



Reprinted  
February 25, 2015

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## HOUSE BILL No. 1273

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DIGEST OF HB 1273 (Updated February 24, 2015 2:44 pm - DI 73)

**Citations Affected:** IC 6-9; IC 36-7; IC 36-10.

**Synopsis:** Marion County economic development. Establishes an additional professional sports development area (APSDA) in Marion County. Requires the metropolitan development commission to establish a tax area before July 1, 2017, according to the procedures for the establishment of an economic development area. Authorizes capital improvements to be made. Provides that the APSDA may include the site or future site of a facility or complex of facilities that includes a hotel, a multipurpose stadium, and a facility used to manage and operate the professional team that would use the stadium. Requires participation in contracts for all capital improvements by minority, women and veteran owned business enterprises. Permits the adoption of a 10% Marion County admissions tax rate for any event held in the APSDA. Provides that, if adopted, the 10% admissions tax also applies until 2020 to any event held in a facility that hosts professional soccer events and that is not located in the existing professional sports development area. Allows up to \$5,000,000 of state revenue to be captured each year, for 32 years, from the APSDA. Requires the owner of a professional soccer franchise that would be the primary tenant of the facility or complex of facilities constructed in the tax area, the professional soccer franchise, or the professional soccer league in which the professional soccer franchise competes (or any combination of these) to guarantee at least 50% of the amount that is financed for the facility or complex of facilities that includes a soccer stadium.  
(Continued next page)

**Effective:** Upon passage.

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### Huston, Ober, Kirchhofer, Moed

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January 13, 2015, read first time and referred to Committee on Ways and Means.  
February 17, 2015, amended, reported — Do Pass.  
February 24, 2015, read second time, amended, ordered engrossed.

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HB 1273—LS 6690/DI 73



## Digest Continued

Provides that if the capital improvement board, the county convention and recreational facilities authority, and one more sublessees have entered into an agreement concerning a capital improvement in the APSDA: (1) the metropolitan development commission shall expand a tax increment financing allocation area in Marion County; and (2) subject to the policies and guidelines governing the metropolitan development commission, deposit at least \$10,000,000 from property taxes allocated to the commission into a neighborhood stabilization fund during the 20 years after the parties enter into the agreement. Specifies the purposes for which these revenues may be used and the area in which these revenues may be used. Provides that upon approval by the legislative body of a county containing a consolidated city, the county executive may submit an application to the budget committee for review and recommendation to the budget agency, requesting the designation by the budget agency of the White River revitalization district (district). Provides that: (1) the income tax increment and the sales tax increment for a district shall be deposited during each state fiscal year into a state incremental tax financing fund established for the district; and (2) this incremental tax revenue shall be distributed to the county for use within the district for specified purposes. Provides that not more than \$5,000,000 in tax revenues may be captured by the district over the life of the district.

**HB 1273—LS 6690/DI 73**



First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1273

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

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

- 1 SECTION 1. IC 6-9-13-1, AS AMENDED BY P.L.214-2005,  
2 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 1. (a) Except as provided in ~~subsection~~  
4 **subsections (b) and (c)**, the city-county council of a county that  
5 contains a consolidated first class city may adopt an ordinance to  
6 impose an excise tax, known as the county admissions tax, for the  
7 privilege of attending, before January 1, 2041, any event and, after  
8 December 31, 2040, any professional sporting event:  
9 (1) held in a facility financed in whole or in part by:  
10 (A) bonds or notes issued under IC 18-4-17 (before its repeal  
11 on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or  
12 (B) a lease or other agreement under IC 5-1-17; and  
13 (2) to which tickets are offered for sale to the public by:  
14 (A) the box office of the facility; or  
15 (B) an authorized agent of the facility.

HB 1273—LS 6690/DI 73



1           **(b) Except as provided in subsections (a) and (c), the city-county**  
 2 **council of a county that contains a consolidated first class city may**  
 3 **adopt an ordinance to impose an excise tax, known as the county**  
 4 **admissions tax, for the privilege of attending any event:**

5           **(1) held in a facility:**

6           **(A) that is:**

7           **(i) located in an additional professional sports**  
 8 **development area established under IC 36-7-31.5; and**

9           **(ii) financed in whole or in part by bonds or notes issued**  
 10 **under IC 36-7-31.5; or**

11           **(B) through December 31, 2019, that hosts professional**  
 12 **soccer events, but is not located in a professional sports**  
 13 **development area established under IC 36-7-31; and**

14           **(2) to which tickets are offered for sale to the public by:**

15           **(A) the box office of the facility; or**

16           **(B) an authorized agent of the facility.**

17           ~~(b)~~ **(c) The excise tax imposed under ~~subsection~~ subsections (a)**  
 18 **and (b) does not apply to the following:**

19           (1) An event sponsored by an educational institution or an  
 20 association representing an educational institution.

21           (2) An event sponsored by a religious organization.

22           (3) An event sponsored by an organization that is considered a  
 23 charitable organization by the Internal Revenue Service for  
 24 federal tax purposes.

25           (4) An event sponsored by a political organization.

26           ~~(e)~~ **(d) If a city-county council adopts an ordinance under subsection**  
 27 **(a) or (b), it shall immediately send a certified copy of the ordinance**  
 28 **to the commissioner of the department of state revenue.**

29           ~~(d)~~ **(e) If a city-county council adopts an ordinance under subsection**  
 30 **(a) or (b) or section 2 of this chapter prior to June 1, the county**  
 31 **admissions tax applies to admission charges collected after June 30 of**  
 32 **the year in which the ordinance is adopted. If the city-county council**  
 33 **adopts an ordinance under subsection (a) or (b) or section 2 of this**  
 34 **chapter on or after June 1, the county admissions tax applies to**  
 35 **admission charges collected after the last day of the month in which the**  
 36 **ordinance is adopted.**

37           SECTION 2. IC 6-9-13-2, AS AMENDED BY P.L.205-2013,  
 38 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in  
 40 ~~subsection subsections~~ **(b) and (c), the county admissions tax imposed**  
 41 **under section 1(a) of this chapter** equals five percent (5%) of the  
 42 price for admission to any event described in section ~~1~~ **1(a) of this**



1 chapter.

2 (b) On or before June 30, 2005, the city-county council may, by  
3 ordinance adopted by a majority of the members elected to the  
4 city-county council, increase the county admissions tax **imposed under**  
5 **section 1(a) of this chapter** from five percent (5%) to six percent (6%)  
6 of the price for admission to any event described in section † **1(a)** of  
7 this chapter.

8 (c) After January 1, 2013, and before March 1, 2013, the city-county  
9 council may, by ordinance adopted by a majority of the members  
10 elected to the city-county council, increase the county admissions tax  
11 rate **imposed under section 1(a) of this chapter** by not more than four  
12 percent (4%) of the price for admission to any event described in  
13 section † **1(a)** of this chapter. If the city-county council adopts an  
14 ordinance under this subsection:

15 (1) the city-county council shall immediately send a certified copy  
16 of the ordinance to the commissioner of the department of state  
17 revenue; and

18 (2) the tax applies to transactions after the last day of the month  
19 in which the ordinance is adopted, if the city-county council  
20 adopts the ordinance on or before the fifteenth day of a month. If  
21 the city-county council adopts the ordinance after the fifteenth  
22 day of a month, the tax applies to transactions after the last day of  
23 the month following the month in which the ordinance is adopted.

24 The increase in the tax imposed under this subsection continues in  
25 effect unless the increase is rescinded. However, any increase in the tax  
26 rate under this subsection may not continue in effect after February 28,  
27 2023.

28 (d) The amount collected from that portion of the county admissions  
29 tax imposed under:

30 (1) subsection (a) and collected after December 31, 2027; and

31 (2) subsection (b);

32 shall be distributed to the capital improvement board of managers or its  
33 designee. So long as there are any current or future obligations owed  
34 by the capital improvement board of managers to the Indiana stadium  
35 and convention building authority created by IC 5-1-17 or any state  
36 agency pursuant to a lease or other agreement entered into between the  
37 capital improvement board of managers and the Indiana stadium and  
38 convention building authority or any state agency under IC 5-1-17-26,  
39 the capital improvement board of managers or its designee shall deposit  
40 the revenues received from that portion of the county admissions tax  
41 imposed under subsection (b) in a special fund, which may be used  
42 only for the payment of the obligations described in this subsection.



1 (e) The amount collected from an increase adopted under subsection  
 2 (c) shall be deposited in the sports and convention facilities operating  
 3 fund established by IC 36-7-31-16.

4 SECTION 3. IC 6-9-13-2.1 IS ADDED TO THE INDIANA CODE  
 5 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 6 **UPON PASSAGE]: Sec. 2.1. (a) On or before June 30, 2016, the**  
 7 **city-county council may, by ordinance adopted by a majority of the**  
 8 **members elected to the city-county council, impose the county**  
 9 **admissions tax under section 1(b) of this chapter at a rate equal to**  
 10 **ten percent (10%) of the price for admission to any event described**  
 11 **in section 1(b) of this chapter. If the city-county council adopts an**  
 12 **ordinance under this subsection:**

13 (1) the city-county council shall immediately send a certified  
 14 copy of the ordinance to the commissioner of the department  
 15 of state revenue; and

16 (2) the tax applies to transactions after the last day of the  
 17 month in which the ordinance is adopted, if the city-county  
 18 council adopts the ordinance on or before the fifteenth day of  
 19 a month. If the city-county council adopts the ordinance after  
 20 the fifteenth day of a month, the tax applies to transactions  
 21 after the last day of the month following the month in which  
 22 the ordinance is adopted.

23 (b) The amount collected from the county admissions tax  
 24 imposed under subsection (a) shall be distributed to the capital  
 25 improvement board of managers or its designee. So long as there  
 26 are any current or future obligations owed by the capital  
 27 improvement board of managers to the county convention and  
 28 recreational facilities authority created by IC 36-10-9.1 in  
 29 connection with bonds or notes issued under IC 36-7-31.5, the  
 30 capital improvement board of managers or its designee shall  
 31 deposit the revenues received from that part of the county  
 32 admissions tax imposed under subsection (a) in a special fund,  
 33 which may be used only for the payment of the obligations  
 34 described in this subsection or any costs related to the facilities  
 35 financed by the bonds or notes.

36 SECTION 4. IC 6-9-13-3 IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Each person who pays a  
 38 price for admission to any event described in section 1(a) or 1(b) of  
 39 this chapter is liable for the tax imposed under this chapter.

40 (b) The person who collects the price for admission shall also  
 41 collect the county admissions tax imposed with respect to the price for  
 42 admission. The person shall collect the tax at the same time the price



1 for admission is paid, regardless of whether the price paid is for a  
 2 single admission, for season tickets, or for any other admission  
 3 arrangement. In addition, the person shall collect the tax as an agent of  
 4 the state and the county in which the facility described in section 1 of  
 5 this chapter is located.

6 SECTION 5. IC 36-7-15.1-7, AS AMENDED BY P.L.95-2014,  
 7 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 UPON PASSAGE]: Sec. 7. (a) In carrying out its duties and purposes  
 9 under this chapter, the commission may do the following:

10 (1) Acquire by purchase, exchange, gift, grant, lease, or  
 11 condemnation, or any combination of methods, any real or  
 12 personal property or interest in property needed for the  
 13 redevelopment of areas needing redevelopment that are located  
 14 within the redevelopment district.

15 (2) Hold, use, sell (by conveyance by deed, land sale contract, or  
 16 other instrument), exchange, lease, rent, invest in, or otherwise  
 17 dispose of, through any combination of methods, property  
 18 acquired for use in the redevelopment of areas needing  
 19 redevelopment on the terms and conditions that the commission  
 20 considers best for the city and its inhabitants.

21 (3) Acquire from and sell, lease, or grant interests in all or part of  
 22 the real property acquired for redevelopment purposes to any  
 23 other department of the city, or to any other governmental agency,  
 24 for public ways, levees, sewerage, parks, playgrounds, schools,  
 25 and other public purposes, on any terms that may be agreed upon.

26 (4) Clear real property acquired for redevelopment purposes.

27 (5) Enter on or into, inspect, investigate, and assess real property  
 28 and structures acquired or to be acquired for redevelopment  
 29 purposes to determine the existence, source, nature, and extent of  
 30 any environmental contamination, including the following:

31 (A) Hazardous substances.

32 (B) Petroleum.

33 (C) Other pollutants.

34 (6) Remediate environmental contamination, including the  
 35 following, found on any real property or structures acquired for  
 36 redevelopment purposes:

37 (A) Hazardous substances.

38 (B) Petroleum.

39 (C) Other pollutants.

40 (7) Repair and maintain structures acquired or to be acquired for  
 41 redevelopment purposes.

42 (8) Enter upon, survey, or examine any land, to determine whether



- 1 it should be included within an area needing redevelopment to be  
 2 acquired for redevelopment purposes, and determine the value of  
 3 that land.
- 4 (9) Appear before any other department or agency of the city, or  
 5 before any other governmental agency in respect to any matter  
 6 affecting:
- 7 (A) real property acquired or being acquired for  
 8 redevelopment purposes; or
- 9 (B) any area needing redevelopment within the jurisdiction of  
 10 the commission.
- 11 (10) Subject to section 13 of this chapter, exercise the power of  
 12 eminent domain in the name of the city, within the redevelopment  
 13 district, in the manner prescribed by this chapter.
- 14 (11) Establish a uniform fee schedule whenever appropriate for  
 15 the performance of governmental assistance, or for providing  
 16 materials and supplies to private persons in project or program  
 17 related activities.
- 18 (12) Expend, on behalf of the redevelopment district, all or any  
 19 part of the money available for the purposes of this chapter.
- 20 (13) Contract for the construction, extension, or improvement of  
 21 pedestrian skyways.
- 22 (14) Accept loans, grants, and other forms of financial assistance  
 23 from the federal government, the state government, a municipal  
 24 corporation, a special taxing district, a foundation, or any other  
 25 source.
- 26 (15) Provide financial assistance (including grants and loans) to  
 27 enable individuals and families to purchase or lease residential  
 28 units in a multiple unit residential structure within the district.  
 29 However, financial assistance may be provided only to those  
 30 individuals and families whose income is at or below the county's  
 31 median income for individuals and families, respectively.
- 32 (16) Provide financial assistance (including grants and loans) to  
 33 neighborhood development corporations to permit them to:
- 34 (A) provide financial assistance for the purposes described in  
 35 subdivision (15); or
- 36 (B) construct, rehabilitate, or repair commercial property  
 37 within the district.
- 38 (17) Require as a condition of financial assistance to the owner of  
 39 a multiple unit residential structure that any of the units leased by  
 40 the owner must be leased:
- 41 (A) for a period to be determined by the commission, which  
 42 may not be less than five (5) years;





- 1 (B) to families whose income does not exceed eighty percent  
 2 (80%) of the county's median income for families; and  
 3 (C) at an affordable rate.
- 4 Conditions imposed by the commission under this subdivision  
 5 remain in force throughout the period determined under clause  
 6 (A), even if the owner sells, leases, or conveys the property. The  
 7 subsequent owner or lessee is bound by the conditions for the  
 8 remainder of the period.
- 9 (18) Provide programs in job training, job enrichment, and basic  
 10 skill development for residents of an enterprise zone.
- 11 (19) Provide loans and grants for the purpose of stimulating  
 12 business activity in an enterprise zone or providing employment  
 13 for residents of an enterprise zone.
- 14 (20) Contract for the construction, extension, or improvement of:  
 15 (A) public ways, sidewalks, sewers, waterlines, parking  
 16 facilities, park or recreational areas, or other local public  
 17 improvements (as defined in IC 36-7-15.3-6) or structures that  
 18 are necessary for redevelopment of areas needing  
 19 redevelopment or economic development within the  
 20 redevelopment district; or  
 21 (B) any structure that enhances development or economic  
 22 development.
- 23 (21) This subdivision does not apply to a redevelopment  
 24 commission in a county for which the total amount of net property  
 25 taxes allocated to all allocation areas or other tax increment  
 26 financing areas established by a redevelopment commission,  
 27 military base reuse authority, military base development authority,  
 28 or another similar entity in the county in the preceding calendar  
 29 year exceeded nineteen percent (19%) of the total net property  
 30 taxes billed in the county in the preceding calendar year. Subject  
 31 to prior approval by the fiscal body of the unit that established the  
 32 redevelopment commission, expend money and provide financial  
 33 assistance (including grants and loans):  
 34 (A) in direct support of:  
 35 (i) an active military base located within the unit; or  
 36 (ii) an entity located in the territory or facilities of a military  
 37 base or former military base within the unit that is scheduled  
 38 for closing or is completely or partially inactive or closed, or  
 39 an entity that is located in any territory or facilities of the  
 40 United States Department of Defense within the unit that are  
 41 scheduled for closing or are completely or partially inactive  
 42 or closed;



1 including direct support for the promotion of the active  
 2 military base or entity, the growth of the active military base  
 3 or entity, and activities at the active military base or entity; and  
 4 (B) in support of any other entity that provides services or  
 5 direct support to an active military base or entity described in  
 6 clause (A).

7 The fiscal body of the unit that established the redevelopment  
 8 commission must separately approve each grant, loan, or other  
 9 expenditure for financial assistance under this subdivision. The  
 10 terms of any loan that is made under this subdivision may be  
 11 changed only if the change is approved by the fiscal body of the  
 12 unit that established the redevelopment commission. As used in  
 13 this subdivision, "active military base" has the meaning set forth  
 14 in IC 36-1-4-20.

15 **(22) Pay costs and make expenditures for the purposes of**  
 16 **section 26.8 of this chapter.**

17 (b) In addition to its powers under subsection (a), the commission  
 18 may plan and undertake, alone or in cooperation with other agencies,  
 19 projects for the redevelopment of, rehabilitating, preventing the spread  
 20 of, or eliminating slums or areas needing redevelopment, both  
 21 residential and nonresidential, which projects may include any of the  
 22 following:

- 23 (1) The repair or rehabilitation of buildings or other  
 24 improvements by the commission, owners, or tenants.  
 25 (2) The acquisition of real property.  
 26 (3) Either of the following with respect to environmental  
 27 contamination on real property:  
 28 (A) Investigation.  
 29 (B) Remediation.  
 30 (4) The demolition and removal of buildings or improvements on  
 31 buildings acquired by the commission where necessary for any of  
 32 the following:  
 33 (A) To eliminate unhealthful, unsanitary, or unsafe conditions.  
 34 (B) To mitigate or eliminate environmental contamination.  
 35 (C) To lessen density.  
 36 (D) To reduce traffic hazards.  
 37 (E) To eliminate obsolete or other uses detrimental to public  
 38 welfare.  
 39 (F) To otherwise remove or prevent the conditions described  
 40 in IC 36-7-1-3.  
 41 (G) To provide land for needed public facilities.  
 42 (5) The preparation of sites and the construction of improvements



- 1 (such as public ways and utility connections) to facilitate the sale  
2 or lease of property.
- 3 (6) The construction of buildings or facilities for residential,  
4 commercial, industrial, public, or other uses.
- 5 (7) The disposition in accordance with this chapter, for uses in  
6 accordance with the plans for the projects, of any property  
7 acquired in connection with the projects.
- 8 (c) The commission may use its powers under this chapter relative  
9 to real property and interests in real property obtained by voluntary sale  
10 or transfer, even though the real property and interests in real property  
11 are not located in a redevelopment or urban renewal project area  
12 established by the adoption and confirmation of a resolution under  
13 sections 8(c), 9, 10, and 11 of this chapter. In acquiring real property  
14 and interests in real property outside of a redevelopment or urban  
15 renewal project area, the commission shall comply with section 12(b)  
16 through 12(e) of this chapter. The commission shall hold, develop, use,  
17 and dispose of this real property and interests in real property  
18 substantially in accordance with section 15 of this chapter.
- 19 (d) As used in this section, "pedestrian skyway" means a pedestrian  
20 walkway within or outside of the public right-of-way and through and  
21 above public or private property and buildings, including all structural  
22 supports required to connect skyways to buildings or buildings under  
23 construction. Pedestrian skyways constructed, extended, or improved  
24 over or through public or private property constitute public property  
25 and public improvements, constitute a public use and purpose, and do  
26 not require vacation of any public way or other property.
- 27 (e) All powers that may be exercised under this chapter by the  
28 commission may also be exercised by the commission in carrying out  
29 its duties and purposes under IC 36-7-15.3.
- 30 SECTION 6. IC 36-7-15.1-26, AS AMENDED BY P.L.95-2014,  
31 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 UPON PASSAGE]: Sec. 26. (a) As used in this section:  
33 "Allocation area" means that part of a redevelopment project area  
34 to which an allocation provision of a resolution adopted under section  
35 8 of this chapter refers for purposes of distribution and allocation of  
36 property taxes.  
37 "Base assessed value" means the following:  
38 (1) If an allocation provision is adopted after June 30, 1995, in a  
39 declaratory resolution or an amendment to a declaratory  
40 resolution establishing an economic development area:  
41 (A) the net assessed value of all the property as finally  
42 determined for the assessment date immediately preceding the



- 1 effective date of the allocation provision of the declaratory  
 2 resolution, as adjusted under subsection (h); plus  
 3 (B) to the extent that it is not included in clause (A), the net  
 4 assessed value of property that is assessed as residential  
 5 property under the rules of the department of local government  
 6 finance, as finally determined for any assessment date after the  
 7 effective date of the allocation provision.
- 8 (2) If an allocation provision is adopted after June 30, 1997, in a  
 9 declaratory resolution or an amendment to a declaratory  
 10 resolution establishing a redevelopment project area:  
 11 (A) the net assessed value of all the property as finally  
 12 determined for the assessment date immediately preceding the  
 13 effective date of the allocation provision of the declaratory  
 14 resolution, as adjusted under subsection (h); plus  
 15 (B) to the extent that it is not included in clause (A), the net  
 16 assessed value of property that is assessed as residential  
 17 property under the rules of the department of local government  
 18 finance, as finally determined for any assessment date after the  
 19 effective date of the allocation provision.
- 20 (3) If:  
 21 (A) an allocation provision adopted before June 30, 1995, in  
 22 a declaratory resolution or an amendment to a declaratory  
 23 resolution establishing a redevelopment project area expires  
 24 after June 30, 1997; and  
 25 (B) after June 30, 1997, a new allocation provision is included  
 26 in an amendment to the declaratory resolution;  
 27 the net assessed value of all the property as finally determined for  
 28 the assessment date immediately preceding the effective date of  
 29 the allocation provision adopted after June 30, 1997, as adjusted  
 30 under subsection (h).
- 31 (4) Except as provided in subdivision (5), for all other allocation  
 32 areas, the net assessed value of all the property as finally  
 33 determined for the assessment date immediately preceding the  
 34 effective date of the allocation provision of the declaratory  
 35 resolution, as adjusted under subsection (h).
- 36 (5) If an allocation area established in an economic development  
 37 area before July 1, 1995, is expanded after June 30, 1995, the  
 38 definition in subdivision (1) applies to the expanded part of the  
 39 area added after June 30, 1995.
- 40 (6) If an allocation area established in a redevelopment project  
 41 area before July 1, 1997, is expanded after June 30, 1997, the  
 42 definition in subdivision (2) applies to the expanded part of the



1 area added after June 30, 1997.

2 Except as provided in section 26.2 of this chapter, "property taxes"  
3 means taxes imposed under IC 6-1.1 on real property. However, upon  
4 approval by a resolution of the redevelopment commission adopted  
5 before June 1, 1987, "property taxes" also includes taxes imposed  
6 under IC 6-1.1 on depreciable personal property. If a redevelopment  
7 commission adopted before June 1, 1987, a resolution to include within  
8 the definition of property taxes, taxes imposed under IC 6-1.1 on  
9 depreciable personal property that has a useful life in excess of eight  
10 (8) years, the commission may by resolution determine the percentage  
11 of taxes imposed under IC 6-1.1 on all depreciable personal property  
12 that will be included within the definition of property taxes. However,  
13 the percentage included must not exceed twenty-five percent (25%) of  
14 the taxes imposed under IC 6-1.1 on all depreciable personal property.

15 (b) A resolution adopted under section 8 of this chapter on or before  
16 the allocation deadline determined under subsection (i) may include a  
17 provision with respect to the allocation and distribution of property  
18 taxes for the purposes and in the manner provided in this section. A  
19 resolution previously adopted may include an allocation provision by  
20 the amendment of that resolution on or before the allocation deadline  
21 determined under subsection (i) in accordance with the procedures  
22 required for its original adoption. A declaratory resolution or  
23 amendment that establishes an allocation provision must include a  
24 specific finding of fact, supported by evidence, that the adoption of the  
25 allocation provision will result in new property taxes in the area that  
26 would not have been generated but for the adoption of the allocation  
27 provision. For an allocation area established before July 1, 1995, the  
28 expiration date of any allocation provisions for the allocation area is  
29 June 30, 2025, or the last date of any obligations that are outstanding  
30 on July 1, 2015, whichever is later. However, an expiration date  
31 imposed by this subsection does not apply to an allocation area  
32 identified as the Consolidated Allocation Area in the report submitted  
33 in 2013 to the fiscal body under section 36.3 of this chapter. A  
34 declaratory resolution or an amendment that establishes an allocation  
35 provision after June 30, 1995, must specify an expiration date for the  
36 allocation provision. For an allocation area established before July 1,  
37 2008, the expiration date may not be more than thirty (30) years after  
38 the date on which the allocation provision is established. For an  
39 allocation area established after June 30, 2008, the expiration date may  
40 not be more than twenty-five (25) years after the date on which the first  
41 obligation was incurred to pay principal and interest on bonds or lease  
42 rentals on leases payable from tax increment revenues. However, with



1 respect to bonds or other obligations that were issued before July 1,  
 2 2008, if any of the bonds or other obligations that were scheduled when  
 3 issued to mature before the specified expiration date and that are  
 4 payable only from allocated tax proceeds with respect to the allocation  
 5 area remain outstanding as of the expiration date, the allocation  
 6 provision does not expire until all of the bonds or other obligations are  
 7 no longer outstanding. The allocation provision may apply to all or part  
 8 of the redevelopment project area. The allocation provision must  
 9 require that any property taxes subsequently levied by or for the benefit  
 10 of any public body entitled to a distribution of property taxes on taxable  
 11 property in the allocation area be allocated and distributed as follows:

12 (1) Except as otherwise provided in this section, the proceeds of  
 13 the taxes attributable to the lesser of:

14 (A) the assessed value of the property for the assessment date  
 15 with respect to which the allocation and distribution is made;  
 16 or

17 (B) the base assessed value;

18 shall be allocated to and, when collected, paid into the funds of  
 19 the respective taxing units.

20 (2) The excess of the proceeds of the property taxes imposed for  
 21 the assessment date with respect to which the allocation and  
 22 distribution is made that are attributable to taxes imposed after  
 23 being approved by the voters in a referendum or local public  
 24 question conducted after April 30, 2010, not otherwise included  
 25 in subdivision (1) shall be allocated to and, when collected, paid  
 26 into the funds of the taxing unit for which the referendum or local  
 27 public question was conducted.

28 (3) Except as otherwise provided in this section, property tax  
 29 proceeds in excess of those described in subdivisions (1) and (2)  
 30 shall be allocated to the redevelopment district and, when  
 31 collected, paid into a special fund for that allocation area that may  
 32 be used by the redevelopment district only to do one (1) or more  
 33 of the following:

34 (A) Pay the principal of and interest on any obligations  
 35 payable solely from allocated tax proceeds that are incurred by  
 36 the redevelopment district for the purpose of financing or  
 37 refinancing the redevelopment of that allocation area.

38 (B) Establish, augment, or restore the debt service reserve for  
 39 bonds payable solely or in part from allocated tax proceeds in  
 40 that allocation area.

41 (C) Pay the principal of and interest on bonds payable from  
 42 allocated tax proceeds in that allocation area and from the



- 1 special tax levied under section 19 of this chapter.
- 2 (D) Pay the principal of and interest on bonds issued by the
- 3 consolidated city to pay for local public improvements that are
- 4 physically located in or physically connected to that allocation
- 5 area.
- 6 (E) Pay premiums on the redemption before maturity of bonds
- 7 payable solely or in part from allocated tax proceeds in that
- 8 allocation area.
- 9 (F) Make payments on leases payable from allocated tax
- 10 proceeds in that allocation area under section 17.1 of this
- 11 chapter.
- 12 (G) Reimburse the consolidated city for expenditures for local
- 13 public improvements (which include buildings, parking
- 14 facilities, and other items set forth in section 17 of this
- 15 chapter) that are physically located in or physically connected
- 16 to that allocation area.
- 17 (H) Reimburse the unit for rentals paid by it for a building or
- 18 parking facility that is physically located in or physically
- 19 connected to that allocation area under any lease entered into
- 20 under IC 36-1-10.
- 21 (I) Reimburse public and private entities for expenses incurred
- 22 in training employees of industrial facilities that are located:
- 23 (i) in the allocation area; and
- 24 (ii) on a parcel of real property that has been classified as
- 25 industrial property under the rules of the department of local
- 26 government finance.
- 27 However, the total amount of money spent for this purpose in
- 28 any year may not exceed the total amount of money in the
- 29 allocation fund that is attributable to property taxes paid by the
- 30 industrial facilities described in this clause. The
- 31 reimbursements under this clause must be made within three
- 32 (3) years after the date on which the investments that are the
- 33 basis for the increment financing are made.
- 34 (J) Pay the costs of carrying out an eligible efficiency project
- 35 (as defined in IC 36-9-41-1.5) within the unit that established
- 36 the redevelopment commission. However, property tax
- 37 proceeds may be used under this clause to pay the costs of
- 38 carrying out an eligible efficiency project only if those
- 39 property tax proceeds exceed the amount necessary to do the
- 40 following:
- 41 (i) Make, when due, any payments required under clauses
- 42 (A) through (I), including any payments of principal and



1 interest on bonds and other obligations payable under this  
 2 subdivision, any payments of premiums under this  
 3 subdivision on the redemption before maturity of bonds, and  
 4 any payments on leases payable under this subdivision.  
 5 (ii) Make any reimbursements required under this  
 6 subdivision.  
 7 (iii) Pay any expenses required under this subdivision.  
 8 (iv) Establish, augment, or restore any debt service reserve  
 9 under this subdivision.  
 10 (K) Expend money and provide financial assistance as  
 11 authorized in section 7(a)(21) of this chapter.  
 12 **(L) Pay costs and make expenditures for the purposes of**  
 13 **section 26.8 of this chapter.**  
 14 The special fund may not be used for operating expenses of the  
 15 commission.  
 16 (4) Before July 15 of each year, the commission shall do the  
 17 following:  
 18 (A) Determine the amount, if any, by which the assessed value  
 19 of the taxable property in the allocation area for the most  
 20 recent assessment date minus the base assessed value, when  
 21 multiplied by the estimated tax rate of the allocation area will  
 22 exceed the amount of assessed value needed to provide the  
 23 property taxes necessary to make, when due, principal and  
 24 interest payments on bonds described in subdivision (3) plus  
 25 the amount necessary for other purposes described in  
 26 subdivision (3) and subsection (g).  
 27 (B) Provide a written notice to the county auditor, the  
 28 legislative body of the consolidated city, and the officers who  
 29 are authorized to fix budgets, tax rates, and tax levies under  
 30 IC 6-1.1-17-5 for each of the other taxing units that is wholly  
 31 or partly located within the allocation area. The notice must:  
 32 (i) state the amount, if any, of excess assessed value that the  
 33 commission has determined may be allocated to the  
 34 respective taxing units in the manner prescribed in  
 35 subdivision (1); or  
 36 (ii) state that the commission has determined that there is no  
 37 excess assessed value that may be allocated to the respective  
 38 taxing units in the manner prescribed in subdivision (1).  
 39 The county auditor shall allocate to the respective taxing units  
 40 the amount, if any, of excess assessed value determined by the  
 41 commission. The commission may not authorize an allocation  
 42 to the respective taxing units under this subdivision if to do so





- 1 would endanger the interests of the holders of bonds described  
 2 in subdivision (3).  
 3 (C) If:  
 4 (i) the amount of excess assessed value determined by the  
 5 commission is expected to generate more than two hundred  
 6 percent (200%) of the amount of allocated tax proceeds  
 7 necessary to make, when due, principal and interest  
 8 payments on bonds described in subdivision (3); plus  
 9 (ii) the amount necessary for other purposes described in  
 10 subdivision (3) and subsection (g);  
 11 the commission shall submit to the legislative body of the unit  
 12 the commission's determination of the excess assessed value  
 13 that the commission proposes to allocate to the respective  
 14 taxing units in the manner prescribed in subdivision (1). The  
 15 legislative body of the unit may approve the commission's  
 16 determination or modify the amount of the excess assessed  
 17 value that will be allocated to the respective taxing units in the  
 18 manner prescribed in subdivision (1).  
 19 (c) For the purpose of allocating taxes levied by or for any taxing  
 20 unit or units, the assessed value of taxable property in a territory in the  
 21 allocation area that is annexed by any taxing unit after the effective  
 22 date of the allocation provision of the resolution is the lesser of:  
 23 (1) the assessed value of the property for the assessment date with  
 24 respect to which the allocation and distribution is made; or  
 25 (2) the base assessed value.  
 26 (d) Property tax proceeds allocable to the redevelopment district  
 27 under subsection (b)(3) may, subject to subsection (b)(4), be  
 28 irrevocably pledged by the redevelopment district for payment as set  
 29 forth in subsection (b)(3).  
 30 (e) Notwithstanding any other law, each assessor shall, upon  
 31 petition of the commission, reassess the taxable property situated upon  
 32 or in, or added to, the allocation area, effective on the next assessment  
 33 date after the petition.  
 34 (f) Notwithstanding any other law, the assessed value of all taxable  
 35 property in the allocation area, for purposes of tax limitation, property  
 36 tax replacement, and formulation of the budget, tax rate, and tax levy  
 37 for each political subdivision in which the property is located is the  
 38 lesser of:  
 39 (1) the assessed value of the property as valued without regard to  
 40 this section; or  
 41 (2) the base assessed value.  
 42 (g) If any part of the allocation area is located in an enterprise zone



1 created under IC 5-28-15, the unit that designated the allocation area  
 2 shall create funds as specified in this subsection. A unit that has  
 3 obligations, bonds, or leases payable from allocated tax proceeds under  
 4 subsection (b)(3) shall establish an allocation fund for the purposes  
 5 specified in subsection (b)(3) and a special zone fund. Such a unit  
 6 shall, until the end of the enterprise zone phase out period, deposit each  
 7 year in the special zone fund the amount in the allocation fund derived  
 8 from property tax proceeds in excess of those described in subsection  
 9 (b)(1) and (b)(2) from property located in the enterprise zone that  
 10 exceeds the amount sufficient for the purposes specified in subsection  
 11 (b)(3) for the year. A unit that has no obligations, bonds, or leases  
 12 payable from allocated tax proceeds under subsection (b)(3) shall  
 13 establish a special zone fund and deposit all the property tax proceeds  
 14 in excess of those described in subsection (b)(1) and (b)(2) in the fund  
 15 derived from property tax proceeds in excess of those described in  
 16 subsection (b)(1) and (b)(2) from property located in the enterprise  
 17 zone. The unit that creates the special zone fund shall use the fund,  
 18 based on the recommendations of the urban enterprise association, for  
 19 one (1) or more of the following purposes:

20 (1) To pay for programs in job training, job enrichment, and basic  
 21 skill development designed to benefit residents and employers in  
 22 the enterprise zone. The programs must reserve at least one-half  
 23 (1/2) of the enrollment in any session for residents of the  
 24 enterprise zone.

25 (2) To make loans and grants for the purpose of stimulating  
 26 business activity in the enterprise zone or providing employment  
 27 for enterprise zone residents in the enterprise zone. These loans  
 28 and grants may be made to the following:

29 (A) Businesses operating in the enterprise zone.

30 (B) Businesses that will move their operations to the enterprise  
 31 zone if such a loan or grant is made.

32 (3) To provide funds to carry out other purposes specified in  
 33 subsection (b)(3). However, where reference is made in  
 34 subsection (b)(3) to the allocation area, the reference refers for  
 35 purposes of payments from the special zone fund only to that part  
 36 of the allocation area that is also located in the enterprise zone.

37 (h) The state board of accounts and department of local government  
 38 finance shall make the rules and prescribe the forms and procedures  
 39 that they consider expedient for the implementation of this chapter.  
 40 After each general reassessment of real property in an area under  
 41 IC 6-1.1-4-4 and after each reassessment under a reassessment plan  
 42 prepared under IC 6-1.1-4-4.2, the department of local government



1 finance shall adjust the base assessed value one (1) time to neutralize  
 2 any effect of the reassessment of the real property in the area on the  
 3 property tax proceeds allocated to the redevelopment district under this  
 4 section. After each annual adjustment under IC 6-1.1-4-4.5, the  
 5 department of local government finance shall adjust the base assessed  
 6 value to neutralize any effect of the annual adjustment on the property  
 7 tax proceeds allocated to the redevelopment district under this section.  
 8 However, the adjustments under this subsection may not include the  
 9 effect of property tax abatements under IC 6-1.1-12.1, and these  
 10 adjustments may not produce less property tax proceeds allocable to  
 11 the redevelopment district under subsection (b)(3) than would  
 12 otherwise have been received if the general reassessment, reassessment  
 13 under the reassessment plan, or annual adjustment had not occurred.  
 14 The department of local government finance may prescribe procedures  
 15 for county and township officials to follow to assist the department in  
 16 making the adjustments.

17 (i) The allocation deadline referred to in subsection (b) is  
 18 determined in the following manner:

19 (1) The initial allocation deadline is December 31, 2011.

20 (2) Subject to subdivision (3), the initial allocation deadline and  
 21 subsequent allocation deadlines are automatically extended in  
 22 increments of five (5) years, so that allocation deadlines  
 23 subsequent to the initial allocation deadline fall on December 31,  
 24 2016, and December 31 of each fifth year thereafter.

25 (3) At least one (1) year before the date of an allocation deadline  
 26 determined under subdivision (2), the general assembly may enact  
 27 a law that:

28 (A) terminates the automatic extension of allocation deadlines  
 29 under subdivision (2); and

30 (B) specifically designates a particular date as the final  
 31 allocation deadline.

32 SECTION 7. IC 36-7-15.1-26.8 IS ADDED TO THE INDIANA  
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 34 [EFFECTIVE UPON PASSAGE]: **Sec. 26.8. (a) This section applies**  
 35 **only if the capital improvement board, the county convention and**  
 36 **recreational facilities authority, and one (1) more sublessees have**  
 37 **entered into an agreement under IC 36-7-31.5-35(h).**

38 (b) As used in this chapter, "agreement" refers to an agreement  
 39 entered into under IC 36-7-31.5-35(h).

40 (c) As used in this chapter, "designated allocation area" means  
 41 the allocation area identified as the Consolidated Allocation Area  
 42 in the report submitted in 2013 to the county fiscal body under



1 section 36.3 of this chapter.

2 (d) Not more than six (6) months after an agreement is entered  
3 into by the capital improvement board, the county convention and  
4 recreational facilities authority, and one (1) more sublessees, the  
5 commission shall commence the expansion of the designated  
6 allocation area. The commission shall complete the expansion of  
7 the designated allocation area not more than twenty-four (24)  
8 months after an agreement is entered into by the capital  
9 improvement board, the county convention and recreational  
10 facilities authority, and one (1) or more sublessees.

11 (e) If the designated allocated area is expanded under this  
12 section, the commission shall do the following:

13 (1) Establish a neighborhood stabilization fund.

14 (2) Subject to the policies and guidelines governing the  
15 commission, deposit at least ten million dollars (\$10,000,000)  
16 into the neighborhood stabilization fund during the twenty  
17 (20) years after an agreement is entered into under  
18 IC 36-7-31.5-35(h), from property taxes allocated to the  
19 commission from the designated allocation area.

20 (f) Money deposited by the commission into the neighborhood  
21 stabilization fund may be used only within the territory within the  
22 county that is bounded by the following:

23 (1) The White River on the west.

24 (2) McCarty Street on the north.

25 (3) East Street on the east.

26 (4) Raymond Street on the south.

27 (g) Money deposited by the commission into the neighborhood  
28 stabilization fund may be used only for the following purposes in  
29 the territory described in subsection (f):

30 (1) Making expenditures for any of the following purposes:

31 (A) Stormwater and drainage improvements.

32 (B) Sidewalk and streetscape improvements.

33 (C) Park improvements.

34 (D) Street repair, including resurfacing.

35 (E) The installation, repair, and maintenance of street  
36 lights.

37 (F) Home repair.

38 (G) Any other improvement that the redevelopment  
39 commission determines will enhance economic opportunity  
40 and the quality of life of individuals residing in the area.

41 (2) Paying the principal of and interest on any obligations  
42 issued by the commission for the purpose of financing any of



- 1           **the purposes described in subdivision (1).**  
 2           SECTION 8. IC 36-7-31.5 IS ADDED TO THE INDIANA CODE  
 3 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 4 UPON PASSAGE]:  
 5           **Chapter 31.5. Additional Professional Sports Development Area**  
 6 **in a County Containing a Consolidated City**  
 7           **Sec. 1. This chapter applies only to a county having a**  
 8 **consolidated city. The authority for the creation of a professional**  
 9 **sports development area under this chapter is in addition to the**  
 10 **authority for the creation of a professional sports development**  
 11 **area under IC 36-7-31.**  
 12           **Sec. 2. As used in this chapter, "bonds" means bonds, notes, or**  
 13 **other evidence of indebtedness.**  
 14           **Sec. 3. As used in this chapter, "budget agency" refers to the**  
 15 **budget agency created by IC 4-12-1.**  
 16           **Sec. 4. As used in this chapter, "budget committee" has the**  
 17 **meaning set forth in IC 4-12-1-3.**  
 18           **Sec. 5. As used in this chapter, "capital improvement" means**  
 19 **any facility or complex of facilities established as part of an**  
 20 **additional professional sports development area under section 16**  
 21 **of this chapter.**  
 22           **Sec. 6. As used in this chapter, "capital improvement board"**  
 23 **refers to the capital improvement board of managers created by**  
 24 **IC 36-10-9-3.**  
 25           **Sec. 7. As used in this chapter, "commission" refers to the**  
 26 **metropolitan development commission acting as the redevelopment**  
 27 **commission of a consolidated city.**  
 28           **Sec. 8. As used in this chapter, "covered taxes" means the**  
 29 **following:**  
 30               **(1) The state gross retail tax imposed under IC 6-2.5-2-1 or**  
 31               **use tax imposed under IC 6-2.5-3-2.**  
 32               **(2) An adjusted gross income tax imposed under IC 6-3-2-1 on**  
 33               **an individual.**  
 34               **(3) A county option income tax imposed under IC 6-3.5-6.**  
 35           **Sec. 9. As used in this chapter, "department" refers to the**  
 36 **department of state revenue.**  
 37           **Sec. 10. As used in this chapter, "facility" means all or any part**  
 38 **of one (1) or more buildings, structures, or improvements**  
 39 **constituting a capital improvement. As used in this chapter, the**  
 40 **term refers to and includes a capital improvement.**  
 41           **Sec. 11. As used in this chapter, "facilities authority" refers to**  
 42 **the county convention and recreational facilities authority created**



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by IC 36-10-9.1.

**Sec. 12. As used in this chapter, "hotel" means a hotel existing on June 1, 2014, in Indianapolis, Indiana, in a geographic area to be specified by state statute.**

**Sec. 13. As used in this chapter, "tax area" means a geographic area established by the commission as an additional professional sports development area under section 20 of this chapter.**

**Sec. 14. As used in this chapter, "taxpayer" means a person that is liable for a covered tax.**

**Sec. 15. (a) The general assembly finds the following:**

**(1) Marion County and municipalities located in Marion County face unique and distinct challenges and opportunities related to economic development issues associated with the construction of facilities that would host professional soccer and other sporting and entertainment events in the city of Indianapolis.**

**(2) A unique approach is required to ensure that the facilities can be maintained to allow Marion County and those municipalities to meet these challenges and opportunities.**

**(3) The powers and responsibilities provided to Marion County, the facilities authority, and the capital improvement board created by this chapter are appropriate and necessary to carry out the public purposes of encouraging and fostering economic development in central Indiana and constructing facilities that would host professional soccer and other sporting and entertainment events in the city of Indianapolis.**

**(4) Encouragement of economic development in central Indiana will:**

**(A) generate significant economic activity, which may attract new businesses and encourage existing businesses to remain or expand in central Indiana;**

**(B) promote central Indiana to residents outside Indiana, which may attract residents outside Indiana and new businesses to relocate to central Indiana;**

**(C) protect and increase state and local tax revenues; and**

**(D) encourage overall economic growth in central Indiana and in Indiana.**

**(b) Marion County faces unique challenges in the development of infrastructure and other facilities necessary to promote economic development as a result of its need to rely on sources of revenue other than property taxes, due to the large number of tax exempt properties located in Marion County, because Indianapolis**



1 is the seat of state government and Marion County government,  
 2 and because Marion County is home to multiple institutions of  
 3 higher education and the site of numerous state and regional  
 4 nonprofit corporations.

5 (c) Economic development benefits the health and welfare of the  
 6 people of Indiana, is a public use and purpose for which public  
 7 money may be spent, and is of public utility and benefit.

8 Sec. 16. (a) A commission may establish as part of an additional  
 9 professional sports development area any facility or complex of  
 10 facilities:

11 (1) that is used in the training of a team engaged in  
 12 professional sporting events and, which, in addition, may  
 13 include a hotel and a facility used in whole or in part to  
 14 manage and operate the professional team that would  
 15 participate in the facility used to hold a professional sporting  
 16 event; or

17 (2) that is:

18 (A) financed in whole or in part by notes or bonds issued  
 19 by the facilities authority under this chapter; and

20 (B) used to hold a professional sporting event, and which,  
 21 in addition thereto, may include a facility used to hold  
 22 other entertainment events or a hotel.

23 The tax area may include a facility described in this section and  
 24 any parcel of land on which the facility is located. An area may  
 25 contain noncontiguous tracts of land within the county.

26 (b) A hotel described in subsection (a)(1) that is included within  
 27 the additional professional sports development area may not be  
 28 financed by debt issued by or assumed by the capital improvement  
 29 board, the facilities authority, or a political subdivision.

30 Sec. 17. (a) A tax area must be initially established before July  
 31 1, 2017, according to the procedures set forth for the establishment  
 32 of an economic development area under IC 36-7-15.1. A tax area  
 33 may be changed or the terms governing the tax area revised in the  
 34 same manner as the establishment of the initial tax area.

35 (b) In establishing or changing the terms of the tax area or  
 36 revising the terms governing the tax area, the commission must  
 37 make the following findings instead of the findings required for the  
 38 establishment of economic development areas:

39 (1) That a project to be undertaken or that has been  
 40 undertaken in the tax area is for a facility.

41 (2) That the project to be undertaken or that has been  
 42 undertaken in the tax area will benefit the public health and



1 welfare and will be of public utility and benefit.

2 (3) That the project to be undertaken or that has been  
3 undertaken in the tax area will protect or increase state and  
4 local tax bases and tax revenues.

5 (4) That:

6 (A) the owner of a professional soccer franchise that would  
7 be the primary tenant of a facility or complex of facilities  
8 constructed in the tax area;

9 (B) the professional soccer franchise;

10 (C) the professional soccer league in which the professional  
11 soccer franchise competes; or

12 (D) any combination of the owner, the franchise, and the  
13 league;

14 have guaranteed at least fifty percent (50%) of the amount  
15 that is financed under this chapter for a facility or complex of  
16 facilities that includes a soccer stadium.

17 (c) The tax area established by the commission under this  
18 chapter is a special taxing district authorized by the general  
19 assembly to enable the county to provide special benefits to  
20 taxpayers in the tax area by promoting economic development that  
21 is of public use and benefit.

22 Sec. 18. (a) Upon adoption of a resolution establishing a tax area  
23 under section 20 of this chapter, the commission shall submit the  
24 resolution to the budget committee for review and  
25 recommendation to the budget agency. The budget committee shall  
26 meet not later than sixty (60) days after receipt of a resolution and  
27 shall make a recommendation on the resolution to the budget  
28 agency.

29 (b) Upon adoption of a resolution changing the boundaries of a  
30 tax area under section 20 of this chapter, the commission shall:

31 (1) publish notice of the adoption and substance of the  
32 resolution in accordance with IC 5-3-1; and

33 (2) file the following information with each taxing unit in the  
34 county in which the district is located:

35 (A) A copy of the notice required by subdivision (1).

36 (B) A statement disclosing the impact of the special taxing  
37 district, including the following:

38 (i) The estimated economic benefits and costs incurred  
39 by the district, as measured by increased employment  
40 and anticipated growth of property assessed values.

41 (ii) The anticipated impact on tax revenues of each  
42 taxing unit.





1       **The notice must state the general boundaries of the special taxing**  
 2       **district.**

3       **(c) Upon completion of the actions required by subsection (b),**  
 4       **the commission shall submit the resolution to the budget committee**  
 5       **for review and recommendation to the budget agency. The budget**  
 6       **committee shall meet not later than sixty (60) days after receipt of**  
 7       **the resolution and shall make a recommendation on the resolution**  
 8       **to the budget agency.**

9       **Sec. 19. (a) The budget agency must approve the resolution**  
 10       **before the covered taxes may be allocated under section 20 of this**  
 11       **chapter.**

12       **(b) When considering a resolution, the budget committee and**  
 13       **the budget agency must make the following findings:**

14       **(1) The cost of the facility and facility site specified under the**  
 15       **resolution exceeds one hundred thousand dollars (\$100,000).**

16       **(2) The project specified in the resolution is economically**  
 17       **sound and will benefit the people of Indiana by protecting or**  
 18       **increasing state and local tax bases and tax revenues for at**  
 19       **least the duration of the tax area established under this**  
 20       **chapter.**

21       **(3) The political subdivisions affected by the project specified**  
 22       **in the resolution have committed significant resources toward**  
 23       **completion of the improvement.**

24       **(4) That:**

25       **(A) the owner of a professional soccer franchise that would**  
 26       **be the primary tenant of a facility or complex of facilities**  
 27       **constructed in the tax area;**

28       **(B) the professional soccer franchise;**

29       **(C) the professional soccer league in which the professional**  
 30       **soccer franchise competes; or**

31       **(D) any combination of the owner, the franchise, and the**  
 32       **league;**

33       **have guaranteed at least fifty percent (50%) of the amount**  
 34       **that is financed under this chapter for a facility or complex of**  
 35       **facilities that includes a soccer stadium.**

36       **(c) Revenues from the tax area may not be allocated until the**  
 37       **budget agency approves the resolution.**

38       **Sec. 20. (a) A tax area must be established by resolution. A**  
 39       **resolution establishing a tax area must provide for the allocation**  
 40       **of covered taxes attributable to a taxable event or covered taxes**  
 41       **earned in the tax area to the additional professional sports**  
 42       **development area fund established for the county. The allocation**



1 provision must apply to the part of the tax area covered by this  
 2 section. The resolution must provide that the tax area terminates  
 3 not later than December 1, 2049.

4 (b) All of the salary, wages, bonuses, and other compensation  
 5 that are:

- 6 (1) paid during a taxable year to a professional athlete for  
 7 professional athletic services;
- 8 (2) taxable in Indiana; and
- 9 (3) earned in the tax area;

10 shall be allocated to the tax area if the professional athlete is a  
 11 member of a team that plays the majority of the professional  
 12 athletic events that the team plays in Indiana in the tax area.

13 (c) The total amount of state revenue captured by the tax area  
 14 may not exceed five million dollars (\$5,000,000) per year for  
 15 thirty-two (32) consecutive years, commencing July 1, 2017.

16 (d) The resolution establishing the tax area must designate the  
 17 facility and the facility site for which the tax area is established and  
 18 covered taxes will be used.

19 (e) The department may adopt rules under IC 4-22-2 and  
 20 guidelines to govern the allocation of covered taxes to a tax area.

21 Sec. 21. (a) When the commission adopts an allocation  
 22 provision, the commission shall notify the department by certified  
 23 mail of the adoption of the provision and shall include with the  
 24 notification a complete list of the following:

- 25 (1) Employers in the tax area.
- 26 (2) Street names and the range of street numbers of each  
 27 street in the tax area.

28 The commission shall update the list before July 1 of each year.

29 (b) Taxpayers operating in the district shall report annually, in  
 30 the manner and in the form prescribed by the department,  
 31 information that the department determines necessary to calculate  
 32 the salary, wages, bonuses, and other compensation that are:

- 33 (1) paid during a taxable year to a professional athlete for  
 34 professional athletic services;
- 35 (2) taxable in Indiana; and
- 36 (3) earned in the district.

37 (c) A taxpayer operating in the district that files a consolidated  
 38 tax return with the department also shall file annually an  
 39 informational return with the department for each business  
 40 location of the taxpayer within the district.

41 (d) If a taxpayer fails to report the information required by this  
 42 section or file an informational return required by this section, the



1 department shall use the best information available in calculating  
2 the amount of covered taxes attributable to a taxable event in a tax  
3 area or covered taxes from income earned in a tax area.

4 **Sec. 22.** An additional professional sports development area  
5 fund for the county is established. The fund shall be administered  
6 by the department. Money in the fund does not revert to the state  
7 general fund at the end of a state fiscal year.

8 **Sec. 23.** Covered taxes attributable to a tax area approved under  
9 section 20 of this chapter shall be deposited in the additional  
10 professional sports development area fund for the county.

11 **Sec. 24.** On or before the twentieth day of each month, all  
12 amounts on deposit in the additional professional sports  
13 development area fund for the county are appropriated for and  
14 shall be distributed to the capital improvement board.

15 **Sec. 25.** The department shall notify the county auditor of the  
16 amount of taxes to be distributed to the capital improvement  
17 board.

18 **Sec. 26.** All distributions from the additional professional sports  
19 development area fund for the county shall be made by warrants  
20 issued by the auditor of state to the treasurer of state ordering  
21 those payments to the capital improvement board.

22 **Sec. 27.** The capital improvement board may use money  
23 distributed from the additional professional sports development  
24 area fund only to construct and equip a capital improvement,  
25 including the financing or refinancing of a capital improvement or  
26 the payment of lease payments for a capital improvement.

27 **Sec. 28.** All capital improvements financed under this chapter  
28 are subject to the provisions of 25 IAC 5 concerning equal  
29 opportunities for minority business enterprises and women's  
30 business enterprises to participate in procurement and contracting  
31 processes. The goal for participation by minority business  
32 enterprises must be fifteen percent (15%), the goal for  
33 participation by women's business enterprises must be eight  
34 percent (8%), and the goal for participation by veteran or disabled  
35 business enterprises must be three percent (3%), consistent with  
36 the goals of delivering the project on time and within the budgeted  
37 amount and, insofar as possible, using Indiana businesses for  
38 employees, goods, and services. In fulfilling the goals, historical  
39 precedents in the same market must be taken into account.

40 **Sec. 29.** The capital improvement board shall repay to the  
41 additional professional sports development area fund any amount  
42 that is distributed to the capital improvement board and used for:



1 (1) a purpose that is not described in section 35 of this  
2 chapter; or

3 (2) a facility or facility site other than the facility and facility  
4 site to which covered taxes are designated under the  
5 resolution described in section 20 of this chapter.

6 The department shall distribute the covered taxes repaid to the  
7 additional professional sports development area fund under this  
8 section proportionately to the funds and the political subdivisions  
9 that would have received the covered taxes if the covered taxes had  
10 not been allocated to the tax area under this chapter.

11 Sec. 30. (a) Before a lease of a capital improvement located in a  
12 tax area may be entered into by the facilities authority and the  
13 capital improvement board, the capital improvement board must  
14 find that the lease rental provided for is fair and reasonable.

15 (b) A lease of a capital improvement from the facilities authority  
16 to the capital improvement board:

17 (1) may not have a term exceeding forty (40) years;

18 (2) may not require payment of lease rental for a newly  
19 constructed capital improvement or for improvements to an  
20 existing capital improvement until the capital improvement or  
21 improvements thereto have been completed and are ready for  
22 occupancy;

23 (3) must provide that upon completion of construction, the  
24 responsibility for operation and maintenance of the capital  
25 improvements and the retention of the revenues from the  
26 operation and maintenance of the capital improvements shall  
27 be shared between the capital improvement board and the  
28 sublessee or sublessees as set forth in the written agreement  
29 to be entered into under section 35(h) of this chapter;

30 (4) must provide that the facilities authority has no  
31 responsibility to fund the ongoing maintenance and  
32 operations of the capital improvement;

33 (5) may contain provisions:

34 (A) allowing the capital improvement board to continue to  
35 operate an existing capital improvement until completion  
36 of the improvements, reconstruction, or renovation; and

37 (B) requiring payment of lease rentals for an existing  
38 capital improvement being used, reconstructed, or  
39 renovated;

40 (6) may contain an option to renew the lease for the same or  
41 shorter term on the conditions provided in the lease;

42 (7) must contain an option for the capital improvement board



1 to purchase the capital improvement upon the terms stated in  
 2 the lease during the term of the lease for a price equal to the  
 3 amount required to pay all indebtedness incurred on account  
 4 of the capital improvement, including indebtedness incurred  
 5 for the refunding of that indebtedness;

6 (8) may be entered into before acquisition or construction of  
 7 a capital improvement; and

8 (9) subject to IC 36-10-9-11, may provide that the lease rental  
 9 payments by the capital improvement board shall be made  
 10 from any one (1) or more of the following sources:

11 (A) Proceeds of the excise taxes imposed under  
 12 IC 6-9-13-1(b).

13 (B) Revenue captured under this chapter.

14 (C) Net revenues of the capital improvement.

15 (D) Any other funds available to the capital improvement  
 16 board.

17 **Sec. 31.** This chapter contains full and complete authority for  
 18 leases between the facilities authority and the capital improvement  
 19 board. No law, procedure, proceedings, publications, notices,  
 20 consents, approvals, orders, or acts by the board or the capital  
 21 improvement board or any other officer, department, agency or  
 22 instrumentality of the state, or any political subdivision is required  
 23 to enter into any lease, except as prescribed in this chapter.

24 **Sec. 32.** If the lease provides for a capital improvement or  
 25 improvements thereto to be constructed by the facilities authority,  
 26 the plans and specifications shall be submitted to and approved by  
 27 the capital improvement board and all agencies designated by law  
 28 to pass on plans and specifications for public buildings.

29 **Sec. 33.** The facilities authority and the capital improvement  
 30 board may enter into common wall (party wall) agreements or  
 31 other agreements concerning easements or licenses. The capital  
 32 improvement board and any sublessee may enter into common wall  
 33 (party wall) agreements or other agreements concerning easements  
 34 or licenses. These agreements shall be recorded with the recorder  
 35 of the county.

36 **Sec. 34. (a)** The capital improvement board may lease for a  
 37 nominal lease rental, or, subject to any sublease between the  
 38 capital improvement board and a sublessee, sell to the facilities  
 39 authority, one (1) or more capital improvements or parts thereof  
 40 or land upon which a capital improvement is located or is to be  
 41 constructed.

42 (b) Any lease of all or a part of a capital improvement by the



1 capital improvement board to the facilities authority must be for  
 2 a term equal to the term of the lease of that capital improvement  
 3 back to the capital improvement board.

4 (c) Subject to any sublease between the capital improvement  
 5 board and a sublessee, the capital improvement board may sell  
 6 property to the facilities authority for the amount the board  
 7 determines to be in the best interest of the capital improvement  
 8 board, which amount may be paid from the proceeds of bonds of  
 9 the facilities authority.

10 Sec. 35. (a) The facilities authority may issue bonds for the  
 11 purpose of obtaining money to pay the cost of:

12 (1) acquiring property;

13 (2) constructing, improving, reconstructing, or renovating one

14 (1) or more capital improvements; or

15 (3) funding or refunding bonds issued under this chapter.

16 (b) The bonds are payable solely from the lease rentals from the  
 17 lease of the capital improvements for which the bonds were issued,  
 18 insurance proceeds, and any other funds pledged or available.

19 (c) The bonds shall be authorized by a resolution of the board.

20 (d) The terms and form of the bonds shall be set out either in the  
 21 resolution or in a form of trust indenture approved by the  
 22 resolution.

23 (e) The bonds must mature within forty (40) years.

24 (f) The board shall sell the bonds at public or private sale upon  
 25 the terms as determined by the board.

26 (g) All money received from any bonds issued under this  
 27 chapter shall be applied solely to the payment of the cost of the  
 28 acquisition or construction, or both, of capital improvements, or  
 29 the cost of refunding or refinancing outstanding bonds, for which  
 30 the bonds are issued. The cost may include:

31 (1) planning and development of the facility and all buildings,  
 32 facilities, structures, and improvements related to it;

33 (2) acquisition of a site and clearing and preparing the site for  
 34 construction;

35 (3) equipment, facilities, structures, and improvements that  
 36 are necessary or desirable to make the capital improvement  
 37 suitable for use and operations;

38 (4) architectural, engineering, consultant, and attorney's fees;

39 (5) incidental expenses in connection with the issuance and  
 40 sale of bonds;

41 (6) reserves for principal and interest;

42 (7) interest during construction;



- 1           **(8) financial advisory fees;**  
 2           **(9) insurance during construction;**  
 3           **(10) municipal bond insurance, debt service reserve**  
 4           **insurance, letters of credit, or other credit enhancement; and**  
 5           **(11) in the case of refunding or refinancing, payment of the**  
 6           **principal of, redemption premiums (if any) for, and interest**  
 7           **on, the bonds being refunded or refinanced.**

8           **(h) If the facilities authority is acquiring land or all or a part of**  
 9           **one (1) or more capital improvements from any person other than**  
 10           **the capital improvement board by purchase or lease and is leasing**  
 11           **the land or these capital improvements to the capital improvement**  
 12           **board, with any additional improvements that may be made to**  
 13           **them, and the capital improvement board intends to sublease the**  
 14           **land or capital improvement to one (1) or more sublessees, the**  
 15           **facilities authority may not issue bonds under this chapter unless**  
 16           **the facilities authority first finds that the capital improvement**  
 17           **board, the facilities authority, and the sublessee or sublessees have**  
 18           **entered into a written agreement concerning the terms of the**  
 19           **financing of the facility. This agreement must include the following**  
 20           **provisions:**

21           **(1) That the facilities authority, the capital improvement**  
 22           **board, and any sublessee or sublessees must commit to using**  
 23           **their best efforts to assist and cooperate with one another to**  
 24           **design and construct the facility on time and on budget.**

25           **(2) That any capital improvements financed under this**  
 26           **chapter must be approved by the facilities authority. The**  
 27           **capital improvement board shall secure the obligations of the**  
 28           **sublessee or sublessees of the capital improvements to the**  
 29           **capital improvement board under a sublease under this**  
 30           **chapter with liens or security interests, which may include:**

31           **(A) perfected security interests in personal property;**

32           **(B) a mortgage lien on the real property; or**

33           **(C) any other security determined to be appropriate by the**  
 34           **capital improvement board and the facilities authority.**

35           **(3) Specifying how the responsibility for the operation and**  
 36           **maintenance of the capital improvements and the retention of**  
 37           **the revenues from the operation and maintenance of the**  
 38           **capital improvements will be shared between the capital**  
 39           **improvement board and the sublessee or sublessees.**

40           **(4) That if any bonds are issued by the facilities authority**  
 41           **under this section to finance capital improvements, on the**  
 42           **date that all these bonds are no longer considered**



1           **outstanding, the capital improvement board shall take the**  
 2           **legal steps required to terminate each of its security interests**  
 3           **in and mortgage liens on the capital improvements described**  
 4           **in subdivision (2).**

5           **(5) That if a controlling ownership interest in the sublessee's**  
 6           **interests in the capital improvements described in subdivision**  
 7           **(2) is sold after the facilities authority issues bonds under this**  
 8           **section to finance these capital improvements, the capital**  
 9           **improvement board shall determine whether there exists good**  
 10          **cause not to allow the purchaser to assume the sublessee's**  
 11          **obligations under the sublease and the agreement described**  
 12          **in this subsection. If the capital improvement board**  
 13          **determines that no good cause exists, the capital improvement**  
 14          **board is considered to have accepted the purchaser's**  
 15          **assumption of the sublessee's obligations under the sublease**  
 16          **and the agreement described in this subsection, and the**  
 17          **purchaser is considered to have assumed and become**  
 18          **obligated to fully perform those obligations. If the capital**  
 19          **improvement board determines that there exists good cause**  
 20          **not to approve the purchaser's assumption of the sublessee's**  
 21          **obligations under the sublease and the agreement described**  
 22          **in this subsection, the capital improvement board is**  
 23          **considered to have disapproved the assumption and the**  
 24          **capital improvement board may require that the sublessee or**  
 25          **sublessees of the capital improvements shall pay or cause to**  
 26          **be paid to the capital improvement board an amount**  
 27          **sufficient to pay the cost of defeasing all outstanding bonds**  
 28          **issued by the facilities authority under this section to finance**  
 29          **the capital improvements and paying all expenses of the**  
 30          **capital improvement board and the facilities authority**  
 31          **incurred in connection with the defeasance.**

32          **(i) For purposes of this section, the following may not be**  
 33          **considered to be the sale of a controlling ownership interest:**

34               **(1) Transfers among the sublessee or sublessees and their**  
 35               **subsidiaries and affiliates existing at the time the sublessee or**  
 36               **sublessees of the capital improvements described in subsection**  
 37               **(h)(2) enter into the written agreement described in**  
 38               **subsection (h) concerning the terms of the financing of the**  
 39               **capital improvements.**

40               **(2) Transfers among existing equity owners of the sublessee or**  
 41               **sublessees, if any (as determined at the time the sublessee or**  
 42               **sublessees of the capital improvements described in subsection**





1 (h)(2) enter into the written agreement described in  
 2 subsection (h) concerning the terms of the financing of the  
 3 capital improvements).

4 (3) Transfers among the existing equity owners (as  
 5 determined at the time the sublessee or sublessees of the  
 6 capital improvements described in subsection (h)(2) enter into  
 7 the written agreement described in subsection (h) concerning  
 8 the terms of the financing of the capital improvements) and  
 9 trusts, family limited partnerships, and other entities for  
 10 estate planning purposes.

11 **Sec. 36.** This chapter contains full and complete authority for  
 12 the issuance of bonds. No law, procedure, proceedings,  
 13 publications, notices, consents, approvals, orders, or acts by the  
 14 board or any other officer, department, agency, or instrumentality  
 15 of the state or of any political subdivision is required to issue any  
 16 bonds, except as prescribed in this chapter.

17 **Sec. 37.** Bonds issued under this chapter are legal investments  
 18 for private trust funds and the funds of banks, trust companies,  
 19 insurance companies, building and loan associations, credit unions,  
 20 banks of discount and deposit, savings banks, loan and trust and  
 21 safe deposit companies, rural loan and savings associations,  
 22 guaranty loan and savings associations, mortgage guaranty  
 23 companies, small loan companies, industrial loan and investment  
 24 companies, and other financial institutions organized under  
 25 Indiana law.

26 **Sec. 38. (a)** The facilities authority may secure bonds issued  
 27 under this chapter by a trust indenture between the facilities  
 28 authority and a corporate trustee, which may be any trust  
 29 company or national or state bank within Indiana that has trust  
 30 powers.

31 (b) The trust indenture may:

32 (1) pledge or assign lease rentals, receipts, and income from  
 33 leased capital improvements;

34 (2) contain reasonable and proper provisions for protecting  
 35 and enforcing the rights and remedies of the bondholders,  
 36 including covenants setting forth the duties of the facilities  
 37 authority and the board of directors of the facilities authority;

38 (3) set forth the rights and remedies of bondholders and  
 39 trustee; and

40 (4) restrict the individual right of action of bondholders.

41 (c) Any pledge or assignment made by the facilities authority  
 42 under this section is valid and binding from the time that the



1 pledge or assignment is made, against all persons whether they  
 2 have notice of the lien or not. Any trust indenture by which a  
 3 pledge is created or an assignment made need not be filed or  
 4 recorded. The lien is perfected against third parties by filing the  
 5 trust indenture in the records of the board of directors of the  
 6 facilities authority.

7 **Sec. 39.** If the capital improvement board exercises its option to  
 8 purchase leased property, it may issue its bonds as authorized by  
 9 statute.

10 **Sec. 40.** All:

11 (1) property owned by the facilities authority, except for  
 12 property located in a tax area;

13 (2) revenues of the facilities authority; and

14 (3) bonds issued by the facilities authority, the interest on the  
 15 bonds, the proceeds received by a holder from the sale of  
 16 bonds to the extent of the holder's cost of acquisition,  
 17 proceeds received upon redemption before maturity, proceeds  
 18 received at maturity, and the receipt of interest in proceeds;

19 are exempt from taxation in Indiana for all purposes except the  
 20 financial institutions tax imposed under IC 6-5.5 or a state  
 21 inheritance tax imposed under IC 6-4.1.

22 **Sec. 41.** The facilities authority shall not issue bonds under this  
 23 chapter, unless:

24 (1) on or before June 30, 2016, the county fiscal body imposes  
 25 the rate of the tax authorized by IC 6-9-13-2.1 by the  
 26 maximum amount authorized by IC 6-9-13-2.1(a); and

27 (2) on or before July 1, 2017, a tax area has been established  
 28 under section 20 of this chapter.

29 **Sec. 42.** Any action to contest the validity of bonds to be issued  
 30 under this chapter may not be brought after the fifteenth day  
 31 following:

32 (1) the receipt of bids for the bonds, if the bonds are sold at  
 33 public sale; or

34 (2) the publication one (1) time in a newspaper of general  
 35 circulation published in the county of notice of the execution  
 36 and delivery of the contract for the sale of bonds;

37 whichever occurs first.

38 **Sec. 43.** This chapter expires December 31, 2049.

39 SECTION 9. IC 36-7-32.6 IS ADDED TO THE INDIANA CODE  
 40 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 41 UPON PASSAGE]:

42 **Chapter 32.6. White River Revitalization District**



1           **Sec. 1.** This chapter applies only to a county containing a  
2 consolidated city.

3           **Sec. 2.** As used in this chapter, "district" means the White River  
4 revitalization district designated under this chapter.

5           **Sec. 3.** As used in this chapter, "gross retail base period  
6 amount" means the aggregate amount of state gross retail and use  
7 taxes remitted under IC 6-2.5 by the businesses operating in the  
8 territory comprising a district during the full state fiscal year that  
9 precedes the date on which the district was designated under  
10 section 8 of this chapter.

11           **Sec. 4.** As used in this chapter, "gross retail incremental  
12 amount" means the remainder of:

13           (1) the aggregate amount of state gross retail and use taxes  
14 that are remitted under IC 6-2.5 by businesses operating in  
15 the territory comprising a district during a state fiscal year;  
16 minus

17           (2) the gross retail base period amount;  
18 as determined by the department of state revenue.

19           **Sec. 5.** As used in this chapter, "income tax base period  
20 amount" means the aggregate amount of the following taxes paid  
21 by employees employed in the territory comprising a district with  
22 respect to wages and salary earned for work in the district for the  
23 state fiscal year that precedes the date on which the district was  
24 designated under section 8 of this chapter:

- 25           (1) The adjusted gross income tax.  
26           (2) The county adjusted gross income tax.  
27           (3) The county option income tax.  
28           (4) The county economic development income tax.

29           **Sec. 6.** As used in this chapter, "income tax incremental  
30 amount" means the remainder of:

31           (1) the total amount of state adjusted gross income taxes,  
32 county adjusted gross income tax, county option income taxes,  
33 and county economic development income taxes paid by  
34 employees employed in the territory comprising the district  
35 with respect to wages and salary earned for work in the  
36 territory comprising the district for a particular state fiscal  
37 year; minus

38           (2) income tax base period amount;  
39 as determined by the department of state revenue.

40           **Sec. 7.** (a) After approval by the fiscal body of the county, the  
41 county executive may submit an application to the budget  
42 committee for review and recommendation to the budget agency,



1 requesting the designation by the budget agency of the White River  
2 revitalization district under this chapter.

3 (b) The territory to be included within the district is the  
4 territory within the county that is bounded by the following:

- 5 (1) South Harding Street on the west.
- 6 (2) Washington Street on the north.
- 7 (3) The White River on the east.
- 8 (4) Interstate 70 on the south.

9 Sec. 8. (a) The budget committee shall meet not later than sixty  
10 (60) days after receipt of an application and shall make a  
11 recommendation on the designation to the budget agency.

12 (b) When considering the proposed designation of a district, the  
13 budget committee must make the following findings before  
14 recommending designation of the district and the budget agency  
15 must make the following findings before approving the designation  
16 of the district:

- 17 (1) There are significant obstacles to redevelopment of the  
18 territory to be designated as a district, due to one (1) or more  
19 of the following problems:
  - 20 (A) Vacant or deteriorated homes or other buildings.
  - 21 (B) Obsolete or inefficient buildings.
  - 22 (C) Aging infrastructure or inefficient utility services.
  - 23 (D) Utility relocation requirements.
  - 24 (E) Transportation or access problems.
  - 25 (F) Environmental contamination or remediation.
  - 26 (G) Lack of development or cessation of growth.

27 (2) The designation of the district will benefit the people of  
28 Indiana.

29 (c) The income tax incremental amount and the gross retail  
30 incremental amount may not be allocated to a district until the  
31 designation of the district is approved under this section.

32 (d) If the budget agency approves a petition requesting the  
33 designation of a district, the district is established and the budget  
34 agency shall certify the approval to the department of state  
35 revenue.

36 Sec. 9. (a) If a district is designated under this chapter, the  
37 metropolitan development commission shall send to the  
38 department of state revenue a complete list of the employers in the  
39 district and the names and the range of street numbers of each  
40 street in the district. The metropolitan development commission  
41 shall update the list provided under this section before July 1 of  
42 each year.



1           (b) Not later than sixty (60) days after receiving a copy of the  
2 designation of the district, the department of state revenue shall  
3 determine the gross retail base period amount and the income tax  
4 base period amount.

5           Sec. 10. (a) Before the first business day in October of each year,  
6 the department of state revenue shall calculate the income tax  
7 incremental amount and the gross retail incremental amount for  
8 the preceding state fiscal year for a district designated under this  
9 chapter.

10          (b) Taxpayers operating in the district shall report annually, in  
11 the manner and in the form prescribed by the department,  
12 information that the department determines necessary to calculate  
13 the net increment.

14          (c) A taxpayer operating in the district that files a consolidated  
15 tax return with the department also shall file annually an  
16 informational return with the department for each business  
17 location of the taxpayer within the district.

18          (d) If a taxpayer fails to report the information required by this  
19 section or file an informational return required by this section, the  
20 department shall use the best information available in calculating  
21 the income tax incremental amount and the gross retail  
22 incremental amount.

23           Sec. 11. (a) The treasurer of state shall establish an incremental  
24 tax financing fund for a district designated under this chapter. The  
25 fund shall be administered by the treasurer of state. Money in the  
26 fund does not revert to the state general fund at the end of a state  
27 fiscal year.

28          (b) Subject to subsection (c), the following amounts shall be  
29 deposited during each state fiscal year in the incremental tax  
30 financing fund established for a district under subsection (a):

31           (1) The aggregate amount of state gross retail and use taxes  
32 that are remitted under IC 6-2.5 by businesses operating in  
33 the district, until the amount of state gross retail and use taxes  
34 deposited equals the gross retail incremental amount for the  
35 district.

36           (2) The aggregate amount of the following taxes paid by  
37 employees employed in the district with respect to wages  
38 earned for work in the district, until the amount deposited  
39 equals the income tax incremental amount:

40                   (A) The adjusted gross income tax.

41                   (B) The county adjusted gross income tax.

42                   (C) The county option income tax.



- 1                   **(D) The county economic development income tax.**  
 2                   **(c) Not more than a total of five million dollars (\$5,000,000) may**  
 3 **be deposited in the incremental tax financing fund for a district**  
 4 **over the life of the district.**  
 5                   **(d) On or before the twentieth day of each month, all amounts**  
 6 **held in the incremental tax financing fund established for a district**  
 7 **shall be distributed to the fiscal officer of the county for deposit in**  
 8 **the district fund established under section 12 of this chapter.**  
 9                   **Sec. 12. (a) If a district is designated under this chapter, the**  
 10 **county shall establish a district fund to receive money distributed**  
 11 **under section 11 of this chapter.**  
 12                   **(b) Money deposited in the district fund may be used, after**  
 13 **appropriation by the county fiscal body, only for one (1) or more**  
 14 **of the following purposes within the district:**  
 15                   **(1) Stormwater and drainage improvements.**  
 16                   **(2) Sidewalk and streetscape improvements.**  
 17                   **(3) Park improvements.**  
 18                   **(4) Street repair, including resurfacing.**  
 19                   **(5) The installation, repair, and maintenance of street lights.**  
 20                   **(6) Home repair.**  
 21                   **(7) Any other improvement that the redevelopment**  
 22 **commission determines will enhance economic opportunity**  
 23 **and the quality of life of individuals residing in the area.**  
 24                   SECTION 10. IC 36-10-9-2 IS AMENDED TO READ AS  
 25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this  
 26 chapter:  
 27                   "Board" refers to a capital improvement board of managers created  
 28 under this chapter.  
 29                   "Bonds" means bonds issued under section 12 or section 15 of this  
 30 chapter and, except as used in section 12 of this chapter or unless the  
 31 context otherwise requires, lease agreements entered into under section  
 32 6(15) of this chapter.  
 33                   "Excise taxes" refers to the excise taxes imposed by IC 6-9-8 **or**  
 34 **under IC 6-9-12 and ~~IC 6-9-13~~. IC 6-9-13-1(a).**  
 35                   "Issue", "issued", or "issuance" means in the case of lease  
 36 agreements "execute", "executed", or "execution" respectively.  
 37                   "Lease agreements" means lease agreements entered into under  
 38 section 6(15) of this chapter.  
 39                   "Net income" means the gross income from the operation of a  
 40 capital improvement after deducting the necessary operating expenses  
 41 of the board.  
 42                   "Notes" means notes issued under section 21 of this chapter.



- 1 "Operating expenses" means:
- 2 (1) the necessary operational expenses of the board in performing
- 3 its duties under this chapter, including maintenance, repairs,
- 4 replacements, alterations, and costs of services of architects,
- 5 engineers, accountants, attorneys, and consultants;
- 6 (2) the expenses for any other purpose that has been approved
- 7 under section 8 of this chapter; and
- 8 (3) the maintenance of reasonable reserves for any of the items
- 9 listed in subdivisions (1) and (2) of this definition or for other
- 10 purposes required under a resolution, ordinance, or trust
- 11 agreement.
- 12 "Principal and interest" or "principal on and interest of" includes,
- 13 unless the context otherwise requires, payments required by lease
- 14 agreements.
- 15 "Pre-1981 general obligation bonds" means general obligation
- 16 bonds issued before January 1, 1981.
- 17 "Trust agreements", except as used in section 13 of this chapter or
- 18 unless the context otherwise requires, includes lease agreements.
- 19 SECTION 11. IC 36-10-9.1-22 IS AMENDED TO READ AS
- 20 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. All:
- 21 (1) property owned by the authority, **except for property located**
- 22 **in an additional professional sports development area**
- 23 **established under IC 36-7-31.5;**
- 24 (2) revenues of the authority; and
- 25 (3) bonds issued by the authority, the interest on the bonds, the
- 26 proceeds received by a holder from the sale of bonds to the extent
- 27 of the holder's cost of acquisition, proceeds received upon
- 28 redemption before maturity, proceeds received at maturity, and
- 29 the receipt of interest in proceeds;
- 30 are exempt from taxation in Indiana for all purposes except the
- 31 financial institutions tax imposed under IC 6-5.5 or a state inheritance
- 32 tax imposed under IC 6-4.1.
- 33 SECTION 12. **An emergency is declared for this act.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1273, 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:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1273 as introduced.)

BROWN T

Committee Vote: yeas 20, nays 3.

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 HOUSE MOTION

Mr. Speaker: I move that House Bill 1273 be amended to read as follows:

Page 5, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 5. IC 36-7-15.1-7, AS AMENDED BY P.L.95-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) In carrying out its duties and purposes under this chapter, the commission may do the following:

- (1) Acquire by purchase, exchange, gift, grant, lease, or condemnation, or any combination of methods, any real or personal property or interest in property needed for the redevelopment of areas needing redevelopment that are located within the redevelopment district.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, invest in, or otherwise dispose of, through any combination of methods, property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the city and its inhabitants.
- (3) Acquire from and sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the city, or to any other governmental agency, for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes, on any terms that may be agreed upon.
- (4) Clear real property acquired for redevelopment purposes.

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- (5) Enter on or into, inspect, investigate, and assess real property and structures acquired or to be acquired for redevelopment purposes to determine the existence, source, nature, and extent of any environmental contamination, including the following:
  - (A) Hazardous substances.
  - (B) Petroleum.
  - (C) Other pollutants.
- (6) Remediate environmental contamination, including the following, found on any real property or structures acquired for redevelopment purposes:
  - (A) Hazardous substances.
  - (B) Petroleum.
  - (C) Other pollutants.
- (7) Repair and maintain structures acquired or to be acquired for redevelopment purposes.
- (8) Enter upon, survey, or examine any land, to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes, and determine the value of that land.
- (9) Appear before any other department or agency of the city, or before any other governmental agency in respect to any matter affecting:
  - (A) real property acquired or being acquired for redevelopment purposes; or
  - (B) any area needing redevelopment within the jurisdiction of the commission.
- (10) Subject to section 13 of this chapter, exercise the power of eminent domain in the name of the city, within the redevelopment district, in the manner prescribed by this chapter.
- (11) Establish a uniform fee schedule whenever appropriate for the performance of governmental assistance, or for providing materials and supplies to private persons in project or program related activities.
- (12) Expend, on behalf of the redevelopment district, all or any part of the money available for the purposes of this chapter.
- (13) Contract for the construction, extension, or improvement of pedestrian skyways.
- (14) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.
- (15) Provide financial assistance (including grants and loans) to



enable individuals and families to purchase or lease residential units in a multiple unit residential structure within the district. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(16) Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

- (A) provide financial assistance for the purposes described in subdivision (15); or
- (B) construct, rehabilitate, or repair commercial property within the district.

(17) Require as a condition of financial assistance to the owner of a multiple unit residential structure that any of the units leased by the owner must be leased:

- (A) for a period to be determined by the commission, which may not be less than five (5) years;
- (B) to families whose income does not exceed eighty percent (80%) of the county's median income for families; and
- (C) at an affordable rate.

Conditions imposed by the commission under this subdivision remain in force throughout the period determined under clause (A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

(18) Provide programs in job training, job enrichment, and basic skill development for residents of an enterprise zone.

(19) Provide loans and grants for the purpose of stimulating business activity in an enterprise zone or providing employment for residents of an enterprise zone.

(20) Contract for the construction, extension, or improvement of:

- (A) public ways, sidewalks, sewers, waterlines, parking facilities, park or recreational areas, or other local public improvements (as defined in IC 36-7-15.3-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the redevelopment district; or
- (B) any structure that enhances development or economic development.

(21) This subdivision does not apply to a redevelopment commission in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission,



military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the redevelopment commission, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

- (i) an active military base located within the unit; or
- (ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the redevelopment commission must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the redevelopment commission. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

**(22) Pay costs and make expenditures for the purposes of section 26.8 of this chapter.**

(b) In addition to its powers under subsection (a), the commission may plan and undertake, alone or in cooperation with other agencies, projects for the redevelopment of, rehabilitating, preventing the spread of, or eliminating slums or areas needing redevelopment, both residential and nonresidential, which projects may include any of the following:

- (1) The repair or rehabilitation of buildings or other improvements by the commission, owners, or tenants.
- (2) The acquisition of real property.
- (3) Either of the following with respect to environmental



contamination on real property:

- (A) Investigation.
- (B) Remediation.
- (4) The demolition and removal of buildings or improvements on buildings acquired by the commission where necessary for any of the following:
  - (A) To eliminate unhealthful, unsanitary, or unsafe conditions.
  - (B) To mitigate or eliminate environmental contamination.
  - (C) To lessen density.
  - (D) To reduce traffic hazards.
  - (E) To eliminate obsolete or other uses detrimental to public welfare.
  - (F) To otherwise remove or prevent the conditions described in IC 36-7-1-3.
  - (G) To provide land for needed public facilities.
- (5) The preparation of sites and the construction of improvements (such as public ways and utility connections) to facilitate the sale or lease of property.
- (6) The construction of buildings or facilities for residential, commercial, industrial, public, or other uses.
- (7) The disposition in accordance with this chapter, for uses in accordance with the plans for the projects, of any property acquired in connection with the projects.

(c) The commission may use its powers under this chapter relative to real property and interests in real property obtained by voluntary sale or transfer, even though the real property and interests in real property are not located in a redevelopment or urban renewal project area established by the adoption and confirmation of a resolution under sections 8(c), 9, 10, and 11 of this chapter. In acquiring real property and interests in real property outside of a redevelopment or urban renewal project area, the commission shall comply with section 12(b) through 12(e) of this chapter. The commission shall hold, develop, use, and dispose of this real property and interests in real property substantially in accordance with section 15 of this chapter.

(d) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.



(e) All powers that may be exercised under this chapter by the commission may also be exercised by the commission in carrying out its duties and purposes under IC 36-7-15.3.

SECTION 6. IC 36-7-15.1-26, AS AMENDED BY P.L.95-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;



the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes, taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or amendment that establishes an allocation provision must include a specific finding of fact, supported by evidence, that the adoption of the allocation provision will result in new property taxes in the area that would not have been generated but for the adoption of the allocation



provision. For an allocation area established before July 1, 1995, the expiration date of any allocation provisions for the allocation area is June 30, 2025, or the last date of any obligations that are outstanding on July 1, 2015, whichever is later. However, an expiration date imposed by this subsection does not apply to an allocation area identified as the Consolidated Allocation Area in the report submitted in 2013 to the fiscal body under section 36.3 of this chapter. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local



public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.





However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

(K) Expend money and provide financial assistance as authorized in section 7(a)(21) of this chapter.

**(L) Pay costs and make expenditures for the purposes of section 26.8 of this chapter.**

The special fund may not be used for operating expenses of the commission.

(4) Before July 15 of each year, the commission shall do the following:

- (A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).



(B) Provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

- (i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

(C) If:

- (i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus
- (ii) the amount necessary for other purposes described in subdivision (3) and subsection (g);

the commission shall submit to the legislative body of the unit the commission's determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district



under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

- (1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.
- (2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment



for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact



a law that:

- (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
- (B) specifically designates a particular date as the final allocation deadline.

SECTION 7. IC 36-7-15.1-26.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 26.8. (a) This section applies only if the capital improvement board, the county convention and recreational facilities authority, and one (1) more sublessees have entered into an agreement under IC 36-7-31.5-35(h).**

**(b) As used in this chapter, "agreement" refers to an agreement entered into under IC 36-7-31.5-35(h).**

**(c) As used in this chapter, "designated allocation area" means the allocation area identified as the Consolidated Allocation Area in the report submitted in 2013 to the county fiscal body under section 36.3 of this chapter.**

**(d) Not more than six (6) months after an agreement is entered into by the capital improvement board, the county convention and recreational facilities authority, and one (1) more sublessees, the commission shall commence the expansion of the designated allocation area. The commission shall complete the expansion of the designated allocation area not more than twenty-four (24) months after an agreement is entered into by the capital improvement board, the county convention and recreational facilities authority, and one (1) or more sublessees.**

**(e) If the designated allocated area is expanded under this section, the commission shall do the following:**

- (1) Establish a neighborhood stabilization fund.**
- (2) Subject to the policies and guidelines governing the commission, deposit at least ten million dollars (\$10,000,000) into the neighborhood stabilization fund during the twenty (20) years after an agreement is entered into under IC 36-7-31.5-35(h), from property taxes allocated to the commission from the designated allocation area.**

**(f) Money deposited by the commission into the neighborhood stabilization fund may be used only within the territory within the county that is bounded by the following:**

- (1) The White River on the west.**
- (2) McCarty Street on the north.**
- (3) East Street on the east.**
- (4) Raymond Street on the south.**



**(g) Money deposited by the commission into the neighborhood stabilization fund may be used only for the following purposes in the territory described in subsection (f):**

- (1) Making expenditures for any of the following purposes:**
  - (A) Stormwater and drainage improvements.**
  - (B) Sidewalk and streetscape improvements.**
  - (C) Park improvements.**
  - (D) Street repair, including resurfacing.**
  - (E) The installation, repair, and maintenance of street lights.**
  - (F) Home repair.**
  - (G) Any other improvement that the redevelopment commission determines will enhance economic opportunity and the quality of life of individuals residing in the area.**
- (2) Paying the principal of and interest on any obligations issued by the commission for the purpose of financing any of the purposes described in subdivision (1)."**

Page 5, line 24, delete "17." and insert "16."

Page 7, line 12, after "16." insert "(a)".

Page 7, line 17, delete "a facility used to hold other entertainment events or".

Page 7, line 18, after "hotel" delete "; or" and insert "**and a facility used in whole or in part to manage and operate the professional team that would participate in the facility used to hold a professional sporting event; or**".

Page 7, between lines 27 and 28, begin a new paragraph and insert:

**"(b) A hotel described in subsection (a)(1) that is included within the additional professional sports development area may not be financed by debt issued by or assumed by the capital improvement board, the facilities authority, or a political subdivision."**

Page 11, line 39, after "that" delete ":" and insert "**upon completion of construction, the responsibility for operation and maintenance of the capital improvements and the retention of the revenues from the operation and maintenance of the capital improvements shall be shared between the capital improvement board and the sublessee or sublessees as set forth in the written agreement to be entered into under section 35(h) of this chapter;**".

Page 11, delete lines 40 through 42.

Page 12, delete lines 1 through 16.

Page 12, line 17, delete "(5)" and insert "(4)".

Page 12, line 20, delete "(6)" and insert "(5)".

Page 12, line 27, delete "(7)" and insert "(6)".



Page 12, line 29, delete "(8)" and insert "(7)".

Page 12, line 35, delete "(9)" and insert "(8)".

Page 12, line 37, delete "(10)" and insert "(9)".

Page 15, between lines 21 and 22, begin a new line block indented and insert:

**"(3) Specifying how the responsibility for the operation and maintenance of the capital improvements and the retention of the revenues from the operation and maintenance of the capital improvements will be shared between the capital improvement board and the sublessee or sublessees."**

Page 15, line 22, delete "(3)" and insert "(4)".

Page 15, line 29, delete "(4)" and insert "(5)".

Page 18, between lines 20 and 21, begin a new paragraph and insert:  
"SECTION 9. IC 36-7-32.6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 32.6. White River Revitalization District**

**Sec. 1. This chapter applies only to a county containing a consolidated city.**

**Sec. 2. As used in this chapter, "district" means the White River revitalization district designated under this chapter.**

**Sec. 3. As used in this chapter, "gross retail base period amount" means the aggregate amount of state gross retail and use taxes remitted under IC 6-2.5 by the businesses operating in the territory comprising a district during the full state fiscal year that precedes the date on which the district was designated under section 8 of this chapter.**

**Sec. 4. As used in this chapter, "gross retail incremental amount" means the remainder of:**

**(1) the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the territory comprising a district during a state fiscal year; minus**

**(2) the gross retail base period amount; as determined by the department of state revenue.**

**Sec. 5. As used in this chapter, "income tax base period amount" means the aggregate amount of the following taxes paid by employees employed in the territory comprising a district with respect to wages and salary earned for work in the district for the state fiscal year that precedes the date on which the district was designated under section 8 of this chapter:**

**(1) The adjusted gross income tax.**



- (2) The county adjusted gross income tax.
- (3) The county option income tax.
- (4) The county economic development income tax.

**Sec. 6.** As used in this chapter, "income tax incremental amount" means the remainder of:

- (1) the total amount of state adjusted gross income taxes, county adjusted gross income tax, county option income taxes, and county economic development income taxes paid by employees employed in the territory comprising the district with respect to wages and salary earned for work in the territory comprising the district for a particular state fiscal year; minus

- (2) income tax base period amount;

as determined by the department of state revenue.

**Sec. 7. (a)** After approval by the fiscal body of the county, the county executive may submit an application to the budget committee for review and recommendation to the budget agency, requesting the designation by the budget agency of the White River revitalization district under this chapter.

**(b)** The territory to be included within the district is the territory within the county that is bounded by the following:

- (1) South Harding Street on the west.
- (2) Washington Street on the north.
- (3) The White River on the east.
- (4) Interstate 70 on the south.

**Sec. 8. (a)** The budget committee shall meet not later than sixty (60) days after receipt of an application and shall make a recommendation on the designation to the budget agency.

**(b)** When considering the proposed designation of a district, the budget committee must make the following findings before recommending designation of the district and the budget agency must make the following findings before approving the designation of the district:

- (1) There are significant obstacles to redevelopment of the territory to be designated as a district, due to one (1) or more of the following problems:
  - (A) Vacant or deteriorated homes or other buildings.
  - (B) Obsolete or inefficient buildings.
  - (C) Aging infrastructure or inefficient utility services.
  - (D) Utility relocation requirements.
  - (E) Transportation or access problems.
  - (F) Environmental contamination or remediation.





**(G) Lack of development or cessation of growth.**

**(2) The designation of the district will benefit the people of Indiana.**

**(c) The income tax incremental amount and the gross retail incremental amount may not be allocated to a district until the designation of the district is approved under this section.**

**(d) If the budget agency approves a petition requesting the designation of a district, the district is established and the budget agency shall certify the approval to the department of state revenue.**

**Sec. 9. (a) If a district is designated under this chapter, the metropolitan development commission shall send to the department of state revenue a complete list of the employers in the district and the names and the range of street numbers of each street in the district. The metropolitan development commission shall update the list provided under this section before July 1 of each year.**

**(b) Not later than sixty (60) days after receiving a copy of the designation of the district, the department of state revenue shall determine the gross retail base period amount and the income tax base period amount.**

**Sec. 10. (a) Before the first business day in October of each year, the department of state revenue shall calculate the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal year for a district designated under this chapter.**

**(b) Taxpayers operating in the district shall report annually, in the manner and in the form prescribed by the department, information that the department determines necessary to calculate the net increment.**

**(c) A taxpayer operating in the district that files a consolidated tax return with the department also shall file annually an informational return with the department for each business location of the taxpayer within the district.**

**(d) If a taxpayer fails to report the information required by this section or file an informational return required by this section, the department shall use the best information available in calculating the income tax incremental amount and the gross retail incremental amount.**

**Sec. 11. (a) The treasurer of state shall establish an incremental tax financing fund for a district designated under this chapter. The fund shall be administered by the treasurer of state. Money in the**



fund does not revert to the state general fund at the end of a state fiscal year.

(b) Subject to subsection (c), the following amounts shall be deposited during each state fiscal year in the incremental tax financing fund established for a district under subsection (a):

(1) The aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the district, until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount for the district.

(2) The aggregate amount of the following taxes paid by employees employed in the district with respect to wages earned for work in the district, until the amount deposited equals the income tax incremental amount:

- (A) The adjusted gross income tax.
- (B) The county adjusted gross income tax.
- (C) The county option income tax.
- (D) The county economic development income tax.

(c) Not more than a total of five million dollars (\$5,000,000) may be deposited in the incremental tax financing fund for a district over the life of the district.

(d) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a district shall be distributed to the fiscal officer of the county for deposit in the district fund established under section 12 of this chapter.

Sec. 12. (a) If a district is designated under this chapter, the county shall establish a district fund to receive money distributed under section 11 of this chapter.

(b) Money deposited in the district fund may be used, after appropriation by the county fiscal body, only for one (1) or more of the following purposes within the district:

- (1) Stormwater and drainage improvements.
- (2) Sidewalk and streetscape improvements.
- (3) Park improvements.
- (4) Street repair, including resurfacing.
- (5) The installation, repair, and maintenance of street lights.
- (6) Home repair.
- (7) Any other improvement that the redevelopment



**commission determines will enhance economic opportunity and the quality of life of individuals residing in the area."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1273 as printed February 17, 2015.)

HUSTON

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1273 be amended to read as follows:

Page 8, between lines 2 and 3, begin a new line block indented and insert:

**"(4) That:**

**(A) the owner of a professional soccer franchise that would be the primary tenant of a facility or complex of facilities constructed in the tax area;**

**(B) the professional soccer franchise;**

**(C) the professional soccer league in which the professional soccer franchise competes; or**

**(D) any combination of the owner, the franchise, and the league;**

**have guaranteed at least fifty percent (50%) of the amount that is financed under this chapter for a facility or complex of facilities that includes a soccer stadium."**

Page 9, between lines 9 and 10, begin a new line block indented and insert:

**"(4) That:**

**(A) the owner of a professional soccer franchise that would be the primary tenant of a facility or complex of facilities constructed in the tax area;**

**(B) the professional soccer franchise;**

**(C) the professional soccer league in which the professional soccer franchise competes; or**

**(D) any combination of the owner, the franchise, and the league;**

**have guaranteed at least fifty percent (50%) of the amount**



**that is financed under this chapter for a facility or complex of facilities that includes a soccer stadium."**

(Reference is to HB 1273 as printed February 17, 2015.)

DELANEY

