

Second Regular Session 118th General Assembly (2014)

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

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

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

HOUSE ENROLLED ACT No. 1180

AN ACT to amend the Indiana Code concerning transportation.

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

SECTION 1. IC 6-3.1-34.6-6, AS ADDED BY P.L.277-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 6. As used in this chapter, "qualified vehicle" means a natural gas powered vehicle that:

- (1) has a gross vehicle weight rating of more than thirty-three thousand (33,000) pounds; **and**
- (2) is purchased or leased from a dealer located in Indiana.**

SECTION 2. IC 6-3.1-34.6-10, AS ADDED BY P.L.277-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 10. The total amount of the tax credits granted in a particular year to all persons under this chapter may not exceed **the** lesser of:

- (1) three million dollars (\$3,000,000) per year; or
- (2) the revenue, as estimated by the budget agency, that is attributable to the imposition of the gross retail and use tax on transactions involving ~~alternative fuel (as defined by IC 6-6-2.5-1)~~ **the purchase of a natural gas product (as defined by IC 6-6-2.5-16.5)** to fuel a motor vehicle ~~used in providing public transportation for persons or property as a result of IC 6-2.5-5-27(b)~~ for the year the credit is claimed.

In addition, the tax credits granted for all years to all persons under this chapter may not exceed three (3) times the per year amount under

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subdivision (1) or (2), whichever applies for a particular year.

SECTION 3. IC 6-3.1-34.6-12, AS ADDED BY P.L.277-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 12. (a) To receive a credit under this chapter, a person **placing a qualified vehicle into service** must:

- (1) **claim the credit on the person's state tax return or returns apply for the department's approval of the tax credit and notify the department of the person's purchase or lease of a qualified vehicle** in the manner prescribed by the department; **and**
- (2) **submit proof of the purchase or lease to the department and** file with the department information that the department determines is necessary for the calculation of the credit under this chapter;
- (3) **attach proof of the department's approval of the tax credit to the person's state tax return or returns; and**
- (4) **claim the approved tax credit on the person's state tax return or returns in the manner prescribed by the department.**

(b) The department shall record the time of filing of each ~~return claiming a credit under this section~~ **application for the department's approval of a tax credit** and shall, except as provided in subsection (c), ~~grant approve granting~~ the credit to the person, if the person otherwise qualifies for a credit under this chapter, in the chronological order in which the ~~return application for the department's approval~~ is filed in the year.

(c) If the total credits ~~granted approved~~ under this section equal the maximum amount allowable in the year, ~~a return claiming the department may not approve an application for the credit filed later in that year. may not be approved.~~

SECTION 4. IC 6-6-2.5-1, AS AMENDED BY P.L.277-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas, ~~liquid or compressed natural gas product, or a combination of liquefied petroleum gas and a compressed natural gas product,~~ not including a biodiesel fuel or biodiesel blend, used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane ~~or propane. or liquid or compressed natural gas.~~



SECTION 5. IC 6-6-2.5-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 16.5. As used in this chapter, "natural gas product" means:**

- (1) a liquid or compressed natural gas product; or**
- (2) a combination of liquefied petroleum gas and a compressed natural gas product;**

used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance.

SECTION 6. IC 6-6-2.5-22, AS AMENDED BY P.L.277-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 22. As used in this chapter, "special fuel" means all combustible gases and liquids that are:**

- (1) suitable for the generation of power in an internal combustion engine or motor; or**
- (2) used exclusively for heating, industrial, or farm purposes other than for the operation of a motor vehicle.**

Special fuel includes biodiesel and blended biodiesel (as defined in IC 6-6-2.5-1.5) and **alternative fuels: natural gas products**. However, the term does not include **an alternative fuel**, gasoline (as defined in IC 6-6-1.1-103), ethanol produced, stored, or sold for the manufacture of or compounding or blending with gasoline, kerosene, and jet fuel (if the purchaser of the jet fuel has provided to the seller proof of the purchaser's federal jet fuel registration at or before the time of sale).

SECTION 7. IC 6-6-12-5, AS ADDED BY P.L.277-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 5. (a) Before July 1, 2014, a carrier that consumes compressed natural gas to propel a vehicle described in IC 6-6-4.1-2(a) may claim a credit against the road taxes imposed upon the carrier's consumption of compressed natural gas in the previous state fiscal year.**

(b) After June 30, 2014, a carrier that consumes compressed natural gas to propel a vehicle described in IC 6-6-4.1-2(a) may claim a credit against the road taxes imposed upon the carrier's consumption of compressed natural gas in the previous calendar quarter. A carrier must claim the credit in the manner prescribed under section 7 of this chapter before the following due dates:

- (1) October 30 in 2014 and each year thereafter.**
- (2) January 30 in 2015 and each year thereafter.**
- (3) April 30 in 2015 and each year thereafter.**
- (4) July 30 in 2015 and each year thereafter.**

SECTION 8. IC 6-6-12-6, AS ADDED BY P.L.277-2013,



SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 6. The amount of a credit allowed under this chapter is equal to twelve percent (12%) of the road taxes imposed upon the carrier's consumption of compressed natural gas in:

- (1) the previous state fiscal year **for compressed natural gas consumed before July 1, 2014; or**
- (2) **the previous calendar quarter for compressed natural gas consumed after June 30, 2014.**

SECTION 9. IC 6-6-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]:

Chapter 14. Alternative Fuel Decals

Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane or propane.

Sec. 2. As used in this chapter, "department" means the department of state revenue.

Sec. 3. As used in this chapter, "special fuel" has the meaning set forth in IC 6-6-2.5-22.

Sec. 4. (a) The owner of one (1) of the following motor vehicles that is registered in Indiana and that is propelled by alternative fuel shall obtain an alternative fuel decal for the motor vehicle and pay an annual fee in accordance with the following schedule:

SCHEDULE

Motor Vehicle	Annual Fee
A passenger motor vehicle, truck, or bus, the declared gross weight of which is equal to or less than 9,000 pounds.	\$100
A recreational vehicle.	\$100
A truck or bus, the declared gross weight of which is greater than 9,000 pounds but equal to or less than 11,000 pounds.	\$175
An alternative fuel delivery truck powered by alternative fuel, which is a truck the declared gross weight of which is greater than 11,000 pounds.	\$250
A truck or bus, the declared gross weight of which is greater than 11,000 pounds, except an alternative fuel delivery truck.	\$300

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A tractor, designed to be used with a
semitrailer. \$500

Only one (1) fee is required to be paid per motor vehicle per year.

(b) The annual fee may be prorated on a quarterly basis if:

- (1) application is made after June 30 of a year; and
- (2) the motor vehicle is newly:
 - (A) converted to alternative fuel;
 - (B) purchased; or
 - (C) registered in Indiana.

Sec. 5. (a) The owner of a motor vehicle that is propelled by alternative fuel and is:

- (1) registered outside Indiana; and
- (2) operated on a public highway in Indiana;

shall obtain a temporary trip permit. An alternative fuel temporary trip permit may be purchased from a licensed propane dealer who sells alternative fuels.

(b) A temporary trip permit is valid for seventy-two (72) hours from the time of purchase. The fee for each permit is five dollars and fifty cents (\$5.50). The fee for an alternative temporary trip permit must be collected from the purchaser by the licensed propane dealer and paid monthly to the administrator on forms prescribed by the department.

Sec. 6. (a) Before dispensing alternative fuel into a motor vehicle, a person desiring to make alternative fuel sales in Indiana must be licensed by the department as a propane dealer. A person may apply for a propane dealer license on a form prescribed by the department. The department may make any reasonable investigation of an applicant before issuing a license to the applicant. The fee for a propane dealer license is fifty dollars (\$50).

(b) The department shall issue a license card to each applicant approved for a propane dealer license. A licensed propane dealer shall display the license card in a conspicuous place at each location operated by the licensed propane dealer where alternative fuel is dispensed into motor vehicles in Indiana.

(c) The department may rescind a propane dealer license if the propane dealer fails to comply with any requirement of this chapter.

(d) Fees collected under this section must be deposited, allocated, and distributed in the same manner that special fuel taxes are deposited, allocated, and distributed under IC 6-6-2.5-67.

Sec. 7. (a) The administrator shall issue an alternative fuel decal to an owner of a motor vehicle propelled by alternative fuel who



applies for a decal, pays to the administrator the fee, and provides the information that is required by the administrator.

(b) An alternative fuel decal is effective from April 1 of each year through March 31 of the next year. The administrator may extend the expiration date for not more than thirty (30) days. During the month of March, the owner shall display the valid decal through March 31 or the decal issued to the owner for the next twelve (12) months. If the administrator grants an extension of the expiration date, the owner shall continue to display the decal for which the extension was granted.

Sec. 8. (a) The owner of a motor vehicle propelled by alternative fuel shall affix the alternative fuel decal to the lower left side of the front windshield of the motor vehicle for which it was issued. The decal may be displayed only on the motor vehicle for which the decal was issued.

(b) Upon application of the owner and surrender of a decal, the administrator may issue a new decal or give credit toward the fee for a decal for another vehicle or for a subsequent twelve (12) months. Upon receipt of the new decal or a credit statement, the owner shall return to the administrator:

- (1) the old decal; or
- (2) a sworn statement indicating that the old decal has been destroyed.

(c) A credit under this section shall be computed by multiplying the fee paid for the old decal by a fraction. The denominator of the fraction is the number of whole and partial quarters for which the old decal was issued. The numerator of the fraction is the number of remaining whole quarters that the old decal would have been valid.

(d) A credit under this section may not be given during the last three (3) months before the decal expires.

(e) No refunds may be allowed under this section.

Sec. 9. A person may place or cause to be placed alternative fuel into the fuel supply tank of a motor vehicle only under one (1) of the following conditions:

- (1) The motor vehicle has a valid alternative fuel decal affixed to the front windshield.
- (2) The operator has a copy of a completed application for a decal for the motor vehicle, which application was filed with the department not more than thirty (30) days before the sale of the fuel.

SECTION 10. IC 9-13-2-31.5 IS AMENDED TO READ AS



FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 31.5. **(a) Before January 1, 2016, "commercial vehicle", for purposes of IC 9-18-2-4.5, means a motor vehicle or combination of motor vehicles used in commerce to transport property if the motor vehicle:**

- (1) has a gross combination weight rating of at least twenty-six thousand one (26,001) pounds, including a towed unit with a gross vehicle weight rating of more than ten thousand (10,000) pounds;
- (2) has a gross vehicle weight rating of at least twenty-six thousand one (26,001) pounds; or
- (3) meets both of the following requirements:
 - (A) The motor vehicle has a gross vehicle weight rating of at least seven thousand (7,000) pounds, but less than twenty-six thousand one (26,001) pounds.
 - (B) The motor vehicle is owned by a registered carrier holding a valid Indiana fuel tax permit under IC 6-6-4.1.

(b) After December 31, 2015, "commercial vehicle", for purposes of IC 9-18-2-4.6, means a motor vehicle used in commerce to transport property if the motor vehicle:

- (1) has a declared gross vehicle weight of at least sixteen thousand (16,000) pounds; and**
- (2) is subject to the commercial motor vehicle excise tax under IC 6-6-5.5.**

SECTION 11. IC 9-18-2-4.5, AS AMENDED BY P.L.293-2013(ts), SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) Upon payment of the annual registration fee under IC 9-29-5, and any applicable commercial vehicle excise tax under IC 6-6-5.5, the department of state revenue may issue a license plate for each commercial vehicle registered to the ~~registered~~ owner of at least twenty-five (25) commercial vehicles with a declared gross vehicle weight rating exceeding twenty-six thousand (26,000) pounds. The license plate issued under this section for a commercial vehicle is permanently valid.

(b) ~~If the A~~ registered owner of at least twenty-five (25) commercial vehicles with a declared gross vehicle weight rating exceeding twenty-six thousand (26,000) pounds ~~submits~~ **shall submit** the application of registration for the commercial vehicles on an aggregate basis ~~it must be~~ by electronic means. If the application is approved, the department of state revenue shall issue a certificate of registration that shall be carried at all times in the vehicle for which it is issued.

(c) The registration for a commercial vehicle is void when the registered owner:

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(1) sells (and does not replace);
 (2) disposes of; or
 (3) does not renew the registration of;
 the commercial vehicle or the commercial vehicle is destroyed.

(d) This section does not relieve the owner of the vehicle from payment of any applicable commercial vehicle excise tax under IC 6-6-5.5 on a yearly basis.

(e) A registered plate issued under subsection (a) may be transferred to another vehicle in a fleet of the same weight and plate type, with a new certificate issued under subsection (b), upon application to the department of state revenue. A commercial vehicle excise tax credit may be applied to any plate transfer of the same vehicle type and same weight category.

(f) The department of state revenue shall adopt rules under IC 4-22-2 necessary to administer this section.

(g) The following apply to rules adopted by the bureau before January 1, 2014, under subsection (f):

(1) The rules are transferred to the department of state revenue on January 1, 2014, and are considered, after December 31, 2013, rules of the department of state revenue.

(2) After December 31, 2013, the rules are treated as if they had been adopted by the department of state revenue.

(h) A registered owner may continue to register commercial vehicles under this section even after a reduction in the registered owner's fleet to fewer than twenty-five (25) commercial vehicles.

(i) This section expires January 1, 2016.

SECTION 12. IC 9-18-2-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 4.6. (a) This section applies to registrations in a calendar year beginning after December 31, 2015.**

(b) Upon payment of the annual registration fee under IC 9-29-5 and any applicable commercial vehicle excise tax under IC 6-6-5.5, the department of state revenue may issue a license plate for each commercial vehicle registered to the owner of at least twenty-five (25) commercial vehicles. The license plate issued under this section for a commercial vehicle is permanently valid.

(c) The application of registration for the commercial vehicles must be on an aggregate basis by electronic means. If the application is approved, the department of state revenue shall issue a certificate of registration that shall be carried at all times in the vehicle for which it is issued.

(d) The registration for a commercial vehicle is void when the



registered owner:

- (1) sells (and does not replace);
- (2) disposes of; or
- (3) does not renew the registration of;

the commercial vehicle or the commercial vehicle is destroyed.

(e) This section does not relieve the owner of a vehicle from payment of any applicable commercial vehicle excise tax under IC 6-6-5.5 on a yearly basis.

(f) A registered license plate issued under subsection (b) may be transferred to another vehicle in a fleet of the same weight and plate type, with a new certificate of registration issued under subsection (c), upon application to the department of state revenue. A commercial vehicle excise tax credit may be applied to any plate transfer of the same vehicle type and same weight category.

(g) The department of state revenue shall adopt rules under IC 4-22-2 necessary to administer this section.

(h) The following apply to rules adopted by the bureau before January 1, 2014, under section 4.5(f) of this chapter (before its expiration):

- (1) The rules are transferred to the department of state revenue and are considered rules of the department of state revenue.
- (2) The rules are treated as if they had been adopted by the department of state revenue.

(i) Upon qualification under this section, a vehicle subject to the commercial vehicle excise tax under IC 6-6-5.5, including trailers and semi-trailers, must be registered with the department of state revenue and issued a permanent license plate.

(j) A registered owner may continue to register commercial vehicles under this section even after a reduction in the registered owner's fleet to fewer than twenty-five (25) commercial vehicles.

SECTION 13. IC 9-18-2-47, AS AMENDED BY P.L.262-2013, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 47. (a) The commissioner shall adopt rules under IC 4-22-2 prescribing the cycle for the issuance and replacement of license plates under this article. The rules adopted under this section shall provide that a license plate for a vehicle issued under this article is valid for five (5) years.

(b) The rules adopted under this section do not apply to:

- (1) truck license plates issued under section 4.5 (**before its expiration**), 4.6, or 18 of this chapter; and
- (2) general assembly and other state official license plates issued

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under IC 9-18-16.

SECTION 14. IC 9-19-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) A person may not operate a motor truck, passenger bus, or truck-tractor upon a highway outside the corporate limits of a municipality from a half hour after sunset to a half hour before sunrise unless the vehicle carries the following equipment:

(1) At least three (3):

(A) flares (liquid-burning pot torches);

(B) red electric lanterns; or

(C) portable red emergency reflectors;

each of which must be capable of being seen and distinguished at a distance of not less than six hundred (600) feet under normal atmospheric conditions at nighttime.

(2) At least three (3) red-burning fuses unless red electric lanterns or red portable emergency reflectors are carried.

(3) At least two (2) red-cloth flags, not less than twelve (12) inches square, with standards to support the flags.

(b) A flare (liquid-burning pot torch), fusee, electric lantern, or cloth warning flag may not be used to comply with this section unless the equipment has been submitted to and approved by the director of traffic safety.

(c) A portable reflector unit may not be used to comply with this section unless the unit:

(1) is designed and constructed to include two (2) reflecting elements, one (1) above the other, each of which must be capable of reflecting red light clearly visible from all distances within six hundred (600) feet to one hundred (100) feet under normal atmospheric conditions at night when directly in front of lawful upper beams of head lamps; and

(2) has been submitted to and approved by the director of traffic safety.

(d) A person may not operate at the time and under conditions stated in subsection (a) a:

(1) motor vehicle used for the transportation of explosives; **or**

(2) cargo tank truck used for the transportation of flammable liquids or compressed gases; **or**

(3) ~~motor vehicle using compressed gas as a fuel;~~

unless three (3) red electric lanterns or three (3) portable red emergency reflectors are carried in the vehicle that meet the requirements of subsection (a). A person may not carry in such a vehicle a flare, fusee, or signal produced by flame.

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SECTION 15. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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