

HOUSE BILL No. 1273

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-9.

Synopsis: Income tax credit for the elderly. Increases the Indiana income tax unified tax credit for the elderly.

Effective: January 1, 2020.

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January 10, 2019, read first time and referred to Committee on Ways and Means.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1273

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

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

- 1 SECTION 1. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS
- 2 [EFFECTIVE JANUARY 1, 2020]: Sec. 9. (a) The credit provided by
- 3 this section shall be known as the unified tax credit for the elderly.
- 4 (b) As used in this section, unless the context clearly indicates
- 5 otherwise:
- 6 (1) "Household federal adjusted gross income" means the total
- 7 adjusted gross income, as defined in Section 62 of the Internal
- 8 Revenue Code, of an individual, or of an individual and ~~his~~ **the**
- 9 **individual's** spouse if they reside together for the taxable year for
- 10 which the credit provided by this section is claimed.
- 11 (2) "Household" means a claimant or, if applicable, a claimant
- 12 and ~~his or her~~ **the claimant's** spouse if the spouse resides with the
- 13 claimant and "household income" means the income of the
- 14 claimant or, if applicable, the combined income of the claimant
- 15 and ~~his or her~~ **the claimant's** spouse if the spouse resides with the
- 16 claimant.
- 17 (3) "Claimant" means an individual, other than an individual



1 described in subsection (c) of this section, who:

2 (A) has filed a claim under this section;

3 (B) was a resident of this state for at least six (6) months
4 during the taxable year for which ~~he or she~~ **the individual** has
5 filed a claim under this section; and

6 (C) was sixty-five (65) years of age during some portion of the
7 taxable year for which ~~he~~ **the individual** has filed a claim
8 under this section or whose spouse was either sixty-five (65)
9 years of age or over during the taxable year.

10 (c) The credit provided under this section shall not apply to an
11 individual who, for a period of at least one hundred eighty (180) days
12 during the taxable year for which ~~he~~ **the individual** has filed a claim
13 under this section, was incarcerated in a local, state, or federal
14 correctional institution.

15 (d) The right to file a claim under this section shall be personal to
16 the claimant and shall not survive ~~his~~ **the claimant's** death, except that
17 a surviving spouse of a claimant is entitled to claim the credit provided
18 by this section. For purposes of determining the amount of the credit a
19 surviving spouse is entitled to claim under this section, the deceased
20 spouse shall be treated as having been alive on the last day of the
21 taxable year in which the deceased spouse died. When a claimant dies
22 after having filed a timely claim, the amount thereof shall be disbursed
23 to another member of the household as determined by the
24 commissioner. If the claimant was the only member of ~~his~~ **the**
25 **claimant's** household, the claim may be paid to ~~his~~ **the claimant's**
26 executor or administrator, but if neither is appointed and qualified
27 within two (2) years of the filing of the claim, the amount of the claim
28 shall escheat to the state.

29 (e) For each taxable year, subject to the limitations provided in this
30 section, one (1) claimant per household may claim, as a credit against
31 Indiana adjusted gross income taxes otherwise due, the credit provided
32 by this section. If the allowable amount of the claim exceeds the
33 income taxes otherwise due on the claimant's household income or if
34 there are no Indiana income taxes due on such income, the amount of
35 the claim not used as an offset against income taxes after audit by the
36 department, at the taxpayer's option, shall be refunded to the claimant
37 or taken as a credit against such taxpayer's income tax liability
38 subsequently due.

39 (f) No claim filed pursuant to this section shall be allowed unless
40 filed within six (6) months following the close of ~~the~~ **the claimant's** taxable
41 year or within the extension period if an extension of time for filing the
42 return has been granted under IC 6-8.1-6-1, whichever is later.



1 (g) The amount of any claim otherwise payable under this section
 2 may be applied by the department against any liability outstanding on
 3 the books of the department against the claimant, or against any other
 4 individual who was a member of ~~his~~ **the claimant's** household in the
 5 taxable year to which the claim relates.

6 (h) The amount of a claim filed pursuant to this section by a
 7 claimant that either (i) does not reside with ~~his~~ **the claimant's** spouse
 8 during the taxable year, or (ii) resides with ~~his~~ **the claimant's** spouse
 9 during the taxable year and only one (1) of them is sixty-five (65) years
 10 of age or older at the end of the taxable year, shall be determined in
 11 accordance with the following schedule:

12 HOUSEHOLD FEDERAL	
13 ADJUSTED GROSS INCOME	
14 FOR TAXABLE YEAR	CREDIT
15 less than \$1,000	\$100 \$125
16 at least \$1,000, but less than \$3,000	\$ 50 \$65
17 at least \$3,000, but less than \$10,000	\$ 40 \$50

18 (i) The amount of a claim filed pursuant to this section by a claimant
 19 that resides with ~~his~~ **the claimant's** spouse during ~~his~~ **the claimant's**
 20 taxable year shall be determined in accordance with the following
 21 schedule if both the claimant and spouse are sixty-five (65) years of age
 22 or older at the end of the taxable year:

23 HOUSEHOLD FEDERAL	
24 ADJUSTED GROSS INCOME	
25 FOR TAXABLE YEAR	CREDIT
26 less than \$1,000	\$140 \$175
27 at least \$1,000, but less than \$3,000	\$ 90 \$125
28 at least \$3,000, but less than \$10,000	\$ 80 \$100

29 (j) The department may promulgate reasonable rules under
 30 IC 4-22-2 for the administration of this section.

31 (k) Every claimant under this section shall supply to the department
 32 on forms provided under IC 6-8.1-3-4, in support of ~~his~~ **the claimant's**
 33 claim, reasonable proof of household income and age.

34 (l) Whenever on the audit of any claim filed under this section the
 35 department finds that the amount of the claim has been incorrectly
 36 determined, the department shall redetermine the claim and notify the
 37 claimant of the redetermination and the reasons therefor. The
 38 redetermination shall be final.

39 (m) In any case in which it is determined that a claim is or was
 40 excessive and was filed with fraudulent intent, the claim shall be
 41 disallowed in full, and, if the claim has been paid or a credit has been
 42 allowed against income taxes otherwise payable, the credit shall be



1 canceled and the amount paid shall be recovered by assessment as
2 income taxes are assessed and such assessment shall bear interest from
3 the date of payment or credit of the claim, until refunded or paid at the
4 rate determined under IC 6-8.1-10-1. The claimant in such a case
5 commits a Class A misdemeanor. In any case in which it is determined
6 that a claim is or was excessive and was negligently prepared, ten
7 percent (10%) of the corrected claim shall be disallowed and, if the
8 claim has been paid or credited against income taxes otherwise
9 payable, the credit shall be reduced or canceled, and the proper portion
10 of any amount paid shall be similarly recovered by assessment as
11 income taxes are assessed, and such assessment shall bear interest at
12 the rate determined under IC 6-8.1-10-1 from the date of payment until
13 refunded or paid.

14 SECTION 2. [EFFECTIVE JANUARY 1, 2020] (a) **IC 6-3-3-9, as**
15 **amended by this act, applies only to taxable years beginning after**
16 **December 31, 2019.**

17 (b) **This SECTION expires January 1, 2022.**

