



February 28, 2014

ENGROSSED HOUSE BILL No. 1380

DIGEST OF HB 1380 (Updated February 27, 2014 12:11 pm - DI 58)

Citations Affected: IC 4-10; IC 5-1; IC 6-1.1; IC 6-3; IC 6-3.1; IC 6-3.5; IC 6-8.1; IC 6-9; IC 8-22; IC 9-29; IC 36-6; noncode.

Synopsis: Various tax and administrative issues. Requires the Indiana motorsports commission to establish a motorsports facility fund if a motorsports investment district is established. Provides that during the term of the written agreement the commission shall each state fiscal year deposit in the motorsports facility fund at least \$2,000,000 solely from payments by the motorsports facility owners. Provides that money paid into the motorsports facility fund is to be credited to the motorsports facility owners and that the money in the fund reverts to the state general fund on June 30 of each year. Increases the appropriation amount to be requested by the commission from \$5,000,000 to \$7,000,000 for deposit in the motorsports investment district fund. Requires the department of state revenue to annually notify entities of the incremental tax amounts and the reversion amount from the motorsports facility fund. Provides, for purposes of the property tax circuit breaker credit, that a commercial hotel, motel, inn, tourist camp, or tourist cabin is not residential property. Specifies that aviation manufacturing, aviation assembly, and aviation research and
(Continued next page)

Effective: Upon passage; May 15, 2013 (retroactive); January 1, 2014 (retroactive); July 1, 2014; January 1, 2015.

Turner

(SENATE SPONSOR — HERSHMAN)

January 15, 2014, read first time and referred to Committee on Ways and Means.
January 28, 2014, amended, reported — Do Pass.
January 30, 2014, read second time, ordered engrossed. Engrossed.
February 3, 2014, read third time, passed. Yeas 94, nays 0.

SENATE ACTION

February 10, 2014, read first time and referred to Committee on Appropriations.
February 27, 2014, amended, reported favorably — Do Pass.

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Digest Continued

development facilities are aviation related property or facilities for purposes of the airport law. Requires the state board of finance to make a loan to a school corporation from the counter-cyclical revenue and economic stabilization fund, if the school corporation's petition for a loan from the fund was denied in October 2013 and a general fund referendum was not passed in 2014 by the voters in the school corporation. Allows the industrial recovery tax credit to be allocated among the members of a pass through entity. Updates references to the Internal Revenue Code. Provides a credit against county economic development income taxes for taxes paid to local governments outside Indiana. Provides that all Indiana adjusted gross income tax return and financial institutions tax return due date extensions are treated the same as an extension granted because of a federal income tax due date extension. Specifies the amount that shall be collected by the department of state revenue for registrations of vehicles in a commercial fleet, if the department adopts rules to implement staggered registration. Allows the department of state revenue to deny or suspend certain oversize and overweight vehicle permits if the applicant or permit holder is delinquent in paying escort fees to the state police department. Requires county council review and approval of the Lake County convention and visitor bureau annual budget. Increases the maximum property tax levy for Washington Township in Hamilton County. Authorizes Green Township in Madison County to borrow a sufficient amount of money to pay the township's obligations under a contract for fire or emergency services in 2014. Extends the current Vanderburgh County innkeeper's tax revenue distributions through December 31, 2019.

EH 1380—LS 7116/DI 92



February 28, 2014

Second Regular Session 118th General Assembly (2014)

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

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

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

ENGROSSED HOUSE BILL No. 1380

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1 SECTION 1. IC 4-10-23-12, AS ADDED BY P.L.233-2013,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 MAY 15, 2013 (RETROACTIVE)]: Sec. 12. The department of state
4 revenue shall **annually** notify the Indiana finance authority, the
5 commission, the budget agency, and the owner or owners of a qualified
6 motorsports facility of **the sum of:**

7 (1) the amount determined under section 11 of this chapter; and
8 (2) **the amount reverted to the state general fund from the**
9 **qualified motorsports facility fund established under**
10 **IC 5-1-17.5-30.5;**

11 which ~~amount~~ **sum** shall be credited to the obligations of the owner or
12 owners of a qualified motorsports facility in accordance with the
13 provisions of IC 5-1-17.5.

14 SECTION 2. IC 5-1-17.5-30, AS ADDED BY P.L.233-2013,
15 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 MAY 15, 2013 (RETROACTIVE)]: Sec. 30. (a) If a motorsports

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1 investment district is established under this chapter, the commission
 2 shall establish a motorsports investment district fund for the
 3 motorsports investment district. The fund shall be administered by the
 4 commission. Except as provided in subsection (f), money in the fund
 5 does not revert to the state general fund at the end of a state fiscal year.

6 (b) The commission shall deposit amounts appropriated to the
 7 commission in the motorsports investment district fund as provided in
 8 this chapter.

9 (c) The commission shall request that the general assembly make an
 10 appropriation not to exceed **five seven** million dollars (~~\$5,000,000~~)
 11 **(\$7,000,000)** to the commission for deposit in the motorsports
 12 investment district fund in each state fiscal year following the creation
 13 of the ~~motor sports~~ **motorsports** investment district fund, until the
 14 earlier of:

15 (1) the date that is twenty-two (22) years after the date on which
 16 appropriations are first deposited in the motorsports investment
 17 district fund; or

18 (2) the date on which all bonds issued by the authority under
 19 section 37 of this chapter are no longer deemed outstanding.

20 The commission may use money in the motorsports investment district
 21 fund for the purposes of this chapter.

22 (d) Amounts held in the motorsports investment district fund may
 23 be distributed to a trustee of any bonds that are issued or to be issued
 24 by the authority under section 37 of this chapter and that are secured by
 25 rent to be paid by the commission under a lease entered into with the
 26 authority under section 32 of this chapter.

27 (e) Money in the motorsports investment district fund may be used
 28 by the commission or a trustee for the following:

29 (1) Payment of the rent due under leases of structures or other
 30 capital improvements that are located within a motorsports
 31 investment district.

32 (2) Payment of all expenses incurred by the commission or the
 33 authority in connection with the exercise of its duties and
 34 obligations set forth in this chapter, including those incurred in
 35 connection with the establishment of the motorsports investment
 36 district.

37 (f) On the date that all bonds issued by the authority under section
 38 37 of this chapter are no longer deemed outstanding and all expenses
 39 incurred by the commission or the authority in connection with the
 40 exercise of its duties and obligations set forth in this chapter have been
 41 paid, all money then remaining on deposit in the motorsports
 42 investment district fund reverts to the state general fund.



1 SECTION 3. IC 5-1-17.5-30.5 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: **Sec. 30.5. (a) If a**
4 **motorsports investment district is established under this chapter,**
5 **the commission shall establish a motorsports facility fund for the**
6 **motorsports investment district.**

7 (b) During the term of the written agreement entered into by the
8 owner or owners of the qualified motorsports facility, the
9 authority, and the commission, the commission shall, in each state
10 fiscal year, deposit in the motorsports facility fund at least two
11 million dollars (\$2,000,000) solely from payments established
12 under section 37(f)(1) of this chapter.

13 (c) Money in the motorsports facility fund reverts to the state
14 general fund on June 30 of each year.

15 SECTION 4. IC 5-1-17.5-37, AS ADDED BY P.L.233-2013,
16 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 MAY 15, 2013 (RETROACTIVE)]: Sec. 37. (a) Subject to subsection
18 (f), the authority may issue bonds for the purpose of obtaining money
19 to pay the cost of improving, constructing, reconstructing, renovating,
20 acquiring, or equipping improvements within a qualified motorsports
21 facility.

22 (b) The terms and form of the bonds must be set out either in the
23 resolution or in a form of trust indenture approved by the resolution.

24 (c) The bonds must mature within twenty (20) years.

25 (d) The authority shall sell the bonds at public or private sale upon
26 the terms determined by the authority.

27 (e) All money received from any bonds issued under this chapter
28 shall be applied to the payment of the cost of improving, constructing,
29 reconstructing, renovating, acquiring, or equipping improvements
30 within a qualified motorsports facility, or payment of the cost of
31 refunding or refinancing outstanding bonds for which the bonds are
32 issued. The cost may include:

33 (1) planning and development of the improvement and all
34 buildings, facilities, structures, and improvements related to the
35 improvement;

36 (2) acquisition of a site and clearing and preparing the site for
37 construction;

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

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

42 (5) incidental expenses in connection with the issuance and sale



- 1 of bonds;
- 2 (6) reserves for principal and interest;
- 3 (7) interest during construction;
- 4 (8) financial advisory fees;
- 5 (9) insurance during construction;
- 6 (10) bond insurance, debt service reserve insurance, letters of
- 7 credit, or other credit enhancement; and
- 8 (11) in the case of refunding or refinancing, payment of the
- 9 principal of, redemption premiums (if any) for, and interest on the
- 10 bonds being refunded or refinanced.
- 11 (f) The authority may not issue bonds under this chapter unless:
- 12 (1) the owner or owners of the qualified motorsports facility, the
- 13 authority, and the commission have entered into a written
- 14 agreement concerning the terms of the financing of the
- 15 improvements financed under this chapter, including the
- 16 obligation of the owner or owners of the qualified motorsports
- 17 facility to make payments in an amount equal to at least two
- 18 million dollars (\$2,000,000) in each state fiscal year to the
- 19 commission for deposit in the motorsports **investment facility**
- 20 fund during the term of the agreement;
- 21 (2) in connection with the issuance of such bonds, the authority
- 22 has leased the equipment, structures, and capital improvements
- 23 being financed with the proceeds of the bonds to the commission
- 24 under a lease under section 32 of this chapter, and the
- 25 commission has entered into a sublease of such equipment,
- 26 structures, and capital improvements with the owner or owners of
- 27 the qualified motorsports facility. Such a sublease must include
- 28 the terms described in sections 34(c) and 36(c) of this chapter;
- 29 and
- 30 (3) as part of the written agreement concerning the terms of the
- 31 financing of the improvements, the ultimate parent company of
- 32 the qualified motorsports facility:
- 33 (A) guarantees the full and timely performance of all of the
- 34 duties, responsibilities, and obligations of the qualified
- 35 motorsports facility and the owner or owners of the qualified
- 36 motorsports facility; and
- 37 (B) guarantees that if:
- 38 (i) the aggregate amount credited to the owner or owners of
- 39 the qualified motorsports facility under IC 4-10-23-12 from
- 40 income tax incremental amounts, gross retail incremental
- 41 amounts, and admissions fees deposited in the state general
- 42 fund under IC 6-8-14 during the thirty (30) years after the



1 date of the adoption of the resolution establishing the
2 motorsports improvement district; **plus**

3 **(ii) the amounts deposited in the motorsports facility**
4 **fund established under section 30.5 of this chapter;**

5 is less than the aggregate of the amount of money appropriated to
6 the commission and used to pay rent by the commission to the
7 authority under any lease entered into between the authority and
8 the commission under this chapter and any expenses that are
9 incurred by the authority or the commission under this chapter
10 and are not paid out of such rent, then the ultimate parent
11 company will pay the difference to the commission.

12 (g) Each bond issued under this chapter must contain on its face a
13 statement that neither the faith and credit nor the taxing power of the
14 state is pledged to the payment of the principal of or the interest on the
15 bond.

16 (h) In connection with the issuance of each series of bonds under
17 this section, the authority (or its successor agency) and the public
18 finance director shall be responsible for selecting all investment
19 bankers, bond counsel, trustees, and financial advisors.

20 SECTION 5. IC 6-1.1-20.6-4, AS AMENDED BY P.L.288-2013,
21 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JANUARY 1, 2014 (RETROACTIVE)]: Sec. 4. As used in this
23 chapter, "residential property" refers to real property that consists of
24 any of the following:

25 (1) A single family dwelling that is not part of a homestead and
26 the land, not exceeding one (1) acre, on which the dwelling is
27 located.

28 (2) Real property that consists of:

29 (A) a building that includes two (2) or more dwelling units;

30 (B) any common areas shared by the dwelling units (including
31 any land that is a common area, as described in section
32 1.2(b)(2) of this chapter); and

33 (C) the land on which the building is located.

34 (3) Land rented or leased for the placement of a manufactured
35 home or mobile home, including any common areas shared by the
36 manufactured homes or mobile homes.

37 **The term does not include real property that consists of a**
38 **commercial hotel, motel, inn, tourist camp, or tourist cabin.**

39 SECTION 6. IC 6-1.1-21.4-2, AS AMENDED BY P.L.145-2012,
40 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 UPON PASSAGE]: Sec. 2. As used in this chapter, "eligible school
42 corporation" refers to **either any** of the following:



1 (1) A school corporation located in a county in which
 2 distributions of property tax revenue for 2007 or 2008 to the
 3 taxing units (as defined in IC 6-1.1-1-21) of the county:

4 (A) have not been made; or

5 (B) were delayed by more than sixty (60) days after either due
 6 date specified in IC 6-1.1-22-9.

7 (2) A school corporation that is:

8 (A) designated by the distressed unit appeal board as a
 9 distressed political subdivision under IC 6-1.1-20.3; or

10 (B) approved for a loan by the distressed unit appeal board
 11 under IC 6-1.1-20.3-8.3.

12 **(3) A school corporation that had a loan from the**
 13 **counter-cyclical revenue and economic stabilization fund**
 14 **denied in October 2013. However, the school corporation is**
 15 **not an eligible school corporation if in 2014 the voters**
 16 **approve a referendum tax levy for the school corporation**
 17 **under IC 20-46-1.**

18 SECTION 7. IC 6-1.1-21.4-3, AS AMENDED BY P.L.145-2012,
 19 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 UPON PASSAGE]: Sec. 3. (a) An eligible school corporation may
 21 apply to the board for a loan from the counter-cyclical revenue and
 22 economic stabilization fund.

23 (b) Subject to subsections (c) and (d) and section 3.5 of this chapter,
 24 an eligible school corporation described in section 2(2) of this chapter
 25 may apply to the board for a loan. The maximum amount of a loan that
 26 the board may approve for the eligible school corporation is the lesser
 27 of the following:

28 (1) Five million dollars (\$5,000,000).

29 (2) The product of:

30 (A) one thousand dollars (\$1,000); multiplied by

31 (B) the school corporation's 2012 ADM.

32 (c) At the time the distressed unit appeal board designates a school
 33 corporation as a distressed political subdivision under IC 6-1.1-20.3 or
 34 recommends under IC 6-1.1-20.3-8.3 that a loan from the fund be
 35 approved for a school corporation, the distressed unit appeal board may
 36 also recommend to the state board of finance that a loan from the fund
 37 to the school corporation be contingent upon any of the following:

38 (1) The sale of specified unused property by the school board.

39 (2) The school corporation modifying one (1) or more specified
 40 contracts entered into by the school corporation.

41 (d) In making a loan from the fund to a school corporation, the state
 42 board of finance may make the loan contingent upon any condition



1 recommended by the distressed unit appeal board under subsection (c).

2 **(e) This subsection applies only to an eligible school corporation**
 3 **described in section 2(3) of this chapter. The board shall make the**
 4 **loan to the eligible school corporation. The following apply to a**
 5 **loan made under this subsection:**

6 **(1) The maximum amount of a loan set forth in subsection (b).**

7 **(2) Sections 3.5 through 7 of this chapter.**

8 **In addition, an eligible school corporation receiving a loan under**
 9 **this subsection shall sell any unimproved land owned by the eligible**
 10 **school corporation that on April 1, 2014, is not contiguous to the**
 11 **grounds of any school.**

12 SECTION 8. IC 6-3-1-11, AS AMENDED BY P.L.205-2013,
 13 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 2014 (RETROACTIVE)]: Sec. 11. (a) The term "Internal
 15 Revenue Code" means the Internal Revenue Code of 1986 of the
 16 United States as amended and in effect on January 1, ~~2013~~ **2014**.

17 (b) Whenever the Internal Revenue Code is mentioned in this
 18 article, the particular provisions that are referred to, together with all
 19 the other provisions of the Internal Revenue Code in effect on January
 20 1, ~~2011~~ **2014**, that pertain to the provisions specifically mentioned,
 21 shall be regarded as incorporated in this article by reference and have
 22 the same force and effect as though fully set forth in this article. To the
 23 extent the provisions apply to this article, regulations adopted under
 24 Section 7805(a) of the Internal Revenue Code and in effect on January
 25 1, ~~2011~~ **2014**, shall be regarded as rules adopted by the department
 26 under this article, unless the department adopts specific rules that
 27 supersede the regulation.

28 (c) An amendment to the Internal Revenue Code made by an act
 29 passed by Congress before January 1, ~~2013~~ **2014**, that is effective for
 30 any taxable year that began before January 1, ~~2013~~ **2014**, and that
 31 affects:

32 (1) individual adjusted gross income (as defined in Section 62 of
 33 the Internal Revenue Code);

34 (2) corporate taxable income (as defined in Section 63 of the
 35 Internal Revenue Code);

36 (3) trust and estate taxable income (as defined in Section 641(b)
 37 of the Internal Revenue Code);

38 (4) life insurance company taxable income (as defined in Section
 39 801(b) of the Internal Revenue Code);

40 (5) mutual insurance company taxable income (as defined in
 41 Section 821(b) of the Internal Revenue Code); or

42 (6) taxable income (as defined in Section 832 of the Internal



1 Revenue Code);
 2 is also effective for that same taxable year for purposes of determining
 3 adjusted gross income under section 3.5 of this chapter.

4 (d) This subsection applies to a taxable year ending before January
 5 1, 2013. The following provisions of the Internal Revenue Code that
 6 were amended by the Tax Relief Act, Unemployment Insurance
 7 Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are
 8 treated as though they were not amended by the Tax Relief Act,
 9 Unemployment Insurance Reauthorization, and Job Creation Act of
 10 2010 (P.L. 111-312):

11 (1) Section 1367(a)(2) of the Internal Revenue Code pertaining to
 12 an adjustment of basis of the stock of shareholders:

13 (2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal
 14 Revenue Code pertaining to the treatment of certain dividends of
 15 regulated investment companies:

16 (3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code
 17 pertaining to regulated investment companies qualified entity
 18 treatment:

19 (4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code
 20 pertaining to the modification of tax treatment of certain
 21 payments to controlling exempt organizations:

22 (5) Section 613A(e)(6)(H)(ii) of the Internal Revenue Code
 23 pertaining to the limitations on percentage depletion in the case
 24 of oil and gas wells:

25 (6) Section 451(i)(3) of the Internal Revenue Code pertaining to
 26 special rule for sales or dispositions to implement Federal Energy
 27 Regulatory Commission or state electric restructuring policy for
 28 qualified electric utilities:

29 (7) Section 954(c)(6) of the Internal Revenue Code pertaining to
 30 the look-through treatment of payments between related
 31 controlled foreign corporations under foreign personal holding
 32 company rules:

33 The department shall develop forms and adopt any necessary rules
 34 under IC 4-22-2 to implement this subsection.

35 SECTION 9. IC 6-3.1-11-7.5 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 7.5. As**
 38 **used in this chapter, "pass through entity" means:**

39 (1) a corporation that is exempt from the adjusted gross
 40 income tax under IC 6-3-2-2.8(2);

41 (2) a partnership;

42 (3) a limited liability company; or



1 **(4) a limited liability partnership.**

2 SECTION 10. IC 6-3.1-11-24 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 24. (a) If**
5 **a pass through entity is entitled to a credit under section 16 of this**
6 **chapter but does not have state tax liability against which the tax**
7 **credit may be applied, an individual who is a shareholder, partner,**
8 **or member of the pass through entity is entitled to a tax credit**
9 **equal to:**

10 **(1) the tax credit determined for the pass through entity for**
11 **the taxable year; multiplied by**

12 **(2) the percentage of the pass through entity's distributive**
13 **income to which the shareholder, partner, or member is**
14 **entitled.**

15 **(b) The credit provided under subsection (a) is in addition to a**
16 **tax credit to which a shareholder, partner, or member of a pass**
17 **through entity is otherwise entitled under this chapter. However,**
18 **a pass through entity and an individual who is a shareholder,**
19 **partner, or member of the pass through entity may not claim more**
20 **than one (1) credit for the same investment.**

21 SECTION 11. IC 6-3.5-7-8.1 IS ADDED TO THE INDIANA
22 CODE AS A NEW SECTION TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2014]: **Sec. 8.1. (a) This section applies to a**
24 **taxable year beginning after December 31, 2014.**

25 **(b) Except as provided in subsection (c), if for a particular**
26 **taxable year a county taxpayer is liable for an income tax imposed**
27 **by a county, city, town, or other local governmental entity located**
28 **outside Indiana, that county taxpayer is entitled to a credit against**
29 **the county taxpayer's county economic development income tax**
30 **liability for that same taxable year. The amount of the credit**
31 **equals the amount of tax imposed by the other governmental entity**
32 **on income derived from sources outside Indiana and subject to the**
33 **county economic development income tax. However, the credit**
34 **provided by this section may not reduce a county taxpayer's**
35 **economic development income tax liability to an amount less than**
36 **would have been owed if the income subject to taxation by the**
37 **other governmental entity had been ignored.**

38 **(c) The credit provided by this section does not apply to a**
39 **county taxpayer to the extent that the other governmental entity**
40 **described in subsection (b) provides for a credit to the taxpayer for**
41 **the amount of county economic development income taxes owed**
42 **under this chapter.**



1 **(d) To claim the credit provided by this section, a county**
 2 **taxpayer must provide the department with satisfactory evidence**
 3 **that the county taxpayer is entitled to the credit.**

4 SECTION 12. IC 6-8.1-4-4, AS AMENDED BY P.L.176-2006,
 5 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2014]: Sec. 4. (a) The department shall establish a registration
 7 center to service owners of commercial motor vehicles.

8 (b) The registration center is under the supervision of the
 9 department through the motor carrier services division.

10 (c) An owner or operator of a commercial motor vehicle may apply
 11 to the registration center for the following:

- 12 (1) Vehicle registration (IC 9-18).
- 13 (2) Motor carrier fuel tax annual permit.
- 14 (3) Proportional use credit certificate (IC 6-6-4.1-4.7).
- 15 (4) Certificate of operating authority.
- 16 (5) Oversize vehicle permit (IC 9-20-3).
- 17 (6) Overweight vehicle permit (IC 9-20-4).
- 18 (7) Payment of the commercial vehicle excise tax imposed under
 19 IC 6-6-5.5.

20 (d) The commissioner may deny an application described in
 21 subsection (c) if the applicant fails to do any of the following with
 22 respect to a listed tax:

- 23 (1) File all tax returns or information reports.
- 24 (2) Pay all taxes, penalties, and interest.

25 **(e) The commissioner may:**

- 26 **(1) deny an application for an oversize vehicle permit, an**
 27 **overweight vehicle permit, or a single oversize-overweight**
 28 **permit; or**
- 29 **(2) suspend any permit issued to a person;**
 30 **if the applicant or permit holder is delinquent in paying escort fees**
 31 **to the state police department.**

32 ~~(f)~~ **(f)** The commissioner may suspend or revoke any registration,
 33 permit, certificate, or authority if the person to whom the registration,
 34 permit, certificate, or authority is issued fails to do any of the following
 35 with respect to a listed tax:

- 36 (1) File all tax returns or information reports.
- 37 (2) Pay all taxes, penalties, and interest.

38 ~~(g)~~ **(g)** Funding for the development and operation of the registration
 39 center shall be taken from the motor carrier regulation fund
 40 (IC 8-2.1-23-1).

41 ~~(h)~~ **(h)** The department shall recommend to the general assembly
 42 other functions that the registration center may perform.



1 SECTION 13. IC 6-8.1-6-1 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. (a) **This**
 3 **subsection does not apply to a person's Indiana adjusted gross**
 4 **income tax return or a person's financial institutions tax return.** If
 5 a person responsible for filing a tax return is unable to file the return by
 6 the appropriate due date, ~~he~~ **the person** may petition the department,
 7 before that due date, for a filing extension. ~~The person must include~~
 8 ~~with the petition a payment of at least ninety percent (90%) of the tax~~
 9 ~~that is reasonably expected to be due on the due date.~~ When the
 10 department receives the petition, ~~and the payment,~~ the department shall
 11 grant the person a sixty (60) day extension.

12 (b) If a person responsible for filing a tax return has received an
 13 extension of the due date and is still unable to file the return by the
 14 extended due date, ~~he~~ **the person** may petition the department for
 15 another extension. The person must include in the petition a statement
 16 of the reasons for ~~his~~ **the person's** inability to file the return by the due
 17 date. If the department finds that the person's petition is proper and that
 18 the person has good cause for requesting the extension, the department
 19 may extend the person's due date for any period that the department
 20 deems reasonable under the circumstances. The department may allow
 21 additional, successive extensions if the person properly petitions for the
 22 extension before the end of ~~his~~ **the person's** current extension period.

23 (c) **The following apply only to a person's Indiana adjusted**
 24 **gross income tax return or a person's financial institutions tax**
 25 **return:**

26 (1) If the Internal Revenue Service allows a person an extension
 27 on ~~his~~ **the person's** federal income tax return, the corresponding
 28 due dates for the person's Indiana income tax returns are
 29 automatically extended for the same period as the federal
 30 extension, plus thirty (30) days.

31 (2) **If a person petitions the department for a filing extension**
 32 **for the person's Indiana adjusted gross income tax return or**
 33 **financial institutions tax return without obtaining an**
 34 **extension for filing the person's federal income tax return, the**
 35 **department shall extend the person's due date for the person's**
 36 **Indiana adjusted gross income tax return or financial**
 37 **institutions tax return for the same period that the person**
 38 **would have been allowed under subdivision (1) if the person**
 39 **had been granted an extension by the Internal Revenue**
 40 **Service.**

41 (d) **A person submitting a petition for an extension under this**
 42 **section is not required to include any payment of tax with the**



1 **petition.** However, ~~the~~ a person **obtaining an extension under this**
 2 **section** must pay at least ninety percent (90%) of the ~~Indiana income~~
 3 tax that is reasonably expected to be due on the original due date by
 4 that due date, or ~~he~~ **the person** may be subject to the penalties imposed
 5 for failure to pay the tax.

6 ~~(d)~~ **(e)** Any tax that remains unpaid during an extension period
 7 accrues interest at a rate established under IC 6-8.1-10-1 from the
 8 original due date, but that tax will not accrue any late payment
 9 penalties until the extension period has ended. **Any penalties must be**
 10 **determined based on the amount of tax not paid on or before the**
 11 **end of the extension period after application of payments provided**
 12 **under IC 6-8.1-8-1.5 and determined as of the deadline of the**
 13 **extension period.**

14 SECTION 14. IC 6-9-2-4, AS AMENDED BY P.L.172-2011,
 15 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 4. (a) The bureau may:

- 17 (1) accept and use gifts, grants, and contributions from any public
 18 or private source, under terms and conditions that the bureau
 19 considers necessary and desirable;
 20 (2) sue and be sued;
 21 (3) enter into contracts and agreements;
 22 (4) make rules necessary for the conduct of its business and the
 23 accomplishment of its purposes;
 24 (5) receive and approve, alter, or reject requests and proposals for
 25 funding by corporations qualified under subdivision (6);
 26 (6) after its approval of a proposal, transfer money from any fund
 27 established by the bureau, the promotion fund, or the alternate
 28 revenue fund to any Indiana nonprofit corporation to promote and
 29 encourage conventions, trade shows, visitors, or special events in
 30 the county;
 31 (7) require financial or other reports from any corporation that
 32 receives funds under this chapter;
 33 (8) enter into leases under IC 36-1-10 for the construction,
 34 acquisition, and equipping of a visitor center; and
 35 (9) exercise the power of eminent domain to acquire property to
 36 promote and encourage conventions, trade shows, special events,
 37 recreation, and visitors within the county.

38 (b) All expenses of the bureau shall be paid from funds established
 39 by the bureau. Before December 20 of each year, the bureau shall
 40 prepare a budget for expenditures during the following year, taking into
 41 consideration the recommendations made by a corporation qualified
 42 under subsection (a)(6) **and submit the budget to the county council**



1 **for its review and approval. An expenditure may not be made**
 2 **under this chapter unless it is in accordance with an appropriation**
 3 **made by the county council in the manner provided by law. A**
 4 budget prepared **by the bureau and approved by the county council**
 5 under this section must be submitted to the department of local
 6 government finance and placed on file with the county auditor.

7 (c) All money in the bureau's funds shall be deposited, held,
 8 secured, invested, and paid in accordance with statutes relating to the
 9 handling of public funds. The handling and expenditure of money in
 10 the bureau's funds are subject to audit and supervision by the state
 11 board of accounts.

12 SECTION 15. IC 6-9-2-4.3, AS AMENDED BY P.L.172-2011,
 13 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2014]: Sec. 4.3. (a) The Lake County convention and visitor
 15 bureau shall establish a convention, tourism, and visitor promotion
 16 alternate revenue fund (referred to in this chapter as the "alternate
 17 revenue fund"). The bureau may deposit in the alternate revenue fund
 18 all money received by the bureau after June 30, 2005, that is not
 19 required to be deposited in the promotion fund under section 2 of this
 20 chapter or a fund established by the bureau, including appropriations,
 21 gifts, grants, membership dues, and contributions from any public or
 22 private source.

23 (b) The bureau may ~~without appropriation by the county council;~~
 24 expend money from the alternate revenue fund to promote and
 25 encourage conventions, trade shows, visitors, special events, sporting
 26 events, and exhibitions in the county. Money may be paid from the
 27 alternate revenue fund by claim in the same manner as municipalities
 28 may pay claims under IC 5-11-10-1.6.

29 (c) All money in the alternate revenue fund shall be deposited, held,
 30 secured, invested, and paid in accordance with statutes relating to the
 31 handling of public funds. The handling and expenditure of money in
 32 the alternate revenue fund is subject to audit and supervision by the
 33 state board of accounts.

34 (d) Money derived from the taxes imposed under IC 4-33-12 and
 35 IC 4-33-13 may not be transferred to the alternate revenue fund.

36 SECTION 16. IC 6-9-2.5-7.5, AS AMENDED BY P.L.176-2009,
 37 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2014]: Sec. 7.5. (a) The county treasurer shall establish a
 39 tourism capital improvement fund.

40 (b) The county treasurer shall deposit money in the tourism capital
 41 improvement fund as follows:

42 (1) Before January 1, ~~2015~~, **2020**, the county treasurer shall



1 deposit in the tourism capital improvement fund the amount of
 2 money received under section 6 of this chapter that is generated
 3 by a three and one-half percent (3.5%) rate.
 4 (2) After December 31, ~~2014~~, **2019**, the county treasurer shall
 5 deposit in the tourism capital improvement fund the amount of
 6 money received under section 6 of this chapter that is generated
 7 by a four and one-half percent (4.5%) rate.

8 (c) The commission may transfer money in the tourism capital
 9 improvement fund to:
 10 (1) the county government, a city government, or a separate body
 11 corporate and politic in a county described in section 1 of this
 12 chapter; or
 13 (2) any Indiana nonprofit corporation;

14 for the purpose of making capital improvements in the county that
 15 promote conventions, tourism, or recreation. The commission may
 16 transfer money under this section only after approving the transfer.
 17 Transfers shall be made quarterly or less frequently under this section.

18 SECTION 17. IC 6-9-2.5-7.7, AS AMENDED BY P.L.176-2009,
 19 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2014]: Sec. 7.7. (a) The county treasurer shall establish a
 21 convention center operating fund.

22 (b) Before January 1, ~~2015~~, **2020**, the county treasurer shall deposit
 23 in the convention center operating fund the amount of money received
 24 under section 6 of this chapter that is generated by a two percent (2%)
 25 rate. Money in the fund must be expended for the operating expenses
 26 of a convention center.

27 (c) After December 31, ~~2014~~, **2019**, the county treasurer shall
 28 deposit in the convention center operating fund the amount of money
 29 received under section 6 of this chapter that is generated by a one
 30 percent (1%) rate. Money in the fund must be expended for the
 31 operating expenses of a convention center with the unused balance
 32 transferred on January 1 of each year to the tourism capital
 33 improvement fund.

34 SECTION 18. IC 8-22-1-4.5 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) "Aviation
 36 related property or facilities" means those properties or facilities that
 37 are utilized by a lessee, or a lessee's assigns, who provides services or
 38 accommodations:

- 39 (1) for scheduled or unscheduled air carriers and air taxis, and
 40 their passengers, air cargo operations, and related ground
 41 transportation facilities;
 42 (2) for fixed based operations;



1 (3) for general aviation or military users; and

2 (4) as aviation **manufacturing, assembly, research and**
3 **development, or** maintenance and repair facilities.

4 (b) The term includes any property leased to the United States, or its
5 agencies or instrumentalities, and any leased property identified as
6 clear zones, ~~aviation~~ **aviation** easements, safety and transition areas,
7 as defined by the Federal Aviation Administration.

8 SECTION 19. IC 9-29-5-42, AS AMENDED BY P.L.107-2008,
9 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JANUARY 1, 2015]: Sec. 42. (a) Except as provided in subsection ~~(c)~~;
11 **(d)**, vehicles not subject to IC 9-18-2-8 or IC 9-18-2-8.5 shall be
12 registered at one-half (1/2) of the regular rate, subject to IC 9-18-2-7,
13 if the vehicle is registered after July 31 of any year. This subsection
14 does not apply to the following:

15 (1) Special machinery.

16 (2) Semitrailers registered on a five (5) year or permanent basis
17 under IC 9-18-10-2.

18 (3) An implement of agriculture designed to be operated primarily
19 on a highway.

20 (b) Except as provided in subsection ~~(c)~~; **(d)**, subsection (a), and
21 IC 9-18-2-7 determine the registration fee for the registration of a
22 vehicle subject to registration under IC 9-18-2-8(c) and acquired by an
23 owner subsequent to the date required for the annual registration of
24 vehicles by an owner set forth in IC 9-18-2-8.

25 **(c) Except as provided in subsections (d) and (e), if the**
26 **department of state revenue adopts rules under IC 9-18-2-7 to**
27 **implement staggered registration, the department of state revenue**
28 **shall collect the full annual fee for vehicles in a commercial fleet**
29 **registering with the department of state revenue, regardless of the**
30 **date the vehicle is registered. Any vehicles registered with the**
31 **department of state revenue under this subsection after the date**
32 **designated for registration shall be registered at a rate determined**
33 **in STEP THREE of subsection (e).**

34 ~~(c)~~ **(d)** Subject to subsection ~~(d)~~; **(e)**, a vehicle subject to the
35 International Registration Plan that is registered after September 30
36 shall be registered at a rate determined by the following formula:

37 STEP ONE: Determine the number of months before April 1 of
38 the following year beginning with the date of registration. A
39 partial month shall be rounded to one (1) month.

40 STEP TWO: Multiply the STEP ONE result by one-twelfth
41 (1/12).

42 STEP THREE: Multiply the annual registration fee for the vehicle



1 by the STEP TWO result.

2 ~~(d)~~ (e) If the department of state revenue adopts rules under
3 IC 9-18-2-7 to implement staggered registration for motor vehicles
4 subject to the International Registration Plan, a motor vehicle subject
5 to the International Registration Plan that is registered after the date
6 designated for registration of the motor vehicle in rules adopted under
7 IC 9-18-2-7 shall be registered at a rate determined by the following
8 formula:

9 STEP ONE: Determine the number of months before the motor
10 vehicle must be re-registered. A partial month shall be rounded to
11 one (1) month.

12 STEP TWO: Multiply the STEP ONE result by one-twelfth
13 (1/12).

14 STEP THREE: Multiply the annual registration fee for the vehicle
15 by the STEP TWO result.

16 ~~(e)~~ (f) A school bus subject to registration under IC 9-18-2-8.5 that
17 is registered after January 31 for the prior calendar year shall be
18 registered at one-half (1/2) the regular rate.

19 SECTION 20. IC 36-6-6-16 IS ADDED TO THE INDIANA CODE
20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
21 UPON PASSAGE]: **Sec. 16. (a) This section applies only to Green
22 Township in Madison County.**

23 **(b) Notwithstanding any other law, the legislative body may
24 issue a special order, entered and signed on the record, authorizing
25 the executive of the township to borrow a sufficient amount of
26 money to pay the township's obligations under a contract for fire
27 or emergency services in 2014.**

28 **(c) This section expires January 1, 2017.**

29 SECTION 21. [EFFECTIVE JANUARY 1, 2014
30 (RETROACTIVE)]: **(a) This SECTION applies only to Washington
31 Township in Hamilton County.**

32 **(b) The department of local government finance shall increase
33 the 2014 maximum permissible ad valorem property tax levy under
34 IC 6-1.1-18.5 for Washington Township in Hamilton County by the
35 lesser of the following amounts:**

36 **(1) The amount determined by recalculating the 2014
37 maximum permissible ad valorem property tax levy under
38 IC 6-1.1-18.5 for Washington Township in Hamilton County
39 by using the 2007 maximum permissible ad valorem property
40 tax levy for the county and then increasing the 2007 maximum
41 permissible ad valorem property tax levy by applying the
42 cumulative effect of using the assessed value growth quotient**



1 **applicable to the county for each year during the period 2008**
2 **through 2014.**
3 **(2) Eighty-five thousand dollars (\$85,000).**
4 **(c) The 2014 maximum permissible ad valorem property tax**
5 **levy for Washington Township in Hamilton County, as increased**
6 **under this SECTION, shall also be used as the township's previous**
7 **year maximum permissible ad valorem property tax levy for the**
8 **determination under IC 6-1.1-18.5 of the township's 2015**
9 **maximum permissible ad valorem property tax levy.**
10 **(d) This SECTION expires January 1, 2016.**
11 SECTION 22. [EFFECTIVE JANUARY 1, 2014
12 (RETROACTIVE)] **(a) IC 6-3.1-11-7.5 and IC 6-3.1-11-24, both as**
13 **added by this act, apply to taxable years beginning after December**
14 **31, 2013.**
15 **(b) This SECTION expires January 1, 2017.**
16 SECTION 23. [EFFECTIVE JULY 1, 2014] **(a) IC 8-22-1-4.5, as**
17 **amended by this act, applies to property taxes imposed for an**
18 **assessment date after December 31, 2014.**
19 **(b) This SECTION expires January 1, 2017.**
20 SECTION 24. **An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1380, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-20.3-6.5, AS AMENDED BY P.L.257-2013, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) After the board receives a petition concerning a political subdivision under section 6(a) or 6(b)(2) of this chapter, the board may designate the political subdivision as a distressed political subdivision if at least one (1) of the following conditions applies to the political subdivision:

- (1) The political subdivision has defaulted in payment of principal or interest on any of its bonds or notes.
- (2) The political subdivision has failed to make required payments to payroll employees for thirty (30) days or two (2) consecutive payrolls.
- (3) The political subdivision has failed to make required payments to judgment creditors for sixty (60) days beyond the date of the recording of the judgment.
- (4) The political subdivision, for at least thirty (30) days beyond the due date, has failed to do any of the following:
 - (A) Forward taxes withheld on the incomes of employees.
 - (B) Transfer employer or employee contributions due under the Federal Insurance Contributions Act (FICA).
 - (C) Deposit the political subdivision's minimum obligation payment to a pension fund.
- (5) The political subdivision has accumulated a deficit equal to eight percent (8%) or more of the political subdivision's revenues. For purposes of this subdivision, "deficit" means a negative fund balance calculated as a percentage of revenues at the end of a budget year for any governmental or proprietary fund. The calculation must be presented on an accrual basis according to generally accepted accounting principles.
- (6) The political subdivision has sought to negotiate a resolution or an adjustment of claims that in the aggregate:
 - (A) exceed thirty percent (30%) of the political subdivision's anticipated annual revenues; and
 - (B) are ninety (90) days or more past due.
- (7) The political subdivision has carried over interfund loans for



the benefit of the same fund at the end of two (2) successive years.

(8) The political subdivision has been severely affected, as determined by the board, as a result of granting the property tax credits under IC 6-1.1-20.6.

(9) In addition to the conditions listed in subdivisions (1) through (8), and in the case of a school corporation, the board may also designate a school corporation as a distressed political subdivision if at least one (1) of the following conditions applies:

(A) The school corporation has:

- (i) issued refunding bonds under IC 5-1-5-2.5; or
- (ii) adopted a resolution under IC 5-1-5-2.5 making the determinations and including the information specified in IC 5-1-5-2.5(g).

(B) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's 2011 ADM ranks in the highest ten (10) among all school corporations.

(C) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's total assessed valuation for calendar year 2011 ranks in the highest ten (10) among all school corporations.

(D) The amount of homestead assessed valuation in the school corporation for calendar year 2011 was at least sixty percent (60%) of the total amount of assessed valuation in the school corporation for calendar year 2011.

(10) In addition to the conditions listed in subdivisions (1) through (9), and in the case of a school corporation, the board shall also designate a school corporation as a distressed political subdivision if the school corporation's petition for a loan from the counter-cyclical revenue and economic stabilization fund was denied in October 2013.

The board may consider whether a political subdivision has fully exercised all the local options available to the political subdivision, such as a local option income tax or a local option income tax rate increase or, in the case of a school corporation, an operating referendum.

(b) If the board designates a political subdivision as distressed under subsection (a), the board shall review the designation annually to determine if the distressed political subdivision meets at least one (1) of the conditions listed in subsection (a).

(c) If the board designates a political subdivision as a distressed



political subdivision under subsection (a), the board shall immediately notify:

- (1) the treasurer of state; and
- (2) the county auditor and county treasurer of each county in which the distressed political subdivision is wholly or partially located;

that the board has designated the political subdivision as a distressed political subdivision."

Page 5, line 17, delete "described in section 6.5(a)(9)" and insert **"designated as a distressed political subdivision under section 6.5(a)(10)"**.

Page 13, line 38, after "manufacturing," insert **"assembly,"**.

Page 15, line 19, delete "July" and insert **"November"**.

Page 15, line 39, delete "July" and insert **"November"**.

Page 16, between lines 11 and 12, begin a new paragraph and insert: **"SECTION 26. [EFFECTIVE JULY 1, 2014] (a) The legislative council is urged to assign the following topics for study during the 2014 legislative interim:**

- (1) Whether the proceeds of the sale of a major county asset should be held in a nonreverting trust fund of the county such that the principal of the fund is never diminished.**
- (2) The issue of how to define the term "major county asset".**
- (3) Permissible uses of the interest of a trust fund described in subdivision (1).**

(b) This SECTION expires December 31, 2014."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1380 as introduced.)

BROWN T, Chair

Committee Vote: yeas 14, nays 0.



COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred House Bill No. 1380, 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, delete lines 1 through 16.

Delete pages 2 through 6.

Page 7, delete lines 1 through 19, begin a new paragraph and insert:

"SECTION 1. IC 4-10-23-12, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 12. The department of state revenue shall **annually** notify the Indiana finance authority, the commission, the budget agency, and the owner or owners of a qualified motorsports facility of **the sum of:**

- (1) the amount determined under section 11 of this chapter; **and**
- (2) **the amount reverted to the state general fund from the qualified motorsports facility fund established under IC 5-1-17.5-30.5;**

which **amount sum** shall be credited to the obligations of the owner or owners of a qualified motorsports facility in accordance with the provisions of IC 5-1-17.5.

SECTION 2. IC 5-1-17.5-30, AS ADDED BY P.L.233-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 30. (a) If a motorsports investment district is established under this chapter, the commission shall establish a motorsports investment district fund for the motorsports investment district. The fund shall be administered by the commission. Except as provided in subsection (f), money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) The commission shall deposit amounts appropriated to the commission in the motorsports investment district fund as provided in this chapter.

(c) The commission shall request that the general assembly make an appropriation not to exceed **five seven** million dollars (~~\$5,000,000~~) (**\$7,000,000**) to the commission for deposit in the motorsports investment district fund in each state fiscal year following the creation of the ~~motor sports~~ **motorsports** investment district fund, until the earlier of:

- (1) the date that is twenty-two (22) years after the date on which appropriations are first deposited in the motorsports investment district fund; or



(2) the date on which all bonds issued by the authority under section 37 of this chapter are no longer deemed outstanding.

The commission may use money in the motorsports investment district fund for the purposes of this chapter.

(d) Amounts held in the motorsports investment district fund may be distributed to a trustee of any bonds that are issued or to be issued by the authority under section 37 of this chapter and that are secured by rent to be paid by the commission under a lease entered into with the authority under section 32 of this chapter.

(e) Money in the motorsports investment district fund may be used by the commission or a trustee for the following:

(1) Payment of the rent due under leases of structures or other capital improvements that are located within a motorsports investment district.

(2) Payment of all expenses incurred by the commission or the authority in connection with the exercise of its duties and obligations set forth in this chapter, including those incurred in connection with the establishment of the motorsports investment district.

(f) On the date that all bonds issued by the authority under section 37 of this chapter are no longer deemed outstanding and all expenses incurred by the commission or the authority in connection with the exercise of its duties and obligations set forth in this chapter have been paid, all money then remaining on deposit in the motorsports investment district fund reverts to the state general fund.

SECTION 3. IC 5-1-17.5-30.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 30.5. (a) If a motorsports investment district is established under this chapter, the commission shall establish a motorsports facility fund for the motorsports investment district.**

(b) During the term of the written agreement entered into by the owner or owners of the qualified motorsports facility, the authority, and the commission, the commission shall, in each state fiscal year, deposit in the motorsports facility fund at least two million dollars (\$2,000,000) solely from payments established under section 37(f)(1) of this chapter.

(c) Money in the motorsports facility fund reverts to the state general fund on June 30 of each year.

SECTION 4. IC 5-1-17.5-37, AS ADDED BY P.L.233-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 37. (a) Subject to subsection



(f), the authority may issue bonds for the purpose of obtaining money to pay the cost of improving, constructing, reconstructing, renovating, acquiring, or equipping improvements within a qualified motorsports facility.

(b) The terms and form of the bonds must be set out either in the resolution or in a form of trust indenture approved by the resolution.

(c) The bonds must mature within twenty (20) years.

(d) The authority shall sell the bonds at public or private sale upon the terms determined by the authority.

(e) All money received from any bonds issued under this chapter shall be applied to the payment of the cost of improving, constructing, reconstructing, renovating, acquiring, or equipping improvements within a qualified motorsports facility, or payment of the cost of refunding or refinancing outstanding bonds for which the bonds are issued. The cost may include:

(1) planning and development of the improvement and all buildings, facilities, structures, and improvements related to the improvement;

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

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

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

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

(6) reserves for principal and interest;

(7) interest during construction;

(8) financial advisory fees;

(9) insurance during construction;

(10) bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and

(11) in the case of refunding or refinancing, payment of the principal of, redemption premiums (if any) for, and interest on the bonds being refunded or refinanced.

(f) The authority may not issue bonds under this chapter unless:

(1) the owner or owners of the qualified motorsports facility, the authority, and the commission have entered into a written agreement concerning the terms of the financing of the improvements financed under this chapter, including the obligation of the owner or owners of the qualified motorsports facility to make payments in an amount equal to at least two



million dollars (\$2,000,000) in each state fiscal year to the commission for deposit in the motorsports ~~investment~~ **facility** fund during the term of the agreement;

(2) in connection with the issuance of such bonds, the authority has leased the equipment, structures, and capital improvements being financed with the proceeds of the bonds to the commission under a lease under section 32 of this chapter, and the commission has entered into a sublease of such equipment, structures, and capital improvements with the owner or owners of the qualified motorsports facility. Such a sublease must include the terms described in sections 34(c) and 36(c) of this chapter; and

(3) as part of the written agreement concerning the terms of the financing of the improvements, the ultimate parent company of the qualified motorsports facility:

(A) guarantees the full and timely performance of all of the duties, responsibilities, and obligations of the qualified motorsports facility and the owner or owners of the qualified motorsports facility; and

(B) guarantees that if:

(i) the aggregate amount credited to the owner or owners of the qualified motorsports facility under IC 4-10-23-12 from income tax incremental amounts, gross retail incremental amounts, and admissions fees deposited in the state general fund under IC 6-8-14 during the thirty (30) years after the date of the adoption of the resolution establishing the motorsports improvement district; **plus**

(ii) **the amounts deposited in the motorsports facility fund established under section 30.5 of this chapter;**

is less than the aggregate of the amount of money appropriated to the commission and used to pay rent by the commission to the authority under any lease entered into between the authority and the commission under this chapter and any expenses that are incurred by the authority or the commission under this chapter and are not paid out of such rent, then the ultimate parent company will pay the difference to the commission.

(g) Each bond issued under this chapter must contain on its face a statement that neither the faith and credit nor the taxing power of the state is pledged to the payment of the principal of or the interest on the bond.

(h) In connection with the issuance of each series of bonds under this section, the authority (or its successor agency) and the public



finance director shall be responsible for selecting all investment bankers, bond counsel, trustees, and financial advisors."

Page 8, line 12, delete "approved for a loan by the distressed" and insert **"that had a loan from the counter-cyclical revenue and economic stabilization fund denied in October 2013. However, the school corporation is not an eligible school corporation if in 2014 the voters approve a referendum tax levy for the school corporation under IC 20-46-1."**

Page 8, delete line 13.

Page 8, delete lines 41 through 42.

Page 9, delete line 1.

Page 9, line 2, delete "corporation." and insert **"described in section 2(3) of this chapter. The board shall make the loan to the eligible school corporation."**

Page 10, delete lines 33 through 42.

Page 11, delete lines 1 through 4.

Page 11, delete lines 33 through 38.

Page 14, line 20, strike "Indiana income".

Page 14, between lines 31 and 32, begin a new paragraph and insert:
"SECTION 20. IC 6-9-2-4, AS AMENDED BY P.L.172-2011, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The bureau may:

- (1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the bureau considers necessary and desirable;
- (2) sue and be sued;
- (3) enter into contracts and agreements;
- (4) make rules necessary for the conduct of its business and the accomplishment of its purposes;
- (5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);
- (6) after its approval of a proposal, transfer money from any fund established by the bureau, the promotion fund, or the alternate revenue fund to any Indiana nonprofit corporation to promote and encourage conventions, trade shows, visitors, or special events in the county;
- (7) require financial or other reports from any corporation that receives funds under this chapter;
- (8) enter into leases under IC 36-1-10 for the construction, acquisition, and equipping of a visitor center; and
- (9) exercise the power of eminent domain to acquire property to promote and encourage conventions, trade shows, special events,



recreation, and visitors within the county.

(b) All expenses of the bureau shall be paid from funds established by the bureau. Before December 20 of each year, the bureau shall prepare a budget for expenditures during the following year, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6) **and submit the budget to the county council for its review and approval. An expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county council in the manner provided by law.** A budget prepared by the bureau and approved by the county council under this section must be submitted to the department of local government finance and placed on file with the county auditor.

(c) All money in the bureau's funds shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the bureau's funds are subject to audit and supervision by the state board of accounts.

SECTION 21. IC 6-9-2-4.3, AS AMENDED BY P.L.172-2011, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.3. (a) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion alternate revenue fund (referred to in this chapter as the "alternate revenue fund"). The bureau may deposit in the alternate revenue fund all money received by the bureau after June 30, 2005, that is not required to be deposited in the promotion fund under section 2 of this chapter or a fund established by the bureau, including appropriations, gifts, grants, membership dues, and contributions from any public or private source.

(b) The bureau may ~~without appropriation by the county council,~~ expend money from the alternate revenue fund to promote and encourage conventions, trade shows, visitors, special events, sporting events, and exhibitions in the county. Money may be paid from the alternate revenue fund by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) All money in the alternate revenue fund shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the alternate revenue fund is subject to audit and supervision by the state board of accounts.

(d) Money derived from the taxes imposed under IC 4-33-12 and IC 4-33-13 may not be transferred to the alternate revenue fund."

Page 16, delete lines 4 through 42.



Delete page 17.

Page 18, delete lines 1 through 4, begin a new paragraph and insert:

"SECTION 25. IC 9-29-5-42, AS AMENDED BY P.L.107-2008, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 42. (a) Except as provided in subsection ~~(c)~~; **(d)**, vehicles not subject to IC 9-18-2-8 or IC 9-18-2-8.5 shall be registered at one-half (1/2) of the regular rate, subject to IC 9-18-2-7, if the vehicle is registered after July 31 of any year. This subsection does not apply to the following:

- (1) Special machinery.
- (2) Semitrailers registered on a five (5) year or permanent basis under IC 9-18-10-2.
- (3) An implement of agriculture designed to be operated primarily on a highway.

(b) Except as provided in subsection ~~(c)~~; **(d)**, subsection (a), and IC 9-18-2-7 determine the registration fee for the registration of a vehicle subject to registration under IC 9-18-2-8(c) and acquired by an owner subsequent to the date required for the annual registration of vehicles by an owner set forth in IC 9-18-2-8.

(c) Except as provided in subsections (d) and (e), if the department of state revenue adopts rules under IC 9-18-2-7 to implement staggered registration, the department of state revenue shall collect the full annual fee for vehicles in a commercial fleet registering with the department of state revenue, regardless of the date the vehicle is registered. Any vehicles registered with the department of state revenue under this subsection after the date designated for registration shall be registered at a rate determined in STEP THREE of subsection (e).

~~(c)~~ **(d)** Subject to subsection ~~(d)~~; **(e)**, a vehicle subject to the International Registration Plan that is registered after September 30 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before April 1 of the following year beginning with the date of registration. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

~~(d)~~ **(e)** If the department of state revenue adopts rules under IC 9-18-2-7 to implement staggered registration for motor vehicles subject to the International Registration Plan, a motor vehicle subject to the International Registration Plan that is registered after the date



designated for registration of the motor vehicle in rules adopted under IC 9-18-2-7 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before the motor vehicle must be re-registered. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

(e) (f) A school bus subject to registration under IC 9-18-2-8.5 that is registered after January 31 for the prior calendar year shall be registered at one-half (1/2) the regular rate.

SECTION 26. IC 36-6-6-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16. (a) This section applies only to Green Township in Madison County.**

(b) Notwithstanding any other law, the legislative body may issue a special order, entered and signed on the record, authorizing the executive of the township to borrow a sufficient amount of money to pay the township's obligations under a contract for fire or emergency services in 2014.

(c) This section expires January 1, 2017.

SECTION 27. [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **(a) This SECTION applies only to Washington Township in Hamilton County.**

(b) The department of local government finance shall increase the 2014 maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for Washington Township in Hamilton County by the lesser of the following amounts:

(1) The amount determined by recalculating the 2014 maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for Washington Township in Hamilton County by using the 2007 maximum permissible ad valorem property tax levy for the county and then increasing the 2007 maximum permissible ad valorem property tax levy by applying the cumulative effect of using the assessed value growth quotient applicable to the county for each year during the period 2008 through 2014.

(2) Eighty-five thousand dollars (\$85,000).

(c) The 2014 maximum permissible ad valorem property tax levy for Washington Township in Hamilton County, as increased



under this SECTION, shall also be used as the township's previous year maximum permissible ad valorem property tax levy for the determination under IC 6-1.1-18.5 of the township's 2015 maximum permissible ad valorem property tax levy.

(d) This SECTION expires January 1, 2016."

Page 18, delete lines 14 through 23.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1380 as printed January 28, 2014.)

KENLEY, Chairperson

Committee Vote: Yeas 10, Nays 0.

