



Reprinted  
January 30, 2024

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## HOUSE BILL No. 1121

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DIGEST OF HB 1121 (Updated January 29, 2024 4:12 pm - DI 125)

**Citations Affected:** IC 6-3.6; IC 6-5.5; IC 6-6; IC 6-9; IC 36-7; 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 (projects) located within the boundaries of the Mile Square area. Provides that if the local income tax rate is adopted, the Mile Square improvement and services projects board is established to use the revenue generated for the projects. 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,  
(Continued next page)

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

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## Thompson, Clere, Cherry

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January 8, 2024, read first time and referred to Committee on Ways and Means.  
January 25, 2024, amended, reported — Do Pass.  
January 29, 2024, read second time, amended, ordered engrossed.

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HB 1121—LS 6566/DI 125



## Digest Continued

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 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.

**HB 1121—LS 6566/DI 125**



Reprinted  
January 30, 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

HB 1121—LS 6566/DI 125



- 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, or directly**  
42 **servicing or benefiting, the Mile Square area of the consolidated city,**





1 as provided under IC 36-7-41.2. The tax rate must be in increments  
 2 of one-hundredth of one percent (0.01%) and may not exceed two  
 3 hundredths of one percent (0.02%).

4 (d) The revenue generated by a tax rate imposed under this  
 5 section must be distributed directly to the county before the  
 6 remainder of the expenditure rate revenue is distributed. The  
 7 revenue:

8 (1) shall be maintained in a separate dedicated county fund;  
 9 and

10 (2) may be used only by the Mile Square improvement and  
 11 services project board established by IC 36-7-41.2-3 to finance  
 12 improvement and services projects located within, or directly  
 13 serving or benefiting, the Mile Square area of the consolidated  
 14 city as provided under IC 36-7-41.2.

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

17 SECTION 8. IC 6-3.6-6-2.6 IS ADDED TO THE INDIANA CODE  
 18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 19 1, 2024]: Sec. 2.6. (a) As used in this section, "acute care hospital"  
 20 means an acute care hospital that is:

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

23 (2) licensed under IC 16-21.

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

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

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

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



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

6 ~~Not more than an amount equal to the amount of revenue that is~~  
 7 ~~attributable to two-tenths of one percent (0.2%) of a tax rate imposed~~  
 8 ~~under this section may be used for operating expenses for correctional~~  
 9 ~~facilities and rehabilitation facilities in the county.~~

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

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

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

16 (c) The revenue generated by a tax rate imposed under this section  
 17 must be distributed directly to the county before the remainder of the  
 18 expenditure rate revenue is distributed. The revenue shall be  
 19 maintained in a separate dedicated county fund and used by the county  
 20 only for paying for correctional facilities and rehabilitation facilities in  
 21 the county.

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

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

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

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

32 **(B) no revenue collected from that portion of the total tax**  
 33 **rate that exceeds an increment of two-tenths of one percent**  
 34 **(0.2%);**

35 **may be used for operating expenses for correctional facilities and**  
 36 **rehabilitation facilities in the county.**

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

41 (1) To make the following distributions:

42 **(A) If an ordinance described in section 2.4 of this chapter**



- 1           **is in effect, to make a distribution to the county equal to**  
 2           **the amount of revenue generated by the rate imposed**  
 3           **under section 2.4 of this chapter.**  
 4           ~~(A)~~ **(B)** If an ordinance described in section 2.5 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 2.5 of this chapter.  
 8           **(C) If an ordinance described in section 2.6 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**  
 11           **imposed under section 2.6 of this chapter.**  
 12           ~~(B)~~ **(D)** If an ordinance described in section 2.7 of this chapter  
 13           is in effect in a county, to make a distribution to the county  
 14           equal to the amount of revenue generated by the rate imposed  
 15           under section 2.7 of this chapter.  
 16           ~~(C)~~ **(E)** If an ordinance described in section 2.8 of this chapter  
 17           is in effect in a county, to make a distribution to the county  
 18           equal to the amount of revenue generated by the rate imposed  
 19           under section 2.8 of this chapter.  
 20           (2) After making the distributions described in subdivision (1), if  
 21           any, to make distributions to school corporations and civil taxing  
 22           units in counties that formerly imposed a tax under IC 6-3.5-1.1  
 23           (repealed). The revenue categorized from the next twenty-five  
 24           hundredths percent (0.25%) of the rate for a former tax adopted  
 25           under IC 6-3.5-1.1 (repealed) shall be allocated to school  
 26           corporations and civil taxing units. The amount of the allocation  
 27           to a school corporation or civil taxing unit shall be determined  
 28           using the allocation amounts for civil taxing units and school  
 29           corporations in the county.  
 30           (3) After making the distributions described in subdivisions (1)  
 31           and (2), the remaining revenue shall be treated as additional  
 32           revenue (referred to as "additional revenue" in this chapter).  
 33           Additional revenue may not be considered by the department of  
 34           local government finance in determining:  
 35           (A) any taxing unit's maximum permissible property tax levy  
 36           limit under IC 6-1.1-18.5; or  
 37           (B) the approved property tax rate for any fund.  
 38           (b) In the case of a civil taxing unit that has pledged the tax from  
 39           additional revenue for the payment of bonds, leases, or other  
 40           obligations as reported by the civil taxing unit under IC 5-1-18, the  
 41           adopting body may not, under section 4 of this chapter, reduce the  
 42           proportional allocation of the additional revenue that was allocated in



1 the preceding year if the reduction for that year would result in an  
 2 amount less than the amount necessary for the payment of bonds,  
 3 leases, or other obligations payable or required to be deposited in a  
 4 sinking fund or other reserve in that year for the bonds, leases, or other  
 5 obligations for which the tax from additional revenue has been pledged.  
 6 To inform an adopting body with regard to allocations that affect the  
 7 payment of bonds, leases, or other obligations, a taxing unit may  
 8 provide the adopting body with information regarding any outstanding  
 9 bonds, leases, or other obligations that are secured by additional  
 10 revenue. The information must be provided before the date of the  
 11 public hearing at which the adopting body may change the allocation  
 12 of additional revenue under section 4 of this chapter.

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

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

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

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

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

23 **(A) Any allocation or distribution of revenue under section**  
 24 **3(a)(2) of this chapter that is made on the basis of property**  
 25 **tax levies in counties that formerly imposed a tax under**  
 26 **IC 6-3.5-1.1 (before its repeal on January 1, 2017).**

27 **(B) Any allocation or distribution of revenue under section**  
 28 **3(a)(3) of this chapter that is made on the basis of property**  
 29 **tax levies in counties that formerly imposed a tax under**  
 30 **IC 6-3.5-6 (before its repeal on January 1, 2017).**

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

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

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

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

42 **(c) The department of local government finance shall make**



1 **adjustments to civil taxing units in accordance with**  
 2 **IC 6-1.1-18.5-7.**

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

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

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

23 SECTION 13. IC 6-5.5-8-2, AS AMENDED BY THE TECHNICAL  
 24 CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS  
 25 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,  
 26 2025]: Sec. 2. (a) On or before December 1 and June 1 of each year the  
 27 ~~auditor~~ of state **comptroller** shall transfer from the financial  
 28 institutions tax fund to each county auditor for distribution to the taxing  
 29 units (as defined in IC 6-1.1-1-21) in the county, an amount equal to  
 30 fifty percent (50%) of the sum of the distributions under this section for  
 31 all the taxing units of the county for the state fiscal year. The amount  
 32 of a taxing unit's distribution for the state fiscal year is equal to the  
 33 result of:

- 34 (1) an amount equal to forty percent (40%) of the total financial
- 35 institutions tax revenue collected during the preceding state fiscal
- 36 year; multiplied by
- 37 (2) a fraction equal to:
  - 38 (A) the amount of the guaranteed distributions received by the
  - 39 taxing unit under this chapter during calendar year 2012
  - 40 (based on the best information available to the department);
  - 41 divided by
  - 42 (B) the total amount of all guaranteed distributions received by



1 all taxing units under this chapter during calendar year 2012  
2 (based on the best information available to the department).

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

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

9 **(d) This subsection applies to a taxing unit that did not receive**  
10 **a guaranteed distribution under this chapter during calendar year**  
11 **2012 because the taxing unit was subsequently established as a**  
12 **result of a merger or consolidation of two (2) or more taxing units**  
13 **that received a guaranteed distribution under this chapter during**  
14 **calendar year 2012. The amount of the guaranteed distribution**  
15 **used in the numerator of the fraction described in subsection (a)(2)**  
16 **equals the combined guaranteed distributions received during**  
17 **calendar year 2012 by each taxing unit that was subsequently**  
18 **merged or consolidated into the current taxing unit.**

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

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

33 (c) As used in this subsection, "taxing district" has the meaning set  
34 forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in  
35 IC 6-1.1-1-21, and "tuition support levy" refers to a school  
36 corporation's tuition support property tax levy under IC 20-45-3-11  
37 (repealed) for the school corporation's general fund. The county auditor  
38 shall determine the total amount of excise taxes collected for each  
39 taxing district in the county and the amount so collected (and the  
40 distributions received under section 9.5 of this chapter) shall be  
41 apportioned and distributed among the respective funds of the taxing  
42 units in the same manner and at the same time as property taxes are



1 apporportioned and distributed (subject to adjustment as provided in  
 2 IC 36-8-19-7.5). **In the event a taxing unit merges or consolidates**  
 3 **with one (1) or more taxing units in the county, the county auditor**  
 4 **shall include adjustments to the current taxing unit's**  
 5 **apportionment and distributions, if necessary, so that the**  
 6 **apportionment and distributions accurately reflect the merger or**  
 7 **consolidation of the taxing units.** However, for purposes of  
 8 determining distributions under this section for 2009 and each year  
 9 thereafter, a state welfare and tuition support allocation shall be  
 10 deducted from the total amount available for apportionment and  
 11 distribution to taxing units under this section before any apportionment  
 12 and distribution is made. The county auditor shall remit the state  
 13 welfare and tuition support allocation to the treasurer of state for  
 14 deposit, as directed by the budget agency. The amount of the state  
 15 welfare and tuition support allocation for a county for a particular year  
 16 is equal to the result determined under STEP FOUR of the following  
 17 formula:

18 STEP ONE: Determine the result of the following:

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

21 (i) the amount appropriated in the year by the county from  
 22 the county's county welfare fund and county welfare  
 23 administration fund; divided by

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

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

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

28 (D) Determine the result of:

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

32 (ii) the clause (C) amount.

33 STEP TWO: Determine the result of the following:

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

36 (i) the tax rate imposed in the taxing district for the county's  
 37 county medical assistance to wards fund, family and  
 38 children's fund, children's psychiatric residential treatment  
 39 services fund, county hospital care for the indigent fund,  
 40 children with special health care needs county fund, plus, in  
 41 the case of Marion County, the tax rate imposed by the  
 42 health and hospital corporation that was necessary to raise



1 thirty-five million dollars (\$35,000,000) from all taxing  
 2 districts in the county; divided by  
 3 (ii) the aggregate tax rate imposed in the taxing district for  
 4 the same year.  
 5 (B) Determine the sum of the clause (A) amounts.  
 6 (C) Divide the clause (B) amount by three (3).  
 7 (D) Determine the result of:  
 8 (i) the amount of excise taxes allocated to the taxing district  
 9 that would otherwise be available for distribution to taxing  
 10 units in the taxing district after subtracting the STEP ONE  
 11 (D) amount for the same taxing district; multiplied by  
 12 (ii) the clause (C) amount.  
 13 (E) Determine the sum of the clause (D) amounts for all taxing  
 14 districts in the county.  
 15 STEP THREE: Determine the result of the following:  
 16 (A) Separately for 2006, 2007, and 2008 for each taxing  
 17 district in the county, determine the result of:  
 18 (i) the tuition support levy tax rate imposed in the taxing  
 19 district plus the tax rate imposed by the school corporation  
 20 for the school corporation's special education preschool fund  
 21 in the district; divided by  
 22 (ii) the aggregate tax rate imposed in the taxing district for  
 23 the same year.  
 24 (B) Determine the sum of the clause (A) amounts.  
 25 (C) Divide the clause (B) amount by three (3).  
 26 (D) Determine the result of:  
 27 (i) the amount of excise taxes allocated to the taxing district  
 28 that would otherwise be available for distribution to taxing  
 29 units in the taxing district after subtracting the STEP ONE  
 30 (D) amount for the same taxing district; multiplied by  
 31 (ii) the clause (C) amount.  
 32 (E) Determine the sum of the clause (D) amounts for all taxing  
 33 districts in the county.  
 34 STEP FOUR: Determine the sum of the STEP ONE, STEP TWO,  
 35 and STEP THREE amounts for the county.  
 36 If the boundaries of a taxing district change after the years for which a  
 37 ratio is calculated under STEP ONE, STEP TWO, or STEP THREE,  
 38 the ~~auditor~~ of state **comptroller** shall establish a ratio for the new  
 39 taxing district that reflects the tax rates imposed in the predecessor  
 40 taxing districts. If a new taxing district is established after the years for  
 41 which a ratio is calculated under STEP ONE, STEP TWO, or STEP  
 42 THREE, the ~~auditor~~ of state **comptroller** shall establish a ratio for the





1 new taxing district and adjust the ratio for other taxing districts in the  
2 county.

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

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

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

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

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

25 (b) For calendar year 2001, a taxing unit's base revenue shall be  
26 determined as provided in subsection (f). For calendar years that begin  
27 after December 31, 2001, and before January 1, 2009, a taxing unit's  
28 base revenue shall be determined by multiplying the previous year's  
29 base revenue by one hundred five percent (105%). For calendar years  
30 that begin after December 31, 2008, a taxing unit's base revenue is  
31 equal to:

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

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

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

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

42 (e) On or before August 1, 2000, the county auditor shall certify the



- 1 following to the department of local government finance:
- 2 (1) The total assessed value of commercial vehicles in the county.
- 3 (2) The total assessed value of commercial vehicles in each taxing
- 4 district of the county.
- 5 (f) The department of local government finance shall determine
- 6 each taxing unit's base revenue by applying the current tax rate for each
- 7 taxing district to the certified assessed value from each taxing district.
- 8 The department of local government finance shall also determine the
- 9 following:
- 10 (1) The total amount of base revenue to be distributed from the
- 11 commercial vehicle excise tax fund in 2001 to all taxing units in
- 12 Indiana.
- 13 (2) The total amount of base revenue to be distributed from the
- 14 commercial vehicle excise tax fund in 2001 to all taxing units in
- 15 each county.
- 16 (3) Each county's total distribution percentage. A county's total
- 17 distribution percentage shall be determined by dividing the total
- 18 amount of base revenue to be distributed in 2001 to all taxing
- 19 units in the county by the total base revenue to be distributed
- 20 statewide.
- 21 (4) Each taxing unit's distribution percentage. A taxing unit's
- 22 distribution percentage shall be determined by dividing each
- 23 taxing unit's base revenue by the total amount of base revenue to
- 24 be distributed in 2001 to all taxing units in the county. **However,**
- 25 **in the event a taxing unit subsequently merges or consolidates**
- 26 **with another taxing unit in the county, the amount of the base**
- 27 **revenue used to calculate the distribution percentage of the**
- 28 **taxing unit resulting from the consolidation or merger under**
- 29 **this subdivision is the combined base revenue distributed in**
- 30 **2001 to each taxing unit that was subsequently merged or**
- 31 **consolidated to establish the currently existing taxing unit.**
- 32 (g) The department of local government finance shall certify each
- 33 taxing unit's base revenue and distribution percentage for calendar year
- 34 2001 to the auditor of state on or before September 1, 2000.
- 35 (h) The ~~auditor of state~~ **comptroller** shall keep permanent records
- 36 of each taxing unit's base revenue and distribution percentage for
- 37 calendar year 2001 for purposes of determining the amount of money
- 38 each taxing unit in Indiana is entitled to receive in calendar years that
- 39 begin after December 31, 2001.
- 40 SECTION 16. IC 6-9-58 IS ADDED TO THE INDIANA CODE AS
- 41 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 42 1, 2024]:



1 **Chapter 58. Hammond Food and Beverage Tax**

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

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

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

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

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

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

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

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

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

27 **(2) in the city; and**

28 **(3) by a retail merchant for consideration.**

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

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

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

33 **(3) made of two (2) or more food ingredients, mixed or**  
 34 **combined by a retail merchant for sale as a single item (other**  
 35 **than food that is only cut, repackaged, or pasteurized by the**  
 36 **seller, and eggs, fish, meat, poultry, and foods containing these**  
 37 **raw animal foods requiring cooking by the consumer as**  
 38 **recommended by the federal Food and Drug Administration**  
 39 **in chapter 3, subpart 3-401.11 of its Food Code so as to**  
 40 **prevent food borne illnesses); or**

41 **(4) sold with eating utensils provided by a retail merchant,**  
 42 **including plates, knives, forks, spoons, glasses, cups, napkins,**



1 or straws (for purposes of this subdivision, a plate does not  
2 include a container or package used to transport food).

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

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

8 (1) must be imposed in an increment of twenty-five  
9 hundredths percent (0.25%); and

10 (2) may not exceed one percent (1%);

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

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

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

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

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

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

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

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

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

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



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

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

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

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

9           (2) in the town; and

10          (3) by a retail merchant for consideration.

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

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

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

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

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

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

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

32          (1) must be imposed in an increment of twenty-five  
33          hundredths percent (0.25%); and

34          (2) may not exceed one percent (1%);

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

40          **Sec. 6. A tax imposed under this chapter is imposed, paid, and**  
41          **collected in the same manner that the state gross retail tax is**  
42          **imposed, paid, and collected under IC 6-2.5. However, the return**



1 to be filed with the payment of the tax imposed under this chapter  
 2 may be made on a separate return or may be combined with the  
 3 return filed for the payment of the state gross retail tax, as  
 4 prescribed by the department of state revenue.

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

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

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

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

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

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

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

24 **(3)** To create new parks and amenities, and to expand and  
 25 enhance existing parks and amenities.

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

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

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

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

40 **(b)** This chapter expires July 1, 2046.

41 SECTION 18. IC 36-7-41.2 IS ADDED TO THE INDIANA CODE  
 42 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE



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JULY 1, 2024]:

**Chapter 41.2. Mile Square Improvement and Services Projects Board**

**Sec. 1. As used in this chapter, "board" refers to the Mile Square improvement and services projects board established under section 3 of this chapter.**

**Sec. 2. As used in this chapter, "improvement and services projects" has the meaning set forth in IC 6-3.6-6-2.4(b).**

**Sec. 3. (a) If the adopting body adopts an ordinance under IC 6-3.6-6-2.4, the Mile Square improvement and services projects board is established. The board consists of eight (8) members to be appointed as follows:**

- (1) Two (2) members appointed by the legislative body of the consolidated city.**
- (2) Two (2) members appointed by the mayor of the consolidated city.**
- (3) Four (4) members appointed by the governor. One (1) of the members appointed under this subdivision must represent the business community and own real property located within the Mile Square area of the consolidated city. The president pro tempore of the senate and the speaker of the house of representatives may each make one (1) recommendation to the governor concerning the appointment of a member under this subdivision.**

**A majority of the board members must own real property within the Mile Square area of the consolidated city. Each board member shall serve a term of one (1) year from the first day of January after the board member's appointment and until the board member's successor is appointed and qualified.**

**(b) A proposal before the board must receive at least five (5) votes to authorize action by the board.**

**(c) Downtown Indy, Inc., or its successor organization, shall provide staff support to the board.**

**Sec. 4. The board may use revenues generated by the tax rate imposed under IC 6-3.6-6-2.4 to finance improvement and services projects located within, or directly serving or benefiting, the Mile Square area of the consolidated city.**

**Sec. 5. The board shall comply with IC 36-1-12 when contracting for public works.**

**Sec. 6. The board may enter into lease or contractual agreements, or both, with governmental, nonprofit, or other private entities for the purpose of carrying out improvement and**





- 1 services projects.
- 2 **Sec. 7. If the ordinance adopted under IC 6-3.6-6-2.4 is repealed,**
- 3 **the assets and liabilities of the board shall be disposed of in the**
- 4 **manner determined by the fiscal body of the consolidated city.**
- 5 **However, liabilities incurred by the board are not an obligation of**
- 6 **the consolidated city and are payable only from the revenues**
- 7 **generated by the tax rate imposed under IC 6-3.6-6-2.4.**
- 8 **Sec. 8. The board shall submit an annual report to the fiscal**
- 9 **body of the consolidated city not later than June 30 of each year.**
- 10 **The report must summarize the board's activities and expenditures**
- 11 **during the preceding calendar year.**
- 12 **Sec. 9. Subject to section 10 of this chapter, after approval of the**
- 13 **fiscal body of the consolidated city, the board may issue revenue**
- 14 **bonds payable from revenues generated by the tax rate imposed**
- 15 **under IC 6-3.6-6-2.4 to finance an improvement and services**
- 16 **project.**
- 17 **Sec. 10. If the board fails to comply with a requirement under**
- 18 **this chapter, the board may not issue revenue bonds.**
- 19 **SECTION 19. [EFFECTIVE JULY 1, 2024] (a) The definitions**
- 20 **used in IC 6-3.6-2 apply throughout this SECTION.**
- 21 **(b) As used in this SECTION, "district" refers to the**
- 22 **Highlander Fire Protection District located in Floyd County**
- 23 **established by an ordinance adopted by the Floyd County**
- 24 **commissioners on December 30, 2022.**
- 25 **(c) As used in this SECTION, "Greenville FPD" refers to the**
- 26 **Greenville Township Fire Protection District located in Floyd**
- 27 **County as it existed prior to its merger with the Lafayette FPD.**
- 28 **(d) As used in this SECTION, "Lafayette FPD" refers to the**
- 29 **Lafayette Township Fire Protection District located in Floyd**
- 30 **County as it existed prior to its merger with the Greenville FPD.**
- 31 **(e) Notwithstanding IC 6-3.6-6, as amended by this act, and**
- 32 **IC 6-3.6-9-15, the department of local government finance shall**
- 33 **include with its certified distribution under IC 6-3.6-9-5 for Floyd**
- 34 **County in 2025 and for the calculations of any potential**
- 35 **supplemental distribution under IC 6-3.6-9-15 for 2026 the**
- 36 **following adjustments:**
- 37 **(1) An amount equal to the combined distribution that would**
- 38 **have been distributed to the Greenville FPD and the Lafayette**
- 39 **FPD in 2024, but for their elimination resulting from the**
- 40 **merger to establish the district, shall be added to the**
- 41 **distribution to the district.**
- 42 **(2) The distribution for each applicable civil taxing unit and**



1 school corporation in Floyd County, excluding the district,  
2 shall be reduced by an amount in accordance with  
3 IC 6-3.6-9-6 that equals the proportionate share of the  
4 amount of local income tax received in 2024 under IC 6-3.6-6,  
5 before its amendment by this act, of the combined distribution  
6 that would have been distributed to the Greenville FPD and  
7 the Lafayette FPD in 2024, but for their elimination resulting  
8 from the merger to establish the district.  
9 (f) Notwithstanding IC 6-1.1-18.5, the department of local  
10 government finance shall make a one (1) time temporary  
11 adjustment to the maximum levies in accordance with the  
12 adjustments described in subsection (e) that may not be included  
13 in the calculation of a maximum levy in a subsequent year of the  
14 applicable taxing units.  
15 (g) This SECTION expires January 1, 2027.  
16 SECTION 20. 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.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1121 be amended to read as follows:

Page 6, line 41, after "boundaries of" insert ", or directly serving or benefiting,".

Page 6, line 42, delete "city." and insert "city, as provided under IC 36-7-41.2.".

Page 7, line 6, after "revenue" insert "(1)".

Page 7, line 6, delete "fund." and insert "fund; and (2) may be used only by the Mile Square improvement and services project board established by IC 36-7-41.2-3 to finance improvement and services projects located within, or directly serving or benefiting, the Mile Square area of the consolidated city as provided under IC 36-7-41.2.".

Page 21, between lines 32 and 33, begin a new paragraph and insert: "SECTION 18. IC 36-7-41.2 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:

**Chapter 41.2. Mile Square Improvement and Services Projects Board**

**Sec. 1. As used in this chapter, "board" refers to the Mile**



Square improvement and services projects board established under section 3 of this chapter.

Sec. 2. As used in this chapter, "improvement and services projects" has the meaning set forth in IC 6-3.6-6-2.4(b).

Sec. 3. (a) If the adopting body adopts an ordinance under IC 6-3.6-6-2.4, the Mile Square improvement and services projects board is established. The board consists of eight (8) members to be appointed as follows:

- (1) Two (2) members appointed by the legislative body of the consolidated city.
- (2) Two (2) members appointed by the mayor of the consolidated city.
- (3) Four (4) members appointed by the governor. One (1) of the members appointed under this subdivision must represent the business community and own real property located within the Mile Square area of the consolidated city. The president pro tempore of the senate and the speaker of the house of representatives may each make one (1) recommendation to the governor concerning the appointment of a member under this subdivision.

A majority of the board members must own real property within the Mile Square area of the consolidated city. Each board member shall serve a term of one (1) year from the first day of January after the board member's appointment and until the board member's successor is appointed and qualified.

(b) A proposal before the board must receive at least five (5) votes to authorize action by the board.

(c) Downtown Indy, Inc., or its successor organization, shall provide staff support to the board.

Sec. 4. The board may use revenues generated by the tax rate imposed under IC 6-3.6-6-2.4 to finance improvement and services projects located within, or directly serving or benefiting, the Mile Square area of the consolidated city.

Sec. 5. The board shall comply with IC 36-1-12 when contracting for public works.

Sec. 6. The board may enter into lease or contractual agreements, or both, with governmental, nonprofit, or other private entities for the purpose of carrying out improvement and services projects.

Sec. 7. If the ordinance adopted under IC 6-3.6-6-2.4 is repealed, the assets and liabilities of the board shall be disposed of in the manner determined by the fiscal body of the consolidated city.



**However, liabilities incurred by the board are not an obligation of the consolidated city and are payable only from the revenues generated by the tax rate imposed under IC 6-3.6-6-2.4.**

**Sec. 8. The board shall submit an annual report to the fiscal body of the consolidated city not later than June 30 of each year. The report must summarize the board's activities and expenditures during the preceding calendar year.**

**Sec. 9. Subject to section 10 of this chapter, after approval of the fiscal body of the consolidated city, the board may issue revenue bonds payable from revenues generated by the tax rate imposed under IC 6-3.6-6-2.4 to finance an improvement and services project.**

**Sec. 10. If the board fails to comply with a requirement under this chapter, the board may not issue revenue bonds."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1121 as printed January 25, 2024.)

THOMPSON

