



February 1, 2023

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## SENATE BILL No. 38

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DIGEST OF SB 38 (Updated January 31, 2023 9:56 am - DI 140)

**Citations Affected:** IC 4-12; IC 6-8.1; noncode.

**Synopsis:** Donation of income tax refund for cancer research. Establishes the Senator David C. Ford cancer research account (Ford account) within the Indiana health care account. Provides that a taxpayer may designate all or a part of the taxpayer's state income tax refund to be paid over to the Ford account. Provides that the budget agency shall distribute the money in the Ford account in equal amounts to the Indiana University Melvin and Bren Simon Cancer Center and the Purdue University Center for Cancer Research.

**Effective:** January 1, 2024.

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### Ford Jon

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January 9, 2023, read first time and referred to Committee on Tax and Fiscal Policy.  
January 31, 2023, reported favorably — Do Pass.

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SB 38—LS 6273/DI 120





February 1, 2023

First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

## SENATE BILL No. 38

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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 4-12-5-3 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JANUARY 1, 2024]: Sec. 3. (a) The Indiana health care  
3 account is established within the Indiana tobacco master settlement  
4 agreement fund for the purpose of promoting the health of the citizens  
5 of Indiana. The account consists of:  
6           (1) amounts, if any, that another statute requires to be distributed  
7           to the account from the Indiana tobacco master settlement  
8           agreement fund;  
9           (2) appropriations to the account from other sources; and  
10           (3) grants, gifts, and donations intended for deposit in the  
11           account, **including amounts designated to the Senator David**  
12           **C. Ford cancer research account under IC 6-8.1-9-4.**  
13           (b) The account shall be administered by the budget agency. Money  
14           in the account at the end of the state fiscal year does not revert to the  
15           state general fund but remains available for expenditure.  
16           SECTION 2. IC 4-12-5-4, AS AMENDED BY P.L.109-2015,  
17           SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

SB 38—LS 6273/DI 120



1 JANUARY 1, 2024]: Sec. 4. Subject to appropriation by the general  
 2 assembly, review by the budget committee, and approval by the budget  
 3 agency, the auditor of state shall distribute money from the account to  
 4 public or private entities or individuals for the implementation of  
 5 programs concerning one (1) or more of the following purposes:

6 (1) The children's health insurance program established under  
 7 IC 12-17.6.

8 (2) **Cancer research**, cancer detection tests, and cancer education  
 9 programs.

10 (3) Heart disease and stroke education programs.

11 (4) Assisting community health centers in providing:

12 (A) vaccinations against communicable diseases, with an  
 13 emphasis on service to youth and senior citizens;

14 (B) health care services and preventive measures that address  
 15 the special health care needs of minorities (as defined in  
 16 IC 16-46-6-2); and

17 (C) health care services and preventive measures in rural  
 18 areas.

19 (5) Promoting health and wellness activities.

20 (6) Encouraging the prevention of disease, particularly tobacco  
 21 related diseases.

22 (7) Addressing the special health care needs of those who suffer  
 23 most from tobacco related diseases, including end of life and long  
 24 term care alternatives.

25 (8) Addressing minority health disparities.

26 (9) Addressing the impact of tobacco related diseases, particularly  
 27 on minorities and females.

28 (10) Promoting community based health care, particularly in areas  
 29 with a high percentage of underserved citizens, including  
 30 individuals with disabilities, or with a shortage of health care  
 31 professionals.

32 (11) Enhancing local health department services.

33 (12) Expanding community based minority health infrastructure.

34 (13) Other purposes recommended by the state department of  
 35 health.

36 SECTION 3. IC 4-12-5-4.5 IS ADDED TO THE INDIANA CODE  
 37 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE  
 38 JANUARY 1, 2024]: **Sec. 4.5. (a) The Senator David C. Ford cancer  
 39 research account is established within the Indiana health care  
 40 account.**

41 **(b) The Senator David C. Ford cancer research account consists  
 42 of designated income tax refunds paid over to the account under**



1 **IC 6-8.1-9-4.**

2 **(c) The budget agency shall distribute money in the Senator**  
 3 **David C. Ford cancer research account in equal amounts to the**  
 4 **Indiana University Melvin and Bren Simon Cancer Center and the**  
 5 **Purdue University Center for Cancer Research.**

6 **(d) The Indiana University Melvin and Bren Simon Cancer**  
 7 **Center and the Purdue University Center for Cancer Research**  
 8 **shall use the money distributed from the Senator David C. Ford**  
 9 **cancer research account for cancer research.**

10 SECTION 4. IC 6-8.1-9-4, AS AMENDED BY P.L.43-2021,  
 11 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JANUARY 1, 2024]: Sec. 4. (a) Every individual (other than a  
 13 nonresident) who files an individual income tax return and who is  
 14 entitled to a refund from the department of state revenue because of the  
 15 overpayment of income tax for a taxable year may designate on the  
 16 individual's annual state income tax return that either a specific amount  
 17 or all of the refund to which the individual is entitled shall be paid over  
 18 to one (1) or more of the funds **or accounts** described in subsection (c).  
 19 If the refund to which the individual is entitled is less than the total  
 20 amount designated to be paid over to one (1) or more of the funds **or**  
 21 **accounts** described in subsection (c), all of the refund to which the  
 22 individual is entitled shall be paid over to the designated funds **or**  
 23 **accounts**, but in an amount or amounts reduced proportionately for  
 24 each designated fund **or account**. If an individual designates all of the  
 25 refund to which the individual is entitled to be paid over to one (1) or  
 26 more of the funds **or accounts** described in subsection (c) without  
 27 designating specific amounts, the refund to which the individual is  
 28 entitled shall be paid over to each fund **or account** described in  
 29 subsection (c) in an amount equal to the refund divided by the number  
 30 of funds **or accounts** described in subsection (c), rounded to the lowest  
 31 cent, with any part of the refund remaining due to the effects of  
 32 rounding to be deposited in the nongame fund.

33 (b) Every husband and wife (other than nonresidents) who file a  
 34 joint income tax return and who are entitled to a refund from the  
 35 department of state revenue because of the overpayment of income tax  
 36 for a taxable year may designate on their annual state income tax return  
 37 that either a specific amount or all of the refund to which they are  
 38 entitled shall be paid over to one (1) or more of the funds **or accounts**  
 39 described in subsection (c). If the refund to which a husband and wife  
 40 are entitled is less than the total amount designated to be paid over to  
 41 one (1) or more of the funds **or accounts** described in subsection (c),  
 42 all of the refund to which the husband and wife are entitled shall be



1 paid over to the designated funds **or accounts**, but in an amount or  
 2 amounts reduced proportionately for each designated fund **or account**.  
 3 If a husband and wife designate all of the refund to which the husband  
 4 and wife are entitled to be paid over to one (1) or more of the funds **or**  
 5 **accounts** described in subsection (c) without designating specific  
 6 amounts, the refund to which the husband and wife are entitled shall be  
 7 paid over to each fund **or account** described in subsection (c) in an  
 8 amount equal to the refund divided by the number of funds **or**  
 9 **accounts** described in subsection (c), rounded to the lowest cent, with  
 10 any part of the refund remaining due to the effects of rounding to be  
 11 deposited in the nongame fund.

12 (c) Designations under subsection (a) or (b) may be directed only to  
 13 the following: ~~funds:~~

14 (1) The nongame fund.

15 (2) The state general fund for exclusive use in funding public  
 16 education for kindergarten through grade 12.

17 (3) The military family relief fund.

18 **(4) The Senator David C. Ford cancer research account.**

19 (d) The instructions for the preparation of individual income tax  
 20 returns shall contain a description of the purposes of the following:

21 (1) The nongame and endangered species program. The  
 22 description of this program shall be written in cooperation with  
 23 the department of natural resources.

24 (2) The funding of public education for kindergarten through  
 25 grade 12. The description of this purpose shall be written in  
 26 cooperation with the secretary of education.

27 (3) The funding for financial assistance to qualified service  
 28 members (as defined in IC 10-17-12-7.5) and their families. The  
 29 description of this purpose shall be written in cooperation with the  
 30 Indiana department of veterans' affairs.

31 **(4) The Senator David C. Ford cancer research account. The**  
 32 **description of this purpose shall be written in cooperation**  
 33 **with the Indiana University Melvin and Bren Simon Cancer**  
 34 **Center and the Purdue University Center for Cancer**  
 35 **Research.**

36 (e) The department shall interpret a designation on a return under  
 37 subsection (a) or (b) that is illegible or otherwise not reasonably  
 38 discernible to the department as if the designation had not been made.

39 SECTION 5. [EFFECTIVE JANUARY 1, 2024] **(a) IC 6-8.1-9-4,**  
 40 **as amended by this act, applies to adjusted gross income tax**  
 41 **returns filed with respect to taxable years beginning after**  
 42 **December 31, 2022.**



1           **(b) This SECTION expires December 31, 2025.**



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 38, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 38 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 13, Nays 0

