment has been offset by either credits against the taxes or refunds from the association. If the member insurer ceases doing business, all uncredited assessments may be credited against the member insurer's premium taxes, adjusted gross income taxes, or a combination of the premium taxes and adjusted gross income taxes of the member insurer for the year the member insurer ceases doing business.

(b) This section expires January 1, 2020.

SECTION 46. IC 27-8-8-17, AS AMENDED BY P.L.193-2006, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2014]: Sec. 17. (a) Sums acquired by refund under section 6(m) of this chapter from the association by member insurers and offset against taxes as provided by section 16 of this chapter **(before its expiration January 1, 2020)** shall be paid by the member insurers to the state in the manner required by the tax authorities.

(b) The association shall notify the commissioner when refunds under section 6 of this chapter have been made.

SECTION 47. IC 27-8-10-2.3, AS AMENDED BY P.L.1-2006, SECTION 488, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.3. (a) A member shall, not later than October 31 of each year, certify an independently audited report to the:

- (1) association;
- (2) legislative council; and
- (3) department of insurance;

of the amount of tax credits taken against assessments by the member under section 2.1 (as in effect December 31, 2004) or 2.4 of this chapter **(before its expiration January 1, 2020)** during the previous calendar year. A report certified under this section to the legislative council must be in an electronic format under IC 5-14-6.

(b) A member shall, not later than October 31 of each year, certify an independently audited report to the association of the amount of assessments paid by the member against which a tax credit has not been taken under section 2.1 (as in effect December 31, 2004) or 2.4 of this chapter **(before its expiration January 1, 2020)** as of the date of the report.

SECTION 48. IC 27-8-10-2.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.4. (a) Beginning January 1, 2005, a member that, before January 1, 2005, has:

- (1) paid an assessment; and
- (2) not taken a credit against taxes;

under section 2.1 of this chapter (as in effect December 31, 2004) is not entitled to claim or carry forward the unused tax credit except as provided in this section.

(b) A member described in subsection (a) may, for each taxable year beginning after December 31, 2006, take a credit of not more than ten percent (10%) of the amount of the assessments paid before January 1, 2005, against which a tax credit has not been taken before January 1, 2005. A credit under this subsection may be taken against premium taxes, adjusted gross income taxes, or any combination of these, or similar taxes upon revenues or income of the member that may be imposed by the state, up to the amount of the taxes due for each taxable



year.

(c) If the maximum amount of a tax credit determined under subsection (b) for a taxable year exceeds a member's liability for the taxes described in subsection (b), the member may carry the unused portion of the tax credit forward to subsequent taxable years. Tax credits carried forward under this subsection are not subject to the ten percent (10%) limit set forth in subsection (b).

(d) The total amount of credits taken by a member under this section in all taxable years may not exceed the total amount of assessments paid by the member before January 1, 2005, minus the total amount of tax credits taken by the member under section 2.1 of this chapter (as in effect December 31, 2004) before January 1, 2005.

(e) This section expires January 1, 2020.

SECTION 49. IC 34-55-10-2, AS AMENDED BY P.L.160-2012, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This section does not apply to judgments obtained before October 1, 1977.

(b) The amount of each exemption under subsection (c) applies until a rule is adopted by the department of financial institutions under section 2.5 of this chapter.

(c) The following property of a debtor domiciled in Indiana is exempt:

- (1) Real estate or personal property constituting the personal or family residence of the debtor or a dependent of the debtor, or estates or rights in that real estate or personal property, of not more than fifteen thousand dollars (\$15,000). The exemption under this subdivision is individually available to joint debtors concerning property held by them as tenants by the entireties.
- (2) Other real estate or tangible personal property of eight thousand dollars (\$8,000).
- (3) Intangible personal property, including choses in action, deposit accounts, and cash (but excluding debts owing and income owing), of three hundred dollars (\$300).
- (4) Professionally prescribed health aids for the debtor or a dependent of the debtor.
- (5) Any interest that the debtor has in real estate held as a tenant by the entireties. The exemption under this subdivision does not apply to a debt for which the debtor and the debtor's spouse are jointly liable.
- (6) An interest, whether vested or not, that the debtor has in a retirement plan or fund to the extent of:
 - (A) contributions, or portions of contributions, that were made



to the retirement plan or fund by or on behalf of the debtor or the debtor's spouse:

- (i) which were not subject to federal income taxation to the debtor at the time of the contribution; or
 - (ii) which are made to an individual retirement account in the manner prescribed by Section 408A of the Internal Revenue Code of 1986;
- (B) earnings on contributions made under clause (A) that are not subject to federal income taxation at the time of the levy; and
- (C) roll-overs of contributions made under clause (A) that are not subject to federal income taxation at the time of the levy.
- (7) Money that is in a medical care savings account established under IC 6-8-11.
- (8) Money that is in a health savings account established under Section 223 of the Internal Revenue Code of 1986.
- (9) Any interest the debtor has in a qualified tuition program, as defined in Section 529(b) of the Internal Revenue Code of 1986, but only to the extent funds in the program are not attributable to:
- (A) excess contributions, as described in Section 529(b)(6) of the Internal Revenue Code of 1986, and earnings on the excess contributions;
 - (B) contributions made by the debtor within one (1) year before the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the contributions; or
 - (C) the excess over five thousand dollars (\$5,000) of aggregate contributions made by the debtor for all programs under this subdivision and education savings accounts under subdivision (10) having the same designated beneficiary:
- (i) not later than one (1) year before; and
 - (ii) not earlier than two (2) years before;
- the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the aggregate contributions.
- (10) Any interest the debtor has in an education savings account, as defined in Section 530(b) of the Internal Revenue Code of 1986, but only to the extent funds in the account are not attributable to:
- (A) excess contributions, as described in Section 4973(e) of the Internal Revenue Code of 1986, and earnings on the excess contributions;



(B) contributions made by the debtor within one (1) year before the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the contributions; or

(C) the excess over five thousand dollars (\$5,000) of aggregate contributions made by the debtor for all accounts under this subdivision and qualified tuition programs under subdivision (9) having the same designated beneficiary:

- (i) not later than one (1) year before; and
- (ii) not earlier than two (2) years before;

the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the excess contributions.

(11) The debtor's interest in a refund or a credit received or to be received under the following:

(A) Section 32 of the Internal Revenue Code of 1986 (the federal earned income tax credit).

(B) IC 6-3.1-21-6 (the Indiana earned income tax credit) **(before its expiration January 1, 2020).**

(12) A disability benefit awarded to a veteran for a service connected disability under 38 U.S.C. 1101 et seq. This subdivision does not apply to a service connected disability benefit that is subject to child and spousal support enforcement under 42 U.S.C. 659(h)(1)(A)(ii)(V).

(13) Compensation distributed from the supplemental state fair relief fund under IC 34-13-8 to an eligible person (as defined in IC 34-13-8-1) for an occurrence (as defined in IC 34-13-8-2). This subdivision applies even if a debtor is not domiciled in Indiana.

(d) A bankruptcy proceeding that results in the ownership by the bankruptcy estate of a debtor's interest in property held in a tenancy by the entirety does not result in a severance of the tenancy by the entirety.

(e) Real estate or personal property upon which a debtor has voluntarily granted a lien is not, to the extent of the balance due on the debt secured by the lien:

- (1) subject to this chapter; or
- (2) exempt from levy or sale on execution or any other final process from a court.

SECTION 50. IC 35-51-6-1, AS AMENDED BY P.L.13-2013, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The following statutes define crimes in IC 6:

IC 6-1.1-5.5-10 (Concerning sales disclosure forms).



IC 6-1.1-37-1 (Concerning officers of the state or local government).

IC 6-1.1-37-2 (Concerning officials or representatives of the department of local government finance).

IC 6-1.1-37-3 (Concerning property tax returns, statements, or documents).

IC 6-1.1-37-4 (Concerning property tax deductions).

IC 6-1.1-37-5 (Concerning false statements on a report or application).

IC 6-1.1-37-6 (Concerning general assessments).

IC 6-2.3-5.5-12 (Concerning utility taxes).

IC 6-2.3-7-1 (Concerning taxes).

IC 6-2.3-7-2 (Concerning taxes).

IC 6-2.3-7-3 (Concerning taxes).

IC 6-2.3-7-4 (Concerning taxes).

IC 6-2.5-9-1 (Concerning taxes).

IC 6-2.5-9-2 (Concerning taxes).

IC 6-2.5-9-3 (Concerning taxes).

IC 6-2.5-9-6 (Concerning taxes).

IC 6-2.5-9-7 (Concerning retail sales).

IC 6-2.5-9-8 (Concerning taxes).

IC 6-3-3-9 (Concerning taxes) **(before its expiration January 1, 2020).**

IC 6-3-4-8 (Concerning taxes).

IC 6-3-6-10 (Concerning taxes).

IC 6-3-6-11 (Concerning taxes).

IC 6-3-7-5 (Concerning taxes).

IC 6-3.5-4-16 (Concerning taxes).

IC 6-4.1-12-12 (Concerning taxes).

IC 6-5.5-7-3 (Concerning taxes).

IC 6-5.5-7-4 (Concerning taxes).

IC 6-6-1.1-1307 (Concerning taxes).

IC 6-6-1.1-1308 (Concerning taxes).

IC 6-6-1.1-1309 (Concerning taxes).

IC 6-6-1.1-1310 (Concerning taxes).

IC 6-6-1.1-1311 (Concerning taxes).

IC 6-6-1.1-1312 (Concerning taxes).

IC 6-6-1.1-1313 (Concerning taxes).

IC 6-6-1.1-1316 (Concerning taxes).

IC 6-6-2.5-28 (Concerning taxes).

IC 6-6-2.5-40 (Concerning fuel).

IC 6-6-2.5-56.5 (Concerning fuel).



IC 6-6-2.5-62 (Concerning fuel).
 IC 6-6-2.5-63 (Concerning taxes).
 IC 6-6-2.5-71 (Concerning taxes).
 IC 6-6-5-11 (Concerning taxes).
 IC 6-6-5.1-25 (Concerning taxes).
 IC 6-6-6-10 (Concerning taxes).
 IC 6-6-11-27 (Concerning taxes).
 IC 6-7-1-15 (Concerning tobacco taxes).
 IC 6-7-1-21 (Concerning tobacco taxes).
 IC 6-7-1-22 (Concerning tobacco taxes).
 IC 6-7-1-23 (Concerning tobacco taxes).
 IC 6-7-1-24 (Concerning tobacco taxes).
 IC 6-7-1-36 (Concerning tobacco taxes).
 IC 6-7-2-18 (Concerning tobacco taxes).
 IC 6-7-2-19 (Concerning tobacco taxes).
 IC 6-7-2-20 (Concerning tobacco taxes).
 IC 6-7-2-21 (Concerning tobacco taxes).
 IC 6-8-1-19 (Concerning petroleum severance taxes).
 IC 6-8-1-23 (Concerning petroleum severance taxes).
 IC 6-8-1-24 (Concerning petroleum severance taxes).
 IC 6-8.1-3-21.2 (Concerning taxes).
 IC 6-8.1-7-3 (Concerning taxes).
 IC 6-8.1-8-2 (Concerning taxes).
 IC 6-8.1-10-4 (Concerning taxes).
 IC 6-9-2-5 (Concerning innkeeper's taxes).
 IC 6-9-2.5-8 (Concerning innkeeper's taxes).
 IC 6-9-4-8 (Concerning innkeeper's taxes).
 IC 6-9-6-8 (Concerning innkeeper's taxes).
 IC 6-9-7-8 (Concerning innkeeper's taxes).
 IC 6-9-10-8 (Concerning innkeeper's taxes).
 IC 6-9-10.5-12 (Concerning innkeeper's taxes).
 IC 6-9-11-8 (Concerning innkeeper's taxes).
 IC 6-9-14-8 (Concerning innkeeper's taxes).
 IC 6-9-15-8 (Concerning innkeeper's taxes).
 IC 6-9-16-8 (Concerning innkeeper's taxes).
 IC 6-9-17-8 (Concerning innkeeper's taxes).
 IC 6-9-18-8 (Concerning innkeeper's taxes).
 IC 6-9-19-8 (Concerning innkeeper's taxes).
 IC 6-9-29-2 (Concerning innkeeper's taxes).
 IC 6-9-32-8 (Concerning innkeeper's taxes).
 IC 6-9-37-8 (Concerning innkeeper's taxes).
 SECTION 51. IC 36-7-12-27, AS AMENDED BY P.L.146-2008,



SECTION 722, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 27. (a) Bonds issued by a unit under section 25 of this chapter may be issued as serial bonds, term bonds, or a combination of both types. The ordinance of the fiscal body authorizing bonds, notes, or warrants, or the financing agreement or the trust indenture approved by the ordinance, must provide:

- (1) the manner of their execution, either by the manual or facsimile signatures of the executive of the unit and the clerk of the fiscal body;
- (2) their date;
- (3) their term or terms, which may not exceed forty (40) years, except as otherwise provided by subsection (e);
- (4) their maximum interest rate if fixed rates are used or the manner in which the interest rate will be determined if variable or adjustable rates are used;
- (5) their denominations;
- (6) their form, either coupon or registered;
- (7) their registration privileges;
- (8) the medium of their payment;
- (9) the place or places of their payment;
- (10) the terms of their redemption; and
- (11) any other provisions not inconsistent with this chapter.

(b) Bonds, notes, or warrants issued under section 25 of this chapter may be sold at public or private sale for the price or prices, in the manner, and at the time or times determined by the unit. The unit may advance all expenses, premiums, and commissions that it considers necessary or advantageous in connection with their issuance.

(c) The bonds, notes, or warrants and their authorization, issuance, sale, and delivery are not subject to any general statute concerning bonds, notes, or warrants of units.

(d) An action to contest the validity of bonds, notes, or warrants issued under section 25 of this chapter may not be commenced more than thirty (30) days after the adoption of the ordinance approving them under section 25 of this chapter.

(e) This subsection applies only to bonds, notes, or warrants issued under this chapter after June 30, 2008, that are wholly or partially payable from tax increment revenues derived from property taxes. The maximum term or repayment period for the bonds, notes, or warrants may not exceed:

- (1) twenty-five (25) years, unless the bonds, notes, or warrants were:
 - (A) issued or entered into before July 1, 2008;



- (B) issued or entered into after June 30, 2008, but authorized by a resolution adopted before July 1, 2008; or
- (C) issued or entered into after June 30, 2008, in order to fulfill the terms of agreements or pledges entered into before July 1, 2008, with the holders of the bonds, notes, warrants, or other contractual obligations by or with developers, lenders, or units, or otherwise prevent an impairment of the rights or remedies of the holders of the bonds, notes, warrants, or other contractual obligations; or
- (2) thirty (30) years, if the bonds, notes, or warrants were issued after June 30, 2008, to finance:
 - (A) an integrated coal gasification powerplant (as defined by IC 6-3.1-29-6, **before its expiration January 1, 2020**);
 - (B) a part of an integrated coal gasification powerplant (as defined by IC 6-3.1-29-6, **before its expiration January 1, 2020**); or
 - (C) property used in the operation or maintenance of an integrated coal gasification powerplant (as defined by IC 6-3.1-29-6, **before its expiration January 1, 2020**);
 that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008.

(f) The general assembly makes the following findings of fact with respect to an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2020**) that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008:

- (1) The health, safety, general welfare, and economic and energy security of the people of the state of Indiana require as a public purpose of the state the promotion of clean energy, including clean coal, technologies in Indiana.
- (2) These technologies include the integrated coal gasification powerplant contemplated by this chapter, IC 6-1.1-20-1.1, and IC 36-7-14.
- (3) Investment in the integrated coal gasification powerplant contemplated by this chapter, IC 6-1.1-20-1.1, and IC 36-7-14 will result in substantial financial and other benefits to the state and its political subdivisions and the people of Indiana, including increased employment, tax revenue, and use of Indiana coal.
- (4) It is in the best interest of the state and its citizens to promote and preserve financial and other incentives for the integrated coal gasification powerplant.



SECTION 52. IC 36-7-13-3.4, AS AMENDED BY P.L.199-2005, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.4. (a) Except as provided in subsection (b), as used in this chapter, "income tax incremental amount" means the remainder of:

- (1) the aggregate amount of state and local income taxes paid by employees employed in a district with respect to wages earned for work in the district for a particular state fiscal year; minus
- (2) the sum of the:
 - (A) income tax base period amount; and
 - (B) tax credits awarded by the economic development for a growing economy board under IC 6-3.1-13 (**before its expiration January 1, 2020**) to businesses operating in a district as the result of wages earned for work in the district for the state fiscal year;

as determined by the department of state revenue under section 14 of this chapter.

(b) For purposes of a district designated under section 12.1 of this chapter, "income tax incremental amount" means seventy-five percent (75%) of the amount described in subsection (a).

SECTION 53. IC 36-7-14-25.1, AS AMENDED BY P.L.203-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

- (1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
- (2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
- (3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and



(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

- (1) the denominations of the bonds;
- (2) the place or places at which the bonds are payable; and
- (3) the term of the bonds, which may not exceed:
 - (A) fifty (50) years, for bonds issued before July 1, 2008;
 - (B) thirty (30) years, for bonds issued after June 30, 2008, to finance:
 - (i) an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2020**);
 - (ii) a part of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2020**); or
 - (iii) property used in the operation or maintenance of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2020**);
 that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008; or
 - (C) twenty-five (25) years, for bonds issued after June 30, 2008, that are not described in clause (B).

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The



municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(3) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

- (1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;
- (2) from the tax proceeds allocated under section 39(b)(3) of this chapter;
- (3) from other revenues available to the redevelopment commission; or
- (4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(3) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of:
 - (A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by



IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a); apply to bonds issued under this chapter except for bonds payable solely from tax proceeds allocated under section 39(b)(3) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be:

- (1) deposited in the allocation fund established under section 39(b)(3) of this chapter; and
- (2) to the extent permitted by law, transferred to the county or municipality that established the department of redevelopment for use in reducing the county's or municipality's property tax levies for debt service.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission adopted before July 1, 2008, is equal to or greater than three million dollars (\$3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit. Bonds authorized in any principal amount by a resolution of the redevelopment commission adopted after June 30, 2008, may not



be issued without the approval of the legislative body of the unit.

SECTION 54. IC 36-7-32-8.5, AS ADDED BY P.L.199-2005, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8.5. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the total amount of state adjusted gross income taxes, county adjusted gross income tax, county option income taxes, and county economic development income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus

(2) the sum of the:

(A) income tax base period amount; and

(B) tax credits awarded by the economic development for a growing economy board under IC 6-3.1-13 (**before its expiration January 1, 2020**) to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1020 as printed January 17, 2014.)

HERSHMAN, Chairperson

Committee Vote: Yeas 8, Nays 0.

