



February 26, 2016

ENGROSSED HOUSE BILL No. 1290

DIGEST OF HB 1290 (Updated February 23, 2016 11:36 am - DI 73)

Citations Affected: IC 4-22; IC 4-33; IC 5-13; IC 5-28; IC 6-1.1; IC 6-3.1; IC 6-6; IC 36-7; IC 36-7.5; noncode.

Synopsis: State and local finance. Reorganizes the statutes concerning riverboat admissions tax distributions by: (1) moving distribution provisions for the Lake County riverboats into a new section organized by riverboat; and (2) moving into a new section provisions concerning the use of admissions tax revenue and the supplemental distribution. Allocates the admissions tax revenue that is paid to the northwest Indiana redevelopment authority (RDA) in satisfaction of Lake County's obligations to the authority equally among the four riverboats operating in Lake County. Changes the deadline for paying the supplemental distribution from September 15 to July 15. Provides for quarterly payments of admission taxes used to reimburse the state for certain income tax credits provided in Lake County and to provide additional funding to the authority. Provides that the economic development projects that may be carried out by the RDA include destination based economic development projects that meet certain conditions. Provides that the RDA may make loans, loan guarantees, and grants or provide other financial assistance to or on behalf of a
(Continued next page)

Effective: Upon passage; January 1, 2016 (retroactive); July 1, 2016; January 1, 2017.

Brown T, Porter, Koch, Burton

(SENATE SPONSORS — HERSHMAN, RANDOLPH LONNIE M, ROGERS)

January 12, 2016, read first time and referred to Committee on Ways and Means.
January 25, 2016, reported — Do Pass.
February 2, 2016, read second time, amended, ordered engrossed.
February 3, 2016, engrossed. Read third time, passed. Yeas 98, nays 0.

SENATE ACTION

February 8, 2016, read first time and referred to Committee on Tax & Fiscal Policy.
February 25, 2016, amended, reported favorably — Do Pass.

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member municipality that is eligible to make an appointment to the development board and is compliant with the revenue transfer requirements. Repeals provisions enacted in 2015 concerning the assessment of: (1) certain limited market or special purpose property; and (2) commercial nonincome producing real property. Provides that in addition to the factors under current law, the department of local government finance (DLGF) shall also provide for the classification of improvements on the basis of market segmentation. Specifies that with respect to the assessment of an improved property, a valuation does not reflect the true tax value of the improved property if the purportedly comparable sale properties supporting the valuation have a different market or submarket than the current use of the improved property, based on a market segmentation analysis. Specifies that a market segmentation analysis must be conducted in conformity with generally accepted appraisal principles and is not limited to the categories of markets and submarkets enumerated in the rules or guidance materials adopted by the DLGF. Provides that true tax value shall be determined under the rules of the DLGF (subject to the provisions of the property tax article), and that the DLGF's rules may include examples to illustrate true tax value. Specifies that true tax value does not mean the value of the property to the user. Provides that in the case of a limited market or special purpose property that: (1) is commonly regarded as a big box retail building under standard appraisal practices and is at least 50,000 square feet; and (2) is occupied by the original owner or by a tenant for which the improvement was built; if a taxpayer files an assessment appeal after March 31, 2016, and the effective age of the improvements is 10 years or less, the taxpayer must provide to the assessor information concerning the actual construction costs for the real property. Provides that a holder of a tax sale certificate may not bring a property tax appeal. Specifies that for purposes of the industrial recovery tax credit, "industrial recovery site" means land on which a vacant plant having at least 100,000 square feet of total floor space: (1) exists as of the date an application is filed with the Indiana economic development corporation (IEDC); or (2) existed five years before the date an application is filed with the IEDC. Deletes from current law the process involving an application to the IEDC for designation of a location as an industrial recovery site. Provides that if the IEDC approves a taxpayer's application for an industrial recovery tax credit, the IEDC shall require the applicant to enter into an agreement as a condition of receiving an tax credit. Provides that the treasurer of state shall discharge any remaining unpaid interest on the obligation issued by the capital improvement board to the treasurer of state in 2009, if the capital board submits payment of the principal amount to the treasurer of state before the stated final maturity of that obligation. Provides that the gasoline tax does not apply to a fuel blend nominally consisting of more than 87% ethanol and less than 13% gasoline. Specifies that the gasoline tax exemption for gasoline exported from Indiana to another state, territory, or foreign country includes gasoline sold to another person for export from Indiana. Authorizes the department of local government finance (DLGF) to incorporate by reference in an administrative rule certain formatting, coding, and transmission requirements for data that must be submitted by counties. Specifies additional information that must be reported by each redevelopment commission to the unit's executive and fiscal body and to the DLGF. Specifies that the following apply to funds of redevelopment commissions: (1) The funds must be maintained and accounted for separately and may not be commingled with any assets or funds of any other unit or political subdivision. (2) The funds may not be transferred to any accounts or funds established by or for another unit or political subdivision, and the funds may not be used to pay for expenses of another unit or political subdivision. Urges the legislative council to assign the following topics to a study committee: (1)

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Digest Continued

Whether a heavy equipment vehicle excise tax, instead of the property tax, should be imposed on certain heavy equipment vehicles. (2) The appropriate amount of the fee that should be charged for the registration of certain vehicles used in connection with logging.



February 26, 2016

Second Regular Session of the 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1290

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 4-22-2-21, AS AMENDED BY THE TECHNICAL
2 CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS
3 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:
4 Sec. 21. (a) If incorporation of the text in full would be cumbersome,
5 expensive, or otherwise inexpedient, an agency may incorporate by
6 reference into a rule part or all of any of the following matters:

7 (1) A federal or state statute, rule, or regulation.

8 (2) A code, manual, or other standard adopted by an agent of the
9 United States, a state, or a nationally recognized organization or
10 association.

11 (3) A manual of the department of local government finance
12 adopted in a rule described in IC 6-1.1-31-9.

13 **(4) The following requirements:**

14 **(A) The schedule, electronic formatting, and standard**
15 **data, field, and record coding requirements for:**

16 **(i) the electronic data file under IC 6-1.1-4-25 concerning**
17 **the parcel characteristics and parcel assessments of all**

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1 parcels and personal property return characteristics and
2 assessments; and

3 (ii) the electronic data file under IC 36-2-9-20 concerning
4 the tax duplicate.

5 (B) The schedule, electronic formatting, and standard data,
6 field, and record coding requirements for data required to
7 be submitted under IC 6-1.1-5.5-3 or IC 6-1.1-11-8.

8 (C) Data export and transmission format requirements for
9 information described in clauses (A) and (B).

10 (b) Each matter incorporated by reference under subsection (a) must
11 be fully and exactly described.

12 (c) An agency may refer to a matter that is directly or indirectly
13 referred to in a primary matter by fully and exactly describing the
14 primary matter.

15 (d) Whenever an agency submits a rule to the attorney general, the
16 governor, or the publisher under this chapter, the agency shall also
17 submit a copy of the full text of each matter incorporated by reference
18 under subsection (a) into the rule, other than the following:

19 (1) An Indiana statute or rule.

20 (2) A form or instructions for a form numbered by the
21 ~~commission on public records~~ **Indiana archives and record**
22 **administration** under IC 5-15-5.1-6.

23 (3) The source of a statement that is quoted or paraphrased in full
24 in the rule.

25 (4) Any matter that has been previously filed with the:

26 (A) secretary of state before July 1, 2006; or

27 (B) publisher after June 30, 2006.

28 (5) Any matter referred to in subsection (c) as a matter that is
29 directly or indirectly referred to in a primary matter.

30 (e) An agency may comply with subsection (d) by submitting a
31 paper or an electronic copy of the full text of the matter incorporated
32 by reference.

33 SECTION 2. IC 4-33-12-6, AS AMENDED BY THE TECHNICAL
34 CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS
35 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:
36 Sec. 6. (a) The department shall place in the state general fund the tax
37 revenue collected under this chapter.

38 (b) Except as provided by ~~subsections subsection (c) and (d), and~~
39 ~~IC 6-3.1-20-7, section 8 of this chapter~~, the treasurer of state shall
40 quarterly pay the following amounts:

41 (1) Except as provided in ~~subsection (k), (j),~~ **section 9(g) of this**
42 **chapter**, one dollar (\$1) of the admissions tax collected by the



licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in ~~subsection (A), (B)~~, **section 9(g) of this chapter**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in ~~subsection (A), (B)~~, **section 9(g) of this chapter**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in ~~subsection (A), (B)~~, **section 9(g) of this chapter**, fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(5) Except as provided in ~~subsection (A), (B)~~, **section 9(g) of this chapter**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or



(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection ~~(k)~~, ~~(j)~~; Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

~~(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following:~~

~~(1) With respect to admissions taxes collected for a person admitted to the riverboat before July 1, 2010, the following amounts:~~

~~(A) Twenty-two percent (22%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is located. The county treasurer shall distribute the money received under this clause as follows:~~

~~(i) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.~~

~~(ii) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this~~



item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(iii) Fifty-four and five-tenths percent (54.5%) shall be retained by the county where the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than two thousand (2,000) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(C) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(D) Twenty percent (20%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

- (i) is located in the county in which the riverboat is located; and
- (ii) contains a historic hotel.

At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(E) Ten percent (10%) of the admissions tax collected during the quarter shall be paid to the Orange County development commission established under IC 36-7-11.5. At least one-third ($\frac{1}{3}$) of the taxes paid to the Orange County development commission under this clause must be transferred to the Orange County convention and visitors bureau.

(F) Thirteen percent (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs



historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(G) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(i) Job creation and retention.

(ii) Infrastructure, including water, wastewater, and storm water infrastructure needs.

(iii) Housing.

(iv) Workforce training.

(v) Health care.

(vi) Local planning.

(vii) Land use.

(viii) Assistance to regional economic development groups.

(ix) Other regional development issues as determined by the Indiana economic development corporation.

(2) With respect to admissions taxes collected for a person admitted to the riverboat after June 30, 2010, the following amounts:

(A) Twenty-nine and thirty-three hundredths percent (29.33%) to the county treasurer of Orange County. The county treasurer shall distribute the money received under this clause as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Dubois County for distribution in the manner described in subdivision (1)(A)(i).

(ii) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Crawford County for distribution in the manner described in subdivision (1)(A)(ii).

(iii) Fifty-four and five-tenths percent (54.5%) to be retained by the county treasurer of Orange County for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Six and sixty-seven hundredths percent (6.67%) to the



fiscal officer of the town of Orleans. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to Orleans Community Schools.

(C) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Paoli. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to the Paoli Community School Corporation.

(D) Twenty-six and sixty-seven hundredths percent (26.67%) to be paid in equal amounts to the fiscal officers of the towns of French Lick and West Baden Springs. At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the Springs Valley Community School Corporation.

(E) Thirty and sixty-six hundredths percent (30.66%) to the Indiana economic development corporation to be used the manner described in subdivision (1)(G).

(d) (e) With respect This subsection applies to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); Lake County. Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);
or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from East Chicago during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, East Chicago's funding obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);
or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Gary's funding obligation to the authority under IC 36-7.5-4-2.



(3) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);

or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Hammond during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Hammond's funding obligation to the authority under IC 36-7.5-4-2.

(4) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);

or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Lake County during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(1) (5) Except as provided in subsection (k), (j), the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the preceding calendar quarter; that has implemented flexible scheduling under IC 4-33-6-21; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1), (2), or (3), whichever is applicable, for that the calendar quarter;

shall be paid to the city in which the riverboat is docked.

(2) (6) Except as provided in subsection (k), (j), the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the preceding calendar quarter; that has implemented flexible scheduling under IC 4-33-6-21; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (4) for that the



1 *calendar quarter;*
2 shall be paid to the county in which the riverboat is docked:
3 ~~(3) (7) Except as provided in subsection (k), (j), nine cents (\$0.09)~~
4 of the admissions tax collected by the licensed owner for each
5 person
6 ~~(A) embarking on a gambling excursion during the quarter; or~~
7 ~~(B) admitted to a riverboat during the preceding calendar~~
8 ~~quarter that has implemented flexible scheduling under~~
9 ~~IC 4-33-6-21;~~
10 shall be paid to the county convention and visitors bureau or
11 promotion fund for the county in which the riverboat is docked:
12 ~~(4) (8) Except as provided in subsection (k), (j), one cent (\$0.01)~~
13 of the admissions tax collected by the licensed owner for each
14 person
15 ~~(A) embarking on a gambling excursion during the quarter; or~~
16 ~~(B) admitted to a riverboat during the preceding calendar~~
17 ~~quarter that has implemented flexible scheduling under~~
18 ~~IC 4-33-6-21;~~
19 shall be paid to the northwest Indiana law enforcement training
20 center:
21 ~~(5) (9) Except as provided in subsection (k), (j), fifteen cents~~
22 ~~(\$0.15) of the admissions tax collected by the licensed owner for~~
23 each person
24 ~~(A) embarking on a gambling excursion during the quarter; or~~
25 ~~(B) admitted to a riverboat during a the preceding calendar~~
26 ~~quarter that has implemented flexible scheduling under~~
27 ~~IC 4-33-6-21;~~
28 shall be paid to the state fair commission for use in any activity
29 that the commission is authorized to carry out under IC 15-13-3:
30 ~~(6) (10) Except as provided in subsection (k), (j), ten cents (\$0.10)~~
31 of the admissions tax collected by the licensed owner for each
32 person
33 ~~(A) embarking on a gambling excursion during the quarter; or~~
34 ~~(B) admitted to a riverboat during the preceding calendar~~
35 ~~quarter that has implemented flexible scheduling under~~
36 ~~IC 4-33-6-21;~~
37 shall be paid to the division of mental health and addiction: The
38 division shall allocate at least twenty-five percent (25%) of the
39 funds derived from the admissions tax to the prevention and
40 treatment of compulsive gambling:
41 ~~(7) (11) Except as provided in subsection (k), Sixty-five cents~~
42 ~~(\$0.65) of the admissions tax collected by the licensed owner for~~



each person *embarking on a gambling excursion during the quarter or* admitted to a riverboat during the *preceding calendar quarter that has implemented flexible scheduling under IC 4-33-6-21* shall be paid to the state general fund.

(e) (d) Money paid to a unit of local government under subsection *(b) or (c): or (d):*

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9; or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) (e) Money paid by the treasurer of state under subsection *(b)(3) or (d)(3) (d)(7) (c)(7)* shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) (f) Money received by the division of mental health and addiction under subsections *(b)(5) and (d)(6): (d)(10): (e)(10):*

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) (g) This subsection applies to the following:

(1) Each entity receiving money under subsection *(b)(1) through (b)(5):*



(2) Each entity receiving money under subsection ~~(d)(1)~~ ~~(d)(5)~~ ~~(c)(5)~~ through ~~(d)(2)~~. ~~(d)(6)~~. ~~(e)(6)~~.

(3) Each entity receiving money under subsection ~~(d)(5)~~ ~~(d)(9)~~ ~~(c)(9)~~ through ~~(d)(6)~~. ~~(d)(10)~~. ~~(e)(10)~~.

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) (h) This subsection applies to an entity receiving money under subsection ~~(d)(3)~~ ~~(d)(7)~~ ~~(c)(7)~~ or ~~(d)(4)~~. ~~(d)(8)~~. ~~(c)(8)~~. The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection ~~(d)(3)~~ ~~(d)(7)~~ ~~(c)(7)~~ during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection ~~(d)(3)~~. ~~(d)(7)~~. ~~(c)(7)~~. The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection ~~(d)(4)~~. ~~(d)(8)~~. ~~(c)(8)~~. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) (i) This subsection does not apply to an entity receiving money under subsection ~~(e)~~. The total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection ~~(h)~~ ~~(g)~~ or ~~(i)~~. ~~(h)~~. For purposes of this section, the treasurer of state shall treat any amounts distributed under subsection ~~(d)~~ ~~(c)~~ to the northwest Indiana regional development authority as amounts constructively received by East Chicago, Gary, Hammond, and Lake County, as appropriate. If the treasurer of state determines that the total amount of money:

~~(1)~~ distributed to an entity; and

~~(2)~~ constructively received by an entity;

under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5.

(k) (j) This subsection does not apply to an entity receiving money under subsection ~~(e)~~. The treasurer of state shall pay that part of the riverboat admissions taxes that:

~~(1)~~ exceeds a particular entity's base year revenue; and

~~(2)~~ would otherwise be due to the entity under this section;

to the state general fund instead of to the entity.

SECTION 3. IC 4-33-12-8 IS ADDED TO THE INDIANA CODE



1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
2 1, 2016]: **Sec. 8. (a) This section applies to tax revenue collected
3 from a riverboat operating from Lake County.**

4 **(b) Except as provided by IC 6-3.1-20-7, the treasurer of state
5 shall quarterly pay the following amounts from the taxes collected
6 during the preceding calendar quarter from the riverboat
7 operating from East Chicago:**

8 **(1) The lesser of:**

9 **(A) eight hundred seventy-five thousand dollars
10 (\$875,000); or**

11 **(B) one dollar (\$1) of the admissions tax collected by the
12 licensed owner for each person admitted to the riverboat
13 during the preceding calendar quarter;**

14 **to the fiscal officer of the northwest Indiana regional
15 development authority to partially satisfy East Chicago's
16 funding obligation to the authority under IC 36-7.5-4-2.**

17 **(2) The lesser of:**

18 **(A) two hundred eighteen thousand seven hundred fifty
19 dollars (\$218,750); or**

20 **(B) one dollar (\$1) of the admissions tax collected by the
21 licensed owner for each person admitted to the riverboat
22 during the preceding calendar quarter;**

23 **to the fiscal officer of the northwest Indiana regional
24 development authority to partially satisfy Lake County's
25 funding obligation to the authority under IC 36-7.5-4-2.**

26 **(3) Except as provided in section 9(g) of this chapter, the
27 remainder, if any, of:**

28 **(A) one dollar (\$1) of the admissions tax collected by the
29 licensed owner for each person admitted to the riverboat
30 during the preceding calendar quarter; minus**

31 **(B) the amount distributed to the northwest Indiana
32 regional development authority under subdivision (1) for
33 the calendar quarter;**

34 **must be paid to the city of East Chicago.**

35 **(4) Except as provided in section 9(g) of this chapter, the
36 remainder, if any, of:**

37 **(A) one dollar (\$1) of the admissions tax collected by the
38 licensed owner for each person admitted to the riverboat
39 during the preceding calendar quarter; minus**

40 **(B) the amount distributed to the northwest Indiana
41 regional development authority under subdivision (2) for
42 the calendar quarter;**



1 must be paid to Lake County.

2 (5) Except as provided in section 9(g) of this chapter, nine
3 cents (\$0.09) of the admissions tax collected by the licensed
4 owner for each person admitted to the riverboat during the
5 preceding calendar quarter must be paid to the county
6 convention and visitors bureau or promotion fund for Lake
7 County.

8 (6) Except as provided in section 9(g) of this chapter, one cent
9 (\$0.01) of the admissions tax collected by the licensed owner
10 for each person admitted to the riverboat during the
11 preceding calendar quarter must be paid to the northwest
12 Indiana law enforcement training center.

13 (7) Except as provided in section 9(g) of this chapter, fifteen
14 cents (\$0.15) of the admissions tax collected by the licensed
15 owner for each person admitted to the riverboat during the
16 preceding calendar quarter must be paid to the state fair
17 commission for use in any activity that the commission is
18 authorized to carry out under IC 15-13-3.

19 (8) Except as provided in section 9(g) of this chapter, ten cents
20 (\$0.10) of the admissions tax collected by the licensed owner
21 for each person admitted to the riverboat during the
22 preceding calendar quarter must be paid to the division of
23 mental health and addiction.

24 (9) Sixty-five cents (\$0.65) of the admissions tax collected by
25 the licensed owner for each person admitted to the riverboat
26 during the preceding calendar quarter must be paid to the
27 state general fund.

28 (c) Except as provided by IC 6-3.1-20-7, the treasurer of state
29 shall quarterly pay the following amounts from the taxes collected
30 during the preceding calendar quarter from each riverboat
31 operating from Gary:

32 (1) The lesser of:

33 (A) four hundred thirty-seven thousand five hundred
34 dollars (\$437,500); or

35 (B) one dollar (\$1) of the admissions tax collected by the
36 licensed owner for each person admitted to the riverboat
37 during the preceding calendar quarter;

38 to the fiscal officer of the northwest Indiana regional
39 development authority to partially satisfy Gary's funding
40 obligation to the authority under IC 36-7.5-4-2.

41 (2) The lesser of:

42 (A) two hundred eighteen thousand seven hundred fifty



- 1 dollars (\$218,750); or
- 2 (B) one dollar (\$1) of the admissions tax collected by the
- 3 licensed owner for each person admitted to the riverboat
- 4 during the preceding calendar quarter;
- 5 to the fiscal officer of the northwest Indiana regional
- 6 development authority to partially satisfy Lake County's
- 7 funding obligation to the authority under IC 36-7.5-4-2.
- 8 (3) Except as provided in section 9(g) of this chapter, the
- 9 remainder, if any, of:
- 10 (A) one dollar (\$1) of the admissions tax collected by the
- 11 licensed owner for each person admitted to a riverboat
- 12 operating from Gary during the preceding calendar
- 13 quarter; minus
- 14 (B) the amount distributed to the northwest Indiana
- 15 regional development authority under subdivision (1) for
- 16 the calendar quarter;
- 17 must be paid to the city of Gary.
- 18 (4) Except as provided in section 9(g) of this chapter, the
- 19 remainder, if any, of:
- 20 (A) one dollar (\$1) of the admissions tax collected by the
- 21 licensed owner for each person admitted to a riverboat
- 22 operating from Gary during the preceding calendar
- 23 quarter; minus
- 24 (B) the amount distributed to the northwest Indiana
- 25 regional development authority under subdivision (2) for
- 26 the calendar quarter;
- 27 must be paid to Lake County.
- 28 (5) Except as provided in section 9(g) of this chapter, nine
- 29 cents (\$0.09) of the admissions tax collected by the licensed
- 30 owner for each person admitted to a riverboat operating from
- 31 Gary during the preceding calendar quarter must be paid to
- 32 the county convention and visitors bureau or promotion fund
- 33 for Lake County.
- 34 (6) Except as provided in section 9(g) of this chapter, one cent
- 35 (\$0.01) of the admissions tax collected by the licensed owner
- 36 for each person admitted to a riverboat operating from Gary
- 37 during the preceding calendar quarter must be paid to the
- 38 northwest Indiana law enforcement training center.
- 39 (7) Except as provided in section 9(g) of this chapter, fifteen
- 40 cents (\$0.15) of the admissions tax collected by the licensed
- 41 owner for each person admitted to a riverboat operating from
- 42 Gary during the preceding calendar quarter must be paid to



the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(8) Except as provided in section 9(g) of this chapter, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter must be paid to the division of mental health and addiction.

(9) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter must be paid to the state general fund.

(d) Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts from the taxes collected during the preceding calendar quarter from the riverboat operating from Hammond:

(1) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Hammond during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Hammond's funding obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

(A) two hundred eighteen thousand seven hundred fifty dollars (\$218,750); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(3) Except as provided in section 9(g) of this chapter, the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1) for the calendar quarter;



1 must be paid to the city of Hammond.

2 (4) Except as provided in section 9(g) of this chapter, the
3 remainder, if any, of:

4 (A) one dollar (\$1) of the admissions tax collected by the
5 licensed owner for each person admitted to the riverboat
6 during the preceding calendar quarter; minus

7 (B) the amount distributed to the northwest Indiana
8 regional development authority under subdivision (2) for
9 the calendar quarter;

10 must be paid to Lake County.

11 (5) Except as provided in section 9(g) of this chapter, nine
12 cents (\$0.09) of the admissions tax collected by the licensed
13 owner for each person admitted to the riverboat during the
14 preceding calendar quarter must be paid to the county
15 convention and visitors bureau or promotion fund for Lake
16 County.

17 (6) Except as provided in section 9(g) of this chapter, one cent
18 (\$0.01) of the admissions tax collected by the licensed owner
19 for each person admitted to a riverboat during the preceding
20 calendar quarter must be paid to the northwest Indiana law
21 enforcement training center.

22 (7) Except as provided in section 9(g) of this chapter, fifteen
23 cents (\$0.15) of the admissions tax collected by the licensed
24 owner for each person admitted to the riverboat during the
25 preceding calendar quarter must be paid to the state fair
26 commission for use in any activity that the commission is
27 authorized to carry out under IC 15-13-3.

28 (8) Except as provided in section 9(g) of this chapter, ten cents
29 (\$0.10) of the admissions tax collected by the licensed owner
30 for each person admitted to the riverboat during the
31 preceding calendar quarter must be paid to the division of
32 mental health and addiction.

33 (9) Sixty-five cents (\$0.65) of the admissions tax collected by
34 the licensed owner for each person admitted to the riverboat
35 during the preceding calendar quarter must be paid to the
36 state general fund.

37 SECTION 4. IC 4-33-12-9 IS ADDED TO THE INDIANA CODE
38 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
39 1, 2016]: Sec. 9. (a) Money paid to a unit of local government under
40 section 6 or 8 of this chapter:

41 (1) must be paid to the fiscal officer of the unit and may be
42 deposited in the unit's general fund or riverboat fund



established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(b) Money paid by the treasurer of state to a county convention and visitors bureau or promotion fund under section 6 or 8 of this chapter must be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(c) Money received by the division of mental health and addiction under section 6 or 8 of this chapter:

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions.

The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(d) This subsection applies to the following entities receiving money under section 6 or 8 of this chapter:

(1) A city or county.

(2) A county convention and visitors bureau or promotion fund for a county other than Lake County.

(3) The state fair commission.

(4) The division of mental health and addiction.

The treasurer of state shall determine the total amount of money



1 paid by the treasurer of state to an entity subject to this subsection
 2 during the state fiscal year 2002. The amount determined under
 3 this subsection is the base year revenue for each entity subject to
 4 this subsection. The treasurer of state shall certify the base year
 5 revenue determined under this subsection to each entity subject to
 6 this subsection.

7 (e) This subsection applies to the following entities receiving
 8 money under section 8 of this chapter:

9 (1) A county convention and visitors bureau or promotion
 10 fund for Lake County.

11 (2) The northwest Indiana law enforcement training center.

12 The treasurer of state shall determine the total amount of money
 13 paid by the treasurer of state to the entity described in subdivision
 14 (1) during state fiscal year 2002. The amount determined under
 15 this subsection multiplied by nine-tenths (0.9) is the base year
 16 revenue for the entity described in subdivision (1). The amount
 17 determined under this subsection multiplied by one-tenth (0.1) is
 18 the base year revenue for the entity described in subdivision (2).
 19 The treasurer of state shall certify the base year revenue
 20 determined under this subsection to each entity subject to this
 21 subsection.

22 (f) The total amount of money distributed to an entity under
 23 section 6 or 8 of this chapter during a state fiscal year may not
 24 exceed the entity's base year revenue as determined under
 25 subsection (d) or (e). For purposes of this section, the treasurer of
 26 state shall treat any amounts distributed under section 8 of this
 27 chapter to the northwest Indiana regional development authority
 28 as amounts constructively received by East Chicago, Gary,
 29 Hammond, and Lake County, as appropriate. If the treasurer of
 30 state determines that the total amount of money:

31 (1) distributed to an entity; and

32 (2) constructively received by an entity;

33 under section 6 or 8 of this chapter during a state fiscal year is less
 34 than the entity's base year revenue, the treasurer of state shall
 35 make a supplemental distribution to the entity under IC 4-33-13-5.

36 (g) The treasurer of state shall pay that part of the riverboat
 37 admissions taxes that:

38 (1) exceeds a particular entity's base year revenue; and

39 (2) would otherwise be due to the entity under this section;
 40 to the state general fund instead of to the entity.

41 SECTION 5. IC 4-33-12.5-6, AS AMENDED BY P.L.255-2015,
 42 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2016]: Sec. 6. (a) ~~The county described in IC 4-33-12-6(c)~~

Lake County shall distribute twenty-five percent (25%) of the:

(1) admissions tax revenue received by the county under

~~IC 4-33-12-6(c)(6); IC 4-33-12-8;~~ and

(2) supplemental distributions received under IC 4-33-13-5;

to the eligible municipalities.

(b) The amount that shall be distributed by the county to each eligible municipality under subsection (a) is based on the eligible municipality's proportionate share of the total population of all eligible municipalities. The most current certified census information available shall be used to determine an eligible municipality's proportionate share under this subsection. The determination of proportionate shares under this subsection shall be modified under the following conditions:

(1) The certification from any decennial census completed by the United States Bureau of the Census.

(2) Submission by one (1) or more eligible municipalities of a certified special census commissioned by an eligible municipality and performed by the United States Bureau of the Census.

(c) If proportionate shares are modified under subsection (b), distribution to eligible municipalities shall change with the:

(1) payments beginning April 1 of the year following the certification of a special census under subsection (b)(2); and

(2) the next quarterly payment following the certification of a decennial census under subsection (b)(1).

SECTION 6. IC 4-33-12.5-7, AS AMENDED BY P.L.205-2013, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. The county shall make payments under this chapter directly to each eligible municipality. The county shall make payments to the eligible municipalities not more than thirty (30) days after the county receives the quarterly distribution of admission tax revenue under ~~IC 4-33-12-6~~ **IC 4-33-12-8** or the supplemental distributions received under IC 4-33-13-5 from the state.

SECTION 7. IC 4-33-13-5, AS AMENDED BY P.L.255-2015, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for



revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2015. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.

(2) Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies



1 for the school corporations in the county shall provide a
 2 formula for the distribution of the money received under this
 3 clause among the school corporations by joint resolution
 4 adopted by the governing body of each of the school
 5 corporations in the county. Money received by a school
 6 corporation under this clause must be used to improve the
 7 educational attainment of students enrolled in the school
 8 corporation receiving the money. Not later than the first
 9 regular meeting in the school year of a governing body of a
 10 school corporation receiving a distribution under this clause,
 11 the superintendent of the school corporation shall submit to
 12 the governing body a report describing the purposes for which
 13 the receipts under this clause were used and the improvements
 14 in educational attainment realized through the use of the
 15 money. The report is a public record.
 16 (C) Thirteen and one-tenth percent (13.1%) shall be paid to the
 17 county treasurer of Orange County.
 18 (D) Five and three-tenths percent (5.3%) shall be distributed
 19 quarterly to the county treasurer of Dubois County for
 20 appropriation by the county fiscal body after receiving a
 21 recommendation from the county executive. The county fiscal
 22 body for the receiving county shall provide for the distribution
 23 of the money received under this clause to one (1) or more
 24 taxing units (as defined in IC 6-1.1-1-21) in the county under
 25 a formula established by the county fiscal body after receiving
 26 a recommendation from the county executive.
 27 (E) Five and three-tenths percent (5.3%) shall be distributed
 28 quarterly to the county treasurer of Crawford County for
 29 appropriation by the county fiscal body after receiving a
 30 recommendation from the county executive. The county fiscal
 31 body for the receiving county shall provide for the distribution
 32 of the money received under this clause to one (1) or more
 33 taxing units (as defined in IC 6-1.1-1-21) in the county under
 34 a formula established by the county fiscal body after receiving
 35 a recommendation from the county executive.
 36 (F) Six and thirty-five hundredths percent (6.35%) shall be
 37 paid to the fiscal officer of the town of Paoli.
 38 (G) Six and thirty-five hundredths percent (6.35%) shall be
 39 paid to the fiscal officer of the town of Orleans.
 40 (H) Twenty-six and four-tenths percent (26.4%) shall be paid
 41 to the Indiana economic development corporation established
 42 by IC 5-28-3-1 for transfer to Radius Indiana or a successor



regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making a distribution to Radius Indiana or a successor regional entity or partnership. The amount paid to the Orange County development commission reduces the amount payable to Radius Indiana or its successor entity or partnership.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city's or county's base year revenue; and
- (2) would otherwise be due to the city or county under this section;

to the state general fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the state general fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under



subsection (a)(3) for the state fiscal year.

(e) Before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

(1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).

(2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.

(3) To fund sewer and water projects, including storm water management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) Before ~~September~~ **July** 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 ~~or IC 4-33-12-8~~ during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 ~~or IC 4-33-12-8~~ during the preceding state fiscal year was less than the entity's base year revenue (as determined under ~~IC 4-33-12-6~~, **IC 4-33-12-9**), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund.



1 Except as provided in subsection (i), the amount of an entity's
2 supplemental distribution is equal to:

3 (1) the entity's base year revenue (as determined under
4 ~~IC 4-33-12-6~~; **IC 4-33-12-9**); minus

5 (2) the sum of:

6 (A) the total amount of money distributed to the entity and
7 constructively received by the entity during the preceding state
8 fiscal year under IC 4-33-12-6 **or IC 4-33-12-8**; plus

9 (B) the amount of any admissions taxes deducted under
10 IC 6-3.1-20-7.

11 (h) This subsection applies only to a county containing a
12 consolidated city. The county auditor shall distribute the money
13 received by the county under subsection (e) as follows:

14 (1) To each city, other than a consolidated city, located in the
15 county according to the ratio that the city's population bears to the
16 total population of the county.

17 (2) To each town located in the county according to the ratio that
18 the town's population bears to the total population of the county.

19 (3) After the distributions required in subdivisions (1) and (2) are
20 made, the remainder shall be paid in equal amounts to the
21 consolidated city and the county.

22 (i) This subsection applies to a supplemental distribution made after
23 June 30, 2013. The maximum amount of money that may be distributed
24 under subsection (g) in a state fiscal year is forty-eight million dollars
25 (\$48,000,000). If the total amount determined under subsection (g)
26 exceeds forty-eight million dollars (\$48,000,000), the amount
27 distributed to an entity under subsection (g) must be reduced according
28 to the ratio that the amount distributed to the entity under IC 4-33-12-6
29 **or IC 4-33-12-8** bears to the total amount distributed under
30 IC 4-33-12-6 **and IC 4-33-12-8** to all entities receiving a supplemental
31 distribution.

32 (j) This subsection applies to a supplemental distribution, if any,
33 payable to Lake County, Hammond, Gary, or East Chicago under
34 subsections (g) and (i). Beginning in ~~September~~ **July** 2016, the
35 treasurer of state shall, after making any deductions from the
36 supplemental distribution required by IC 6-3.1-20-7, deduct from the
37 remainder of the supplemental distribution otherwise payable to the
38 unit under this section the lesser of:

39 (1) the remaining amount of the supplemental distribution; or

40 (2) the difference, if any, between:

41 (A) three million five hundred thousand dollars (\$3,500,000);
42 minus



1 (B) the amount of admissions taxes constructively received by
2 the unit in the previous state fiscal year.

3 The treasurer of state shall distribute the amounts deducted under this
4 subsection to the northwest Indiana redevelopment authority
5 established under IC 36-7.5-2-1 for deposit in the development
6 authority fund established under IC 36-7.5-4-1.

7 (k) Money distributed to a political subdivision under subsection
8 (b):

9 (1) must be paid to the fiscal officer of the political subdivision
10 and may be deposited in the political subdivision's general fund
11 or riverboat fund established under IC 36-1-8-9, or both;

12 (2) may not be used to reduce the maximum levy under
13 IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate
14 of a school corporation, but, except as provided in subsection
15 (b)(2)(B), may be used at the discretion of the political
16 subdivision to reduce the property tax levy of the county, city, or
17 town for a particular year;

18 (3) except as provided in subsection (b)(2)(B), may be used for
19 any legal or corporate purpose of the political subdivision,
20 including the pledge of money to bonds, leases, or other
21 obligations under IC 5-1-14-4; and

22 (4) is considered miscellaneous revenue.

23 Money distributed under subsection (b)(2)(B) must be used for the
24 purposes specified in subsection (b)(2)(B).

25 SECTION 8. IC 5-13-10.5-18, AS AMENDED BY P.L.213-2015,
26 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 UPON PASSAGE]: Sec. 18. (a) As used in this section, "capital
28 improvement board" refers to a capital improvement board established
29 under IC 36-10-9.

30 (b) To qualify for an investment under this section, the capital
31 improvement board must apply to the treasurer of state in the form and
32 manner required by the treasurer. As part of the application, the capital
33 improvement board shall submit a plan for its use of the investment
34 proceeds and for the repayment of the capital improvement board's
35 obligation to the treasurer. Within sixty (60) days after receipt of each
36 application, the treasurer shall consider the application and review its
37 accuracy and completeness.

38 (c) If the capital improvement board makes an application under
39 subsection (b) and the treasurer approves the accuracy and
40 completeness of the application and determines that there is an
41 adequate method of payment for the capital improvement board's
42 obligations, the treasurer of state shall invest or reinvest funds that are



1 held by the treasurer and that are available for investment in
 2 obligations issued by the capital improvement board for the purposes
 3 of the capital improvement board in calendar years 2009, 2010, and
 4 2011. The investment may not exceed nine million dollars (\$9,000,000)
 5 per calendar year for 2009, 2010, and 2011.

6 (d) The treasurer of state shall determine the terms of each
 7 investment and the capital improvement board's obligation, which must
 8 include the following:

9 (1) Subject to subsections (f) and (g), the duration of the capital
 10 improvement board's obligation, which must be for a term of ten
 11 (10) years with an option for the capital improvement board to
 12 pay its obligation to the treasurer early without penalty.

13 (2) Subject to subsections (f) and (g), the repayment schedule of
 14 the capital improvement board's obligation, which must provide
 15 that no payments are due before January 1, 2013.

16 (3) A rate of interest to be determined by the treasurer.

17 (4) The amount of each investment, which may not exceed the
 18 maximum amounts established for the capital improvement board
 19 by this section.

20 (5) Any other conditions specified by the treasurer.

21 (e) The capital improvement board may issue obligations under this
 22 section by adoption of a resolution and, as set forth in IC 5-1-14, may
 23 use any source of revenue to satisfy the obligation to the treasurer of
 24 state under this section. This section constitutes complete authority for
 25 the capital improvement board to issue obligations to the treasurer. If
 26 the capital improvement board fails to make any payments on the
 27 capital improvement board's obligation to the treasurer, the amount
 28 payable shall be withheld by the auditor of state from any other money
 29 payable to the capital improvement board. The amount withheld shall
 30 be transferred to the treasurer to the credit of the capital improvement
 31 board.

32 (f) Subject to subsection (g), if all principal and interest on the
 33 obligations issued by the capital improvement board under this section
 34 in calendar year 2009, are paid before July 1, 2015, the term of the
 35 obligations issued by the capital improvement board to the treasurer of
 36 state in calendar year 2010 is extended until 2025. **The treasurer of**
 37 **state shall discharge any remaining unpaid interest on the**
 38 **obligation issued by the capital improvement board to the**
 39 **treasurer of state in 2009, if the capital improvement board**
 40 **submits payment of the principal amount to the treasurer of state**
 41 **before the stated final maturity of that obligation.**

42 (g) This subsection applies if the capital improvement board before



1 July 1, 2015, adopts a resolution:

2 (1) to establish a bid fund to be used to assist the capital

3 improvement board, the Indianapolis Convention and Visitors

4 Association (VisitIndy), or the Indiana Sports Corporation in

5 securing conventions, sporting events, and other special events;

6 and

7 (2) to designate that principal and interest payments that would

8 otherwise be made on the obligation issued by the capital

9 improvement board under this section in calendar year 2010 shall

10 instead be deposited in the bid fund.

11 If the requirements of subdivisions (1) and (2) are satisfied and the

12 capital improvement board deposits in the bid fund amounts equal to

13 the principal and interests payments that would otherwise be made

14 under the repayment schedule on the obligations issued by the capital

15 improvement board under this section in calendar year 2010, the capital

16 improvement board is not required to make those principal and

17 interests payments to the treasurer of state at the time required under

18 the repayment schedule. The amounts must be deposited in the bid

19 fund not later than the time the principal and interest payments would

20 otherwise be due to the treasurer of state under the repayment schedule.

21 The state board of accounts shall annually examine the bid fund to

22 determine the amount of deposits made to the bid fund under this

23 subsection and to ensure that the money deposited in the bid fund is

24 used only for purposes authorized by this subsection. To the extent that

25 the capital improvement board does not deposit in the bid fund an

26 amount equal to a payment of principal and interest that would

27 otherwise be due under the repayment schedule on the obligations

28 issued by the capital improvement board under this section in calendar

29 year 2010, the capital improvement board must make that payment of

30 principal and interest to the treasurer of state as provided in this

31 section. If the capital improvement board deposits in the bid fund

32 amounts equal to the payments of principal and interest that would

33 otherwise be due under the repayment schedule on the obligations

34 issued by the capital improvement board under this section in calendar

35 year 2010, the capital improvement board is only required to repay to

36 the treasurer of state the principal amount of the obligation.

37 SECTION 9. IC 5-28-15-5, AS AMENDED BY P.L.288-2013,

38 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

39 JANUARY 1, 2017]: Sec. 5. (a) The board has the following powers,

40 in addition to other powers that are contained in this chapter:

41 (1) To review and approve or reject all applicants for enterprise

42 zone designation, according to the criteria for designation that this



chapter provides.

(2) To waive or modify rules as provided in this chapter.

(3) To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.

(4) To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one (1) of the following:

(A) If all its incentives, as contained in the summary required under section 7 of this chapter, exceed one thousand dollars (\$1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all its incentives.

(B) Use all its incentives, except for the amount of the registration fee, for its property or employees in the zone.

(C) Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is claimed.

(5) To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.

(6) After a recommendation from a U.E.A., to modify an enterprise zone boundary if the board determines that the modification:

(A) is in the best interests of the zone; and

(B) meets the threshold criteria and factors set forth in section 9 of this chapter.

(7) To employ staff and contract for services.

(8) To receive funds from any source and expend the funds for the administration and promotion of the enterprise zone program.

(9) To ~~make determinations enter into agreements~~ under IC 6-3.1-11 ~~concerning the designation of locations as industrial recovery sites.~~ **with an applicant for a tax credit under that chapter.**

(10) To make determinations under IC 6-3.1-11 concerning the disqualification of persons from claiming credits provided by that chapter in appropriate cases.

(b) In addition to a registration fee paid under subsection (a)(4)(A), each zone business that receives an incentive described in section 3 of this chapter shall assist the zone U.E.A. in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist a U.E.A., the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or



incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the department of local government finance, and the department of state revenue in writing not more than thirty (30) days after the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is adopted.

SECTION 10. IC 6-1.1-4-43 IS REPEALED [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]. Sec. 43: (a) This section applies to a real property assessment for:

(1) the 2014 assessment date and assessment dates thereafter; and

(2) real property that is:

(A) a limited market or special purpose property that would commonly be regarded as a big box retail building under standard appraisal practices and is at least fifty thousand (50,000) square feet; and

(B) occupied by the original owner or by a tenant for which the improvement was built.

(b) This section does not to apply to the assessment of multi-tenant income producing shopping centers (as defined by the Appraisal Institute Dictionary of Real Estate Appraisal (5th Edition)).

(c) In determining the true tax value of real property under this section which has improvements with an effective age is ten (10) years or less under the rules of the department, assessing officials shall apply the cost approach, less depreciation and obsolescence under the rules and guidelines of the department. For purposes of this subsection, the land value shall be assessed separately. The assessed value of the land underlying the improvements assessed under this section may be assessed or challenged based on the market value of comparable land.

(d) This subsection applies to a taxpayer that files a notice under IC 6-1.1-15 after April 30, 2015, requesting a review of the assessment of the taxpayer's real property that is subject to this section. If the effective age of the improvements is ten (10) years or less under the rules of the department, a taxpayer must provide to the appropriate county or township assessing official information concerning the actual construction costs for the real property. Notwithstanding IC 6-1.1-15, if a taxpayer does not provide all relevant and reasonably available information concerning the actual construction costs for the real property before the hearing scheduled by the county property tax assessment board of appeals regarding the assessment of the real property, the appeal may not be reviewed until all the information is



provided: If a taxpayer does provide the information concerning the actual construction costs for the real property and the construction costs for the real property are greater than the cost values determined by using the cost tables under the rules and guidelines of the department of local government finance, then the for purposes of applying the cost approach under subsection (b) or (c) the depreciation and obsolescence shall be deducted from the construction costs rather than the than the cost values determined by using the cost tables under the rules and guidelines of the department of local government finance.

SECTION 11. IC 6-1.1-4-43.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 43.5. (a) This section applies to a real property assessment for:**

(1) the 2016 assessment date and assessment dates thereafter; and

(2) real property that is:

(A) a limited market or special purpose property that would commonly be regarded as a big box retail building under standard appraisal practices and is at least fifty thousand (50,000) square feet; and

(B) occupied by the original owner or by a tenant for which the improvement was built.

(b) If a taxpayer files a notice under IC 6-1.1-15 after March 31, 2016, requesting a review of the assessment of the taxpayer's real property that is subject to this section, and the effective age of the improvements is ten (10) years or less under the rules of the department, a taxpayer must provide to the appropriate county or township assessing official information concerning the actual construction costs for the real property. Notwithstanding IC 6-1.1-15, if a taxpayer does not provide all relevant and reasonably available information concerning the actual construction costs for the real property before the hearing scheduled by the county property tax assessment board of appeals regarding the assessment of the real property, the appeal may not be reviewed until all the information is provided. If a taxpayer does provide the information concerning the actual construction costs for the real property, and the construction costs for the real property are greater than the cost values determined by using the cost tables under the rules and guidelines of the department of local government finance, then for purposes of applying the cost approach the depreciation and obsolescence shall be deducted from the construction costs rather than the cost values determined by



1 using the cost tables under the rules and guidelines of the
2 department of local government finance.

3 SECTION 12. IC 6-1.1-4-44 IS REPEALED [EFFECTIVE
4 JANUARY 1, 2016 (RETROACTIVE)]. Sec. 44: (a) This section
5 applies to a real property assessment of commercial nonincome
6 producing real property; including a sale-leaseback property; for:

7 (1) the 2014 assessment date and assessment dates thereafter; or

8 (2) any assessment date, if an assessment appeal is pending before
9 the county property tax assessment board of appeals or the board
10 of tax review.

11 (b) This section does not to apply to the assessment of multi-tenant
12 income producing shopping centers (as defined by the Appraisal
13 Institute Dictionary of Real Estate Appraisal (5th Edition)).

14 (c) As used in this section; "sale-leaseback" means a transaction in
15 which one (1) party sells a property to a buyer; and the buyer leases the
16 property back to the seller.

17 (d) In determining the true tax value of real property under this
18 section which has improvements with an effective age of ten (10) years
19 or less under the rules of the department; a comparable real property
20 sale may not be used if the comparable real property:

21 (1) has been vacant for more than one (1) year as of the
22 assessment date or in the case of industrial property vacant for
23 more than five (5) years;

24 (2) has significant restrictions placed on the use of the real
25 property by a recorded covenant, restriction, easement, or other
26 encumbrance on the use of the real property;

27 (3) was sold and is no longer used for the purpose; or a similar
28 purpose; for which the property was used by the original occupant
29 or tenant; or

30 (4) was not sold in an arm's length transaction.

31 SECTION 13. IC 6-1.1-15-0.7 IS ADDED TO THE INDIANA
32 CODE AS A NEW SECTION TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2016]: Sec. 0.7. A holder of a tax sale
34 certificate under IC 6-1.1-24 does not have an interest in tangible
35 property for purposes of obtaining a review or bringing an appeal
36 of an assessment of property under this chapter.

37 SECTION 14. IC 6-1.1-31-6, AS AMENDED BY P.L.154-2006,
38 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JANUARY 1, 2016 (RETROACTIVE)]: Sec. 6. (a) With respect to the
40 assessment of real property, the rules of the department of local
41 government finance shall provide for:

42 (1) the classification of land on the basis of:



- 1 ~~(i)~~ (A) acreage;
- 2 ~~(ii)~~ (B) lots;
- 3 ~~(iii)~~ (C) size;
- 4 ~~(iv)~~ (D) location;
- 5 ~~(v)~~ (E) use;
- 6 ~~(vi)~~ (F) productivity or earning capacity;
- 7 ~~(vii)~~ (G) applicable zoning provisions;
- 8 ~~(viii)~~ (H) accessibility to highways, sewers, and other public
- 9 services or facilities; and
- 10 ~~(ix)~~ (I) any other factor that the department determines by rule
- 11 is just and proper; and
- 12 (2) the classification of improvements on the basis of:
- 13 ~~(i)~~ (A) size;
- 14 ~~(ii)~~ (B) location;
- 15 ~~(iii)~~ (C) use;
- 16 ~~(iv)~~ (D) type and character of construction;
- 17 ~~(v)~~ (E) age;
- 18 ~~(vi)~~ (F) condition;
- 19 ~~(vii)~~ (G) cost of reproduction; ~~and~~
- 20 **(H) market segmentation; and**
- 21 ~~(viii)~~ (I) any other factor that the department determines by
- 22 rule is just and proper.
- 23 (b) With respect to the assessment of real property, the rules of the
- 24 department of local government finance shall include instructions for
- 25 determining:
- 26 (1) the proper classification of real property;
- 27 (2) the size of real property;
- 28 (3) the effects that location and use have on the value of real
- 29 property;
- 30 (4) the productivity or earning capacity of:
- 31 (A) agricultural land; and
- 32 (B) real property regularly used to rent or otherwise furnish
- 33 residential accommodations for periods of thirty (30) days or
- 34 more;
- 35 (5) sales data for generally comparable properties; and
- 36 (6) the true tax value of real property based on the factors listed
- 37 in this subsection and any other factor that the department
- 38 determines by rule is just and proper.
- 39 (c) With respect to the assessment of real property, true tax value
- 40 does not mean fair market value. ~~Subject to this article, true tax value~~
- 41 ~~is the value determined under the rules of the department of local~~
- 42 ~~government finance.~~



(d) With respect to the assessment of an improved property, a valuation does not reflect the true tax value of the improved property if the purportedly comparable sale properties supporting the valuation have a different market or submarket than the current use of the improved property, based on a market segmentation analysis. Any market segmentation analysis must be conducted in conformity with generally accepted appraisal principles and is not limited to the categories of markets and submarkets enumerated in the rules or guidance materials adopted by the department of local government finance.

(e) True tax value does not mean the value of the property to the user.

(f) Subject to this article, true tax value shall be determined under the rules of the department of local government finance. The department's rules may include examples to illustrate true tax value.

SECTION 15. IC 6-3.1-11-1, AS AMENDED BY P.L.288-2013, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. As used in this chapter, "applicable percentage" means the percentage determined as follows:

(1) If a plant ~~that is located on an industrial recovery site~~ was placed in service at least fifteen (15) years ago but less than thirty (30) years ago, the applicable percentage is fifteen percent (15%).

(2) If a plant ~~that is located on an industrial recovery site~~ was placed in service at least thirty (30) years ago but less than forty (40) years ago, the applicable percentage is twenty percent (20%).

(3) If a plant ~~that is located on an industrial recovery site~~ was placed in service at least forty (40) years ago, the applicable percentage is twenty-five percent (25%).

The time that has expired since a plant was placed in service shall be determined as of the date that an application is filed with the corporation. ~~for designation of the location as an industrial recovery site under this chapter.~~

SECTION 16. IC 6-3.1-11-3 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. Sec. 3: ~~As used in this chapter, "executive" has the meaning set forth in IC 36-1-2-5.~~

SECTION 17. IC 6-3.1-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. As used in this chapter, "industrial recovery site" means ~~an industrial recovery site designated under this chapter.~~ **land on which a vacant plant having at least one hundred thousand (100,000) square feet of total floor space:**



(1) exists as of the date an application is filed with the corporation under this chapter; or

(2) existed within five (5) years before the date an application is filed with the corporation under this chapter.

SECTION 18. IC 6-3.1-11-6 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. Sec. 6: As used in this chapter, "legislative body" has the meaning set forth in IC 36-1-2-9.

SECTION 19. IC 6-3.1-11-7 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. Sec. 7: As used in this chapter, "municipality" has the meaning set forth in IC 36-1-2-11.

SECTION 20. IC 6-3.1-11-15 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. Sec. 15: As used in this chapter, "vacant industrial facility" means a tract of land on which there is located a plant that:

(1) has:

(A) for taxable years beginning after December 31, 2010; and beginning before January 1, 2015; at least fifty thousand (50,000) square feet of floor space; or

(B) for taxable years beginning after December 31, 2014; at least one hundred thousand (100,000) square feet of floor space; and

(2) was placed in service at least fifteen (15) years ago.

SECTION 21. IC 6-3.1-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 16. (a) **Subject to entering into an agreement with the corporation under section 19.5 of this chapter and** subject to section 21 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by the applicable percentage.

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of the industrial recovery site. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department of **state** revenue. The taxpayer shall not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.



SECTION 22. IC 6-3.1-11-18.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 18.5. (a) A taxpayer that proposes to make qualified investments on an industrial recovery site as provided under this chapter may apply to the corporation to enter into an agreement for a tax credit under this chapter.**

(b) The corporation shall prescribe the form of the application.

SECTION 23. IC 6-3.1-11-19, AS AMENDED BY P.L.288-2013, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 19. (a) The corporation shall consider the following factors in evaluating applications filed under this chapter:**

(1) The level of distress in the surrounding community caused by the loss of jobs at the ~~vacant industrial facility~~; **recovery site.**

(2) Evidence of support for the designation by residents, businesses, and private organizations in the surrounding community.

(3) Evidence of a commitment by private or governmental entities to assist in the financing of improvements or redevelopment activities benefiting the ~~vacant industrial facility~~; **recovery site.**

(4) Whether the industrial recovery site is within an economic revitalization area designated under IC 6-1.1-12.1.

(b) The corporation may not approve an application to receive tax credits under this chapter for qualified investments made on an industrial recovery site described in section 5(2) of this chapter unless the applicant can demonstrate that the plant was not maintained and was removed from the site in an effort to protect the health, safety, and welfare of the community.

SECTION 24. IC 6-3.1-11-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 19.5. If the corporation approves an application under this chapter, the corporation shall require the applicant to enter into an agreement with the corporation as a condition of receiving a tax credit under this chapter.**

SECTION 25. IC 6-3.1-20-7, AS AMENDED BY P.L.255-2015, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 7. (a) The department shall before July 1 of each year determine the following:**

(1) The greater of:

(+) **(A)** eight million five hundred thousand dollars (\$8,500,000); or

(-) **(B)** the amount of credits allowed under this chapter for



taxable years ending before January 1 of the year.

(2) The quotient of:

(A) the amount determined under subdivision (1); divided by

(B) four (4).

(b) Except as provided in subsection (d), one-half (1/2) of the amount determined by the department under subsection ~~(a)~~ **(a)(2)** shall be:

(1) deducted ~~during the year~~ **each quarter** from the riverboat admissions tax revenue otherwise payable to the county under ~~IC 4-33-12-6(c)(6)~~ **IC 4-33-12-8** and the supplemental distribution otherwise payable to the county under IC 4-33-13-5(g); and

(2) paid instead to the state general fund.

(c) Except as provided in subsection (d), one-sixth (1/6) of the amount determined by the department under subsection ~~(a)~~ **(a)(2)** shall be:

(1) deducted ~~during the year~~ **each quarter** from the riverboat admissions tax revenue otherwise payable under ~~IC 4-33-12-6(c)(5)~~ **IC 4-33-12-8** and the supplemental distribution otherwise payable under IC 4-33-13-5(g) to each of the following:

(A) The largest city by population located in the county.

(B) The second largest city by population located in the county.

(C) The third largest city by population located in the county; and

(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection ~~(a)(2)~~ **(a)(1)(B)** is less than eight million five hundred thousand dollars (\$8,500,000), the difference of:

(1) eight million five hundred thousand dollars (\$8,500,000); minus

(2) the amount determined by the department under subsection ~~(a)(2)~~ **(a)(1)(B)**;

shall be paid **in four (4) equal quarterly payments** to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund. Any amounts paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.

SECTION 26. IC 6-6-1.1-103, AS AMENDED BY P.L.122-2006,



SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 103. As used in this chapter:

(a) "Administrator" means the administrative head of the department of state revenue or the administrator's designee.

(b) "Dealer" means a person, except a distributor, engaged in the business of selling gasoline in Indiana.

(c) "Department" means the department of state revenue.

(d) "Distributor" means a person who first receives gasoline in Indiana. However, "distributor" does not include the United States or any of its agencies unless their inclusion is permitted under the Constitution and laws of the United States.

(e) "Licensed distributor" means a person holding a valid distributor's license issued by the administrator.

(f) "Marine facility" means a marina or boat livery.

(g) "Gasoline" means:

(1) all products commonly or commercially known or sold as gasoline, including casinghead and absorption or natural gasoline, regardless of their classifications or uses; and

(2) any liquid, which when subjected to distillation of gasoline, naphtha, kerosene, and similar petroleum products with American Society for Testing Materials Designation D-86, shows not less than ten percent (10%) distilled (recovered) below three hundred forty-seven degrees Fahrenheit (347 degrees F) or one hundred seventy-five degrees Centigrade (175 degrees C), and not less than ninety-five percent (95%) distilled (recovered) below four hundred sixty-four degrees Fahrenheit (464 degrees F) or two hundred forty degrees Centigrade (240 degrees C).

However, the term "gasoline" does not include liquefied gases which would not exist as liquids at a temperature of sixty degrees Fahrenheit (60 degrees F) or sixteen degrees Centigrade (16 degrees C), and a pressure of fourteen and seven-tenths (14.7) pounds per square inch absolute, or denatured, wood, or ethyl alcohol, ether, turpentine, or acetates, unless such product is used as an additive in the manufacture, compounding, or blending of a liquid within subdivision (2) or is otherwise blended with a liquid described in subdivision (2) (including ethanol used in E85), in which event only the quantity so used is considered gasoline. In addition, "gasoline" does not include those liquids which meet the specifications of subdivision (2) but which are especially designated for use other than as a fuel for internal combustion engines. **The term "gasoline" does not include a**



fuel blend nominally consisting of more than eighty-seven percent (87%) ethanol and less than thirteen percent (13%) gasoline.

(h) "Motor vehicle" means a vehicle, except a vehicle operated on rails, which is propelled by an internal combustion engine or motor and is designed to permit its mobile use on public highways.

(i) "Person" means a natural person, partnership, firm, association, corporation, limited liability company, representative appointed by a court, or the state or its political subdivisions.

(j) "Public highway" means the entire width between boundary lines of every publicly maintained way in Indiana including streets and alleys in cities and towns when any part of the way is open to public use for vehicle travel.

(k) "Taxable marine facility" means a marine facility located on an Indiana lake.

(l) "Taxicab" means a motor vehicle which is:

(1) designed to carry not more than seven (7) individuals, including the driver;

(2) held out to the public for hire at a fare regulated by municipal ordinance and based upon length of trips or time consumed;

(3) not operated over a definite route; and

(4) a part of a commercial enterprise in the business of providing taxicab service.

(m) "Terminal" means a marine or pipeline gasoline facility.

(n) "Metered pump" means a stationary pump having a meter that is capable of measuring the amount of gasoline dispensed through it.

(o) "Billed gallons" means the gallons indicated on an invoice for payment to a supplier.

(p) "Export" for gasoline and fuels taxed in the same manner as gasoline under the origin state's statutes means the sale for export and delivery out of a state by or for the seller that is:

(1) an export by the seller in the origin state; and

(2) an import by the seller in the destination state.

(q) "Import" for gasoline and fuels taxed in the same manner as gasoline under the origin state's statutes means the purchase for export and transportation out of a state by or for the purchaser that is:

(1) an export by the purchaser in the origin state; and

(2) an import by the purchaser in the destination state.



(r) "Rack" means a dock, platform, or open bay:

(1) located at a refinery or terminal; and

(2) having a system of metered pipes and hoses to load fuel into a tank wagon or tank transport.

(s) "E85" means a fuel blend nominally consisting of eighty-five percent (85%) ethanol and fifteen percent (15%) gasoline (as described in subsection (g)(2)) that meets American Society for Testing and Materials standard specification 5798-99 for fuel ethanol for automotive spark-ignition engines (Ed75Ed85).

SECTION 27. IC 6-6-1.1-301 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 301. The following transactions are exempt from the gasoline tax:

(1) Gasoline exported from Indiana to another state, territory, or foreign country, **including gasoline sold to another person for export from Indiana to another state, territory, or foreign country.**

(2) Gasoline sold to the United States or an agency or instrumentality thereof.

(3) Gasoline sold to a post exchange or other concessionaire on a federal reservation within Indiana; however, the post exchange or concessionaire shall collect, report, and pay to the administrator any tax permitted by federal law on gasoline sold.

(4) Gasoline used by a licensed distributor for any purpose other than the generation of power for the propulsion of motor vehicles upon the public highways.

(5) Gasoline received by a licensed distributor and thereafter lost or destroyed, except by evaporation, shrinkage, or unknown cause, while the distributor is still the owner.

SECTION 28. IC 36-7-14-8, AS AMENDED BY P.L.87-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) The redevelopment commissioners shall hold a meeting for the purpose of organization not later than thirty (30) days after they are appointed and, after that, each year on a day that is not a Saturday, a Sunday, or a legal holiday and that is their first meeting day of the year. They shall choose one (1) of their members as president, another as vice president, and another as secretary. These officers shall perform the duties usually pertaining to their offices and shall serve from the date of their election until their successors are elected and qualified.

(b) The fiscal officer of the unit establishing a redevelopment commission is the treasurer of the redevelopment commission. Notwithstanding any other provision of this chapter, but subject to



subsection (c), the treasurer has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the redevelopment commission in accordance with the requirements of state laws that apply to other funds and accounts administered by the fiscal officer. The treasurer shall report annually to the redevelopment commission before April 1.

(c) The treasurer of the redevelopment commission may disburse funds of the redevelopment commission only after the redevelopment commission allows and approves the disbursement. However, the redevelopment commission may, by rule or resolution, authorize the treasurer to make certain types of disbursements before the redevelopment commission's allowance and approval at its next regular meeting.

(d) The following apply to funds of the redevelopment commission:

(1) The funds must be maintained and accounted for separately and may not be commingled with any assets or funds of the unit that established the redevelopment commission or of any other political subdivision.

(2) The funds:

(A) may not be transferred to any accounts or funds established by or for the unit that established the redevelopment commission or any other political subdivision; and

(B) except in the case of reimbursements specifically authorized by law, may not be used to pay for expenses of the unit that established the redevelopment commission or for expenses of any other political subdivision.

~~(d)~~ (e) The redevelopment commissioners may adopt the rules and bylaws they consider necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the money and property placed in their custody by this chapter. In addition to the annual meeting, the commissioners may, by resolution or in accordance with their rules and bylaws, prescribe the date and manner of notice of other regular or special meetings.

~~(e)~~ (f) This subsection does not apply to a county redevelopment commission that consists of seven (7) members. Three (3) of the redevelopment commissioners constitute a quorum, and the concurrence of three (3) commissioners is necessary to authorize any action.

~~(f)~~ (g) This subsection applies only to a county redevelopment commission that consists of seven (7) members. Four (4) of the



1 redevelopment commissioners constitute a quorum, and the
 2 concurrence of four (4) commissioners is necessary to authorize any
 3 action.

4 SECTION 29. IC 36-7-14-13, AS AMENDED BY P.L.87-2015,
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2016]: Sec. 13. (a) Not later than April 15 of each year, the
 7 redevelopment commissioners or their designees shall file with the
 8 unit's executive and fiscal body a report setting out their activities
 9 during the preceding calendar year.

10 (b) The report of the commissioners of a municipal redevelopment
 11 commission must show the names of the then qualified and acting
 12 commissioners, the names of the officers of that body, the number of
 13 regular employees and their fixed salaries or compensation, the amount
 14 of the expenditures made during the preceding year and their general
 15 purpose, an accounting of the tax increment revenues expended by any
 16 entity receiving the tax increment revenues as a grant or loan from the
 17 commission, the amount of funds on hand at the close of the calendar
 18 year, and other information necessary to disclose the activities of the
 19 commissioners and the results obtained.

20 (c) The report of the commissioners of a county redevelopment
 21 commission must show all the information required by subsection (b),
 22 plus the names of any commissioners appointed to or removed from
 23 office during the preceding calendar year.

24 (d) A copy of each report filed under this section must be submitted
 25 to the department of local government finance in an electronic format.

26 (e) The report required under subsection (a) must also include the
 27 following information set forth for each tax increment financing district
 28 regarding the previous year:

29 (1) Revenues received.

30 (2) Expenses paid.

31 (3) Fund balances.

32 (4) The amount and maturity date for all outstanding obligations.

33 (5) The amount paid on outstanding obligations.

34 (6) A list of all the parcels included in each tax increment
 35 financing district allocation area and the base assessed value and
 36 incremental assessed value for each parcel in the list.

37 **(7) To the extent that the following information has not**
 38 **previously been provided to the department of local**
 39 **government finance:**

40 **(A) The year in which the tax increment financing district**
 41 **was established.**

42 **(B) The section of the Indiana Code under which the tax**



increment financing district was established.

(C) Whether the tax increment financing district is part of an area needing redevelopment, an economic development area, a redevelopment project area, or an urban renewal project area.

(D) If applicable, the year in which the boundaries of the tax increment financing district were changed and a description of those changes.

(E) The date on which the tax increment financing district will expire.

(F) A copy of each resolution adopted by the redevelopment commission that establishes or alters the tax increment financing district.

(f) A redevelopment commission and a department of redevelopment are subject to the same laws, rules, and ordinances of a general nature that apply to all other commissions or departments of the unit.

SECTION 30. IC 36-7-15.1-3.5, AS AMENDED BY P.L.87-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.5. (a) The controller of the consolidated city is the fiscal officer of a commission subject to this chapter.

(b) The controller may obtain financial services on a contractual basis for purposes of carrying out the powers and duties of the commission and protecting the public interests related to the operations and funding of the commission. Subject to subsection (c), the controller has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the commission in accordance with the requirements of state law that apply to other funds and accounts administered by the controller.

(c) The controller may disburse funds of the commission only after the commission allows and approves the disbursement. However, the commission may, by rule or resolution, authorize the controller to make certain types of disbursements before the commission's allowance and approval at its next regular meeting.

(d) The following apply to funds of the redevelopment commission:

(1) The funds must be maintained and accounted for separately and may not be commingled with any assets or funds of the unit that established the redevelopment commission or of any other political subdivision.

(2) The funds:

(A) may not be transferred to any accounts or funds



1 established by or for the unit that established the
 2 redevelopment commission or any other political
 3 subdivision; and

4 **(B) except in the case of reimbursements specifically**
 5 **authorized by law, may not be used to pay for expenses of**
 6 **the unit that established the redevelopment commission or**
 7 **of any other political subdivision.**

8 SECTION 31. IC 36-7-15.1-36.3, AS AMENDED BY P.L.87-2015,
 9 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2016]: Sec. 36.3. (a) Not later than April 15 of each year, the
 11 commission or its designee shall file with the mayor and the fiscal body
 12 a report setting out the commission's activities during the preceding
 13 calendar year.

14 (b) The report required by subsection (a) must show the names of
 15 the then qualified and acting commissioners, the names of the officers
 16 of that body, the number of regular employees and their fixed salaries
 17 or compensation, the amount of the expenditures made during the
 18 preceding year and their general purpose, an accounting of the tax
 19 increment revenues expended by any entity receiving the tax increment
 20 revenues as a grant or loan from the commission, the amount of funds
 21 on hand at the close of the calendar year, and other information
 22 necessary to disclose the activities of the commission and the results
 23 obtained.

24 (c) A copy of each report filed under this section must be submitted
 25 to the department of local government finance in an electronic format.

26 (d) The report required under subsection (a) must also include the
 27 following information set forth for each tax increment financing district
 28 regarding the previous year:

29 (1) Revenues received.

30 (2) Expenses paid.

31 (3) Fund balances.

32 (4) The amount and maturity date for all outstanding obligations.

33 (5) The amount paid on outstanding obligations.

34 (6) A list of all the parcels included in each tax increment
 35 financing district allocation area and the base assessed value and
 36 incremental assessed value for each parcel in the list.

37 **(7) To the extent that the following information has not**
 38 **previously been provided to the department of local**
 39 **government finance:**

40 **(A) The year in which the tax increment financing district**
 41 **was established.**

42 **(B) The section of the Indiana Code under which the tax**



1 increment financing district was established.

2 (C) Whether the tax increment financing district is part of
3 an area needing redevelopment, an economic development
4 area, a redevelopment project area, or an urban renewal
5 project area.

6 (D) If applicable, the year in which the boundaries of the
7 tax increment financing district were changed and a
8 description of those changes.

9 (E) The date on which the tax increment financing district
10 will expire.

11 (F) A copy of each resolution adopted by the
12 redevelopment commission that establishes or alters the
13 tax increment financing district.

14 SECTION 32. IC 36-7.5-1-10, AS AMENDED BY P.L.192-2015,
15 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2016]: Sec. 10. "Economic development project" means the
17 following:

18 (1) An economic development project described in any of the
19 following:

20 (A) IC 36-7.5-2-1(2), ~~or~~ IC 36-7.5-2-1(3), **or IC 36-7.5-2-1(4).**

21 (B) IC 36-7.5-3-1(2) or IC 36-7.5-3-1(4).

22 (C) The Marquette Plan.

23 (2) A dredging, sediment removal, or channel improvement
24 project.

25 SECTION 33. IC 36-7.5-2-1, AS AMENDED BY P.L.192-2015,
26 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2016]: Sec. 1. The northwest Indiana regional development
28 authority is established as a separate body corporate and politic to carry
29 out the purposes of this article by:

30 (1) acquiring, constructing, equipping, owning, leasing, and
31 financing projects and facilities for lease to or for the benefit of
32 eligible political subdivisions under this article in accordance
33 with IC 36-7.5-3-1.5;

34 (2) funding and developing the Gary/Chicago International
35 Airport expansion and other airport authority projects, commuter
36 transportation district and other rail projects and services,
37 regional bus authority projects and services, regional
38 transportation authority projects and services, Lake Michigan
39 marina and shoreline development projects and activities, and
40 economic development projects in northwestern Indiana; ~~and~~

41 (3) assisting with the funding of infrastructure needed to sustain
42 development of an intermodal facility in northwestern Indiana;



1 and

2 **(4) funding and carrying out destination based economic**
 3 **development projects that:**

4 **(A) fill a market opportunity in the greater Chicago area,**
 5 **as determined by a credible market study approved by the**
 6 **Indiana finance authority;**

7 **(B) derive significant capital investment from**
 8 **nongovernmental sources;**

9 **(C) derive significant investment or incentives from a host**
 10 **municipality, if the project is in a municipality;**

11 **(D) have a significant and quantifiable impact on the**
 12 **regional economy; and**

13 **(E) generate:**

14 **(i) substantial job creation in the region;**

15 **(ii) substantial new investment in the region; or**

16 **(iii) both substantial job creation in the region and**
 17 **substantial new investment in the region.**

18 SECTION 34. IC 36-7.5-3-2, AS AMENDED BY P.L.197-2011,
 19 SECTION 152, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) The development authority
 21 may do any of the following:

22 (1) Finance, improve, construct, reconstruct, renovate, purchase,
 23 lease, acquire, and equip land and projects located in an eligible
 24 county or eligible municipality.

25 (2) Lease land or a project to an eligible political subdivision.

26 (3) Finance and construct additional improvements to projects or
 27 other capital improvements owned by the development authority
 28 and lease them to or for the benefit of an eligible political
 29 subdivision.

30 (4) Acquire land or all or a portion of one (1) or more projects
 31 from an eligible political subdivision by purchase or lease and
 32 lease the land or projects back to the eligible political subdivision,
 33 with any additional improvements that may be made to the land
 34 or projects.

35 (5) Acquire all or a portion of one (1) or more projects from an
 36 eligible political subdivision by purchase or lease to fund or
 37 refund indebtedness incurred on account of the projects to enable
 38 the eligible political subdivision to make a savings in debt service
 39 obligations or lease rental obligations or to obtain relief from
 40 covenants that the eligible political subdivision considers to be
 41 unduly burdensome.

42 (6) Make loans, loan guarantees, and grants or provide other



financial assistance to or on behalf of the following:

- (A) A commuter transportation district.
- (B) An airport authority or airport development authority.
- (C) The Lake Michigan marina and shoreline development commission.
- (D) A regional bus authority. A loan, loan guarantee, grant, or other financial assistance under this clause may be used by a regional bus authority for acquiring, improving, operating, maintaining, financing, and supporting the following:
 - (i) Bus services (including fixed route services and flexible or demand-responsive services) that are a component of a public transportation system.
 - (ii) Bus terminals, stations, or facilities or other regional bus authority projects.
- (E) A regional transportation authority.
- (F) A member municipality that is eligible to make an appointment to the development board under IC 36-7.5-2-3(b)(2) and is compliant with the revenue transfer requirements specified in IC 36-7.5-4-2. However, a loan made to such a member municipality before June 30, 2016, under this clause must have a term of not more than ten (10) years and must have a market based interest rate.**
- (7) Provide funding to assist a railroad that is providing commuter transportation services in an eligible county or eligible municipality.
- (8) Provide funding to assist an airport authority located in an eligible county or eligible municipality in the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of an airport facility or airport project.
- (9) Provide funding to assist in the development of an intermodal facility to facilitate the interchange and movement of freight.
- (10) Provide funding to assist the Lake Michigan marina and shoreline development commission in carrying out the purposes of IC 36-7-13.5.
- (11) Provide funding for economic development projects in an eligible county or eligible municipality.
- (12) Hold, use, lease, rent, purchase, acquire, and dispose of by purchase, exchange, gift, bequest, grant, condemnation, lease, or sublease, on the terms and conditions determined by the development authority, any real or personal property located in an eligible county or eligible municipality.



(13) After giving notice, enter upon any lots or lands for the purpose of surveying or examining them to determine the location of a project.

(14) Make or enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this article.

(15) Sue, be sued, plead, and be impleaded.

(16) Design, order, contract for, and construct, reconstruct, and renovate a project or improvements to a project.

(17) Appoint an executive director and employ appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, auditors, clerks, construction managers, and any consultants or employees that are necessary or desired by the development authority in exercising its powers or carrying out its duties under this article.

(18) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a political subdivision, or any other public or private source.

(19) Use the development authority's funds to match federal grants or make loans, loan guarantees, or grants to carry out the development authority's powers and duties under this article.

(20) Except as prohibited by law, take any action necessary to carry out this article.

(b) If the development authority is unable to agree with the owners, lessees, or occupants of any real property selected for the purposes of this article, the development authority may proceed under IC 32-24-1 to procure the condemnation of the property. The development authority may not institute a proceeding until it has adopted a resolution that:

(1) describes the real property sought to be acquired and the purpose for which the real property is to be used;

(2) declares that the public interest and necessity require the acquisition by the development authority of the property involved; and

(3) sets out any other facts that the development authority considers necessary or pertinent.

The resolution is conclusive evidence of the public necessity of the proposed acquisition.

SECTION 35. IC 36-7.5-3-1.5, AS ADDED BY P.L.192-2015, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1.5. (a) This section applies to revenue received by the authority to the extent that the revenue has not been pledged or



otherwise obligated to pay bonds or leases entered into before July 1, 2015.

(b) The authority may expend money received under this article to fund economic development projects only to the extent that:

(1) the development board finds that the economic development project is **a destination based economic development project described in IC 36-7.5-2-1(4) or is** consistent with:

(A) a duty imposed upon the development authority under section 1(2) or 1(4) of this chapter; or

(B) the Marquette Plan; and

(2) funding the project is reviewed by the state budget committee under subsection (c).

(c) The development board shall submit to the state budget committee for review and comment any proposal to fund an economic development project **(including any destination based economic development project)** under this article. The state budget committee shall review any proposal received under this subsection and may request that the authority appear at a public meeting of the state budget committee concerning the funding proposal.

SECTION 36. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "legislative council" refers to the legislative council created by IC 2-5-1.1-1.**

(b) As used in this SECTION, "study committee" means either of the following:

(1) A statutory committee established under IC 2-5.

(2) An interim study committee.

(c) The legislative council is urged to assign the following topics to the appropriate study committee:

(1) Whether a heavy equipment vehicle excise tax, instead of the property tax, should be imposed on certain heavy equipment vehicles.

(2) The appropriate amount of the fee that should be charged for the registration of a logging vehicle that:

(A) is used to harvest logs or timber;

(B) is used to process or load harvested logs or timber; or

(C) is transported to a logging site specifically for the purpose of building or maintaining a road at the logging site.

(d) If a topic described in subsection (c) is assigned to a study committee, the study committee shall issue a final report on the topic to the legislative council in an electronic format under IC 5-14-6 not later than November 1, 2016.



1 **(e) This SECTION expires December 31, 2016.**
2 **SECTION 37. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1290, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1290 as introduced.)

BROWN T

Committee Vote: Yeas 21, Nays 1

HOUSE MOTION

Mr. Speaker: I move that House Bill 1290 be amended to read as follows:

Page 3, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-15-0.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 0.7. A holder of a tax sale certificate under IC 6-1.1-24 does not have an interest in tangible property for purposes of obtaining a review or bringing an appeal of an assessment of property under this chapter.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1290 as printed January 26, 2016.)

PRYOR

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1290, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-22-2-21, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 21. (a) If incorporation of the text in full would be cumbersome, expensive, or otherwise inexpedient, an agency may

EH 1290—LS 6505/DI 73



incorporate by reference into a rule part or all of any of the following matters:

- (1) A federal or state statute, rule, or regulation.
- (2) A code, manual, or other standard adopted by an agent of the United States, a state, or a nationally recognized organization or association.
- (3) A manual of the department of local government finance adopted in a rule described in IC 6-1.1-31-9.

(4) The following requirements:

(A) The schedule, electronic formatting, and standard data, field, and record coding requirements for:

- (i) the electronic data file under IC 6-1.1-4-25 concerning the parcel characteristics and parcel assessments of all parcels and personal property return characteristics and assessments; and**
- (ii) the electronic data file under IC 36-2-9-20 concerning the tax duplicate.**

(B) The schedule, electronic formatting, and standard data, field, and record coding requirements for data required to be submitted under IC 6-1.1-5.5-3 or IC 6-1.1-11-8.

(C) Data export and transmission format requirements for information described in clauses (A) and (B).

(b) Each matter incorporated by reference under subsection (a) must be fully and exactly described.

(c) An agency may refer to a matter that is directly or indirectly referred to in a primary matter by fully and exactly describing the primary matter.

(d) Whenever an agency submits a rule to the attorney general, the governor, or the publisher under this chapter, the agency shall also submit a copy of the full text of each matter incorporated by reference under subsection (a) into the rule, other than the following:

- (1) An Indiana statute or rule.
- (2) A form or instructions for a form numbered by the ~~commission on public records~~ **Indiana archives and record administration** under IC 5-15-5.1-6.
- (3) The source of a statement that is quoted or paraphrased in full in the rule.
- (4) Any matter that has been previously filed with the:
 - (A) secretary of state before July 1, 2006; or
 - (B) publisher after June 30, 2006.
- (5) Any matter referred to in subsection (c) as a matter that is directly or indirectly referred to in a primary matter.



(e) An agency may comply with subsection (d) by submitting a paper or an electronic copy of the full text of the matter incorporated by reference.

SECTION 2. IC 4-33-12-6, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:
Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by ~~subsections subsection (c) and (d), and IC 6-3-1-20-7,~~ **section 8 of this chapter**, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in ~~subsection (k), (j),~~ **section 9(g) of this chapter**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

- (i) is located in a county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000); or
- (ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in ~~subsection (k), (j),~~ **section 9(g) of this chapter**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

- (A) embarking on a gambling excursion during the quarter; or
- (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in ~~subsection (k), (j),~~ **section 9(g) of this chapter**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

- (A) embarking on a gambling excursion during the quarter; or
- (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or



promotion fund for the county in which the riverboat is docked.

(4) Except as provided in ~~subsection (k), (j)~~, **section 9(g) of this chapter**, fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(5) Except as provided in ~~subsection (k), (j)~~, **section 9(g) of this chapter**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in ~~subsection (k), (j)~~, Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following:

(1) With respect to admissions taxes collected for a person admitted to the riverboat before July 1, 2010, the following amounts:

(A) Twenty-two percent (22%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is located. The county treasurer shall distribute the money received under this clause as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county



fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(ii) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(iii) Fifty-four and five-tenths percent (54.5%) shall be retained by the county where the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than two thousand (2,000) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(C) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(D) Twenty percent (20%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

(i) is located in the county in which the riverboat is located;



and

(ii) contains a historic hotel.

At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located:

(E) Ten percent (10%) of the admissions tax collected during the quarter shall be paid to the Orange County development commission established under IC 36-7-11.5. At least one-third (1/3) of the taxes paid to the Orange County development commission under this clause must be transferred to the Orange County convention and visitors bureau.

(F) Thirteen percent (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(G) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(i) Job creation and retention.

(ii) Infrastructure, including water, wastewater, and storm water infrastructure needs.

(iii) Housing.

(iv) Workforce training.

(v) Health care.

(vi) Local planning.

(vii) Land use.

(viii) Assistance to regional economic development groups.

(ix) Other regional development issues as determined by the Indiana economic development corporation.

(2) With respect to admissions taxes collected for a person admitted to the riverboat after June 30, 2010, the following amounts:

(A) Twenty-nine and thirty-three hundredths percent (29.33%) to the county treasurer of Orange County. The county treasurer shall distribute the money received under this clause



as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Dubois County for distribution in the manner described in subdivision (1)(A)(i);

(ii) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Crawford County for distribution in the manner described in subdivision (1)(A)(ii);

(iii) Fifty-four and five-tenths percent (54.5%) to be retained by the county treasurer of Orange County for appropriation by the county fiscal body after receiving a recommendation from the county executive;

(B) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Orleans. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to Orleans Community Schools;

(C) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Paoli. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to the Paoli Community School Corporation;

(D) Twenty-six and sixty-seven hundredths percent (26.67%) to be paid in equal amounts to the fiscal officers of the towns of French Lick and West Baden Springs. At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the Springs Valley Community School Corporation;

(E) Thirty and sixty-six hundredths percent (30.66%) to the Indiana economic development corporation to be used the manner described in subdivision (1)(G);

(d) (e) With respect This subsection applies to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); Lake County. Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);
or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from East Chicago during the preceding calendar quarter;



to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, East Chicago's funding obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter; to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Gary's funding obligation to the authority under IC 36-7.5-4-2.

(3) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Hammond during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Hammond's funding obligation to the authority under IC 36-7.5-4-2.

(4) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Lake County during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(1) (5) Except as provided in subsection (k), (j), the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the preceding calendar quarter; that has implemented flexible scheduling under IC 4-33-6-21; minus

(B) the amount distributed to the northwest Indiana regional



development authority under subdivision (1), (2), or (3); whichever is applicable; for that the calendar quarter;

shall be paid to the city in which the riverboat is docked:

~~(2) (6) Except as provided in subsection (k), (j), the remainder, if any, of:~~

~~(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person~~

~~(A) embarking on a gambling excursion during the quarter; or~~

~~(B) admitted to a riverboat during the preceding calendar quarter; that has implemented flexible scheduling under IC 4-33-6-21; minus~~

~~(B) the amount distributed to the northwest Indiana regional development authority under subdivision (4) for that the calendar quarter;~~

shall be paid to the county in which the riverboat is docked:

~~(3) (7) Except as provided in subsection (k), (j), nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person~~

~~(A) embarking on a gambling excursion during the quarter; or~~

~~(B) admitted to a riverboat during the preceding calendar quarter that has implemented flexible scheduling under IC 4-33-6-21;~~

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked:

~~(4) (8) Except as provided in subsection (k), (j), one cent (\$0.01) of the admissions tax collected by the licensed owner for each person~~

~~(A) embarking on a gambling excursion during the quarter; or~~

~~(B) admitted to a riverboat during the preceding calendar quarter that has implemented flexible scheduling under IC 4-33-6-21;~~

shall be paid to the northwest Indiana law enforcement training center:

~~(5) (9) Except as provided in subsection (k), (j), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person~~

~~(A) embarking on a gambling excursion during the quarter; or~~

~~(B) admitted to a riverboat during a the preceding calendar quarter that has implemented flexible scheduling under IC 4-33-6-21;~~

shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.



~~(6)~~ ~~(10)~~ Except as provided in subsection ~~(k)~~, ~~(j)~~, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person

~~(A) embarking on a gambling excursion during the quarter; or~~
~~(B) admitted to a riverboat during the preceding calendar quarter that has implemented flexible scheduling under IC 4-33-6-21;~~

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

~~(7)~~ ~~(11)~~ Except as provided in subsection ~~(k)~~, Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person *embarking on a gambling excursion during the quarter or* admitted to a riverboat during the preceding calendar quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

~~(e)~~ ~~(d)~~ Money paid to a unit of local government under subsection ~~(b)~~ ~~or~~ ~~(c)~~: ~~or~~ ~~(d)~~:

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1-1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

~~(f)~~ ~~(e)~~ Money paid by the treasurer of state under subsection ~~(b)~~(3) or ~~(d)~~(3) ~~(d)~~(7) ~~(c)~~(7) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

~~(g)~~ ~~(f)~~ Money received by the division of mental health and addiction under subsections ~~(b)~~(5) and ~~(d)~~(6): ~~(d)~~(10): ~~(e)~~(10):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and



addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs; alcohol; and compulsive gambling; including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) (g) This subsection applies to the following:

(1) Each entity receiving money under subsection (b)(1) through (b)(5).

(2) Each entity receiving money under subsection *(d)(1) (d)(5) (c)(5)* through *(d)(2). (d)(6). (c)(6).*

(3) Each entity receiving money under subsection *(d)(5) (d)(9) (c)(9)* through *(d)(6). (d)(10). (c)(10).*

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) (h) This subsection applies to an entity receiving money under subsection *(d)(3) (d)(7) (c)(7)* or *(d)(4). (d)(8). (c)(8).* The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection *(d)(3) (d)(7) (c)(7)* during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection *(d)(3). (d)(7). (c)(7).* The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection *(d)(4). (d)(8). (c)(8).* The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) (i) *This subsection does not apply to an entity receiving money under subsection (e).* The total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection *(h) (g)* or *(i). (h).* *For purposes of this section, the treasurer of state shall treat any amounts distributed under subsection (d) (c) to the northwest Indiana regional development authority as amounts constructively received by East Chicago, Gary, Hammond, and Lake County, as appropriate. If*



the treasurer of state determines that the total amount of money:

- ~~(1)~~ distributed to an entity; *and*
- ~~(2)~~ *constructively received by an entity;*

under this section during a state fiscal year is less than the entity's base year revenue; the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5.

~~(k)~~ ~~(j)~~ *This subsection does not apply to an entity receiving money under subsection (e).* The treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceeds a particular entity's base year revenue; and
- (2) would otherwise be due to the entity under this section;

to the state general fund instead of to the entity.

SECTION 3. IC 4-33-12-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 8. (a) This section applies to tax revenue collected from a riverboat operating from Lake County.**

(b) Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts from the taxes collected during the preceding calendar quarter from the riverboat operating from East Chicago:

(1) The lesser of:

- (A) eight hundred seventy-five thousand dollars (\$875,000); or**
- (B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter;**

to the fiscal officer of the northwest Indiana regional development authority to partially satisfy East Chicago's funding obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

- (A) two hundred eighteen thousand seven hundred fifty dollars (\$218,750); or**
- (B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter;**

to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(3) Except as provided in section 9(g) of this chapter, the remainder, if any, of:

- (A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat**



during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1) for the calendar quarter;

must be paid to the city of East Chicago.

(4) Except as provided in section 9(g) of this chapter, the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (2) for the calendar quarter;

must be paid to Lake County.

(5) Except as provided in section 9(g) of this chapter, nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the county convention and visitors bureau or promotion fund for Lake County.

(6) Except as provided in section 9(g) of this chapter, one cent (\$0.01) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the northwest Indiana law enforcement training center.

(7) Except as provided in section 9(g) of this chapter, fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(8) Except as provided in section 9(g) of this chapter, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the division of mental health and addiction.

(9) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the state general fund.

(c) Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts from the taxes collected



during the preceding calendar quarter from each riverboat operating from Gary:

(1) The lesser of:

(A) four hundred thirty-seven thousand five hundred dollars (\$437,500); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Gary's funding obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

(A) two hundred eighteen thousand seven hundred fifty dollars (\$218,750); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(3) Except as provided in section 9(g) of this chapter, the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1) for the calendar quarter;

must be paid to the city of Gary.

(4) Except as provided in section 9(g) of this chapter, the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (2) for the calendar quarter;

must be paid to Lake County.

(5) Except as provided in section 9(g) of this chapter, nine cents (\$0.09) of the admissions tax collected by the licensed



owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter must be paid to the county convention and visitors bureau or promotion fund for Lake County.

(6) Except as provided in section 9(g) of this chapter, one cent (\$0.01) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter must be paid to the northwest Indiana law enforcement training center.

(7) Except as provided in section 9(g) of this chapter, fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter must be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(8) Except as provided in section 9(g) of this chapter, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter must be paid to the division of mental health and addiction.

(9) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter must be paid to the state general fund.

(d) Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts from the taxes collected during the preceding calendar quarter from the riverboat operating from Hammond:

(1) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000); or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Hammond during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Hammond's funding obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

(A) two hundred eighteen thousand seven hundred fifty dollars (\$218,750); or

(B) one dollar (\$1) of the admissions tax collected by the



licensed owner for each person admitted to the riverboat during the preceding calendar quarter;
to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(3) Except as provided in section 9(g) of this chapter, the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1) for the calendar quarter;

must be paid to the city of Hammond.

(4) Except as provided in section 9(g) of this chapter, the remainder, if any, of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (2) for the calendar quarter;

must be paid to Lake County.

(5) Except as provided in section 9(g) of this chapter, nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the county convention and visitors bureau or promotion fund for Lake County.

(6) Except as provided in section 9(g) of this chapter, one cent (\$0.01) of the admissions tax collected by the licensed owner for each person admitted to a riverboat during the preceding calendar quarter must be paid to the northwest Indiana law enforcement training center.

(7) Except as provided in section 9(g) of this chapter, fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(8) Except as provided in section 9(g) of this chapter, ten cents (\$0.10) of the admissions tax collected by the licensed owner



for each person admitted to the riverboat during the preceding calendar quarter must be paid to the division of mental health and addiction.

(9) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person admitted to the riverboat during the preceding calendar quarter must be paid to the state general fund.

SECTION 4. IC 4-33-12-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 9. (a) Money paid to a unit of local government under section 6 or 8 of this chapter:

- (1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;
- (2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;
- (3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and
- (4) is considered miscellaneous revenue.

(b) Money paid by the treasurer of state to a county convention and visitors bureau or promotion fund under section 6 or 8 of this chapter must be:

- (1) deposited in:
 - (A) the county convention and visitor promotion fund; or
 - (B) the county's general fund if the county does not have a convention and visitor promotion fund; and
- (2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(c) Money received by the division of mental health and addiction under section 6 or 8 of this chapter:

- (1) is annually appropriated to the division of mental health and addiction;
- (2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and
- (3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free



telephone line to provide the public with information about these addictions.

The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(d) This subsection applies to the following entities receiving money under section 6 or 8 of this chapter:

- (1) A city or county.
- (2) A county convention and visitors bureau or promotion fund for a county other than Lake County.
- (3) The state fair commission.
- (4) The division of mental health and addiction.

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(e) This subsection applies to the following entities receiving money under section 8 of this chapter:

- (1) A county convention and visitors bureau or promotion fund for Lake County.
- (2) The northwest Indiana law enforcement training center.

The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subdivision (1) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subdivision (1). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subdivision (2). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(f) The total amount of money distributed to an entity under section 6 or 8 of this chapter during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (d) or (e). For purposes of this section, the treasurer of state shall treat any amounts distributed under section 8 of this chapter to the northwest Indiana regional development authority as amounts constructively received by East Chicago, Gary, Hammond, and Lake County, as appropriate. If the treasurer of



state determines that the total amount of money:

- (1) distributed to an entity; and
- (2) constructively received by an entity;

under section 6 or 8 of this chapter during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5.

(g) The treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceeds a particular entity's base year revenue; and
- (2) would otherwise be due to the entity under this section;

to the state general fund instead of to the entity.

SECTION 5. IC 4-33-12.5-6, AS AMENDED BY P.L.255-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. (a) ~~The county described in IC 4-33-12-6(c)~~ **Lake County** shall distribute twenty-five percent (25%) of the:

- (1) admissions tax revenue received by the county under ~~IC 4-33-12-6(c)(6)~~; **IC 4-33-12-8**; and
- (2) supplemental distributions received under IC 4-33-13-5;

to the eligible municipalities.

(b) The amount that shall be distributed by the county to each eligible municipality under subsection (a) is based on the eligible municipality's proportionate share of the total population of all eligible municipalities. The most current certified census information available shall be used to determine an eligible municipality's proportionate share under this subsection. The determination of proportionate shares under this subsection shall be modified under the following conditions:

- (1) The certification from any decennial census completed by the United States Bureau of the Census.
- (2) Submission by one (1) or more eligible municipalities of a certified special census commissioned by an eligible municipality and performed by the United States Bureau of the Census.

(c) If proportionate shares are modified under subsection (b), distribution to eligible municipalities shall change with the:

- (1) payments beginning April 1 of the year following the certification of a special census under subsection (b)(2); and
- (2) the next quarterly payment following the certification of a decennial census under subsection (b)(1).

SECTION 6. IC 4-33-12.5-7, AS AMENDED BY P.L.205-2013, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. The county shall make payments under this chapter directly to each eligible municipality. The county shall make payments to the eligible municipalities not more than thirty (30) days



after the county receives the quarterly distribution of admission tax revenue under ~~IC 4-33-12-6~~ **IC 4-33-12-8** or the supplemental distributions received under IC 4-33-13-5 from the state.

SECTION 7. IC 4-33-13-5, AS AMENDED BY P.L.255-2015, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2015. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:



(1) Fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.

(2) Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(E) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Crawford County for appropriation by the county fiscal body after receiving a



recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(F) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Paoli.

(G) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Orleans.

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making a distribution to Radius Indiana or a successor regional entity or partnership. The amount paid to the Orange County development commission reduces the amount payable to Radius Indiana or its successor entity or partnership.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city's or county's base year revenue; and
- (2) would otherwise be due to the city or county under this section;

to the state general fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the



tax revenue remitted to the state general fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

- (1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).
- (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.
- (3) To fund sewer and water projects, including storm water management projects.
- (4) For police and fire pensions.
- (5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county.



Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) Before ~~September~~ **July** 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 **or IC 4-33-12-8** during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 **or IC 4-33-12-8** during the preceding state fiscal year was less than the entity's base year revenue (as determined under ~~IC 4-33-12-6~~; **IC 4-33-12-9**), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

- (1) the entity's base year revenue (as determined under ~~IC 4-33-12-6~~; **IC 4-33-12-9**); minus
- (2) the sum of:
 - (A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 **or IC 4-33-12-8**; plus
 - (B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

- (1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) This subsection applies to a supplemental distribution made after June 30, 2013. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is forty-eight million dollars (\$48,000,000). If the total amount determined under subsection (g) exceeds forty-eight million dollars (\$48,000,000), the amount distributed to an entity under subsection (g) must be reduced according to the ratio that the amount distributed to the entity under IC 4-33-12-6 **or IC 4-33-12-8** bears to the total amount distributed under



IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental distribution.

(j) This subsection applies to a supplemental distribution, if any, payable to Lake County, Hammond, Gary, or East Chicago under subsections (g) and (i). Beginning in ~~September~~ **July** 2016, the treasurer of state shall, after making any deductions from the supplemental distribution required by IC 6-3.1-20-7, deduct from the remainder of the supplemental distribution otherwise payable to the unit under this section the lesser of:

- (1) the remaining amount of the supplemental distribution; or
- (2) the difference, if any, between:
 - (A) three million five hundred thousand dollars (\$3,500,000); minus
 - (B) the amount of admissions taxes constructively received by the unit in the previous state fiscal year.

The treasurer of state shall distribute the amounts deducted under this subsection to the northwest Indiana redevelopment authority established under IC 36-7.5-2-1 for deposit in the development authority fund established under IC 36-7.5-4-1.

(k) Money distributed to a political subdivision under subsection (b):

- (1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund or riverboat fund established under IC 36-1-8-9, or both;
- (2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in subsection (b)(2)(B), may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;
- (3) except as provided in subsection (b)(2)(B), may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and
- (4) is considered miscellaneous revenue.

Money distributed under subsection (b)(2)(B) must be used for the purposes specified in subsection (b)(2)(B).

SECTION 8. IC 5-13-10.5-18, AS AMENDED BY P.L.213-2015, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) As used in this section, "capital improvement board" refers to a capital improvement board established under IC 36-10-9.



(b) To qualify for an investment under this section, the capital improvement board must apply to the treasurer of state in the form and manner required by the treasurer. As part of the application, the capital improvement board shall submit a plan for its use of the investment proceeds and for the repayment of the capital improvement board's obligation to the treasurer. Within sixty (60) days after receipt of each application, the treasurer shall consider the application and review its accuracy and completeness.

(c) If the capital improvement board makes an application under subsection (b) and the treasurer approves the accuracy and completeness of the application and determines that there is an adequate method of payment for the capital improvement board's obligations, the treasurer of state shall invest or reinvest funds that are held by the treasurer and that are available for investment in obligations issued by the capital improvement board for the purposes of the capital improvement board in calendar years 2009, 2010, and 2011. The investment may not exceed nine million dollars (\$9,000,000) per calendar year for 2009, 2010, and 2011.

(d) The treasurer of state shall determine the terms of each investment and the capital improvement board's obligation, which must include the following:

- (1) Subject to subsections (f) and (g), the duration of the capital improvement board's obligation, which must be for a term of ten (10) years with an option for the capital improvement board to pay its obligation to the treasurer early without penalty.
- (2) Subject to subsections (f) and (g), the repayment schedule of the capital improvement board's obligation, which must provide that no payments are due before January 1, 2013.
- (3) A rate of interest to be determined by the treasurer.
- (4) The amount of each investment, which may not exceed the maximum amounts established for the capital improvement board by this section.
- (5) Any other conditions specified by the treasurer.

(e) The capital improvement board may issue obligations under this section by adoption of a resolution and, as set forth in IC 5-1-14, may use any source of revenue to satisfy the obligation to the treasurer of state under this section. This section constitutes complete authority for the capital improvement board to issue obligations to the treasurer. If the capital improvement board fails to make any payments on the capital improvement board's obligation to the treasurer, the amount payable shall be withheld by the auditor of state from any other money payable to the capital improvement board. The amount withheld shall



be transferred to the treasurer to the credit of the capital improvement board.

(f) Subject to subsection (g), if all principal and interest on the obligations issued by the capital improvement board under this section in calendar year 2009, are paid before July 1, 2015, the term of the obligations issued by the capital improvement board to the treasurer of state in calendar year 2010 is extended until 2025. **The treasurer of state shall discharge any remaining unpaid interest on the obligation issued by the capital improvement board to the treasurer of state in 2009, if the capital improvement board submits payment of the principal amount to the treasurer of state before the stated final maturity of that obligation.**

(g) This subsection applies if the capital improvement board before July 1, 2015, adopts a resolution:

- (1) to establish a bid fund to be used to assist the capital improvement board, the Indianapolis Convention and Visitors Association (VisitIndy), or the Indiana Sports Corporation in securing conventions, sporting events, and other special events; and
- (2) to designate that principal and interest payments that would otherwise be made on the obligation issued by the capital improvement board under this section in calendar year 2010 shall instead be deposited in the bid fund.

If the requirements of subdivisions (1) and (2) are satisfied and the capital improvement board deposits in the bid fund amounts equal to the principal and interests payments that would otherwise be made under the repayment schedule on the obligations issued by the capital improvement board under this section in calendar year 2010, the capital improvement board is not required to make those principal and interests payments to the treasurer of state at the time required under the repayment schedule. The amounts must be deposited in the bid fund not later than the time the principal and interest payments would otherwise be due to the treasurer of state under the repayment schedule. The state board of accounts shall annually examine the bid fund to determine the amount of deposits made to the bid fund under this subsection and to ensure that the money deposited in the bid fund is used only for purposes authorized by this subsection. To the extent that the capital improvement board does not deposit in the bid fund an amount equal to a payment of principal and interest that would otherwise be due under the repayment schedule on the obligations issued by the capital improvement board under this section in calendar year 2010, the capital improvement board must make that payment of



principal and interest to the treasurer of state as provided in this section. If the capital improvement board deposits in the bid fund amounts equal to the payments of principal and interest that would otherwise be due under the repayment schedule on the obligations issued by the capital improvement board under this section in calendar year 2010, the capital improvement board is only required to repay to the treasurer of state the principal amount of the obligation.

SECTION 9. IC 5-28-15-5, AS AMENDED BY P.L.288-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. (a) The board has the following powers, in addition to other powers that are contained in this chapter:

- (1) To review and approve or reject all applicants for enterprise zone designation, according to the criteria for designation that this chapter provides.
- (2) To waive or modify rules as provided in this chapter.
- (3) To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.
- (4) To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one (1) of the following:
 - (A) If all its incentives, as contained in the summary required under section 7 of this chapter, exceed one thousand dollars (\$1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all its incentives.
 - (B) Use all its incentives, except for the amount of the registration fee, for its property or employees in the zone.
 - (C) Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is claimed.
- (5) To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.
- (6) After a recommendation from a U.E.A., to modify an enterprise zone boundary if the board determines that the modification:
 - (A) is in the best interests of the zone; and
 - (B) meets the threshold criteria and factors set forth in section 9 of this chapter.
- (7) To employ staff and contract for services.
- (8) To receive funds from any source and expend the funds for the administration and promotion of the enterprise zone program.
- (9) To ~~make determinations~~ **enter into agreements** under



IC 6-3.1-11 concerning the designation of locations as industrial recovery sites: with an applicant for a tax credit under that chapter.

(10) To make determinations under IC 6-3.1-11 concerning the disqualification of persons from claiming credits provided by that chapter in appropriate cases.

(b) In addition to a registration fee paid under subsection (a)(4)(A), each zone business that receives an incentive described in section 3 of this chapter shall assist the zone U.E.A. in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist a U.E.A., the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the department of local government finance, and the department of state revenue in writing not more than thirty (30) days after the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is adopted."

Page 2, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 11. IC 6-1.1-4-43.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 43.5. (a) This section applies to a real property assessment for:**

(1) the 2016 assessment date and assessment dates thereafter; and

(2) real property that is:

(A) a limited market or special purpose property that would commonly be regarded as a big box retail building under standard appraisal practices and is at least fifty thousand (50,000) square feet; and

(B) occupied by the original owner or by a tenant for which the improvement was built.

(b) If a taxpayer files a notice under IC 6-1.1-15 after March 31, 2016, requesting a review of the assessment of the taxpayer's real property that is subject to this section, and the effective age of the improvements is ten (10) years or less under the rules of the department, a taxpayer must provide to the appropriate county or township assessing official information concerning the actual construction costs for the real property. Notwithstanding



IC 6-1.1-15, if a taxpayer does not provide all relevant and reasonably available information concerning the actual construction costs for the real property before the hearing scheduled by the county property tax assessment board of appeals regarding the assessment of the real property, the appeal may not be reviewed until all the information is provided. If a taxpayer does provide the information concerning the actual construction costs for the real property, and the construction costs for the real property are greater than the cost values determined by using the cost tables under the rules and guidelines of the department of local government finance, then for purposes of applying the cost approach the depreciation and obsolescence shall be deducted from the construction costs rather than the cost values determined by using the cost tables under the rules and guidelines of the department of local government finance."

Page 4, line 25, delete "The value in exchange of an improved property does not" and insert **"With respect to the assessment of an improved property, a valuation does not reflect the true tax value of the improved property if the purportedly comparable sale properties supporting the valuation have a different market or submarket than the current use of the improved property, based on a market segmentation analysis."**

Page 4, delete lines 26 through 28.

Page 4, line 29, delete "use of the improved property."

Page 4, between lines 39 and 40, begin a new paragraph and insert:
"SECTION 15. IC 6-3.1-11-1, AS AMENDED BY P.L.288-2013, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. As used in this chapter, "applicable percentage" means the percentage determined as follows:

- (1) If a plant ~~that is located on an industrial recovery site~~ was placed in service at least fifteen (15) years ago but less than thirty (30) years ago, the applicable percentage is fifteen percent (15%).
- (2) If a plant ~~that is located on an industrial recovery site~~ was placed in service at least thirty (30) years ago but less than forty (40) years ago, the applicable percentage is twenty percent (20%).
- (3) If a plant ~~that is located on an industrial recovery site~~ was placed in service at least forty (40) years ago, the applicable percentage is twenty-five percent (25%).

The time that has expired since a plant was placed in service shall be determined as of the date that an application is filed with the corporation. ~~for designation of the location as an industrial recovery site under this chapter.~~



SECTION 16. IC 6-3.1-11-3 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 3: As used in this chapter, "executive" has the meaning set forth in IC 36-1-2-5.~~

SECTION 17. IC 6-3.1-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. As used in this chapter, "industrial recovery site" means ~~an industrial recovery site designated under this chapter:~~ **land on which a vacant plant having at least one hundred thousand (100,000) square feet of total floor space:**

- (1) exists as of the date an application is filed with the corporation under this chapter; or**
- (2) existed within five (5) years before the date an application is filed with the corporation under this chapter.**

SECTION 18. IC 6-3.1-11-6 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 6: As used in this chapter, "legislative body" has the meaning set forth in IC 36-1-2-9.~~

SECTION 19. IC 6-3.1-11-7 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 7: As used in this chapter, "municipality" has the meaning set forth in IC 36-1-2-11.~~

SECTION 20. IC 6-3.1-11-15 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 15: As used in this chapter, "vacant industrial facility" means a tract of land on which there is located a plant that:~~

- ~~(1) has:~~
 - ~~(A) for taxable years beginning after December 31, 2010; and beginning before January 1, 2015; at least fifty thousand (50,000) square feet of floor space; or~~
 - ~~(B) for taxable years beginning after December 31, 2014; at least one hundred thousand (100,000) square feet of floor space; and~~
- ~~(2) was placed in service at least fifteen (15) years ago.~~

SECTION 21. IC 6-3.1-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 16. (a) **Subject to entering into an agreement with the corporation under section 19.5 of this chapter and** subject to section 21 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by the applicable percentage.

(c) A taxpayer may assign any part of the credit to which the



taxpayer is entitled under this chapter to a lessee of the industrial recovery site. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department of **state** revenue. The taxpayer shall not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

SECTION 22. IC 6-3.1-11-18.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 18.5. (a) A taxpayer that proposes to make qualified investments on an industrial recovery site as provided under this chapter may apply to the corporation to enter into an agreement for a tax credit under this chapter.**

(b) The corporation shall prescribe the form of the application.

SECTION 23. IC 6-3.1-11-19, AS AMENDED BY P.L.288-2013, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 19. (a) The corporation shall consider the following factors in evaluating applications filed under this chapter:**

- (1) The level of distress in the surrounding community caused by the loss of jobs at the ~~vacant industrial facility~~ **recovery site**.
- (2) Evidence of support for the designation by residents, businesses, and private organizations in the surrounding community.
- (3) Evidence of a commitment by private or governmental entities to assist in the financing of improvements or redevelopment activities benefiting the ~~vacant industrial facility~~ **recovery site**.
- (4) Whether the industrial recovery site is within an economic revitalization area designated under IC 6-1.1-12.1.

(b) The corporation may not approve an application to receive tax credits under this chapter for qualified investments made on an industrial recovery site described in section 5(2) of this chapter unless the applicant can demonstrate that the plant was not maintained and was removed from the site in an effort to protect the health, safety, and welfare of the community.

SECTION 24. IC 6-3.1-11-19.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 19.5. If the corporation approves an application under this chapter, the corporation shall require the applicant to enter into an agreement with the corporation as a condition of receiving a tax credit under this**



chapter.

SECTION 25. IC 6-3.1-20-7, AS AMENDED BY P.L.255-2015, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) The department shall before July 1 of each year determine **the following**:

(1) The greater of:

~~(1)~~ **(A)** eight million five hundred thousand dollars (\$8,500,000); or

~~(2)~~ **(B)** the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(2) **The quotient of:**

(A) the amount determined under subdivision (1); divided by

(B) four (4).

(b) Except as provided in subsection (d), one-half (1/2) of the amount determined by the department under subsection ~~(a)~~ **(a)(2)** shall be:

(1) deducted ~~during the year~~ **each quarter** from the riverboat admissions tax revenue otherwise payable to the county under ~~IC 4-33-12-6(c)(6)~~ **IC 4-33-12-8** and the supplemental distribution otherwise payable to the county under IC 4-33-13-5(g); and

(2) paid instead to the state general fund.

(c) Except as provided in subsection (d), one-sixth (1/6) of the amount determined by the department under subsection ~~(a)~~ **(a)(2)** shall be:

(1) deducted ~~during the year~~ **each quarter** from the riverboat admissions tax revenue otherwise payable under ~~IC 4-33-12-6(c)(5)~~ **IC 4-33-12-8** and the supplemental distribution otherwise payable under IC 4-33-13-5(g) to each of the following:

(A) The largest city by population located in the county.

(B) The second largest city by population located in the county.

(C) The third largest city by population located in the county; and

(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection ~~(a)(2)~~ **(a)(1)(B)** is less than eight million five hundred thousand dollars (\$8,500,000), the difference of:

(1) eight million five hundred thousand dollars (\$8,500,000); minus



(2) the amount determined by the department under subsection ~~(a)(2); (a)(1)(B);~~

shall be paid **in four (4) equal quarterly payments** to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund. Any amounts paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.

SECTION 26. IC 6-6-1.1-103, AS AMENDED BY P.L.122-2006, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 103. As used in this chapter:

- (a) "Administrator" means the administrative head of the department of state revenue or the administrator's designee.
- (b) "Dealer" means a person, except a distributor, engaged in the business of selling gasoline in Indiana.
- (c) "Department" means the department of state revenue.
- (d) "Distributor" means a person who first receives gasoline in Indiana. However, "distributor" does not include the United States or any of its agencies unless their inclusion is permitted under the Constitution and laws of the United States.
- (e) "Licensed distributor" means a person holding a valid distributor's license issued by the administrator.
- (f) "Marine facility" means a marina or boat livery.
- (g) "Gasoline" means:

- (1) all products commonly or commercially known or sold as gasoline, including casinghead and absorption or natural gasoline, regardless of their classifications or uses; and
- (2) any liquid, which when subjected to distillation of gasoline, naphtha, kerosene, and similar petroleum products with American Society for Testing Materials Designation D-86, shows not less than ten percent (10%) distilled (recovered) below three hundred forty-seven degrees Fahrenheit (347 degrees F) or one hundred seventy-five degrees Centigrade (175 degrees C), and not less than ninety-five percent (95%) distilled (recovered) below four hundred sixty-four degrees Fahrenheit (464 degrees F) or two hundred forty degrees Centigrade (240 degrees C).

However, the term "gasoline" does not include liquefied gases which would not exist as liquids at a temperature of sixty degrees Fahrenheit (60 degrees F) or sixteen degrees Centigrade (16 degrees C), and a pressure of fourteen and seven-tenths (14.7) pounds per square inch absolute, or denatured, wood, or ethyl



alcohol, ether, turpentine, or acetates, unless such product is used as an additive in the manufacture, compounding, or blending of a liquid within subdivision (2) or is otherwise blended with a liquid described in subdivision (2) (including ethanol used in E85), in which event only the quantity so used is considered gasoline. In addition, "gasoline" does not include those liquids which meet the specifications of subdivision (2) but which are especially designated for use other than as a fuel for internal combustion engines. **The term "gasoline" does not include a fuel blend nominally consisting of more than eighty-seven percent (87%) ethanol and less than thirteen percent (13%) gasoline.**

(h) "Motor vehicle" means a vehicle, except a vehicle operated on rails, which is propelled by an internal combustion engine or motor and is designed to permit its mobile use on public highways.

(i) "Person" means a natural person, partnership, firm, association, corporation, limited liability company, representative appointed by a court, or the state or its political subdivisions.

(j) "Public highway" means the entire width between boundary lines of every publicly maintained way in Indiana including streets and alleys in cities and towns when any part of the way is open to public use for vehicle travel.

(k) "Taxable marine facility" means a marine facility located on an Indiana lake.

(l) "Taxicab" means a motor vehicle which is:

- (1) designed to carry not more than seven (7) individuals, including the driver;
- (2) held out to the public for hire at a fare regulated by municipal ordinance and based upon length of trips or time consumed;
- (3) not operated over a definite route; and
- (4) a part of a commercial enterprise in the business of providing taxicab service.

(m) "Terminal" means a marine or pipeline gasoline facility.

(n) "Metered pump" means a stationary pump having a meter that is capable of measuring the amount of gasoline dispensed through it.

(o) "Billed gallons" means the gallons indicated on an invoice for payment to a supplier.

(p) "Export" for gasoline and fuels taxed in the same manner as gasoline under the origin state's statutes means the sale for export



and delivery out of a state by or for the seller that is:

- (1) an export by the seller in the origin state; and
- (2) an import by the seller in the destination state.

(q) "Import" for gasoline and fuels taxed in the same manner as gasoline under the origin state's statutes means the purchase for export and transportation out of a state by or for the purchaser that is:

- (1) an export by the purchaser in the origin state; and
- (2) an import by the purchaser in the destination state.

(r) "Rack" means a dock, platform, or open bay:

- (1) located at a refinery or terminal; and
- (2) having a system of metered pipes and hoses to load fuel into a tank wagon or tank transport.

(s) "E85" means a fuel blend nominally consisting of eighty-five percent (85%) ethanol and fifteen percent (15%) gasoline (as described in subsection (g)(2)) that meets American Society for Testing and Materials standard specification 5798-99 for fuel ethanol for automotive spark-ignition engines (Ed75Ed85).

SECTION 27. IC 6-6-1.1-301 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 301. The following transactions are exempt from the gasoline tax:

- (1) Gasoline exported from Indiana to another state, territory, or foreign country, **including gasoline sold to another person for export from Indiana to another state, territory, or foreign country.**
- (2) Gasoline sold to the United States or an agency or instrumentality thereof.
- (3) Gasoline sold to a post exchange or other concessionaire on a federal reservation within Indiana; however, the post exchange or concessionaire shall collect, report, and pay to the administrator any tax permitted by federal law on gasoline sold.
- (4) Gasoline used by a licensed distributor for any purpose other than the generation of power for the propulsion of motor vehicles upon the public highways.
- (5) Gasoline received by a licensed distributor and thereafter lost or destroyed, except by evaporation, shrinkage, or unknown cause, while the distributor is still the owner.

SECTION 28. IC 36-7-14-8, AS AMENDED BY P.L.87-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) The redevelopment commissioners shall hold a meeting for the purpose of organization not later than thirty (30) days after they are appointed and, after that, each year on a day that is



not a Saturday, a Sunday, or a legal holiday and that is their first meeting day of the year. They shall choose one (1) of their members as president, another as vice president, and another as secretary. These officers shall perform the duties usually pertaining to their offices and shall serve from the date of their election until their successors are elected and qualified.

(b) The fiscal officer of the unit establishing a redevelopment commission is the treasurer of the redevelopment commission. Notwithstanding any other provision of this chapter, but subject to subsection (c), the treasurer has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the redevelopment commission in accordance with the requirements of state laws that apply to other funds and accounts administered by the fiscal officer. The treasurer shall report annually to the redevelopment commission before April 1.

(c) The treasurer of the redevelopment commission may disburse funds of the redevelopment commission only after the redevelopment commission allows and approves the disbursement. However, the redevelopment commission may, by rule or resolution, authorize the treasurer to make certain types of disbursements before the redevelopment commission's allowance and approval at its next regular meeting.

(d) The following apply to funds of the redevelopment commission:

(1) The funds must be maintained and accounted for separately and may not be commingled with any assets or funds of the unit that established the redevelopment commission or of any other political subdivision.

(2) The funds:

(A) may not be transferred to any accounts or funds established by or for the unit that established the redevelopment commission or any other political subdivision; and

(B) except in the case of reimbursements specifically authorized by law, may not be used to pay for expenses of the unit that established the redevelopment commission or for expenses of any other political subdivision.

(e) The redevelopment commissioners may adopt the rules and bylaws they consider necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the money and property placed in their custody by this chapter. In addition to the annual meeting, the commissioners may, by resolution



or in accordance with their rules and bylaws, prescribe the date and manner of notice of other regular or special meetings.

(e) (f) This subsection does not apply to a county redevelopment commission that consists of seven (7) members. Three (3) of the redevelopment commissioners constitute a quorum, and the concurrence of three (3) commissioners is necessary to authorize any action.

(f) (g) This subsection applies only to a county redevelopment commission that consists of seven (7) members. Four (4) of the redevelopment commissioners constitute a quorum, and the concurrence of four (4) commissioners is necessary to authorize any action.

SECTION 29. IC 36-7-14-13, AS AMENDED BY P.L.87-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 13. (a) Not later than April 15 of each year, the redevelopment commissioners or their designees shall file with the unit's executive and fiscal body a report setting out their activities during the preceding calendar year.

(b) The report of the commissioners of a municipal redevelopment commission must show the names of the then qualified and acting commissioners, the names of the officers of that body, the number of regular employees and their fixed salaries or compensation, the amount of the expenditures made during the preceding year and their general purpose, an accounting of the tax increment revenues expended by any entity receiving the tax increment revenues as a grant or loan from the commission, the amount of funds on hand at the close of the calendar year, and other information necessary to disclose the activities of the commissioners and the results obtained.

(c) The report of the commissioners of a county redevelopment commission must show all the information required by subsection (b), plus the names of any commissioners appointed to or removed from office during the preceding calendar year.

(d) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format.

(e) The report required under subsection (a) must also include the following information set forth for each tax increment financing district regarding the previous year:

- (1) Revenues received.
- (2) Expenses paid.
- (3) Fund balances.
- (4) The amount and maturity date for all outstanding obligations.
- (5) The amount paid on outstanding obligations.



(6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

(7) To the extent that the following information has not previously been provided to the department of local government finance:

(A) The year in which the tax increment financing district was established.

(B) The section of the Indiana Code under which the tax increment financing district was established.

(C) Whether the tax increment financing district is part of an area needing redevelopment, an economic development area, a redevelopment project area, or an urban renewal project area.

(D) If applicable, the year in which the boundaries of the tax increment financing district were changed and a description of those changes.

(E) The date on which the tax increment financing district will expire.

(F) A copy of each resolution adopted by the redevelopment commission that establishes or alters the tax increment financing district.

(f) A redevelopment commission and a department of redevelopment are subject to the same laws, rules, and ordinances of a general nature that apply to all other commissions or departments of the unit.

SECTION 30. IC 36-7-15.1-3.5, AS AMENDED BY P.L.87-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.5. (a) The controller of the consolidated city is the fiscal officer of a commission subject to this chapter.

(b) The controller may obtain financial services on a contractual basis for purposes of carrying out the powers and duties of the commission and protecting the public interests related to the operations and funding of the commission. Subject to subsection (c), the controller has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the commission in accordance with the requirements of state law that apply to other funds and accounts administered by the controller.

(c) The controller may disburse funds of the commission only after the commission allows and approves the disbursement. However, the commission may, by rule or resolution, authorize the controller to make certain types of disbursements before the commission's allowance and



approval at its next regular meeting.

(d) The following apply to funds of the redevelopment commission:

(1) The funds must be maintained and accounted for separately and may not be commingled with any assets or funds of the unit that established the redevelopment commission or of any other political subdivision.

(2) The funds:

(A) may not be transferred to any accounts or funds established by or for the unit that established the redevelopment commission or any other political subdivision; and

(B) except in the case of reimbursements specifically authorized by law, may not be used to pay for expenses of the unit that established the redevelopment commission or of any other political subdivision.

SECTION 31. IC 36-7-15.1-36.3, AS AMENDED BY P.L.87-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 36.3. (a) Not later than April 15 of each year, the commission or its designee shall file with the mayor and the fiscal body a report setting out the commission's activities during the preceding calendar year.

(b) The report required by subsection (a) must show the names of the then qualified and acting commissioners, the names of the officers of that body, the number of regular employees and their fixed salaries or compensation, the amount of the expenditures made during the preceding year and their general purpose, an accounting of the tax increment revenues expended by any entity receiving the tax increment revenues as a grant or loan from the commission, the amount of funds on hand at the close of the calendar year, and other information necessary to disclose the activities of the commission and the results obtained.

(c) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format.

(d) The report required under subsection (a) must also include the following information set forth for each tax increment financing district regarding the previous year:

- (1) Revenues received.
- (2) Expenses paid.
- (3) Fund balances.
- (4) The amount and maturity date for all outstanding obligations.
- (5) The amount paid on outstanding obligations.



(6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

(7) To the extent that the following information has not previously been provided to the department of local government finance:

(A) The year in which the tax increment financing district was established.

(B) The section of the Indiana Code under which the tax increment financing district was established.

(C) Whether the tax increment financing district is part of an area needing redevelopment, an economic development area, a redevelopment project area, or an urban renewal project area.

(D) If applicable, the year in which the boundaries of the tax increment financing district were changed and a description of those changes.

(E) The date on which the tax increment financing district will expire.

(F) A copy of each resolution adopted by the redevelopment commission that establishes or alters the tax increment financing district.

SECTION 32. IC 36-7.5-1-10, AS AMENDED BY P.L.192-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10. "Economic development project" means the following:

(1) An economic development project described in any of the following:

(A) IC 36-7.5-2-1(2), ~~or~~ IC 36-7.5-2-1(3), **or IC 36-7.5-2-1(4).**

(B) IC 36-7.5-3-1(2) or IC 36-7.5-3-1(4).

(C) The Marquette Plan.

(2) A dredging, sediment removal, or channel improvement project.

SECTION 33. IC 36-7.5-2-1, AS AMENDED BY P.L.192-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. The northwest Indiana regional development authority is established as a separate body corporate and politic to carry out the purposes of this article by:

(1) acquiring, constructing, equipping, owning, leasing, and financing projects and facilities for lease to or for the benefit of eligible political subdivisions under this article in accordance with IC 36-7.5-3-1.5;



(2) funding and developing the Gary/Chicago International Airport expansion and other airport authority projects, commuter transportation district and other rail projects and services, regional bus authority projects and services, regional transportation authority projects and services, Lake Michigan marina and shoreline development projects and activities, and economic development projects in northwestern Indiana; ~~and~~

(3) assisting with the funding of infrastructure needed to sustain development of an intermodal facility in northwestern Indiana; **and**

(4) funding and carrying out destination based economic development projects that:

(A) fill a market opportunity in the greater Chicago area, as determined by a credible market study approved by the Indiana finance authority;

(B) derive significant capital investment from nongovernmental sources;

(C) derive significant investment or incentives from a host municipality, if the project is in a municipality;

(D) have a significant and quantifiable impact on the regional economy; and

(E) generate:

(i) substantial job creation in the region;

(ii) substantial new investment in the region; or

(iii) both substantial job creation in the region and substantial new investment in the region.

SECTION 34. IC 36-7.5-3-2, AS AMENDED BY P.L.197-2011, SECTION 152, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) The development authority may do any of the following:

(1) Finance, improve, construct, reconstruct, renovate, purchase, lease, acquire, and equip land and projects located in an eligible county or eligible municipality.

(2) Lease land or a project to an eligible political subdivision.

(3) Finance and construct additional improvements to projects or other capital improvements owned by the development authority and lease them to or for the benefit of an eligible political subdivision.

(4) Acquire land or all or a portion of one (1) or more projects from an eligible political subdivision by purchase or lease and lease the land or projects back to the eligible political subdivision, with any additional improvements that may be made to the land



or projects.

(5) Acquire all or a portion of one (1) or more projects from an eligible political subdivision by purchase or lease to fund or refund indebtedness incurred on account of the projects to enable the eligible political subdivision to make a savings in debt service obligations or lease rental obligations or to obtain relief from covenants that the eligible political subdivision considers to be unduly burdensome.

(6) Make loans, loan guarantees, and grants or provide other financial assistance to or on behalf of the following:

(A) A commuter transportation district.

(B) An airport authority or airport development authority.

(C) The Lake Michigan marina and shoreline development commission.

(D) A regional bus authority. A loan, loan guarantee, grant, or other financial assistance under this clause may be used by a regional bus authority for acquiring, improving, operating, maintaining, financing, and supporting the following:

(i) Bus services (including fixed route services and flexible or demand-responsive services) that are a component of a public transportation system.

(ii) Bus terminals, stations, or facilities or other regional bus authority projects.

(E) A regional transportation authority.

(F) A member municipality that is eligible to make an appointment to the development board under IC 36-7.5-2-3(b)(2) and is compliant with the revenue transfer requirements specified in IC 36-7.5-4-2. However, a loan made to such a member municipality before June 30, 2016, under this clause must have a term of not more than ten (10) years and must have a market based interest rate.

(7) Provide funding to assist a railroad that is providing commuter transportation services in an eligible county or eligible municipality.

(8) Provide funding to assist an airport authority located in an eligible county or eligible municipality in the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of an airport facility or airport project.

(9) Provide funding to assist in the development of an intermodal facility to facilitate the interchange and movement of freight.

(10) Provide funding to assist the Lake Michigan marina and



shoreline development commission in carrying out the purposes of IC 36-7-13.5.

(11) Provide funding for economic development projects in an eligible county or eligible municipality.

(12) Hold, use, lease, rent, purchase, acquire, and dispose of by purchase, exchange, gift, bequest, grant, condemnation, lease, or sublease, on the terms and conditions determined by the development authority, any real or personal property located in an eligible county or eligible municipality.

(13) After giving notice, enter upon any lots or lands for the purpose of surveying or examining them to determine the location of a project.

(14) Make or enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this article.

(15) Sue, be sued, plead, and be impleaded.

(16) Design, order, contract for, and construct, reconstruct, and renovate a project or improvements to a project.

(17) Appoint an executive director and employ appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, auditors, clerks, construction managers, and any consultants or employees that are necessary or desired by the development authority in exercising its powers or carrying out its duties under this article.

(18) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a political subdivision, or any other public or private source.

(19) Use the development authority's funds to match federal grants or make loans, loan guarantees, or grants to carry out the development authority's powers and duties under this article.

(20) Except as prohibited by law, take any action necessary to carry out this article.

(b) If the development authority is unable to agree with the owners, lessees, or occupants of any real property selected for the purposes of this article, the development authority may proceed under IC 32-24-1 to procure the condemnation of the property. The development authority may not institute a proceeding until it has adopted a resolution that:

(1) describes the real property sought to be acquired and the purpose for which the real property is to be used;

(2) declares that the public interest and necessity require the acquisition by the development authority of the property involved;



and

(3) sets out any other facts that the development authority considers necessary or pertinent.

The resolution is conclusive evidence of the public necessity of the proposed acquisition.

SECTION 35. IC 36-7.5-3-1.5, AS ADDED BY P.L.192-2015, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1.5. (a) This section applies to revenue received by the authority to the extent that the revenue has not been pledged or otherwise obligated to pay bonds or leases entered into before July 1, 2015.

(b) The authority may expend money received under this article to fund economic development projects only to the extent that:

(1) the development board finds that the economic development project is **a destination based economic development project described in IC 36-7.5-2-1(4) or is** consistent with:

(A) a duty imposed upon the development authority under section 1(2) or 1(4) of this chapter; or

(B) the Marquette Plan; and

(2) funding the project is reviewed by the state budget committee under subsection (c).

(c) The development board shall submit to the state budget committee for review and comment any proposal to fund an economic development project **(including any destination based economic development project)** under this article. The state budget committee shall review any proposal received under this subsection and may request that the authority appear at a public meeting of the state budget committee concerning the funding proposal.

SECTION 36. [EFFECTIVE UPON PASSAGE] (a) **As used in this SECTION, "legislative council" refers to the legislative council created by IC 2-5-1.1-1.**

(b) **As used in this SECTION, "study committee" means either of the following:**

(1) **A statutory committee established under IC 2-5.**

(2) **An interim study committee.**

(c) **The legislative council is urged to assign the following topics to the appropriate study committee:**

(1) **Whether a heavy equipment vehicle excise tax, instead of the property tax, should be imposed on certain heavy equipment vehicles.**

(2) **The appropriate amount of the fee that should be charged for the registration of a logging vehicle that:**



- (A) is used to harvest logs or timber;**
- (B) is used to process or load harvested logs or timber; or**
- (C) is transported to a logging site specifically for the purpose of building or maintaining a road at the logging site.**

(d) If a topic described in subsection (c) is assigned to a study committee, the study committee shall issue a final report on the topic to the legislative council in an electronic format under IC 5-14-6 not later than November 1, 2016.

(e) This SECTION expires December 31, 2016."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1290 as reprinted February 3, 2016.)

HERSHMAN, Chairperson

Committee Vote: Yeas 11, Nays 0.

