

# HOUSE BILL No. 1086

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-2.5-5-47.

**Synopsis:** Sales tax exemption for drainage water management system. Provides that a component of a drainage water management system intended for use on agricultural land used for crop production is exempt from sales tax if the person acquiring the component is engaged in the business of agriculture.

**Effective:** July 1, 2014.

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## Gutwein

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January 9, 2014, read first time and referred to Committee on Ways and Means.

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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.

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

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

1 SECTION 1. IC 6-2.5-5-47 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2014]: **Sec. 47. (a) As used in this section, "drainage water  
4 management system" means a subsurface system of drainage  
5 tubing, drainage tiles, water flowgates, control valves, and related  
6 control systems designed to facilitate controlled water drainage  
7 from agricultural land used for crop production.**  
8 **(b) A transaction involving a component of a drainage water  
9 management system intended for use as described in subsection (a)  
10 is exempt from the state gross retail tax if the person acquiring the  
11 component is engaged in the business of agriculture.**

