



Reprinted  
April 8, 2015

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## ENGROSSED HOUSE BILL No. 1273

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DIGEST OF HB 1273 (Updated April 7, 2015 3:49 pm - DI 73)

**Citations Affected:** IC 6-2.5; IC 6-3; IC 6-3.5; IC 6-9; IC 21-35.5; noncode.

**Synopsis:** Financing of improvements for Carroll Stadium. Provides that Indiana University may issue and sell bonds to acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, or enlarge capital improvements at the Michael A. Carroll Track and Soccer Stadium (stadium). Specifies that the principal costs of the bonds issued (excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds) may not exceed \$20,000,000. Provides that the bonds may not be issued unless: (1) the bond issuance has been reviewed by the budget committee; (2) the director of the budget agency has approved the bond issuance; and (3) a lease agreement has been entered into by Indiana University and a professional soccer team  
(Continued next page)

**Effective:** Upon passage; July 1, 2015.

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### Huston, Ober, Kirchhofer, Moed

(SENATE SPONSORS — MILLER PETE, MERRITT, BREAUX, FORD)

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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.  
February 25, 2015, engrossed. Read third time, passed. Yeas 74, nays 21.

SENATE ACTION

March 2, 2015, read first time and referred to Committee on Tax & Fiscal Policy.  
March 26, 2015, amended, reported favorably — Do Pass.  
April 7, 2015, read second time, amended, ordered engrossed.

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EH 1273—LS 6690/DI 73



concerning the use of the stadium by the professional soccer team. Requires the department of state revenue to separately account for: (1) all state sales taxes collected at the stadium or a specific hotel located in Indianapolis; and (2) all state income tax and county option income tax collected on the wages, salaries, and contractual payments paid by a professional soccer team that plays the majority of its home games at the stadium and all state income tax and county option income tax collected on the wages, salaries, and contractual payments paid by hotel. Provides that such county option income tax shall be deposited in the state general fund and not distributed to the county. Provides that if Indiana University issues the bonds, the county admission tax in Marion County is imposed on the admission to professional sports events at the stadium, and that such county admission tax revenue is deposited in the state general fund. Authorizes the capital improvement board of managers to: (1) adopt a resolution to distribute innkeeper's tax revenue collected from the hotel to the treasurer of state for deposit in the state general fund; and (2) adopt a resolution to distribute food and beverage tax revenue collected from the stadium and the hotel to the treasurer of state for deposit in the state general fund; if the capital improvement board of managers determines that such tax revenue is not needed to pay obligations owed by the capital improvement board of managers and that the retention of such revenue by the state will not impair the rights and remedies of holders of any bonds or other obligations. Provides that after the office of management and budget certifies that the sum of: (1) all state sales taxes collected from transactions at the stadium or hotel; (2) all adjusted gross income taxes and county option income taxes collected on the wages, salaries, and contractual payments paid by the professional soccer team or the hotel; (3) all admission taxes imposed on admission to professional sporting events at the stadium; (4) all county food and beverage taxes collected at the stadium or hotel that are distributed to the treasurer of state for deposit in the state general fund; and (5) all county innkeeper's taxes collected at the hotel that are distributed to the treasurer of state for deposit in the state general fund; equals the total amount of principal and interest payments to be made on the bonds issued for the capital improvements at the stadium, the county option income tax from the hotel shall not be retained by the state, the admission tax collected at the stadium shall be distributed to the capital improvement board, and the capital improvement board may not distribute county food and beverage tax and innkeeper's taxes collected at the stadium or hotel to the treasurer of state. Specifies that to the extent the costs of the capital improvements at the stadium exceed the sum of \$20,000,000 plus any amounts paid or contributed by the city of Indianapolis for those costs, the professional soccer team or the professional soccer league in which the professional soccer team competes (or both) must pay those excess costs. Appropriates \$1,500,000 from the state general fund in each year of the biennium to Indiana University for fee replacement. Requires taxpayers operating at stadium or the hotel to report to the department of state revenue the information that the department deems necessary to make the accounting for state and local taxes required by the bill.



Reprinted  
April 8, 2015

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.

## ENGROSSED HOUSE BILL No. 1273

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

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

- 1 SECTION 1. IC 6-2.5-10-1.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. (a) The department shall**  
4 **separately account for all state gross retail and use taxes collected**  
5 **that are:**  
6 **(1) attributable to retail sales made:**  
7 **(A) by a professional soccer team that plays the majority**  
8 **of its home games at the Michael A. Carroll Track and**  
9 **Soccer Stadium Stadium (or its successor);**  
10 **(B) by retail merchants while selling at the Michael A.**  
11 **Carroll Track and Soccer Stadium (or its successor); or**  
12 **(C) by or at a hotel that is:**  
13 **(i) opened after July 1, 2015; and**  
14 **(ii) located at the southeast corner of the intersection of**

EH 1273—LS 6690/DI 73



1                    **Illinois Street and Market Street in Indianapolis; and**  
 2                    **(b) Taxpayers operating at the Michael A. Carroll Track and**  
 3                    **Soccer Stadium (or its successor) and taxpayers operating at the**  
 4                    **hotel shall report annually, in the form and manner prescribed by**  
 5                    **the department, the information that the department deems**  
 6                    **necessary to make the accounting required by this section.**  
 7                    **Taxpayers that file on a consolidated basis shall annually file an**  
 8                    **informational return separately reporting retail sales made at the**  
 9                    **Michael A. Carroll Track and Soccer Stadium (or its successor)**  
 10                   **and at the hotel.**

11                   **(2) deposited in the state general fund.**

12                   **(c) This section expires after the office of management and**  
 13                   **budget makes a certification under IC 21-35.5-1-4.**

14                   SECTION 2. IC 6-3-7-3.5 IS ADDED TO THE INDIANA CODE  
 15                   AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 16                   **UPON PASSAGE]: Sec. 3.5. (a) The department shall separately**  
 17                   **account for all adjusted gross income taxes collected on the wages,**  
 18                   **salaries, and contractual payments paid by:**

19                   **(1) a professional soccer team that plays the majority of its**  
 20                   **home games at the Michael A. Carroll Track and Soccer**  
 21                   **Stadium (or its successor) to employees of the professional**  
 22                   **soccer team, including payments to professional athletes for**  
 23                   **professional athletic services; or**

24                   **(2) a hotel that is:**

25                   **(A) opened after July 1, 2015; and**

26                   **(B) located at the southeast corner of the intersection of**  
 27                   **Illinois Street and Market Street in Indianapolis.**

28                   **(b) Taxpayers operating at the Michael A. Carroll Track and**  
 29                   **Soccer Stadium (or its successor) and taxpayers operating at the**  
 30                   **hotel shall report annually, in the form and manner prescribed by**  
 31                   **the department, the information that the department deems**  
 32                   **necessary to make the accounting required by this section.**  
 33                   **Taxpayers that file on a consolidated basis shall annually file an**  
 34                   **informational return separately reporting the wages, salaries, and**  
 35                   **contractual payments made by a professional soccer team to**  
 36                   **employees of the professional soccer team and the wages, salaries,**  
 37                   **and contractual payments made by the hotel.**

38                   **(c) This section expires after the office of management and**  
 39                   **budget makes a certification under IC 21-35.5-1-4.**

40                   SECTION 3. IC 6-3.5-6-17, AS AMENDED BY P.L.153-2014,  
 41                   SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42                   UPON PASSAGE]: Sec. 17. (a) **Except as provided in subsection**



1 (m), revenue derived from the imposition of the county option income  
 2 tax shall, in the manner prescribed by this section, be distributed to the  
 3 county that imposed it. The amount that is to be distributed to a county  
 4 during an ensuing calendar year equals the amount of county option  
 5 income tax revenue that the budget agency determines has been:

6 (1) received from that county for a taxable year ending in a  
 7 calendar year preceding the calendar year in which the  
 8 determination is made; and

9 (2) reported on an annual return or amended return processed by  
 10 the department in the state fiscal year ending before July 1 of the  
 11 calendar year in which the determination is made;

12 as adjusted (as determined after review of the recommendation of the  
 13 budget agency) for refunds of county option income tax made in the  
 14 state fiscal year.

15 (b) Before August 2 of each calendar year, the budget agency shall  
 16 provide to the county auditor of each adopting county an estimate of  
 17 the amount determined under subsection (a) that will be distributed to  
 18 the county, based on known tax rates. Not later than thirty (30) days  
 19 after receiving the estimate of the certified distribution, the county  
 20 auditor shall notify each taxing unit of the estimated amount of  
 21 distributive shares and other revenue that will be distributed to the  
 22 taxing unit under this chapter during the ensuing calendar year. Before  
 23 October 1 of each calendar year, the budget agency shall certify to the  
 24 county auditor of each adopting county the amount determined under  
 25 subsection (a) plus the amount of interest in the county's account that  
 26 has accrued and has not been included in a certification made in a  
 27 preceding year. The amount certified is the county's "certified  
 28 distribution" for the immediately succeeding calendar year. The amount  
 29 certified shall be adjusted, as necessary, under subsections (c), (d), (e),  
 30 and (f). Not later than thirty (30) days after receiving the notice of the  
 31 amount of the certified distribution, the county auditor shall notify each  
 32 taxing unit of the amount of distributive shares and other revenue that  
 33 will be distributed to the taxing unit under this chapter during the  
 34 ensuing calendar year. The budget agency shall provide the county  
 35 council with an informative summary of the calculations used to  
 36 determine the certified distribution. The summary of calculations must  
 37 include:

38 (1) the amount reported on individual income tax returns  
 39 processed by the department during the previous fiscal year;

40 (2) adjustments for over distributions in prior years;

41 (3) adjustments for clerical or mathematical errors in prior years;

42 (4) adjustments for tax rate changes; and



1 (5) the amount of excess account balances to be distributed under  
2 IC 6-3.5-6-17.3.

3 The budget agency shall also certify information concerning the part of  
4 the certified distribution that is attributable to a tax rate under section  
5 30, 31, or 32 of this chapter. This information must be certified to the  
6 county auditor and to the department of local government finance  
7 before October 1 of each calendar year. The part of the certified  
8 distribution that is attributable to a tax rate under section 30, 31, or 32  
9 of this chapter may be used only as specified in those provisions.

10 (c) The budget agency shall certify an amount less than the amount  
11 determined under subsection (b) if the budget agency determines that  
12 the reduced distribution is necessary to offset overpayments made in a  
13 calendar year before the calendar year of the distribution. The budget  
14 agency may reduce the amount of the certified distribution over several  
15 calendar years so that any overpayments are offset over several years  
16 rather than in one (1) lump sum.

17 (d) The budget agency shall adjust the certified distribution of a  
18 county to correct for any clerical or mathematical errors made in any  
19 previous certification under this section. The budget agency may  
20 reduce the amount of the certified distribution over several calendar  
21 years so that any adjustment under this subsection is offset over several  
22 years rather than in one (1) lump sum.

23 (e) This subsection applies to a county that imposes, increases,  
24 decreases, or rescinds a tax or tax rate under this chapter before  
25 November 1 in the same calendar year in which the budget agency  
26 makes a certification under this section. The budget agency shall adjust  
27 the certified distribution of a county to provide for a distribution in the  
28 immediately following calendar year and in each calendar year  
29 thereafter. The budget agency shall provide for a full transition to  
30 certification of distributions as provided in subsection (a)(1) through  
31 (a)(2) in the manner provided in subsection (c). If the county imposes,  
32 increases, decreases, or rescinds a tax or tax rate under this chapter  
33 after the date for which a certification under subsection (b) is based, the  
34 budget agency shall adjust the certified distribution of the county after  
35 September 30 of the calendar year. The adjustment shall reflect any  
36 other adjustment required under subsections (c), (d), and (f). The  
37 adjusted certification shall be treated as the county's "certified  
38 distribution" for the immediately succeeding calendar year. The budget  
39 agency shall certify the adjusted certified distribution to the county  
40 auditor for the county and provide the county council with an  
41 informative summary of the calculations that revises the informative  
42 summary provided in subsection (b) and reflects the changes made in



- 1 the adjustment.
- 2 (f) This subsection applies in the year a county initially imposes a  
3 tax rate under section 30 of this chapter. Notwithstanding any other  
4 provision, the budget agency shall adjust the part of the county's  
5 certified distribution that is attributable to the tax rate under section 30  
6 of this chapter to provide for a distribution in the immediately  
7 following calendar year equal to the result of:
- 8 (1) the sum of the amounts determined under STEP ONE through  
9 STEP FOUR of IC 6-3.5-1.5-1(b) in the year in which the county  
10 initially imposes a tax rate under section 30 of this chapter;  
11 multiplied by  
12 (2) the following:
- 13 (A) In a county containing a consolidated city, one and  
14 five-tenths (1.5).  
15 (B) In a county other than a county containing a consolidated  
16 city, two (2).
- 17 (g) One-twelfth (1/12) of each adopting county's certified  
18 distribution for a calendar year shall be distributed from its account  
19 established under section 16 of this chapter to the appropriate county  
20 treasurer on the first regular business day of each month of that  
21 calendar year.
- 22 (h) Upon receipt, each monthly payment of a county's certified  
23 distribution shall be allocated among, distributed to, and used by the  
24 civil taxing units of the county as provided in sections 18 and 19 of this  
25 chapter.
- 26 (i) All distributions from an account established under section 16 of  
27 this chapter shall be made by warrants issued by the auditor of state to  
28 the treasurer of state ordering the appropriate payments.
- 29 (j) The budget agency shall before May 1 of every odd-numbered  
30 year publish an estimate of the statewide total amount of certified  
31 distributions to be made under this chapter during the following two (2)  
32 calendar years.
- 33 (k) The budget agency shall before May 1 of every even-numbered  
34 year publish an estimate of the statewide total amount of certified  
35 distributions to be made under this chapter during the following  
36 calendar year.
- 37 (l) The estimates under subsections (j) and (k) must specify the  
38 amount of the estimated certified distributions that are attributable to  
39 the additional rate authorized under section 30 of this chapter, the  
40 additional rate authorized under section 31 of this chapter, the  
41 additional rate authorized under section 32 of this chapter, and any  
42 other additional rates authorized under this chapter.



1           (m) The revenue derived from the imposition of the county  
2 option income tax collected on the wages, salaries, and contractual  
3 payments paid by:

4           (1) a professional soccer team that plays the majority of its  
5 home games at the Michael A. Carroll Track and Soccer  
6 Stadium (or its successor) to employees of the professional  
7 soccer team, including payments to professional athletes for  
8 professional athletic services; or

9           (2) a hotel that is:

10           (A) opened after July 1, 2015; and

11           (B) located at the southeast corner of the intersection of  
12 Illinois Street and Market Street in Indianapolis;

13 shall be deposited in the state general fund and shall not be  
14 distributed to the county. The department shall separately account  
15 for the county option income taxes deposited in the state general  
16 fund under this subsection. Taxpayers operating at the Michael A.  
17 Carroll Track and Soccer Stadium (or its successor) and taxpayers  
18 operating at the hotel shall report annually, in the form and  
19 manner prescribed by the department, the information that the  
20 department deems necessary to make the accounting required by  
21 this subsection. Taxpayers that file on a consolidated basis shall  
22 annually file an informational return separately reporting the  
23 wages, salaries, and contractual payments made by a professional  
24 soccer team to employees of the professional soccer team and the  
25 wages, salaries, and contractual payments made by the hotel. This  
26 subsection expires after the office of management and budget  
27 makes a certification under IC 21-35.5-1-4.

28           SECTION 4. IC 6-9-8-5 IS ADDED TO THE INDIANA CODE AS  
29 A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON  
30 PASSAGE]: Sec. 5. (a) Subject to subsection (b), the capital  
31 improvement board of managers may adopt a resolution to  
32 distribute to the treasurer of state all or part of the tax collected  
33 under this chapter at a hotel that is:

34           (1) opened after July 1, 2015; and

35           (2) located at the southeast corner of the intersection of  
36 Illinois Street and Market Street in Indianapolis;

37 if the capital improvement board of managers determines that such  
38 tax is not needed to pay obligations owed by the capital  
39 improvement board of managers and that the distribution of such  
40 tax to the treasurer of state will not impair the rights and remedies  
41 of holders of any bonds or other obligations. All tax distributed to  
42 the treasurer of state under this subsection shall be deposited in the





1 state general fund.

2 (b) After the office of management and budget has made a  
3 certification under IC 21-35.5-1-4, the capital improvement board  
4 of managers may not distribute county innkeeper's tax to the  
5 treasurer of state under subsection (a).

6 SECTION 5. IC 6-9-12-8, AS AMENDED BY P.L.214-2005,  
7 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 UPON PASSAGE]: Sec. 8. (a) The amounts received from the county  
9 food and beverage tax shall be paid monthly by the treasurer of the  
10 state to the treasurer of the capital improvement board of managers of  
11 the county or its designee upon warrants issued by the auditor of state.  
12 **Except as provided in subsection (b)**, so long as there are any current  
13 or future obligations owed by the capital improvement board of  
14 managers to the Indiana stadium and convention building authority  
15 created by IC 5-1-17 or any state agency pursuant to a lease or other  
16 agreement entered into between the capital improvement board of  
17 managers and the Indiana stadium and convention building authority  
18 or any state agency under IC 5-1-17-26, the capital improvement board  
19 of managers or its designee shall deposit the revenues received from  
20 that portion of the county food and beverage tax imposed under:

21 (1) section 5(a) of this chapter for revenue received after  
22 December 31, 2027; and

23 (2) section 5(b) of this chapter;

24 in a special fund, which may be used only for the payment of the  
25 obligations described in this section.

26 (b) Subject to subsection (c), the capital improvement board of  
27 managers may adopt a resolution to distribute to the treasurer of  
28 state all or part of the county food and beverage tax collected at:

29 (1) the Michael A. Carroll Track and Soccer Stadium (or its  
30 successor); or

31 (2) a hotel that is:

32 (A) opened after July 1, 2015; and

33 (B) located at the southeast corner of the intersection of  
34 Illinois Street and Market Street in Indianapolis;

35 if the capital improvement board of managers determines that such  
36 county food and beverage tax is not needed to pay obligations owed  
37 by the capital improvement board of managers and that the  
38 distribution of such county food and beverage tax to the treasurer  
39 of state will not impair the rights and remedies of holders of any  
40 bonds or other obligations. All county food and beverage tax  
41 distributed to the treasurer of state under this subsection shall be  
42 deposited in the state general fund.



1           (c) After the office of management and budget has made a  
2 certification under IC 21-35.5-1-4, the capital improvement board  
3 of managers may not distribute county food and beverage tax to  
4 the treasurer of state under subsection (b).

5           SECTION 6. IC 6-9-13-1, AS AMENDED BY P.L.214-2005,  
6 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 UPON PASSAGE]: Sec. 1. (a) Except as provided in ~~subsection~~  
8 **subsections (b) and (c)**, the city-county council of a county that  
9 contains a consolidated first class city may adopt an ordinance to  
10 impose an excise tax, known as the county admissions tax, for the  
11 privilege of attending, before January 1, 2041, any event and, after  
12 December 31, 2040, any professional sporting event:

- 13           (1) held in a facility financed in whole or in part by:  
14               (A) bonds or notes issued under IC 18-4-17 (before its repeal  
15               on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or  
16               (B) a lease or other agreement under IC 5-1-17; and  
17           (2) to which tickets are offered for sale to the public by:  
18               (A) the box office of the facility; or  
19               (B) an authorized agent of the facility.

20           **(b) Except as provided in subsections (a) and (c), if bonds have**  
21 **been issued under IC 21-35.5, the county admissions tax under this**  
22 **chapter is also imposed on the privilege of attending professional**  
23 **sports events at the Michael A. Carroll Track and Soccer Stadium**  
24 **(or its successor). The county admissions tax under this subsection**  
25 **applies to transactions after the last day of the month in which the**  
26 **trustees of Indiana University have made a certification under**  
27 **IC 21-35.5-1-3, if the date of issuance of the bonds as certified to**  
28 **the Marion County city-county council and the department of state**  
29 **revenue is on or before the fifteenth day of a month. If the date of**  
30 **issuance of the bonds as certified to the Marion County city-county**  
31 **council and the department of state revenue is after the fifteenth**  
32 **day of a month, the tax applies to transactions after the last day of**  
33 **the month following the month in which the trustees of Indiana**  
34 **University make the certification under IC 21-35.5-1-3.**

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

- 37           (1) An event sponsored by an educational institution or an  
38           association representing an educational institution.  
39           (2) An event sponsored by a religious organization.  
40           (3) An event sponsored by an organization that is considered a  
41           charitable organization by the Internal Revenue Service for  
42           federal tax purposes.



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

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

5 ~~(d)~~ **(e)** If a city-county council adopts an ordinance under subsection  
6 **(a)** or section 2 of this chapter prior to June 1, the county admissions  
7 tax applies to admission charges collected after June 30 of the year in  
8 which the ordinance is adopted. If the city-county council adopts a  
9 ordinance under subsection **(a)** or section 2 of this chapter on or after  
10 June 1, the county admissions tax applies to admission charges  
11 collected after the last day of the month in which the ordinance is  
12 adopted.

13 SECTION 7. IC 6-9-13-2, AS AMENDED BY P.L.205-2013,  
14 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
15 [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a)** Except as provided in  
16 subsection **(b)**, the county admissions tax equals five percent (5%) of  
17 the price for admission to any event described in section 1 of this  
18 chapter.

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

24 **(c)** After January 1, 2013, and before March 1, 2013, the city-county  
25 council may, by ordinance adopted by a majority of the members  
26 elected to the city-county council, increase the county admissions tax  
27 rate by not more than four percent (4%) of the price for admission to  
28 any event described in section 1 of this chapter. If the city-county  
29 council adopts an ordinance under this subsection:

30 (1) the city-county council shall immediately send a certified copy  
31 of the ordinance to the commissioner of the department of state  
32 revenue; and

33 (2) the tax applies to transactions after the last day of the month  
34 in which the ordinance is adopted, if the city-county council  
35 adopts the ordinance on or before the fifteenth day of a month. If  
36 the city-county council adopts the ordinance after the fifteenth  
37 day of a month, the tax applies to transactions after the last day of  
38 the month following the month in which the ordinance is adopted.

39 The increase in the tax imposed under this subsection continues in  
40 effect unless the increase is rescinded. However, any increase in the tax  
41 rate under this subsection may not continue in effect after February 28,  
42 2023.



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

- 3 (1) subsection (a) and collected after December 31, 2027; and  
4 (2) subsection (b);

5 shall be distributed to the capital improvement board of managers or its  
6 designee. So long as there are any current or future obligations owed  
7 by the capital improvement board of managers to the Indiana stadium  
8 and convention building authority created by IC 5-1-17 or any state  
9 agency pursuant to a lease or other agreement entered into between the  
10 capital improvement board of managers and the Indiana stadium and  
11 convention building authority or any state agency under IC 5-1-17-26,  
12 the capital improvement board of managers or its designee shall deposit  
13 the revenues received from that portion of the county admissions tax  
14 imposed under subsection (b) in a special fund, which may be used  
15 only for the payment of the obligations described in this subsection.

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

19 **(f) If the county admissions tax is imposed under section 1(b) of**  
20 **this chapter on the privilege of attending professional sporting**  
21 **events at the Michael A. Carroll Track and Soccer Stadium (or its**  
22 **successor), the county admissions tax equals ten percent (10%) of**  
23 **the price for admission to such an event. The following apply**  
24 **notwithstanding section 5 of this chapter:**

25 **(1) Except as provided in subdivision (2), the amount collected**  
26 **from the county admissions tax imposed under section 1(b) of**  
27 **this chapter shall be deposited in the state general fund and**  
28 **shall not be distributed to the capital improvement board of**  
29 **managers. The department of state revenue shall separately**  
30 **account for the amounts collected from the county admissions**  
31 **tax imposed under section 1(b) of this chapter and deposited**  
32 **in the state general fund.**

33 **(2) Subject to subdivision (3), after the office of management**  
34 **and budget makes a certification under IC 21-35.5-1-4, the**  
35 **amount collected from the county admissions tax imposed**  
36 **under section 1(b) of this chapter shall be distributed as**  
37 **provided in section 5 of this chapter.**

38 **(3) The county admissions tax imposed under section 1(b) of**  
39 **this chapter expires at the end of the year in which the office**  
40 **of management and budget makes a certification under**  
41 **IC 21-35.5-1-4, unless the city-county council adopts an**  
42 **ordinance to continue the county admissions tax imposed**



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**under section 1(b) of this chapter.**  
SECTION 8. IC 21-35.5 IS ADDED TO THE INDIANA CODE AS  
A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON  
PASSAGE]:

**ARTICLE 35.5. ISSUANCE OF BONDS FOR CERTAIN  
CAPITAL IMPROVEMENTS**

**Chapter 1. Issuance of Bonds**

**Sec. 1. (a) Subject to the requirements of this chapter, the trustees of Indiana University may issue and sell bonds to acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, or enlarge capital improvements at the Michael A. Carroll Track and Soccer Stadium (or its successor) to facilitate the holding of professional, collegiate, high school, or amateur sporting events.**

**(b) The sum of the principal costs of any bonds issued under this section, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, may not exceed twenty million dollars (\$20,000,000).**

**Sec. 2. The trustees of Indiana University may not issue bonds under this chapter unless all of the following requirements are satisfied:**

- (1) The bond issuance has been reviewed by the budget committee.**
- (2) The director of the budget agency has approved the bond issuance.**
- (3) A lease agreement for at least twenty (20) years has been entered into by Indiana University and a professional soccer team concerning the use of the Michael A. Carroll Track and Soccer Stadium (or its successor) by the professional soccer team. However, the lease agreement may contain a buy-out provision that allows the professional soccer team to terminate the lease agreement upon the payment of consideration as specified in the lease agreement.**

**Sec. 3. If bonds are issued under this chapter, the trustees of Indiana University shall certify the date of the issuance to the budget committee, the budget agency, the trustees of Indiana University, the department of state revenue, and the Marion County city-county council.**

**Sec. 4. (a) As used in this section, "qualified hotel" means a hotel that is:**

- (1) opened after July 1, 2015; and**



- 1           (2) located at the southeast corner of the intersection of
- 2           Illinois Street and Market Street in Indianapolis.
- 3           (b) If the office of management and budget determines that the
- 4           sum of:
- 5           (1) all state gross retail and use taxes accounted for under
- 6           IC 6-2.5-10-1.5;
- 7           (2) all adjusted gross income taxes accounted for under
- 8           IC 6-3-7-3.5;
- 9           (3) all county option income tax deposited in the state general
- 10          fund under IC 6-3.5-6-17(m);
- 11          (4) all county innkeeper's taxes that are:
- 12           (A) imposed under IC 6-9-8;
- 13           (B) distributed by the capital improvement board of
- 14           managers to the treasurer of state; and
- 15           (C) deposited in the state general fund under IC 6-9-8-5(a);
- 16          (5) all county food and beverage taxes that are:
- 17           (A) imposed under IC 6-9-12;
- 18           (B) distributed by the capital improvement board of
- 19           managers to the treasurer of state; and
- 20           (C) deposited in the state general fund under
- 21           IC 6-9-12-8(b); and
- 22          (6) all county admissions taxes that are:
- 23           (A) imposed under IC 6-9-13-1(b); and
- 24           (B) deposited in the state general fund;
- 25          equals the total amount of principal and interest payments to be
- 26          made on the bonds issued under this section, the office of
- 27          management and budget shall certify that determination to the
- 28          budget committee, the budget agency, the trustees of Indiana
- 29          University, the department of state revenue, and the Marion
- 30          County city-county council.
- 31          Sec. 5. Before October 1 of each year, the department of state
- 32          revenue shall certify to the budget committee, the budget agency,
- 33          the trustees of Indiana University, and the Marion County
- 34          city-county council the amounts deposited in the state general fund
- 35          under section 4 of this chapter.
- 36          Sec. 6. To the extent that the costs of acquiring, erecting,
- 37          constructing, reconstructing, improving, rehabilitating,
- 38          remodeling, repairing, completing, extending, or enlarging capital
- 39          improvements at the Michael A. Carroll Track and Soccer Stadium
- 40          (or its successor) exceed the sum of:
- 41           (1) twenty million dollars (\$20,000,000); plus
- 42           (2) any amounts paid or contributed by the city of



1           **Indianapolis for those purposes;**  
2           **the professional soccer team or the professional soccer league in**  
3           **which the professional soccer team competes (or both) must pay**  
4           **those excess costs.**  
5           SECTION 9. [EFFECTIVE JULY 1, 2015] (a) There is  
6           appropriated from the state general fund to Indiana University one  
7           million five hundred thousand dollars (\$1,500,000) for fee  
8           replacement for the state fiscal year beginning July 1, 2015, and  
9           ending June 30, 2016.  
10          (b) There is appropriated from the state general fund to Indiana  
11          University one million five hundred thousand dollars (\$1,500,000)  
12          for fee replacement for the state fiscal year beginning July 1, 2016,  
13          and ending June 30, 2017.  
14          (c) This SECTION expires June 30, 2017.  
15          SECTION 10. 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.

**EH 1273—LS 6690/DI 73**





- (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

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COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1273, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 6-2.5-10-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. The department shall separately account for all state gross retail and use taxes collected that are:**

**(1) attributable to retail transactions at:**

**(A) the Michael A. Carroll Track and Soccer Stadium; or**

**(B) a hotel that is:**

**(i) opened after July 1, 2015; and**

**(ii) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis; and**

**(2) deposited in the state general fund.**

**This section expires after the commissioner of the department makes a certification under IC 21-35.5-1-4.**

SECTION 2. IC 6-3-7-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. The department shall separately account for all adjusted gross income taxes collected under this article that are attributable to income earned, as determined by the department, at:**

**(1) the Michael A. Carroll Track and Soccer Stadium; or**

**(2) a hotel that is:**

**(A) opened after July 1, 2015; and**

**(B) located at the southeast corner of the intersection of**



**Illinois Street and Market Street in Indianapolis.**

**This section expires after the commissioner of the department makes a certification under IC 21-35.5-1-4.**

SECTION 3. IC 6-3.5-6-17, AS AMENDED BY P.L.153-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) **Except as provided in subsection (m)**, revenue derived from the imposition of the county option income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of county option income tax revenue that the budget agency determines has been:

- (1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and
- (2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted (as determined after review of the recommendation of the budget agency) for refunds of county option income tax made in the state fiscal year.

(b) Before August 2 of each calendar year, the budget agency shall provide to the county auditor of each adopting county an estimate of the amount determined under subsection (a) that will be distributed to the county, based on known tax rates. Not later than thirty (30) days after receiving the estimate of the certified distribution, the county auditor shall notify each taxing unit of the estimated amount of distributive shares and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. Before October 1 of each calendar year, the budget agency shall certify to the county auditor of each adopting county the amount determined under subsection (a) plus the amount of interest in the county's account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the county's "certified distribution" for the immediately succeeding calendar year. The amount certified shall be adjusted, as necessary, under subsections (c), (d), (e), and (f). Not later than thirty (30) days after receiving the notice of the amount of the certified distribution, the county auditor shall notify each taxing unit of the amount of distributive shares and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. The budget agency shall provide the county council with an informative summary of the calculations used to determine the certified distribution. The summary of calculations must



include:

- (1) the amount reported on individual income tax returns processed by the department during the previous fiscal year;
- (2) adjustments for over distributions in prior years;
- (3) adjustments for clerical or mathematical errors in prior years;
- (4) adjustments for tax rate changes; and
- (5) the amount of excess account balances to be distributed under IC 6-3.5-6-17.3.

The budget agency shall also certify information concerning the part of the certified distribution that is attributable to a tax rate under section 30, 31, or 32 of this chapter. This information must be certified to the county auditor and to the department of local government finance before October 1 of each calendar year. The part of the certified distribution that is attributable to a tax rate under section 30, 31, or 32 of this chapter may be used only as specified in those provisions.

(c) The budget agency shall certify an amount less than the amount determined under subsection (b) if the budget agency determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The budget agency may reduce the amount of the certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(d) The budget agency shall adjust the certified distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this section. The budget agency may reduce the amount of the certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(e) This subsection applies to a county that imposes, increases, decreases, or rescinds a tax or tax rate under this chapter before November 1 in the same calendar year in which the budget agency makes a certification under this section. The budget agency shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in subsection (a)(1) through (a)(2) in the manner provided in subsection (c). If the county imposes, increases, decreases, or rescinds a tax or tax rate under this chapter after the date for which a certification under subsection (b) is based, the budget agency shall adjust the certified distribution of the county after September 30 of the calendar year. The adjustment shall reflect any other adjustment required under subsections (c), (d), and (f). The



adjusted certification shall be treated as the county's "certified distribution" for the immediately succeeding calendar year. The budget agency shall certify the adjusted certified distribution to the county auditor for the county and provide the county council with an informative summary of the calculations that revises the informative summary provided in subsection (b) and reflects the changes made in the adjustment.

(f) This subsection applies in the year a county initially imposes a tax rate under section 30 of this chapter. Notwithstanding any other provision, the budget agency shall adjust the part of the county's certified distribution that is attributable to the tax rate under section 30 of this chapter to provide for a distribution in the immediately following calendar year equal to the result of:

(1) the sum of the amounts determined under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) in the year in which the county initially imposes a tax rate under section 30 of this chapter; multiplied by

(2) the following:

(A) In a county containing a consolidated city, one and five-tenths (1.5).

(B) In a county other than a county containing a consolidated city, two (2).

(g) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 16 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(h) Upon receipt, each monthly payment of a county's certified distribution shall be allocated among, distributed to, and used by the civil taxing units of the county as provided in sections 18 and 19 of this chapter.

(i) All distributions from an account established under section 16 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments.

(j) The budget agency shall before May 1 of every odd-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following two (2) calendar years.

(k) The budget agency shall before May 1 of every even-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following calendar year.



(l) The estimates under subsections (j) and (k) must specify the amount of the estimated certified distributions that are attributable to the additional rate authorized under section 30 of this chapter, the additional rate authorized under section 31 of this chapter, the additional rate authorized under section 32 of this chapter, and any other additional rates authorized under this chapter.

**(m) The revenue derived from the imposition of the county option income tax on income earned, as determined by the department, at:**

**(1) the Michael A. Carroll Track and Soccer Stadium; or**

**(2) a hotel that is:**

**(A) opened after July 1, 2015; and**

**(B) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis;**

**shall be deposited in the state general fund and shall not be distributed to the county. The department shall separately account for the county option income taxes deposited in the state general fund under this subsection. This subsection expires after the commissioner of the department makes a certification under IC 21-35.5-1-4.**

SECTION 4. IC 6-9-8-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. (a) Subject to subsection (b), the capital improvement board of managers may adopt a resolution to distribute to the treasurer of state all or part of the tax collected under this chapter at a hotel that is:**

**(1) opened after July 1, 2015; and**

**(2) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis;**

**if the capital improvement board of managers determines that such tax is not needed to pay obligations owed by the capital improvement board of managers and that the distribution of such tax to the treasurer of state will not impair the rights and remedies of holders of any bonds or other obligations. All tax distributed to the treasurer of state under this subsection shall be deposited in the state general fund.**

**(b) After the commissioner of the department of state revenue has made a certification under IC 21-35.5-1-4, the capital improvement board of managers may not distribute county food and beverage tax to the treasurer of state under subsection (a).**

SECTION 5. IC 6-9-12-8, AS AMENDED BY P.L.214-2005, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE





UPON PASSAGE]: Sec. 8. **(a)** The amounts received from the county food and beverage tax shall be paid monthly by the treasurer of the state to the treasurer of the capital improvement board of managers of the county or its designee upon warrants issued by the auditor of state. **Except as provided in subsection (b)**, so long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county food and beverage tax imposed under:

- (1) section 5(a) of this chapter for revenue received after December 31, 2027; and
- (2) section 5(b) of this chapter;

in a special fund, which may be used only for the payment of the obligations described in this section.

**(b) Subject to subsection (c), the capital improvement board of managers may adopt a resolution to distribute to the treasurer of state all or part of the county food and beverage tax collected at:**

- (1) the Michael A. Carroll Track and Soccer Stadium; or**
- (2) a hotel that is:**
  - (A) opened after July 1, 2015; and**
  - (B) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis;**

**if the capital improvement board of managers determines that such county food and beverage tax is not needed to pay obligations owed by the capital improvement board of managers and that the distribution of such county food and beverage tax to the treasurer of state will not impair the rights and remedies of holders of any bonds or other obligations. All county food and beverage tax distributed to the treasurer of state under this subsection shall be deposited in the state general fund.**

**(c) After the commissioner of the department of state revenue has made a certification under IC 21-35.5-1-4, the capital improvement board of managers may not distribute county food and beverage tax to the treasurer of state under subsection (b).**

SECTION 6. IC 6-9-13-1, AS AMENDED BY P.L.214-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **(a)** Except as provided in **subsection subsections (b) and (c)**, the city-county council of a county that



contains a consolidated first class city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, 2041, any event and, after December 31, 2040, any professional sporting event:

- (1) held in a facility financed in whole or in part by:
  - (A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or
  - (B) a lease or other agreement under IC 5-1-17; and
- (2) to which tickets are offered for sale to the public by:
  - (A) the box office of the facility; or
  - (B) an authorized agent of the facility.

**(b) Except as provided in subsections (a) and (c), if bonds have been issued under IC 21-35.5, the county admission tax under this chapter is also imposed on the privilege of attending professional sports events at the Michael A. Carroll Track and Soccer Stadium. The county admission tax under this subsection applies to transactions after the last day of the month in which the trustees of Indiana University have made a certification under IC 21-35.5-1-3, if the date of issuance of the bonds as certified to the Marion County city-county council is on or before the fifteenth day of a month. If the date of issuance of the bonds as certified to the Marion County city-county council is after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the trustees of Indiana University make the certification under IC 21-35.5-1-3.**

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

- (1) An event sponsored by an educational institution or an association representing an educational institution.
- (2) An event sponsored by a religious organization.
- (3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.
- (4) An event sponsored by a political organization.

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

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



June 1, the county admissions tax applies to admission charges collected after the last day of the month in which the ordinance is adopted.

SECTION 7. IC 6-9-13-2, AS AMENDED BY P.L.205-2013, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in subsection (b), the county admissions tax equals five percent (5%) of the price for admission to any event described in section 1 of this chapter.

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

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

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

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

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

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

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

(2) subsection (b);

shall be distributed to the capital improvement board of managers or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the



capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county admissions tax imposed under subsection (b) in a special fund, which may be used only for the payment of the obligations described in this subsection.

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

**(f) If the county admission tax is imposed under section 1(b) of this chapter on the privilege of attending professional sporting events at the Michael A. Carroll Track and Soccer Stadium, the county admission tax equals ten percent (10%) of the price for admission to such an event. The following apply notwithstanding section 5 of this chapter:**

**(1) Except as provided in subdivision (2), the amount collected from the county admission tax imposed under section 1(b) of this chapter shall be deposited in the state general fund and shall not be distributed to the capital improvement board of managers. The department of state revenue shall separately account for the amounts collected from the county admission tax imposed under section 1(b) of this chapter and deposited in the state general fund.**

**(2) Subject to subdivision (3), after the commissioner of the department of state revenue makes a certification under IC 21-35.5-1-4, the amount collected from the county admission tax imposed under section 1(b) of this chapter shall be distributed as provided in section 5 of this chapter.**

**(3) The county admission tax imposed under section 1(b) of this chapter expires at the end of the year in which the commissioner of the department of state revenue makes a certification under IC 21-35.5-1-4, unless the city-county council adopts an ordinance to continue the county admission tax imposed under section 1(b) of this chapter.**

SECTION 8. IC 21-35.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**ARTICLE 35.5. ISSUANCE OF BONDS FOR CERTAIN CAPITAL IMPROVEMENTS**

**Chapter 1. Issuance of Bonds**

**Sec. 1. (a) Subject to the requirements of this chapter, the trustees of Indiana University may issue and sell bonds to acquire,**



erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, or enlarge capital improvements at the Michael A. Carroll Track and Soccer Stadium to facilitate the holding of professional, collegiate, high school, or amateur sporting events.

(b) The sum of the principal costs of any bonds issued under this section, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, may not exceed twenty million dollars (\$20,000,000).

**Sec. 2.** The trustees of Indiana University may not issue bonds under this chapter unless all of the following requirements are satisfied:

- (1) The bond issuance has been reviewed by the budget committee.
- (2) The director of the budget agency has approved the bond issuance.
- (3) A lease agreement for at least twenty (20) years has been entered into by Indiana University and a professional soccer team concerning the use of the Michael A. Carroll Track and Soccer Stadium by the professional soccer team. However, the lease agreement may contain a buy-out provision that allows the professional soccer team to terminate the lease agreement upon the payment of consideration as specified in the lease agreement.

**Sec. 3.** If bonds are issued under this chapter, the trustees of Indiana University shall certify the date of the issuance to the budget committee, the budget agency, the trustees of Indiana University, and the Marion County city-county council.

**Sec. 4. (a)** As used in this section, "qualified hotel" means a hotel that is:

- (1) opened after July 1, 2015; and
- (2) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis.

(b) If the commissioner of the department of state revenue determines that the sum of:

- (1) all state gross retail and use taxes collected that are attributable to retail transactions at the Michael A. Carroll Track and Soccer Stadium or a qualified hotel and are deposited in the state general fund;
- (2) all adjusted gross income taxes collected that are attributable to income earned at the Michael A. Carroll Track



- and Soccer Stadium or a qualified hotel;
- (3) all county option income tax deposited in the state general fund under IC 6-3.5-6-17(m);
- (4) all county innkeeper's taxes that are:
- (A) imposed under IC 6-9-8;
  - (B) distributed by the capital improvement board of managers to the treasurer of state; and
  - (C) deposited in the state general fund under IC 6-9-8-5(a);
- (5) all county food and beverage taxes that are:
- (A) imposed under IC 6-9-12;
  - (B) distributed by the capital improvement board of managers to the treasurer of state; and
  - (C) deposited in the state general fund under IC 6-9-12-8(b); and
- (6) all county admission taxes that are:
- (A) imposed under IC 6-9-13-1(b); and
  - (C) deposited in the state general fund;

equals the total amount of principal and interest payments to be made on the bonds issued under this section, the commissioner of the department of state revenue shall certify that determination to the budget committee, the budget agency, the trustees of Indiana University, and the Marion County city-county council.

**Sec. 5.** To the extent that the costs of acquiring, erecting, constructing, reconstructing, improving, rehabilitating, remodeling, repairing, completing, extending, or enlarging capital improvements at the Michael A. Carroll Track and Soccer Stadium exceed the sum of:

- (1) twenty million dollars (\$20,000,000); plus
- (2) any amounts paid or contributed by the city of Indianapolis for those purposes;

the professional soccer team or the professional soccer league in which the professional soccer team competes (or both) must pay those excess costs.

**SECTION 9.** [EFFECTIVE JULY 1, 2015] (a) There is appropriated from the state general fund to Indiana University one million five hundred thousand dollars (\$1,500,000) for fee replacement for the state fiscal year beginning July 1, 2015, and ending June 30, 2016.

(b) There is appropriated from the state general fund to Indiana University one million five hundred thousand dollars (\$1,500,000) for fee replacement for the state fiscal year beginning July 1, 2016, and ending June 30, 2017.



**(c) This SECTION expires June 30, 2017."**

Delete pages 2 through 36.

Page 37, delete lines 1 through 32.

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1273 as reprinted February 25, 2015.)

HERSHMAN, Chairperson

Committee Vote: Yeas 13, Nays 0.

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SENATE MOTION

Madam President: I move that Engrossed House Bill 1273 be amended to read as follows:

Page 1, line 3, after "1.5." insert "**(a)**".

Page 1, line 6, delete "transactions at:" and insert "**sales made:**".

Page 1, line 7, after "(A)" insert "**by a professional soccer team that plays the majority of its home games at**".

Page 1, line 7, after "Stadium" delete "; or" and insert "**Stadium (or its successor);**

**(B) by retail merchants while selling at the Michael A. Carroll Track and Soccer Stadium (or its successor); or"**.

Page 1, line 8, delete "(B)" and insert "**(C) by or at**".

Page 1, between lines 11 and 12, begin a new paragraph and insert:  
**"(b) Taxpayers operating at the Michael A. Carroll Track and Soccer Stadium (or its successor) and taxpayers operating at the hotel shall report annually, in the form and manner prescribed by the department, the information that the department deems necessary to make the accounting required by this section. Taxpayers that file on a consolidated basis shall annually file an informational return separately reporting retail sales made at the Michael A. Carroll Track and Soccer Stadium (or its successor) and at the hotel."**

Page 1, line 13, beginning with "This" begin a new paragraph.

Page 1, line 13, delete "This" and insert "**(c) This**".

Page 1, line 13, delete "commissioner of the department" and insert "**office of management and budget**".

Page 2, line 1, after "3.5." insert "**(a)**".

Page 2, line 3, delete "under this" and insert "**on the wages,**



salaries, and contractual payments paid by:

**(1) a professional soccer team that plays the majority of its home games at the Michael A. Carroll Track and Soccer Stadium (or its successor) to employees of the professional soccer team, including payments to professional athletes for professional athletic services; or".**

Page 2, delete lines 4 through 6.

Page 2, between lines 10 and 11, begin a new paragraph and insert:

**"(b) Taxpayers operating at the Michael A. Carroll Track and Soccer Stadium (or its successor) and taxpayers operating at the hotel shall report annually, in the form and manner prescribed by the department, the information that the department deems necessary to make the accounting required by this section. Taxpayers that file on a consolidated basis shall annually file an informational return separately reporting the wages, salaries, and contractual payments made by a professional soccer team to employees of the professional soccer team and the wages, salaries, and contractual payments made by the hotel."**

Page 2, line 11, beginning with "This" begin a new paragraph.

Page 2, line 11, delete "This" and insert **"(c) This"**.

Page 2, line 11, delete "commissioner of the department" and insert **"office of management and budget"**.

Page 5, line 17, delete "on income earned, as determined by the" and insert **"collected on the wages, salaries, and contractual payments paid by:**

**(1) a professional soccer team that plays the majority of its home games at the Michael A. Carroll Track and Soccer Stadium (or its successor) to employees of the professional soccer team, including payments to professional athletes for professional athletic services; or".**

Page 5, delete lines 18 through 19.

Page 5, line 27, after "subsection." insert **"Taxpayers operating at the Michael A. Carroll Track and Soccer Stadium (or its successor) and taxpayers operating at the hotel shall report annually, in the form and manner prescribed by the department, the information that the department deems necessary to make the accounting required by this subsection. Taxpayers that file on a consolidated basis shall annually file an informational return separately reporting the wages, salaries, and contractual payments made by a professional soccer team to employees of the professional soccer team and the wages, salaries, and contractual payments made by the hotel."**





Page 5, line 28, delete "commissioner of the department" and insert **"office of management and budget"**.

Page 6, line 4, delete "commissioner of the department of state revenue" and insert **"office of management and budget"**.

Page 6, line 31, after "Stadium" delete ";" and insert **"(or its successor);"**.

Page 7, line 2, delete "commissioner of the department of state revenue" and insert **"office of management and budget"**.

Page 7, line 24, after "Stadium" delete "." and insert **"(or its successor)."**

Page 7, line 29, after "council" insert **"and the department of state revenue"**.

Page 7, line 31, after "council" insert **"and the department of state revenue"**.

Page 9, line 21, after "Stadium" delete ";" and insert **"(or its successor);"**.

Page 9, line 33, delete "commissioner of the" and insert **"office of management and budget"**.

Page 9, line 34, delete "department of state revenue".

Page 9, line 40, delete "commissioner of the department of state revenue" and insert **"office of management and budget"**.

Page 10, line 12, after "Stadium" insert **"(or its successor)"**.

Page 10, line 30, after "Stadium" insert **"(or its successor)"**.

Page 10, line 38, after "University," insert **"the department of state revenue,"**.

Page 11, line 2, delete "commissioner of the department of state revenue" and insert **"office of management and budget"**.

Page 11, line 4, delete "collected that are" and insert **"accounted for under IC 6-2.5-10-1.5;"**.

Page 11, delete lines 5 through 7.

Page 11, line 8, delete "collected that are" and insert **"accounted for under IC 6-3-7-3.5;"**.

Page 11, delete lines 9 through 10.

Page 11, line 28, delete "commissioner of" and insert **"office of management and budget"**.

Page 11, line 29, delete "the department of state revenue".

Page 11, line 31, after "University," insert **"the department of state revenue,"**.

Page 11, between lines 31 and 32, begin a new paragraph and insert:

**"Sec. 5. Before October 1 of each year, the department of state revenue shall certify to the budget committee, the budget agency, the trustees of Indiana University, and the Marion County**



**city-county council the amounts deposited in the state general fund under section 4 of this chapter."**

Page 11, line 32, delete "Sec. 5." and insert "**Sec. 6.**".

Page 11, line 35, after "Stadium" insert "**(or its successor)**".

(Reference is to EHB 1273 as printed March 27, 2015.)

HERSHMAN

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SENATE MOTION

Madam President: I move that Engrossed House Bill 1273 be amended to read as follows:

Page 6, line 6, delete "food" and insert "**innkeeper's**".

Page 6, line 7, delete "and beverage".

Page 7, line 22, delete "admission" and insert "**admissions**".

Page 7, line 25, delete "admission" and insert "**admissions**".

Page 9, line 19, delete "admission" and insert "**admissions**".

Page 9, line 22, delete "admission" and insert "**admissions**".

Page 9, line 26, delete "admission" and insert "**admissions**".

Page 9, line 30, delete "admission" and insert "**admissions**".

Page 9, line 36, delete "admission" and insert "**admissions**".

Page 9, line 38, delete "admission" and insert "**admissions**".

Page 9, line 42, delete "admission" and insert "**admissions**".

Page 11, line 24, delete "admission" and insert "**admissions**".

Page 11, line 26, delete "(C)" and insert "**(B)**".

Page 12, line 7, delete "(\$1,500,000)" and insert "**(\$1,500,000)**".

(Reference is to EHB 1273 as printed March 27, 2015.)

HERSHMAN

