



Reprinted
February 26, 2014

ENGROSSED HOUSE BILL No. 1222

DIGEST OF HB 1222 (Updated February 25, 2014 4:08 pm - DI 73)

Citations Affected: IC 6-3; noncode.

Synopsis: Adoption committee and tax credit. Provides an adjusted gross income tax credit for an individual who is eligible to claim the federal adoption credit. Establishes the interim committee on adoption to: (1) study how other states provide services under public adoption programs and study legal and regulatory costs associated with foster care and private adoption; (2) make recommendations concerning improving adoption programs; and (3) report the committee's findings and recommendations.

Effective: July 1, 2014; January 1, 2015.

Kubacki, Turner, Macer

(SENATE SPONSORS — YODER, CHARBONNEAU, RANDOLPH, DELPH,
BRODEN)

January 14, 2014, read first time and referred to Committee on Family, Children and Human Affairs.

January 16, 2014, reported — Do Pass; recommitted to Committee on Ways and Means.

January 27, 2014, reported — Do Pass.

January 30, 2014, read second time, amended, ordered engrossed.

January 31, 2014, engrossed.

February 3, 2014, read third time, passed. Yeas 94, nays 0.

SENATE ACTION

February 10, 2014, read first time and referred to Committee on Tax and Fiscal Policy.

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

February 25, 2014, read second time, amended, ordered engrossed.

EH 1222—LS 6904/DI 110



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Second Regular Session 118th General Assembly (2014)

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

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

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

ENGROSSED HOUSE BILL No. 1222

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 6-3-3-13 IS ADDED TO THE INDIANA CODE
2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2015]: **Sec. 13. (a) This section applies only to taxable**
4 **years beginning after December 31, 2014.**
5 **(b) Each taxable year, an individual who is eligible to claim the**
6 **credit provided by Section 23 of the Internal Revenue Code on the**
7 **individual's federal return for the taxable year is entitled to a**
8 **credit against the individual's adjusted gross income tax liability**
9 **for the taxable year equal to the lesser of:**
10 **(1) the amount of the credit allowable under Section 23 of the**
11 **Internal Revenue Code for each eligible child on the**
12 **individual's federal return for the taxable year multiplied by**
13 **ten percent (10%); or**
14 **(2) one thousand dollars (\$1,000) for each eligible child.**
15 **(c) The credit provided by this section may not exceed the**
16 **amount of the taxpayer's adjusted gross income tax liability for the**

EH 1222—LS 6904/DI 110



1 taxable year, reduced by the sum of all credits for the taxable year
 2 that are applied before the application of the credit provided by
 3 this section. The amount of any unused credit under this section for
 4 a taxable year may not be carried forward to a succeeding taxable
 5 year, carried back to a preceding taxable year, or refunded.

6 (d) If all or part of the credit allowed under Section 23 of the
 7 Internal Revenue Code for a taxable year beginning after
 8 December 31, 2014, is required to be claimed in, or carried
 9 forward to, a taxable year after the taxable year in which the credit
 10 is first allowed, the part carried forward and allowed to be claimed
 11 as a credit shall be treated as allowable under subsection (b). A
 12 credit first allowed under Section 23 of the Internal Revenue Code
 13 for a taxable year beginning before January 1, 2015, and required
 14 to be claimed in, or carried forward to, a taxable year after the
 15 taxable year in which the credit is first allowed shall not be treated
 16 as allowable under subsection (b).

17 SECTION 2. [EFFECTIVE JULY 1, 2014] (a) As used in this
 18 SECTION, "committee" refers to the committee on adoption
 19 established by subsection (b).

20 (b) The committee on adoption is established.

21 (c) The committee consists of nine (9) members appointed by the
 22 governor as follows:

23 (1) One (1) representative from a licensed child placing
 24 agency that provides adoption services.

25 (2) One (1) parent who adopted a child who was a ward of the
 26 department of child services.

27 (3) One (1) parent who adopted a child through a private
 28 adoption.

29 (4) One (1) court appointed special advocate.

30 (5) Two (2) representatives from the department of child
 31 services, one (1) of whom must be an attorney.

32 (6) Two (2) judges who have experience with adoption cases.

33 (7) One (1) person chosen at the governor's discretion.

34 (d) The governor shall appoint one (1) of the representatives
 35 from the department of child services to serve as the chairperson
 36 of the committee.

37 (e) An individual from the governor's office shall provide staff
 38 support for the committee.

39 (f) A member of the committee is not entitled to compensation,
 40 per diem, or reimbursement for expenses.

41 (g) The committee shall do all the following:

42 (1) Study:



- 1 **(A) how other states have partnered with private, faith**
2 **based, and community entities to provide services under**
3 **the public adoption programs of those states, including:**
4 **(i) public and private services offered under adoption**
5 **programs; and**
6 **(ii) new services that entities have provided under the**
7 **public adoption programs; and**
8 **(B) the legal and regulatory costs associated with foster**
9 **care and private adoption in Indiana.**
10 **(2) Make recommendations concerning improving adoption**
11 **programs in Indiana.**
12 **(3) Before November 1, 2014, report the committee's findings**
13 **and recommendations to the:**
14 **(A) governor;**
15 **(B) department of child services; and**
16 **(C) legislative council in an electronic format under**
17 **IC 5-14-6.**
18 **(h) This SECTION expires July 1, 2015.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1222, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1222 as introduced.)

Committee Vote: Yeas 10, Nays 0

Representative Kubacki

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1222, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1222 as printed January 17, 2014.)

Committee Vote: Yeas 18, Nays 0

Representative Brown T

HOUSE MOTION

Mr. Speaker: I move that House Bill 1222 be amended to read as follows:

Page 3, line 3, delete "privatizing" and insert "**public and private**".

Page 3, line 3, delete "the public".

Page 3, line 13, delete "and".

Page 3, line 14, delete "services." and insert "**services; and**

(C) legislative council in an electronic format under IC 5-14-6.".

(Reference is to HB 1222 as printed January 27, 2014.)

RIECKEN



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1222, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 9, after "to" insert "**the lesser of**".

Page 1, line 12, delete ";".

Page 1, line 12, after "by" insert "**ten percent (10%); or**".

Page 1, delete line 13, begin a new line block indented and insert:
"**(2) one thousand dollars (\$1,000)**".

Page 2, delete lines 5 through 15.

and when so amended that said bill do pass.

(Reference is to HB 1222 as reprinted January 31, 2014.)

HERSHMAN, Chairperson

Committee Vote: Yeas 8, Nays 0.



SENATE MOTION

Madam President: I move that Engrossed House Bill 1222 be amended to read as follows:

Page 1, line 11, after "Code" insert "**for each eligible child**".

Page 1, line 13, after "(\$1,000)" delete "." and insert "**for each eligible child.**".

Page 2, between lines 4 and 5, begin a new paragraph and insert:

"(d) If all or part of the credit allowed under Section 23 of the Internal Revenue Code for a taxable year beginning after December 31, 2014, is required to be claimed in, or carried forward to, a taxable year after the taxable year in which the credit is first allowed, the part carried forward and allowed to be claimed as a credit shall be treated as allowable under subsection (b). A credit first allowed under Section 23 of the Internal Revenue Code for a taxable year beginning before January 1, 2015, and required to be claimed in, or carried forward to, a taxable year after the taxable year in which the credit is first allowed shall not be treated as allowable under subsection (b)."

(Reference is to EHB 1222 as printed February 19, 2014.)

MILLER PETE

