

HOUSE BILL No. 1536

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-47.

Synopsis: Sales tax holiday. Provides a sales and use tax exemption each year beginning on the second Friday of August 2015 and August 2016 through the following Sundays (sales tax holiday) for the following items: (1) Clothing, if the sales price does not exceed \$100. (2) A school supply, school art supply, or school instructional material, if the sales price does not exceed \$15. Incorporates the definitions of these items as set forth in the May 24, 2012, Streamlined Sales and Use Tax Agreement.

Effective: Upon passage.

Steuerwald, GiaQuinta

January 20, 2015, read first time and referred to Committee on Ways and Means.



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

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1536

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

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

1 SECTION 1. IC 6-2.5-5-47 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 47. (a) As used in this section, "clothing"**
4 **means all apparel worn by humans for general use, including the**
5 **following:**
6 **(1) Bathing caps.**
7 **(2) Belts and suspenders.**
8 **(3) Coats and jackets.**
9 **(4) Diapers.**
10 **(5) Dresses.**
11 **(6) Footwear.**
12 **(7) Gloves or mittens.**
13 **(8) Hats or caps.**
14 **(9) Neckties.**
15 **(10) Pants.**



- 1 (11) Scarves.
- 2 (12) Shirts.
- 3 (13) Skirts.
- 4 (14) Socks or hosiery.
- 5 (15) Undergarments.
- 6 (16) Uniforms.
- 7 (b) As used in this section, "sales tax holiday" means the period:
- 8 (1) beginning at 12:01 a.m. on the second Friday of August;
- 9 and
- 10 (2) ending at 11:59 p.m. on the immediately following Sunday.
- 11 (c) As used in this section, "school art supply" means an item
- 12 commonly used by a student in a course of study for artwork. The
- 13 term is limited to the following:
- 14 (1) Clay and glazes.
- 15 (2) Paints, such as acrylic, tempera, and oil.
- 16 (3) Paintbrushes for artwork.
- 17 (4) Sketch pads and drawing pads.
- 18 (5) Watercolors.
- 19 (d) As used in this section, "school instructional material"
- 20 means written materials commonly used by a student in a course
- 21 of study as a reference and to learn the subject being taught. The
- 22 term is limited to the following:
- 23 (1) Reference books.
- 24 (2) Reference maps and globes.
- 25 (3) Textbooks.
- 26 (4) Workbooks.
- 27 (e) As used in this section, "school supply" means an item
- 28 commonly used by a student in a course of study. The term is
- 29 limited to the following:
- 30 (1) Binders.
- 31 (2) Book bags.
- 32 (3) Calculators.
- 33 (4) Cellophane tape.
- 34 (5) Blackboard chalk.
- 35 (6) Compasses.
- 36 (7) Composition books.
- 37 (8) Crayons.
- 38 (9) Erasers.
- 39 (10) Folders, limited to the following:
- 40 (A) Expandable folders.
- 41 (B) Pocket folders.
- 42 (C) Plastic folders.



- 1 **(D) Manila folders.**
 2 **(11) Glue, paste, and paste sticks.**
 3 **(12) Highlighters.**
 4 **(13) Index cards.**
 5 **(14) Index card boxes.**
 6 **(15) Legal pads.**
 7 **(16) Lunch boxes.**
 8 **(17) Markers.**
 9 **(18) Notebooks.**
 10 **(19) Paper, limited to the following:**
 11 **(A) Loose leaf ruled notebook paper.**
 12 **(B) Copy paper.**
 13 **(C) Graph paper.**
 14 **(D) Tracing paper.**
 15 **(E) Manila paper.**
 16 **(F) Colored paper.**
 17 **(G) Poster board.**
 18 **(H) Construction paper.**
 19 **(20) Pencil boxes and other school supply boxes.**
 20 **(21) Pencil sharpeners.**
 21 **(22) Pencils.**
 22 **(23) Pens.**
 23 **(24) Protractors.**
 24 **(25) Rulers.**
 25 **(26) Scissors.**
 26 **(27) Writing tablets.**
 27 **(f) During each sales tax holiday, the following items of tangible**
 28 **personal property sold in a retail transaction are exempt from the**
 29 **state gross retail tax if the individual item is purchased for a**
 30 **nonbusiness use and the item is one (1) of the following:**
 31 **(1) Clothing, if the sales price does not exceed one hundred**
 32 **dollars (\$100).**
 33 **(2) A school supply, school art supply, or school instructional**
 34 **material, if the sales price does not exceed fifteen dollars**
 35 **(\$15).**
 36 **(g) The department may adopt rules under IC 4-22-2 to**
 37 **implement this section.**
 38 **(h) This section expires July 1, 2017.**
 39 **SECTION 2. An emergency is declared for this act.**

