



January 25, 2024

HOUSE BILL No. 1121

DIGEST OF HB 1121 (Updated January 24, 2024 5:29 pm - DI 125)

Citations Affected: IC 6-3.6; IC 6-5.5; IC 6-6; IC 6-9; noncode.

Synopsis: Local income taxes. Extends the expiration of provisions concerning a county with a single voting bloc and the allocation of votes for a local income tax council. Specifies the amount of revenue from a local income tax rate imposed for correctional facilities and rehabilitation facilities in a county that may be used for operating expenses of those facilities. Allows a county fiscal body to adopt a local income tax rate for an acute care hospital located in the county. Allows the adopting body in Marion County to adopt a local income tax rate to be used for improvement and services projects located within the boundaries of the Mile Square area. Provides that, for the purpose of distributing the local income tax (LIT), if two or more school corporations or civil taxing units merge or consolidate to form a single school corporation or civil taxing unit, the school corporation or civil taxing unit is entitled to the combined pro rata distribution of the LIT revenue allocated to each applicable school corporation or civil taxing unit in existence on January 1 of the immediately preceding calendar year prior to the merger or consolidation. Provides that the department of local government finance shall make certain adjustments pertaining to the distribution of LIT for Floyd County in 2025, which provide that the Highlander Fire Protection District (district) shall receive an
(Continued next page)

Effective: Upon passage; July 1, 2023 (retroactive); July 1, 2024; January 1, 2025.

Thompson, Clere, Cherry

January 8, 2024, read first time and referred to Committee on Ways and Means.
January 25, 2024, amended, reported — Do Pass.

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Digest Continued

amount equal to the combined distribution that would have been distributed to the Greenville Fire Protection District (FPD) and the Lafayette Fire Protection District (FPD) in 2024, but for their elimination resulting from the merger to establish the district. Requires corresponding adjustments in 2025 to reduce the distribution for each applicable civil taxing unit and school corporation in Floyd County, excluding the district, by an amount that equals the proportionate share of the amount of LIT received in 2024 of the combined distribution that would have been distributed to the Greenville FPD and the Lafayette FPD in 2024, but for their elimination. Provides, for purposes of calculating distributions of the financial institutions tax to local taxing units, how to calculate distributions for a taxing unit that did not receive distributions in 2012 because the unit was subsequently established from the merger or consolidation of two or more taxing units that received distributions from the financial institutions tax fund in 2012. Provides, for purposes of calculating qualified distributions of the commercial motor vehicle excise tax to local taxing units, how to calculate base revenue distributions for a taxing unit that did not receive a base revenue distribution in 2001 because the taxing unit was subsequently established from the merger or consolidation of two or more taxing units that received base revenue distributions in 2001. Provides that, for purposes of determining the apportionment or distribution of the motor vehicle excise tax, that the county auditor may make adjustments to reflect the merger or consolidation of two or more taxing units. Authorizes the city of Hammond to impose a food and beverage tax. Authorizes the town of Cicero to impose a food and beverage tax.

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January 25, 2024

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

HOUSE BILL No. 1121

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 6-3.6-2-7.4, AS AMENDED BY P.L.159-2021,
2 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 7.4. "County with a single voting bloc" means
4 a county that has a local income tax council in which one (1) city that
5 is a member of the local income tax council or one (1) town that is a
6 member of the local income tax council is allocated more than fifty
7 percent (50%) of the total one hundred (100) votes allocated under
8 IC 6-3.6-3-6(d). This section expires May 31, ~~2024~~. **2025**.
- 9 SECTION 2. IC 6-3.6-3-1, AS AMENDED BY P.L.184-2018,
10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2024]: Sec. 1. (a) The following is the adopting body for a
12 county:
- 13 (1) The local income tax council in a county in which the county
14 income tax council adopted either:
- 15 (A) a county option income tax under IC 6-3.5-6 (repealed)
16 that was in effect on January 1, 2015; or
17 (B) a county economic development income tax for the county

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- 1 under IC 6-3.5-7 (repealed) that was in effect on January 1,
 2 2015.
- 3 (2) The county fiscal body in any other county.
- 4 (3) The county fiscal body for purposes of adopting a rate
 5 dedicated to paying for a PSAP in the county as permitted by
 6 IC 6-3.6-6-2.5.
- 7 **(4) The county fiscal body for purposes of adopting a rate**
 8 **dedicated to paying for acute care hospitals in the county as**
 9 **permitted by IC 6-3.6-6-2.6.**
- 10 ~~(4)~~ (5) The county fiscal body for purposes of adopting a rate
 11 dedicated to paying for correctional facilities and rehabilitation
 12 facilities in the county as permitted by IC 6-3.6-6-2.7.
- 13 (b) A local income tax council is established for each county. The
 14 membership of each county's local income tax council consists of the
 15 fiscal body of the county and the fiscal body of each city or town that
 16 lies either partially or entirely within that county.
- 17 SECTION 3. IC 6-3.6-3-5, AS AMENDED BY P.L.159-2021,
 18 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all
 20 votes taken on ordinances presented for a vote under this article and
 21 not more than ten (10) days after the vote, send a certified copy of the
 22 results to:
- 23 (1) the commissioner of the department of state revenue; and
 24 (2) the commissioner of the department of local government
 25 finance;
- 26 in an electronic format approved by the commissioner of the
 27 department of local government finance.
- 28 (b) Except as provided in subsection (c), this subsection applies only
 29 to a county that has a local income tax council. The county auditor may
 30 cease sending certified copies after the county auditor sends a certified
 31 copy of results showing that members of the local income tax council
 32 have cast a majority of the votes on the local income tax council for or
 33 against the proposed ordinance.
- 34 (c) This subsection applies only to a county with a single voting bloc
 35 that proposes to increase (but not decrease) a tax rate in the county. The
 36 county auditor may cease sending certified copies of the votes on the
 37 local income tax council voting as a whole under section 9.5 of this
 38 chapter after the county auditor sends a certified copy of results
 39 showing that the individuals who sit on the fiscal bodies of the county,
 40 cities, and towns that are members of the local income tax council have
 41 cast a majority of the votes on the local income tax council voting as a
 42 whole under section 9.5 of this chapter for or against the proposed



1 ordinance. This subsection expires May 31, ~~2024~~. **2025**.

2 SECTION 4. IC 6-3.6-3-6, AS AMENDED BY P.L.32-2021,
3 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 6. (a) This section applies to a county in
5 which the county adopting body is a local income tax council.

6 (b) In the case of a city or town that lies within more than one (1)
7 county, the county auditor of each county shall base the allocations
8 required by subsections (d) and (e) on the population of that part of the
9 city or town that lies within the county for which the allocations are
10 being made.

11 (c) Each local income tax council has a total of one hundred (100)
12 votes.

13 (d) Each county, city, or town that is a member of a local income tax
14 council is allocated a percentage of the total one hundred (100) votes
15 that may be cast. The percentage that a city or town is allocated for a
16 year equals the same percentage that the population of the city or town
17 bears to the population of the county. The percentage that the county
18 is allocated for a year equals the same percentage that the population
19 of all areas in the county not located in a city or town bears to the
20 population of the county.

21 (e) This subsection applies only to a county with a single voting
22 bloc. Each individual who sits on the fiscal body of a county, city, or
23 town that is a member of the local income tax council is allocated for
24 a year the number of votes equal to the total number of votes allocated
25 to the particular county, city, or town under subsection (d) divided by
26 the number of members on the fiscal body of the county, city, or town.
27 This subsection expires May 31, ~~2024~~. **2025**.

28 (f) On or before January 1 of each year, the county auditor shall
29 certify to each member of the local income tax council the number of
30 votes, rounded to the nearest one hundredth (0.01), each member has
31 for that year.

32 (g) This subsection applies only to a county with a single voting
33 bloc. On or before January 1 of each year, in addition to the
34 certification to each member of the local income tax council under
35 subsection (f), the county auditor shall certify to each individual who
36 sits on the fiscal body of each county, city, or town that is a member of
37 the local income tax council the number of votes, rounded to the
38 nearest one hundredth (0.01), each individual has under subsection (e)
39 for that year. This subsection expires May 31, ~~2024~~. **2025**.

40 SECTION 5. IC 6-3.6-3-8, AS AMENDED BY P.L.159-2021,
41 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 UPON PASSAGE]: Sec. 8. (a) This section applies to a county in



1 which the county adopting body is a local income tax council.

2 (b) Except as provided in subsection (e), any member of a local
3 income tax council may present an ordinance for passage. To do so, the
4 member must adopt a resolution to propose the ordinance to the local
5 income tax council and distribute a copy of the proposed ordinance to
6 the county auditor. The county auditor shall treat any proposed
7 ordinance distributed to the auditor under this section as a casting of all
8 that member's votes in favor of the proposed ordinance.

9 (c) Except as provided in subsection (f), the county auditor shall
10 deliver copies of a proposed ordinance the auditor receives to all
11 members of the local income tax council within ten (10) days after
12 receipt. Subject to subsection (d), once a member receives a proposed
13 ordinance from the county auditor, the member shall vote on it within
14 thirty (30) days after receipt.

15 (d) Except as provided in subsection (h), if, before the elapse of
16 thirty (30) days after receipt of a proposed ordinance, the county
17 auditor notifies the member that the members of the local income tax
18 council have cast a majority of the votes on the local income tax
19 council for or against the proposed ordinance the member need not
20 vote on the proposed ordinance.

21 (e) This subsection applies only to a county with a single voting bloc
22 that proposes to increase (but not decrease) a tax rate in the county. The
23 fiscal body of any county, city, or town that is a member of a local
24 income tax council may adopt a resolution to propose an ordinance to
25 increase a tax rate in the county to be voted on by the local income tax
26 council as a whole as required under section 9.5 of this chapter and
27 distribute a copy of the proposed ordinance to the county auditor. The
28 county auditor shall treat the vote tally on the resolution adopted under
29 this subsection for each individual who is a member of the fiscal body
30 of the county, city, or town as the voting record for that individual
31 either for or against the ordinance being proposed for consideration by
32 the local income tax council as a whole under section 9.5 of this
33 chapter. This subsection expires May 31, ~~2024~~. **2025**.

34 (f) This subsection applies only to a county with a single voting bloc
35 that proposes to increase (but not decrease) a tax rate in the county. The
36 county auditor shall deliver copies of a proposed ordinance the auditor
37 receives under subsection (e) to the fiscal officers of all members of the
38 local income tax council (other than the member proposing the
39 ordinance under subsection (e)) within ten (10) days after receipt.
40 Subject to subsection (h), once a member receives a proposed
41 ordinance from the county auditor, the member shall vote on it within
42 thirty (30) days after receipt. This subsection expires May 31, ~~2024~~.



2025.

(g) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The fiscal body of each county, city, or town voting on a resolution to propose an ordinance under subsection (e), or voting on a proposed ordinance being considered by the local income tax council as a whole under section 9.5 of this chapter, must take a roll call vote on the resolution or the proposed ordinance. If an individual who sits on the fiscal body is absent from the meeting in which a vote is taken or abstains from voting on the resolution or proposed ordinance, the fiscal officer of the county, city, or town shall nevertheless consider that individual's vote as a "no" vote against the resolution or the proposed ordinance being considered, whichever is applicable, for purposes of the vote tally under this section and shall note on the vote tally that the individual's "no" vote is due to absence or abstention. The fiscal body of each county, city, or town shall certify the roll call vote on a resolution or a proposed ordinance, either for or against, to the county auditor as set forth under this chapter. This subsection expires May 31, ~~2024~~. **2025.**

(h) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. If, before the elapse of thirty (30) days after receipt of a proposed ordinance under subsection (e), the county auditor notifies the member that the individuals who sit on the fiscal bodies of the county, cities, and towns that are members of the local income tax council have cast a majority of the votes on the local income tax council for or against a proposed ordinance voting as a whole under section 9.5 of this chapter, the member need not vote on the proposed ordinance under subsection (e). This subsection expires May 31, ~~2024~~. **2025.**

SECTION 6. IC 6-3.6-3-9.5, AS AMENDED BY P.L.159-2021, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) This section applies to a county:

- (1) in which the county adopting body is a local income tax council;
- (2) that is a county with a single voting bloc; and
- (3) that proposes to increase a tax rate in the county.

However, the provisions under section 9 of this chapter shall apply to a county described in subdivisions (1) and (2) that proposes to decrease a tax rate in the county.

(b) A local income tax council described in subsection (a) must vote as a whole to exercise its authority to increase a tax rate under this



- 1 article.
- 2 (c) A resolution passed by the fiscal body of a county, city, or town
- 3 that is a member of the local income tax council exercises the vote of
- 4 each individual who sits on the fiscal body of the county, city, or town
- 5 on the proposed ordinance, and the individual's vote may not be
- 6 changed during the year.
- 7 (d) This section expires May 31, ~~2024~~ **2025**.
- 8 SECTION 7. IC 6-3.6-6-2.4 IS ADDED TO THE INDIANA CODE
- 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 10 1, 2024]: **Sec. 2.4. (a) This section applies only to Marion County.**
- 11 **(b) As used in this section, "improvement and services projects"**
- 12 **means the following:**
- 13 **(1) Providing security for public areas, including installing**
- 14 **and maintaining exterior cameras directly linked with the**
- 15 **Indianapolis metropolitan police department central control.**
- 16 **(2) Employing safety ambassadors to:**
- 17 **(A) deter aggressive panhandling and other nuisance**
- 18 **behavior;**
- 19 **(B) assist with directions and information;**
- 20 **(C) facilitate open communications with police to report**
- 21 **ongoing issues;**
- 22 **(D) provide safety escort services; and**
- 23 **(E) maintain a network of communication throughout the**
- 24 **downtown area by engaging with private and public**
- 25 **security companies.**
- 26 **(3) Cleaning and maintaining sidewalks, including picking up**
- 27 **litter, removing graffiti, and power washing.**
- 28 **(4) Conducting extensive outreach to unsheltered homeless**
- 29 **individuals.**
- 30 **(5) Funding facility operations for a low barrier shelter for**
- 31 **homeless individuals.**
- 32 **(6) Designing, landscaping, beautifying, or maintaining public**
- 33 **areas.**
- 34 **(7) Activating and promoting public events.**
- 35 **(8) Creating innovative approaches to attracting new**
- 36 **businesses.**
- 37 **(9) Supporting business development.**
- 38 **(10) Planning improvement activities.**
- 39 **(c) The adopting body may, before January 1, 2027, adopt an**
- 40 **ordinance to impose a tax rate in the county for improvement and**
- 41 **services projects located within the boundaries of the Mile Square**
- 42 **area of the consolidated city. The tax rate must be in increments of**



1 **one-hundredth of one percent (0.01%) and may not exceed two**
 2 **hundredths of one percent (0.02%).**

3 **(d) The revenue generated by a tax rate imposed under this**
 4 **section must be distributed directly to the county before the**
 5 **remainder of the expenditure rate revenue is distributed. The**
 6 **revenue shall be maintained in a separate dedicated county fund.**

7 **(e) The adopting body may not adopt an ordinance under this**
 8 **section after December 31, 2026.**

9 SECTION 8. IC 6-3.6-6-2.6 IS ADDED TO THE INDIANA CODE
 10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 11 1, 2024]: Sec. 2.6. (a) As used in this section, "acute care hospital"
 12 means an acute care hospital that is:

13 **(1) established and operated under IC 16-22-2, IC 16-22-8, or**
 14 **IC 16-23; and**

15 **(2) licensed under IC 16-21.**

16 **(b) A county fiscal body may adopt an ordinance to impose a tax**
 17 **rate for acute care hospitals located in the county. The tax rate**
 18 **must be in increments of one-hundredth of one percent (0.01%)**
 19 **and may not exceed one-tenth of one percent (0.1%).**

20 **(c) The revenue generated by a tax rate imposed under this**
 21 **section must be distributed directly to the county before the**
 22 **remainder of the expenditure rate revenue is distributed. The**
 23 **revenue shall be maintained in a separate dedicated county fund.**

24 SECTION 9. IC 6-3.6-6-2.7, AS AMENDED BY P.L.236-2023,
 25 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2023 (RETROACTIVE)]: Sec. 2.7. (a) A county fiscal body
 27 may adopt an ordinance to impose a tax rate for correctional facilities
 28 and rehabilitation facilities in the county. The tax rate must be in
 29 increments of:

30 **(1) in the case of a county with bonds or lease agreements**
 31 **outstanding on July 1, 2023, for which a pledge of tax revenue**
 32 **from revenue received under a tax rate imposed under this section**
 33 **is made, one-hundredth of one percent (0.01%) and may not**
 34 **exceed three-tenths of one percent (0.3%); and**

35 **(2) in the case of a county with no bonds or lease agreements**
 36 **outstanding on July 1, 2023, for which a pledge of tax revenue**
 37 **from revenue received under a tax rate imposed under this section**
 38 **is made, one-hundredth of one percent (0.01%) and may not**
 39 **exceed two-tenths of one percent (0.2%).**

40 **Not more than an amount equal to the amount of revenue that is**
 41 **attributable to two-tenths of one percent (0.2%) of a tax rate imposed**
 42 **under this section may be used for operating expenses for correctional**



1 facilities and rehabilitation facilities in the county:

2 (b) The tax rate imposed under this section may not be in effect for
3 more than:

4 (1) twenty-two (22) years, in the case of a tax rate imposed in an
5 ordinance adopted before January 1, 2019; or

6 (2) twenty-five (25) years, in the case of a tax rate imposed in an
7 ordinance adopted on or after January 1, 2019.

8 (c) The revenue generated by a tax rate imposed under this section
9 must be distributed directly to the county before the remainder of the
10 expenditure rate revenue is distributed. The revenue shall be
11 maintained in a separate dedicated county fund and used by the county
12 only for paying for correctional facilities and rehabilitation facilities in
13 the county.

14 **(d) If a county fiscal body imposes a tax rate:**

15 **(1) under subsection (a)(1) or (a)(2) in an increment that does**
16 **not exceed two-tenths of one percent (0.2%), one hundred**
17 **percent (100%) of the revenue collected from the total tax**
18 **rate; or**

19 **(2) under subsection (a)(1) in an increment that exceeds**
20 **two-tenths of one percent (0.2%):**

21 **(A) one hundred percent (100%) of the revenue collected**
22 **from that portion of the total tax rate that does not exceed**
23 **an increment of two-tenths of one percent (0.2%); and**

24 **(B) no revenue collected from that portion of the total tax**
25 **rate that exceeds an increment of two-tenths of one percent**
26 **(0.2%);**

27 **may be used for operating expenses for correctional facilities and**
28 **rehabilitation facilities in the county.**

29 SECTION 10. IC 6-3.6-6-3, AS AMENDED BY P.L.95-2022,
30 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2024]: Sec. 3. (a) Revenue raised from a tax imposed under
32 this chapter shall be treated as follows:

33 (1) To make the following distributions:

34 **(A) If an ordinance described in section 2.4 of this chapter**
35 **is in effect, to make a distribution to the county equal to**
36 **the amount of revenue generated by the rate imposed**
37 **under section 2.4 of this chapter.**

38 ~~(A)~~ **(B) If an ordinance described in section 2.5 of this chapter**
39 **is in effect in a county, to make a distribution to the county**
40 **equal to the amount of revenue generated by the rate imposed**
41 **under section 2.5 of this chapter.**

42 **(C) If an ordinance described in section 2.6 of this chapter**



- 1 **is in effect in a county, to make a distribution to the county**
 2 **equal to the amount of revenue generated by the rate**
 3 **imposed under section 2.6 of this chapter.**
 4 ~~(B)~~ **(D)** If an ordinance described in section 2.7 of this chapter
 5 is in effect in a county, to make a distribution to the county
 6 equal to the amount of revenue generated by the rate imposed
 7 under section 2.7 of this chapter.
 8 ~~(C)~~ **(E)** If an ordinance described in section 2.8 of this chapter
 9 is in effect in a county, to make a distribution to the county
 10 equal to the amount of revenue generated by the rate imposed
 11 under section 2.8 of this chapter.
 12 (2) After making the distributions described in subdivision (1), if
 13 any, to make distributions to school corporations and civil taxing
 14 units in counties that formerly imposed a tax under IC 6-3.5-1.1
 15 (repealed). The revenue categorized from the next twenty-five
 16 hundredths percent (0.25%) of the rate for a former tax adopted
 17 under IC 6-3.5-1.1 (repealed) shall be allocated to school
 18 corporations and civil taxing units. The amount of the allocation
 19 to a school corporation or civil taxing unit shall be determined
 20 using the allocation amounts for civil taxing units and school
 21 corporations in the county.
 22 (3) After making the distributions described in subdivisions (1)
 23 and (2), the remaining revenue shall be treated as additional
 24 revenue (referred to as "additional revenue" in this chapter).
 25 Additional revenue may not be considered by the department of
 26 local government finance in determining:
 27 (A) any taxing unit's maximum permissible property tax levy
 28 limit under IC 6-1.1-18.5; or
 29 (B) the approved property tax rate for any fund.
 30 (b) In the case of a civil taxing unit that has pledged the tax from
 31 additional revenue for the payment of bonds, leases, or other
 32 obligations as reported by the civil taxing unit under IC 5-1-18, the
 33 adopting body may not, under section 4 of this chapter, reduce the
 34 proportional allocation of the additional revenue that was allocated in
 35 the preceding year if the reduction for that year would result in an
 36 amount less than the amount necessary for the payment of bonds,
 37 leases, or other obligations payable or required to be deposited in a
 38 sinking fund or other reserve in that year for the bonds, leases, or other
 39 obligations for which the tax from additional revenue has been pledged.
 40 To inform an adopting body with regard to allocations that affect the
 41 payment of bonds, leases, or other obligations, a taxing unit may
 42 provide the adopting body with information regarding any outstanding



1 bonds, leases, or other obligations that are secured by additional
 2 revenue. The information must be provided before the date of the
 3 public hearing at which the adopting body may change the allocation
 4 of additional revenue under section 4 of this chapter.

5 SECTION 11. IC 6-3.6-6-21.3 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2024]: **Sec. 21.3. (a) This section:**

8 **(1) does not apply to:**

9 **(A) distributions made under this chapter to a civil taxing**
 10 **unit for fire protection services within a fire protection**
 11 **territory established under IC 36-8-19; or**

12 **(B) distributions of revenue under section 9 of this chapter;**
 13 **and**

14 **(2) applies only to the following:**

15 **(A) Any allocation or distribution of revenue under section**
 16 **3(a)(2) of this chapter that is made on the basis of property**
 17 **tax levies in counties that formerly imposed a tax under**
 18 **IC 6-3.5-1.1 (before its repeal on January 1, 2017).**

19 **(B) Any allocation or distribution of revenue under section**
 20 **3(a)(3) of this chapter that is made on the basis of property**
 21 **tax levies in counties that formerly imposed a tax under**
 22 **IC 6-3.5-6 (before its repeal on January 1, 2017).**

23 **(b) Subject to subsection (a), if two (2) or more:**

24 **(1) school corporations; or**

25 **(2) civil taxing units;**

26 **of an adopting county merge or consolidate to form a single school**
 27 **corporation or civil taxing unit, the school corporation or civil**
 28 **taxing unit that is in existence on January 1 of the current year is**
 29 **entitled to the combined pro rata distribution of the revenue under**
 30 **section 3(a)(2) or 3(a)(3) of this chapter (as appropriate) allocated**
 31 **to each applicable school corporation or civil taxing unit in**
 32 **existence on January 1 of the immediately preceding calendar year**
 33 **prior to the merger or consolidation.**

34 **(c) The department of local government finance shall make**
 35 **adjustments to civil taxing units in accordance with**
 36 **IC 6-1.1-18.5-7.**

37 SECTION 12. IC 6-3.6-9-10, AS AMENDED BY P.L.184-2018,
 38 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2024]: **Sec. 10.** The budget agency shall also certify
 40 information concerning the part of the certified distribution that is
 41 attributable to each of the following:

42 **(1) The tax rate imposed under IC 6-3.6-5.**

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- 1 (2) The tax rate imposed under IC 6-3.6-6, separately stating:
- 2 (A) the part of the distribution attributable to a tax rate
- 3 imposed under IC 6-3.6-6-2.4;
- 4 ~~(A) (B)~~ the part of the distribution attributable to a tax rate
- 5 imposed under IC 6-3.6-6-2.5; and
- 6 (C) the part of the distribution attributable to a tax rate
- 7 imposed under IC 6-3.6-6-2.6; and
- 8 ~~(B) (D)~~ the part of the distribution attributable to a tax rate
- 9 imposed under IC 6-3.6-6-2.7.
- 10 (3) Each tax rate imposed under IC 6-3.6-7.
- 11 (4) In the case of Marion County, the local income taxes paid by
- 12 local taxpayers described in IC 6-3.6-2-13(3).

13 The amount certified shall be adjusted to reflect any adjustment in the
 14 certified distribution under this chapter.

15 SECTION 13. IC 6-5.5-8-2, AS AMENDED BY THE TECHNICAL
 16 CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS
 17 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,
 18 2025]: Sec. 2. (a) On or before December 1 and June 1 of each year the
 19 ~~auditor of state~~ **comptroller** shall transfer from the financial
 20 institutions tax fund to each county auditor for distribution to the taxing
 21 units (as defined in IC 6-1.1-1-21) in the county, an amount equal to
 22 fifty percent (50%) of the sum of the distributions under this section for
 23 all the taxing units of the county for the state fiscal year. The amount
 24 of a taxing unit's distribution for the state fiscal year is equal to the
 25 result of:

- 26 (1) an amount equal to forty percent (40%) of the total financial
- 27 institutions tax revenue collected during the preceding state fiscal
- 28 year; multiplied by
- 29 (2) a fraction equal to:
 - 30 (A) the amount of the guaranteed distributions received by the
 - 31 taxing unit under this chapter during calendar year 2012
 - 32 (based on the best information available to the department);
 - 33 divided by
 - 34 (B) the total amount of all guaranteed distributions received by
 - 35 all taxing units under this chapter during calendar year 2012
 - 36 (based on the best information available to the department).
- 37 (b) The county auditor shall distribute the distributions received
- 38 under subsection (a) to the taxing units in the county at the same time
- 39 that the county auditor makes the semiannual distribution of real
- 40 property taxes to the taxing units.
- 41 (c) The distributions received under subsection (a) may be used for
- 42 any legal purpose.



1 (d) **This subsection applies to a taxing unit that did not receive**
 2 **a guaranteed distribution under this chapter during calendar year**
 3 **2012 because the taxing unit was subsequently established as a**
 4 **result of a merger or consolidation of two (2) or more taxing units**
 5 **that received a guaranteed distribution under this chapter during**
 6 **calendar year 2012. The amount of the guaranteed distribution**
 7 **used in the numerator of the fraction described in subsection (a)(2)**
 8 **equals the combined guaranteed distributions received during**
 9 **calendar year 2012 by each taxing unit that was subsequently**
 10 **merged or consolidated into the current taxing unit.**

11 SECTION 14. IC 6-6-5-10, AS AMENDED BY THE TECHNICAL
 12 CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS
 13 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:
 14 Sec. 10. (a) The bureau shall establish procedures necessary for the
 15 collection of the tax imposed by this chapter and for the proper
 16 accounting for the same. The necessary forms and records shall be
 17 subject to approval by the state board of accounts.

18 (b) The county treasurer, upon receiving the excise tax collections,
 19 shall receipt such collections into a separate account for settlement
 20 thereof at the same time as property taxes are accounted for and settled
 21 in June and December of each year, with the right and duty of the
 22 treasurer and auditor to make advances prior to the time of final
 23 settlement of such property taxes in the same manner as provided in
 24 IC 5-13-6-3.

25 (c) As used in this subsection, "taxing district" has the meaning set
 26 forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in
 27 IC 6-1.1-1-21, and "tuition support levy" refers to a school
 28 corporation's tuition support property tax levy under IC 20-45-3-11
 29 (repealed) for the school corporation's general fund. The county auditor
 30 shall determine the total amount of excise taxes collected for each
 31 taxing district in the county and the amount so collected (and the
 32 distributions received under section 9.5 of this chapter) shall be
 33 apportioned and distributed among the respective funds of the taxing
 34 units in the same manner and at the same time as property taxes are
 35 apportioned and distributed (subject to adjustment as provided in
 36 IC 36-8-19-7.5). **In the event a taxing unit merges or consolidates**
 37 **with one (1) or more taxing units in the county, the county auditor**
 38 **shall include adjustments to the current taxing unit's**
 39 **apportionment and distributions, if necessary, so that the**
 40 **apportionment and distributions accurately reflect the merger or**
 41 **consolidation of the taxing units.** However, for purposes of
 42 determining distributions under this section for 2009 and each year



1 thereafter, a state welfare and tuition support allocation shall be
 2 deducted from the total amount available for apportionment and
 3 distribution to taxing units under this section before any apportionment
 4 and distribution is made. The county auditor shall remit the state
 5 welfare and tuition support allocation to the treasurer of state for
 6 deposit, as directed by the budget agency. The amount of the state
 7 welfare and tuition support allocation for a county for a particular year
 8 is equal to the result determined under STEP FOUR of the following
 9 formula:

10 STEP ONE: Determine the result of the following:

11 (A) Separately for 1997, 1998, and 1999 for each taxing
 12 district in the county, determine the result of:

13 (i) the amount appropriated in the year by the county from
 14 the county's county welfare fund and county welfare
 15 administration fund; divided by

16 (ii) the total amounts appropriated by all taxing units in the
 17 county for the same year.

18 (B) Determine the sum of the clause (A) amounts.

19 (C) Divide the clause (B) amount by three (3).

20 (D) Determine the result of:

21 (i) the amount of excise taxes allocated to the taxing district
 22 that would otherwise be available for distribution to taxing
 23 units in the taxing district; multiplied by

24 (ii) the clause (C) amount.

25 STEP TWO: Determine the result of the following:

26 (A) Separately for 2006, 2007, and 2008 for each taxing
 27 district in the county, determine the result of:

28 (i) the tax rate imposed in the taxing district for the county's
 29 county medical assistance to wards fund, family and
 30 children's fund, children's psychiatric residential treatment
 31 services fund, county hospital care for the indigent fund,
 32 children with special health care needs county fund, plus, in
 33 the case of Marion County, the tax rate imposed by the
 34 health and hospital corporation that was necessary to raise
 35 thirty-five million dollars (\$35,000,000) from all taxing
 36 districts in the county; divided by

37 (ii) the aggregate tax rate imposed in the taxing district for
 38 the same year.

39 (B) Determine the sum of the clause (A) amounts.

40 (C) Divide the clause (B) amount by three (3).

41 (D) Determine the result of:

42 (i) the amount of excise taxes allocated to the taxing district



- 1 that would otherwise be available for distribution to taxing
 2 units in the taxing district after subtracting the STEP ONE
 3 (D) amount for the same taxing district; multiplied by
 4 (ii) the clause (C) amount.
 5 (E) Determine the sum of the clause (D) amounts for all taxing
 6 districts in the county.
 7 STEP THREE: Determine the result of the following:
 8 (A) Separately for 2006, 2007, and 2008 for each taxing
 9 district in the county, determine the result of:
 10 (i) the tuition support levy tax rate imposed in the taxing
 11 district plus the tax rate imposed by the school corporation
 12 for the school corporation's special education preschool fund
 13 in the district; divided by
 14 (ii) the aggregate tax rate imposed in the taxing district for
 15 the same year.
 16 (B) Determine the sum of the clause (A) amounts.
 17 (C) Divide the clause (B) amount by three (3).
 18 (D) Determine the result of:
 19 (i) the amount of excise taxes allocated to the taxing district
 20 that would otherwise be available for distribution to taxing
 21 units in the taxing district after subtracting the STEP ONE
 22 (D) amount for the same taxing district; multiplied by
 23 (ii) the clause (C) amount.
 24 (E) Determine the sum of the clause (D) amounts for all taxing
 25 districts in the county.
 26 STEP FOUR: Determine the sum of the STEP ONE, STEP TWO,
 27 and STEP THREE amounts for the county.
 28 If the boundaries of a taxing district change after the years for which a
 29 ratio is calculated under STEP ONE, STEP TWO, or STEP THREE,
 30 the ~~auditor of state~~ **comptroller** shall establish a ratio for the new
 31 taxing district that reflects the tax rates imposed in the predecessor
 32 taxing districts. If a new taxing district is established after the years for
 33 which a ratio is calculated under STEP ONE, STEP TWO, or STEP
 34 THREE, the ~~auditor of state~~ **comptroller** shall establish a ratio for the
 35 new taxing district and adjust the ratio for other taxing districts in the
 36 county.
 37 (d) Such determination shall be made from copies of vehicle
 38 registration forms furnished by the bureau of motor vehicles. Prior to
 39 such determination, the county assessor of each county shall, from
 40 copies of registration forms, cause information pertaining to legal
 41 residence of persons owning taxable vehicles to be verified from the
 42 assessor's records, to the extent such verification can be so made. The



1 assessor shall further identify and verify from the assessor's records the
2 several taxing units within which such persons reside.

3 (e) Such verifications shall be done by not later than thirty (30) days
4 after receipt of vehicle registration forms by the county assessor, and
5 the assessor shall certify such information to the county auditor for the
6 auditor's use as soon as it is checked and completed.

7 SECTION 15. IC 6-6-5.5-19, AS AMENDED BY THE
8 TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL
9 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2024]: Sec. 19. (a) As used in this section, "assessed value"
11 means an amount equal to the true tax value of commercial vehicles
12 that:

13 (1) are subject to the commercial vehicle excise tax under this
14 chapter; and

15 (2) would have been subject to assessment as personal property
16 on March 1, 2000, under the law in effect before January 1, 2000.

17 (b) For calendar year 2001, a taxing unit's base revenue shall be
18 determined as provided in subsection (f). For calendar years that begin
19 after December 31, 2001, and before January 1, 2009, a taxing unit's
20 base revenue shall be determined by multiplying the previous year's
21 base revenue by one hundred five percent (105%). For calendar years
22 that begin after December 31, 2008, a taxing unit's base revenue is
23 equal to:

24 (1) the amount of commercial vehicle excise tax collected during
25 the previous state fiscal year; multiplied by

26 (2) the taxing unit's percentage as determined in subsection (f) for
27 calendar year 2001.

28 (c) The amount of commercial vehicle excise tax distributed to the
29 taxing units of Indiana from the commercial vehicle excise tax fund
30 shall be determined in the manner provided in this section.

31 (d) On or before July 1, 2000, each county assessor shall certify to
32 the county auditor the assessed value of commercial vehicles in every
33 taxing district.

34 (e) On or before August 1, 2000, the county auditor shall certify the
35 following to the department of local government finance:

36 (1) The total assessed value of commercial vehicles in the county.

37 (2) The total assessed value of commercial vehicles in each taxing
38 district of the county.

39 (f) The department of local government finance shall determine
40 each taxing unit's base revenue by applying the current tax rate for each
41 taxing district to the certified assessed value from each taxing district.
42 The department of local government finance shall also determine the



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following:

(1) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in Indiana.

(2) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in each county.

(3) Each county's total distribution percentage. A county's total distribution percentage shall be determined by dividing the total amount of base revenue to be distributed in 2001 to all taxing units in the county by the total base revenue to be distributed statewide.

(4) Each taxing unit's distribution percentage. A taxing unit's distribution percentage shall be determined by dividing each taxing unit's base revenue by the total amount of base revenue to be distributed in 2001 to all taxing units in the county. **However, in the event a taxing unit subsequently merges or consolidates with another taxing unit in the county, the amount of the base revenue used to calculate the distribution percentage of the taxing unit resulting from the consolidation or merger under this subdivision is the combined base revenue distributed in 2001 to each taxing unit that was subsequently merged or consolidated to establish the currently existing taxing unit.**

(g) The department of local government finance shall certify each taxing unit's base revenue and distribution percentage for calendar year 2001 to the auditor of state on or before September 1, 2000.

(h) The ~~auditor of state~~ **comptroller** shall keep permanent records of each taxing unit's base revenue and distribution percentage for calendar year 2001 for purposes of determining the amount of money each taxing unit in Indiana is entitled to receive in calendar years that begin after December 31, 2001.

SECTION 16. IC 6-9-58 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:

Chapter 58. Hammond Food and Beverage Tax

Sec. 1. This chapter applies to the city of Hammond.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the city may adopt an ordinance to impose an excise tax, known as the city food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the city may adopt an ordinance under this subsection only after



1 the fiscal body has previously held at least one (1) separate public
 2 hearing in which a discussion of the proposed ordinance to impose
 3 the city food and beverage tax is the only substantive issue on the
 4 agenda for the public hearing.

5 (b) If the city fiscal body adopts an ordinance under subsection
 6 (a), the city fiscal body shall immediately send a certified copy of
 7 the ordinance to the department of state revenue.

8 (c) If the city fiscal body adopts an ordinance under subsection
 9 (a), the city food and beverage tax applies to transactions that
 10 occur after the later of the following:

11 (1) The day specified in the ordinance.

12 (2) The last day of the month that succeeds the month in
 13 which the ordinance is adopted.

14 Sec. 4. (a) Except as provided in subsection (c), a tax imposed
 15 under section 3 of this chapter applies to a transaction in which
 16 food or beverage is furnished, prepared, or served:

17 (1) for consumption at a location or on equipment provided by
 18 a retail merchant;

19 (2) in the city; and

20 (3) by a retail merchant for consideration.

21 (b) Transactions described in subsection (a)(1) include
 22 transactions in which food or beverage is:

23 (1) served by a retail merchant off the merchant's premises;

24 (2) sold in a heated state or heated by a retail merchant;

25 (3) made of two (2) or more food ingredients, mixed or
 26 combined by a retail merchant for sale as a single item (other
 27 than food that is only cut, repackaged, or pasteurized by the
 28 seller, and eggs, fish, meat, poultry, and foods containing these
 29 raw animal foods requiring cooking by the consumer as
 30 recommended by the federal Food and Drug Administration
 31 in chapter 3, subpart 3-401.11 of its Food Code so as to
 32 prevent food borne illnesses); or

33 (4) sold with eating utensils provided by a retail merchant,
 34 including plates, knives, forks, spoons, glasses, cups, napkins,
 35 or straws (for purposes of this subdivision, a plate does not
 36 include a container or package used to transport food).

37 (c) The city food and beverage tax does not apply to the
 38 furnishing, preparing, or serving of a food or beverage in a
 39 transaction that is exempt, or to the extent the transaction is
 40 exempt, from the state gross retail tax imposed by IC 6-2.5.

41 Sec. 5. The city food and beverage tax rate:

42 (1) must be imposed in an increment of twenty-five



1 **hundredths percent (0.25%); and**
 2 **(2) may not exceed one percent (1%);**
 3 **of the gross retail income received by the merchant from the food**
 4 **or beverage transaction described in section 4 of this chapter. For**
 5 **purposes of this chapter, the gross retail income received by the**
 6 **retail merchant from a transaction does not include the amount of**
 7 **tax imposed on the transaction under IC 6-2.5.**

8 **Sec. 6. A tax imposed under this chapter is imposed, paid, and**
 9 **collected in the same manner that the state gross retail tax is**
 10 **imposed, paid, and collected under IC 6-2.5. However, the return**
 11 **to be filed with the payment of the tax imposed under this chapter**
 12 **may be made on a separate return or may be combined with the**
 13 **return filed for the payment of the state gross retail tax, as**
 14 **prescribed by the department of state revenue.**

15 **Sec. 7. The amounts received from the tax imposed under this**
 16 **chapter shall be paid monthly by the treasurer of state to the city**
 17 **fiscal officer upon warrants issued by the state comptroller.**

18 **Sec. 8. (a) If a tax is imposed under section 3 of this chapter by**
 19 **the city, the city fiscal officer shall establish a food and beverage**
 20 **tax receipts fund.**

21 **(b) The city fiscal officer shall deposit in the fund all amounts**
 22 **received under this chapter.**

23 **(c) Money earned from the investment of money in the fund**
 24 **becomes a part of the fund.**

25 **Sec. 9. Money in the food and beverage tax receipts fund must**
 26 **be used by the city only for the following purposes:**

27 **(1) Development related to the northern Indiana commuter**
 28 **transportation district's construction of the West Lake**
 29 **Corridor Commuter Rail Project.**

30 **(2) Development in the city's downtown area, including the**
 31 **purchase of land for development in the city's downtown area.**

32 **(3) The expansion and improvement of the Hammond**
 33 **Sportsplex and Community Center, including the purchase of**
 34 **land for the expansion and improvement of the Hammond**
 35 **Sportsplex and Community Center.**

36 **(4) The expansion and improvement of the Pavilion at Wolf**
 37 **Lake Memorial Park, including the purchase of land for the**
 38 **expansion and improvement of the Pavilion at Wolf Lake**
 39 **Memorial Park.**

40 **(5) The pledge of money under IC 5-1-14-4 for bonds, leases,**
 41 **or other obligations incurred for a purpose described in**
 42 **subdivisions (1) through (4).**



1 Revenue derived from the imposition of a tax under this chapter
 2 may be treated by the city as additional revenue for the purpose of
 3 fixing its budget for the budget year during which the revenues are
 4 to be distributed to the city.

5 Sec. 10. With respect to obligations for which a pledge has been
 6 made under section 9 of this chapter, the general assembly
 7 covenants with the holders of the obligations that this chapter will
 8 not be repealed or amended in a manner that will adversely affect
 9 the imposition or collection of the tax imposed under this chapter
 10 if the payment of any of the obligations is outstanding.

11 Sec. 11. (a) If the city imposes the tax authorized by this chapter,
 12 the tax terminates on July 1, 2047.

13 (b) This chapter expires July 1, 2047.

14 SECTION 17. IC 6-9-59 IS ADDED TO THE INDIANA CODE AS
 15 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 16 1, 2024]:

17 **Chapter 59. Cicero Food and Beverage Tax**

18 **Sec. 1. This chapter applies to the town of Cicero.**

19 **Sec. 2. The definitions in IC 6-9-12-1 apply throughout this**
 20 **chapter.**

21 **Sec. 3. (a) The fiscal body of the town may adopt an ordinance**
 22 **to impose an excise tax, known as the town food and beverage tax,**
 23 **on transactions described in section 4 of this chapter. The fiscal**
 24 **body of the town may adopt an ordinance under this subsection**
 25 **only after the fiscal body has previously held at least one (1)**
 26 **separate public hearing in which a discussion of the proposed**
 27 **ordinance to impose the town food and beverage tax is the only**
 28 **substantive issue on the agenda for the public hearing.**

29 **(b) If the town fiscal body adopts an ordinance under subsection**
 30 **(a), the town fiscal body shall immediately send a certified copy of**
 31 **the ordinance to the department of state revenue.**

32 **(c) If the town fiscal body adopts an ordinance under subsection**
 33 **(a), the town food and beverage tax applies to transactions that**
 34 **occur after the later of the following:**

35 **(1) The day specified in the ordinance.**

36 **(2) The last day of the month that succeeds the month in**
 37 **which the ordinance is adopted.**

38 **Sec. 4. (a) Except as provided in subsection (c), a tax imposed**
 39 **under section 3 of this chapter applies to a transaction in which**
 40 **food or beverage is furnished, prepared, or served:**

41 **(1) for consumption at a location or on equipment provided by**
 42 **a retail merchant;**



1 (2) in the town; and
2 (3) by a retail merchant for consideration.
3 (b) Transactions described in subsection (a)(1) include
4 transactions in which food or beverage is:
5 (1) served by a retail merchant off the merchant's premises;
6 (2) sold in a heated state or heated by a retail merchant;
7 (3) made of two (2) or more food ingredients, mixed or
8 combined by a retail merchant for sale as a single item (other
9 than food that is only cut, repackaged, or pasteurized by the
10 seller, and eggs, fish, meat, poultry, and foods containing these
11 raw animal foods requiring cooking by the consumer as
12 recommended by the federal Food and Drug Administration
13 in chapter 3, subpart 3-401.11 of its Food Code so as to
14 prevent food borne illnesses); or
15 (4) sold with eating utensils provided by a retail merchant,
16 including plates, knives, forks, spoons, glasses, cups, napkins,
17 or straws (for purposes of this subdivision, a plate does not
18 include a container or package used to transport food).
19 (c) The town food and beverage tax does not apply to the
20 furnishing, preparing, or serving of a food or beverage in a
21 transaction that is exempt, or to the extent the transaction is
22 exempt, from the state gross retail tax imposed by IC 6-2.5.
23 Sec. 5. The town food and beverage tax rate:
24 (1) must be imposed in an increment of twenty-five
25 hundredths percent (0.25%); and
26 (2) may not exceed one percent (1%);
27 of the gross retail income received by the merchant from the food
28 or beverage transaction described in section 4 of this chapter. For
29 purposes of this chapter, the gross retail income received by the
30 retail merchant from a transaction does not include the amount of
31 tax imposed on the transaction under IC 6-2.5.
32 Sec. 6. A tax imposed under this chapter is imposed, paid, and
33 collected in the same manner that the state gross retail tax is
34 imposed, paid, and collected under IC 6-2.5. However, the return
35 to be filed with the payment of the tax imposed under this chapter
36 may be made on a separate return or may be combined with the
37 return filed for the payment of the state gross retail tax, as
38 prescribed by the department of state revenue.
39 Sec. 7. The amounts received from the tax imposed under this
40 chapter shall be paid monthly by the treasurer of state to the town
41 fiscal officer upon warrants issued by the state comptroller.
42 Sec. 8. (a) If a tax is imposed under section 3 of this chapter by



1 the town, the town fiscal officer shall establish a food and beverage
2 tax receipts fund.

3 (b) The town fiscal officer shall deposit in the fund all amounts
4 received under this chapter.

5 (c) Money earned from the investment of money in the fund
6 becomes a part of the fund.

7 Sec. 9. Money in the food and beverage tax receipts fund must
8 be used by the town only for the following purposes:

9 (1) To reduce the town's property tax levy for a particular
10 year at the discretion of the town, but this use does not reduce
11 the maximum permissible ad valorem property tax levy under
12 IC 6-1.1-18.5 for the town.

13 (2) For economic development purposes, including the pledge
14 of money under IC 5-1-14-4 for bonds, leases, or other
15 obligations for economic development purposes.

16 (3) To create new parks and amenities, and to expand and
17 enhance existing parks and amenities.

18 (4) To upgrade, expand, and otherwise improve the town's
19 water, sanitary sewer, and stormwater utilities.

20 Revenue derived from the imposition of a tax under this chapter
21 may be treated by the town as additional revenue for the purpose
22 of fixing its budget for the budget year during which the revenues
23 are to be distributed to the town.

24 Sec. 10. With respect to obligations for which a pledge has been
25 made under section 9 of this chapter, the general assembly
26 covenants with the holders of the obligations that this chapter will
27 not be repealed or amended in a manner that will adversely affect
28 the imposition or collection of the tax imposed under this chapter
29 if the payment of any of the obligations is outstanding.

30 Sec. 11. (a) If the town imposes the tax authorized by this
31 chapter, the tax terminates on July 1, 2046.

32 (b) This chapter expires July 1, 2046.

33 SECTION 18. [EFFECTIVE JULY 1, 2024] (a) The definitions
34 used in IC 6-3.6-2 apply throughout this SECTION.

35 (b) As used in this SECTION, "district" refers to the
36 Highlander Fire Protection District located in Floyd County
37 established by an ordinance adopted by the Floyd County
38 commissioners on December 30, 2022.

39 (c) As used in this SECTION, "Greenville FPD" refers to the
40 Greenville Township Fire Protection District located in Floyd
41 County as it existed prior to its merger with the Lafayette FPD.

42 (d) As used in this SECTION, "Lafayette FPD" refers to the



1 Lafayette Township Fire Protection District located in Floyd
2 County as it existed prior to its merger with the Greenville FPD.

3 (e) Notwithstanding IC 6-3.6-6, as amended by this act, and
4 IC 6-3.6-9-15, the department of local government finance shall
5 include with its certified distribution under IC 6-3.6-9-5 for Floyd
6 County in 2025 and for the calculations of any potential
7 supplemental distribution under IC 6-3.6-9-15 for 2026 the
8 following adjustments:

9 (1) An amount equal to the combined distribution that would
10 have been distributed to the Greenville FPD and the Lafayette
11 FPD in 2024, but for their elimination resulting from the
12 merger to establish the district, shall be added to the
13 distribution to the district.

14 (2) The distribution for each applicable civil taxing unit and
15 school corporation in Floyd County, excluding the district,
16 shall be reduced by an amount in accordance with
17 IC 6-3.6-9-6 that equals the proportionate share of the
18 amount of local income tax received in 2024 under IC 6-3.6-6,
19 before its amendment by this act, of the combined distribution
20 that would have been distributed to the Greenville FPD and
21 the Lafayette FPD in 2024, but for their elimination resulting
22 from the merger to establish the district.

23 (f) Notwithstanding IC 6-1.1-18.5, the department of local
24 government finance shall make a one (1) time temporary
25 adjustment to the maximum levies in accordance with the
26 adjustments described in subsection (e) that may not be included
27 in the calculation of a maximum levy in a subsequent year of the
28 applicable taxing units.

29 (g) This SECTION expires January 1, 2027.

30 SECTION 19. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1121, 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 1, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 2. IC 6-3.6-3-1, AS AMENDED BY P.L.184-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 1. (a) The following is the adopting body for a county:

(1) The local income tax council in a county in which the county income tax council adopted either:

(A) a county option income tax under IC 6-3.5-6 (repealed) that was in effect on January 1, 2015; or

(B) a county economic development income tax for the county under IC 6-3.5-7 (repealed) that was in effect on January 1, 2015.

(2) The county fiscal body in any other county.

(3) The county fiscal body for purposes of adopting a rate dedicated to paying for a PSAP in the county as permitted by IC 6-3.6-6-2.5.

(4) The county fiscal body for purposes of adopting a rate dedicated to paying for acute care hospitals in the county as permitted by IC 6-3.6-6-2.6.

~~(4)~~ **(5)** The county fiscal body for purposes of adopting a rate dedicated to paying for correctional facilities and rehabilitation facilities in the county as permitted by IC 6-3.6-6-2.7.

(b) A local income tax council is established for each county. The membership of each county's local income tax council consists of the fiscal body of the county and the fiscal body of each city or town that lies either partially or entirely within that county."

Page 5, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 7. IC 6-3.6-6-2.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 2.4. (a) This section applies only to Marion County.**

(b) As used in this section, "improvement and services projects" means the following:

(1) Providing security for public areas, including installing and maintaining exterior cameras directly linked with the Indianapolis metropolitan police department central control.

(2) Employing safety ambassadors to:

(A) deter aggressive panhandling and other nuisance



behavior;

(B) assist with directions and information;

(C) facilitate open communications with police to report ongoing issues;

(D) provide safety escort services; and

(E) maintain a network of communication throughout the downtown area by engaging with private and public security companies.

(3) Cleaning and maintaining sidewalks, including picking up litter, removing graffiti, and power washing.

(4) Conducting extensive outreach to unsheltered homeless individuals.

(5) Funding facility operations for a low barrier shelter for homeless individuals.

(6) Designing, landscaping, beautifying, or maintaining public areas.

(7) Activating and promoting public events.

(8) Creating innovative approaches to attracting new businesses.

(9) Supporting business development.

(10) Planning improvement activities.

(c) The adopting body may, before January 1, 2027, adopt an ordinance to impose a tax rate in the county for improvement and services projects located within the boundaries of the Mile Square area of the consolidated city. The tax rate must be in increments of one-hundredth of one percent (0.01%) and may not exceed two hundredths of one percent (0.02%).

(d) The revenue generated by a tax rate imposed under this section must be distributed directly to the county before the remainder of the expenditure rate revenue is distributed. The revenue shall be maintained in a separate dedicated county fund.

(e) The adopting body may not adopt an ordinance under this section after December 31, 2026.

SECTION 8. IC 6-3.6-6-2.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 2.6. (a) As used in this section, "acute care hospital" means an acute care hospital that is:

(1) established and operated under IC 16-22-2, IC 16-22-8, or IC 16-23; and

(2) licensed under IC 16-21.

(b) A county fiscal body may adopt an ordinance to impose a tax rate for acute care hospitals located in the county. The tax rate



must be in increments of one-hundredth of one percent (0.01%) and may not exceed one-tenth of one percent (0.1%).

(c) The revenue generated by a tax rate imposed under this section must be distributed directly to the county before the remainder of the expenditure rate revenue is distributed. The revenue shall be maintained in a separate dedicated county fund."

Page 6, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 10. IC 6-3.6-6-3, AS AMENDED BY P.L.95-2022, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 3. (a) Revenue raised from a tax imposed under this chapter shall be treated as follows:

(1) To make the following distributions:

(A) If an ordinance described in section 2.4 of this chapter is in effect, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 2.4 of this chapter.

~~(A)~~ **(B)** If an ordinance described in section 2.5 of this chapter is in effect in a county, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 2.5 of this chapter.

(C) If an ordinance described in section 2.6 of this chapter is in effect in a county, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 2.6 of this chapter.

~~(B)~~ **(D)** If an ordinance described in section 2.7 of this chapter is in effect in a county, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 2.7 of this chapter.

~~(C)~~ **(E)** If an ordinance described in section 2.8 of this chapter is in effect in a county, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 2.8 of this chapter.

(2) After making the distributions described in subdivision (1), if any, to make distributions to school corporations and civil taxing units in counties that formerly imposed a tax under IC 6-3.5-1.1 (repealed). The revenue categorized from the next twenty-five hundredths percent (0.25%) of the rate for a former tax adopted under IC 6-3.5-1.1 (repealed) shall be allocated to school corporations and civil taxing units. The amount of the allocation to a school corporation or civil taxing unit shall be determined using the allocation amounts for civil taxing units and school corporations in the county.



(3) After making the distributions described in subdivisions (1) and (2), the remaining revenue shall be treated as additional revenue (referred to as "additional revenue" in this chapter). Additional revenue may not be considered by the department of local government finance in determining:

(A) any taxing unit's maximum permissible property tax levy limit under IC 6-1.1-18.5; or

(B) the approved property tax rate for any fund.

(b) In the case of a civil taxing unit that has pledged the tax from additional revenue for the payment of bonds, leases, or other obligations as reported by the civil taxing unit under IC 5-1-18, the adopting body may not, under section 4 of this chapter, reduce the proportional allocation of the additional revenue that was allocated in the preceding year if the reduction for that year would result in an amount less than the amount necessary for the payment of bonds, leases, or other obligations payable or required to be deposited in a sinking fund or other reserve in that year for the bonds, leases, or other obligations for which the tax from additional revenue has been pledged. To inform an adopting body with regard to allocations that affect the payment of bonds, leases, or other obligations, a taxing unit may provide the adopting body with information regarding any outstanding bonds, leases, or other obligations that are secured by additional revenue. The information must be provided before the date of the public hearing at which the adopting body may change the allocation of additional revenue under section 4 of this chapter.

SECTION 11. IC 6-3.6-6-21.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 21.3. (a) This section:**

(1) does not apply to:

(A) distributions made under this chapter to a civil taxing unit for fire protection services within a fire protection territory established under IC 36-8-19; or

(B) distributions of revenue under section 9 of this chapter; and

(2) applies only to the following:

(A) Any allocation or distribution of revenue under section 3(a)(2) of this chapter that is made on the basis of property tax levies in counties that formerly imposed a tax under IC 6-3.5-1.1 (before its repeal on January 1, 2017).

(B) Any allocation or distribution of revenue under section 3(a)(3) of this chapter that is made on the basis of property tax levies in counties that formerly imposed a tax under



IC 6-3.5-6 (before its repeal on January 1, 2017).

(b) Subject to subsection (a), if two (2) or more:

- (1) school corporations; or**
- (2) civil taxing units;**

of an adopting county merge or consolidate to form a single school corporation or civil taxing unit, the school corporation or civil taxing unit that is in existence on January 1 of the current year is entitled to the combined pro rata distribution of the revenue under section 3(a)(2) or 3(a)(3) of this chapter (as appropriate) allocated to each applicable school corporation or civil taxing unit in existence on January 1 of the immediately preceding calendar year prior to the merger or consolidation.

(c) The department of local government finance shall make adjustments to civil taxing units in accordance with IC 6-1.1-18.5-7.

SECTION 12. IC 6-3.6-9-10, AS AMENDED BY P.L.184-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 10. The budget agency shall also certify information concerning the part of the certified distribution that is attributable to each of the following:

- (1) The tax rate imposed under IC 6-3.6-5.
- (2) The tax rate imposed under IC 6-3.6-6, separately stating:
 - (A) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.4;**
 - ~~(A)~~ **(B) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.5; and**
 - (C) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.6; and**
 - ~~(B)~~ **(D) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.7.**
- (3) Each tax rate imposed under IC 6-3.6-7.
- (4) In the case of Marion County, the local income taxes paid by local taxpayers described in IC 6-3.6-2-13(3).

The amount certified shall be adjusted to reflect any adjustment in the certified distribution under this chapter.

SECTION 13. IC 6-5.5-8-2, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 2. (a) On or before December 1 and June 1 of each year the ~~auditor~~ of state **comptroller** shall transfer from the financial institutions tax fund to each county auditor for distribution to the taxing units (as defined in IC 6-1.1-1-21) in the county, an amount equal to

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fifty percent (50%) of the sum of the distributions under this section for all the taxing units of the county for the state fiscal year. The amount of a taxing unit's distribution for the state fiscal year is equal to the result of:

(1) an amount equal to forty percent (40%) of the total financial institutions tax revenue collected during the preceding state fiscal year; multiplied by

(2) a fraction equal to:

(A) the amount of the guaranteed distributions received by the taxing unit under this chapter during calendar year 2012 (based on the best information available to the department); divided by

(B) the total amount of all guaranteed distributions received by all taxing units under this chapter during calendar year 2012 (based on the best information available to the department).

(b) The county auditor shall distribute the distributions received under subsection (a) to the taxing units in the county at the same time that the county auditor makes the semiannual distribution of real property taxes to the taxing units.

(c) The distributions received under subsection (a) may be used for any legal purpose.

(d) This subsection applies to a taxing unit that did not receive a guaranteed distribution under this chapter during calendar year 2012 because the taxing unit was subsequently established as a result of a merger or consolidation of two (2) or more taxing units that received a guaranteed distribution under this chapter during calendar year 2012. The amount of the guaranteed distribution used in the numerator of the fraction described in subsection (a)(2) equals the combined guaranteed distributions received during calendar year 2012 by each taxing unit that was subsequently merged or consolidated into the current taxing unit.

SECTION 14. IC 6-6-5-10, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:
Sec. 10. (a) The bureau shall establish procedures necessary for the collection of the tax imposed by this chapter and for the proper accounting for the same. The necessary forms and records shall be subject to approval by the state board of accounts.

(b) The county treasurer, upon receiving the excise tax collections, shall receipt such collections into a separate account for settlement thereof at the same time as property taxes are accounted for and settled in June and December of each year, with the right and duty of the



treasurer and auditor to make advances prior to the time of final settlement of such property taxes in the same manner as provided in IC 5-13-6-3.

(c) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. The county auditor shall determine the total amount of excise taxes collected for each taxing district in the county and the amount so collected (and the distributions received under section 9.5 of this chapter) shall be apportioned and distributed among the respective funds of the taxing units in the same manner and at the same time as property taxes are apportioned and distributed (subject to adjustment as provided in IC 36-8-19-7.5). **In the event a taxing unit merges or consolidates with one (1) or more taxing units in the county, the county auditor shall include adjustments to the current taxing unit's apportionment and distributions, if necessary, so that the apportionment and distributions accurately reflect the merger or consolidation of the taxing units.** However, for purposes of determining distributions under this section for 2009 and each year thereafter, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit, as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP FOUR of the following formula:

STEP ONE: Determine the result of the following:

- (A) Separately for 1997, 1998, and 1999 for each taxing district in the county, determine the result of:
 - (i) the amount appropriated in the year by the county from the county's county welfare fund and county welfare administration fund; divided by
 - (ii) the total amounts appropriated by all taxing units in the county for the same year.
- (B) Determine the sum of the clause (A) amounts.
- (C) Divide the clause (B) amount by three (3).
- (D) Determine the result of:
 - (i) the amount of excise taxes allocated to the taxing district



that would otherwise be available for distribution to taxing units in the taxing district; multiplied by
(ii) the clause (C) amount.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars (\$35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district after subtracting the STEP ONE (D) amount for the same taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district after subtracting the STEP ONE



(D) amount for the same taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP FOUR: Determine the sum of the STEP ONE, STEP TWO, and STEP THREE amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE, STEP TWO, or STEP THREE, the ~~auditor of state~~ **comptroller** shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts. If a new taxing district is established after the years for which a ratio is calculated under STEP ONE, STEP TWO, or STEP THREE, the ~~auditor of state~~ **comptroller** shall establish a ratio for the new taxing district and adjust the ratio for other taxing districts in the county.

(d) Such determination shall be made from copies of vehicle registration forms furnished by the bureau of motor vehicles. Prior to such determination, the county assessor of each county shall, from copies of registration forms, cause information pertaining to legal residence of persons owning taxable vehicles to be verified from the assessor's records, to the extent such verification can be so made. The assessor shall further identify and verify from the assessor's records the several taxing units within which such persons reside.

(e) Such verifications shall be done by not later than thirty (30) days after receipt of vehicle registration forms by the county assessor, and the assessor shall certify such information to the county auditor for the auditor's use as soon as it is checked and completed.

SECTION 15. IC 6-6-5.5-19, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 19. (a) As used in this section, "assessed value" means an amount equal to the true tax value of commercial vehicles that:

(1) are subject to the commercial vehicle excise tax under this chapter; and

(2) would have been subject to assessment as personal property on March 1, 2000, under the law in effect before January 1, 2000.

(b) For calendar year 2001, a taxing unit's base revenue shall be determined as provided in subsection (f). For calendar years that begin after December 31, 2001, and before January 1, 2009, a taxing unit's base revenue shall be determined by multiplying the previous year's base revenue by one hundred five percent (105%). For calendar years



that begin after December 31, 2008, a taxing unit's base revenue is equal to:

- (1) the amount of commercial vehicle excise tax collected during the previous state fiscal year; multiplied by
- (2) the taxing unit's percentage as determined in subsection (f) for calendar year 2001.

(c) The amount of commercial vehicle excise tax distributed to the taxing units of Indiana from the commercial vehicle excise tax fund shall be determined in the manner provided in this section.

(d) On or before July 1, 2000, each county assessor shall certify to the county auditor the assessed value of commercial vehicles in every taxing district.

(e) On or before August 1, 2000, the county auditor shall certify the following to the department of local government finance:

- (1) The total assessed value of commercial vehicles in the county.
- (2) The total assessed value of commercial vehicles in each taxing district of the county.

(f) The department of local government finance shall determine each taxing unit's base revenue by applying the current tax rate for each taxing district to the certified assessed value from each taxing district. The department of local government finance shall also determine the following:

- (1) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in Indiana.
- (2) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in each county.
- (3) Each county's total distribution percentage. A county's total distribution percentage shall be determined by dividing the total amount of base revenue to be distributed in 2001 to all taxing units in the county by the total base revenue to be distributed statewide.
- (4) Each taxing unit's distribution percentage. A taxing unit's distribution percentage shall be determined by dividing each taxing unit's base revenue by the total amount of base revenue to be distributed in 2001 to all taxing units in the county. **However, in the event a taxing unit subsequently merges or consolidates with another taxing unit in the county, the amount of the base revenue used to calculate the distribution percentage of the taxing unit resulting from the consolidation or merger under this subdivision is the combined base revenue distributed in**



2001 to each taxing unit that was subsequently merged or consolidated to establish the currently existing taxing unit.

(g) The department of local government finance shall certify each taxing unit's base revenue and distribution percentage for calendar year 2001 to the auditor of state on or before September 1, 2000.

(h) The ~~auditor~~ of state **comptroller** shall keep permanent records of each taxing unit's base revenue and distribution percentage for calendar year 2001 for purposes of determining the amount of money each taxing unit in Indiana is entitled to receive in calendar years that begin after December 31, 2001.

SECTION 16. IC 6-9-58 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:

Chapter 58. Hammond Food and Beverage Tax

Sec. 1. This chapter applies to the city of Hammond.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the city may adopt an ordinance to impose an excise tax, known as the city food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the city may adopt an ordinance under this subsection only after the fiscal body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the city food and beverage tax is the only substantive issue on the agenda for the public hearing.

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

(c) If the city fiscal body adopts an ordinance under subsection (a), the city food and beverage tax applies to transactions that occur after the later of the following:

- (1) The day specified in the ordinance.**
- (2) The last day of the month that succeeds the month in which the ordinance is adopted.**

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

- (1) for consumption at a location or on equipment provided by a retail merchant;**
- (2) in the city; and**
- (3) by a retail merchant for consideration.**

(b) Transactions described in subsection (a)(1) include



transactions in which food or beverage is:

- (1) served by a retail merchant off the merchant's premises;
- (2) sold in a heated state or heated by a retail merchant;
- (3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
- (4) sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport food).

(c) The city food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The city food and beverage tax rate:

- (1) must be imposed in an increment of twenty-five hundredths percent (0.25%); and
- (2) may not exceed one percent (1%);

of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 6. A tax imposed under this chapter is imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the city fiscal officer upon warrants issued by the state comptroller.

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by the city, the city fiscal officer shall establish a food and beverage tax receipts fund.

(b) The city fiscal officer shall deposit in the fund all amounts



received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 9. Money in the food and beverage tax receipts fund must be used by the city only for the following purposes:

(1) Development related to the northern Indiana commuter transportation district's construction of the West Lake Corridor Commuter Rail Project.

(2) Development in the city's downtown area, including the purchase of land for development in the city's downtown area.

(3) The expansion and improvement of the Hammond Sportsplex and Community Center, including the purchase of land for the expansion and improvement of the Hammond Sportsplex and Community Center.

(4) The expansion and improvement of the Pavilion at Wolf Lake Memorial Park, including the purchase of land for the expansion and improvement of the Pavilion at Wolf Lake Memorial Park.

(5) The pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations incurred for a purpose described in subdivisions (1) through (4).

Revenue derived from the imposition of a tax under this chapter may be treated by the city as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the city.

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

Sec. 11. (a) If the city imposes the tax authorized by this chapter, the tax terminates on July 1, 2047.

(b) This chapter expires July 1, 2047.

SECTION 17. IC 6-9-59 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:

Chapter 59. Cicero Food and Beverage Tax

Sec. 1. This chapter applies to the town of Cicero.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the town may adopt an ordinance



to impose an excise tax, known as the town food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the town may adopt an ordinance under this subsection only after the fiscal body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the town food and beverage tax is the only substantive issue on the agenda for the public hearing.

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

(c) If the town fiscal body adopts an ordinance under subsection (a), the town food and beverage tax applies to transactions that occur after the later of the following:

- (1) The day specified in the ordinance.
- (2) The last day of the month that succeeds the month in which the ordinance is adopted.

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

- (1) for consumption at a location or on equipment provided by a retail merchant;
- (2) in the town; and
- (3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

- (1) served by a retail merchant off the merchant's premises;
- (2) sold in a heated state or heated by a retail merchant;
- (3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
- (4) sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport food).

(c) The town food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is



exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The town food and beverage tax rate:

- (1) must be imposed in an increment of twenty-five hundredths percent (0.25%); and
- (2) may not exceed one percent (1%);

of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 6. A tax imposed under this chapter is imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the town fiscal officer upon warrants issued by the state comptroller.

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by the town, the town fiscal officer shall establish a food and beverage tax receipts fund.

(b) The town fiscal officer shall deposit in the fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 9. Money in the food and beverage tax receipts fund must be used by the town only for the following purposes:

- (1) To reduce the town's property tax levy for a particular year at the discretion of the town, but this use does not reduce the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for the town.
- (2) For economic development purposes, including the pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations for economic development purposes.
- (3) To create new parks and amenities, and to expand and enhance existing parks and amenities.
- (4) To upgrade, expand, and otherwise improve the town's water, sanitary sewer, and stormwater utilities.

Revenue derived from the imposition of a tax under this chapter may be treated by the town as additional revenue for the purpose



of fixing its budget for the budget year during which the revenues are to be distributed to the town.

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

Sec. 11. (a) If the town imposes the tax authorized by this chapter, the tax terminates on July 1, 2046.

(b) This chapter expires July 1, 2046.

SECTION 18. [EFFECTIVE JULY 1, 2024] (a) The definitions used in IC 6-3.6-2 apply throughout this SECTION.

(b) As used in this SECTION, "district" refers to the Highlander Fire Protection District located in Floyd County established by an ordinance adopted by the Floyd County commissioners on December 30, 2022.

(c) As used in this SECTION, "Greenville FPD" refers to the Greenville Township Fire Protection District located in Floyd County as it existed prior to its merger with the Lafayette FPD.

(d) As used in this SECTION, "Lafayette FPD" refers to the Lafayette Township Fire Protection District located in Floyd County as it existed prior to its merger with the Greenville FPD.

(e) Notwithstanding IC 6-3.6-6, as amended by this act, and IC 6-3.6-9-15, the department of local government finance shall include with its certified distribution under IC 6-3.6-9-5 for Floyd County in 2025 and for the calculations of any potential supplemental distribution under IC 6-3.6-9-15 for 2026 the following adjustments:

(1) An amount equal to the combined distribution that would have been distributed to the Greenville FPD and the Lafayette FPD in 2024, but for their elimination resulting from the merger to establish the district, shall be added to the distribution to the district.

(2) The distribution for each applicable civil taxing unit and school corporation in Floyd County, excluding the district, shall be reduced by an amount in accordance with IC 6-3.6-9-6 that equals the proportionate share of the amount of local income tax received in 2024 under IC 6-3.6-6, before its amendment by this act, of the combined distribution that would have been distributed to the Greenville FPD and the Lafayette FPD in 2024, but for their elimination resulting



from the merger to establish the district.

(f) Notwithstanding IC 6-1.1-18.5, the department of local government finance shall make a one (1) time temporary adjustment to the maximum levies in accordance with the adjustments described in subsection (e) that may not be included in the calculation of a maximum levy in a subsequent year of the applicable taxing units.

(g) This SECTION expires January 1, 2027."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1121 as introduced.)

THOMPSON

Committee Vote: yeas 19, nays 5.

