Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

# SENATE ENROLLED ACT No. 228

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 4-33-19-6, AS AMENDED BY P.L.94-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 6. The division shall, on behalf of the department of state revenue or the alcohol and tobacco commission, conduct a license revocation action against a licensed entity for any revocation action authorized by any of the following statutes:

(1) ~~IC 6-2.5-8-7(g).~~ **IC 6-2.5-8-7(a)(7).**

(2) IC 7.1-3-18.5.

(3) IC 7.1-3-23-2(b).

(4) IC 7.1-3-23-5 with respect to a violation of IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.

SECTION 2. IC 5-2-6.7-2, AS ADDED BY P.L.130-2009, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 2. As used in this chapter, "domestic violence prevention and treatment center" means an organized entity:

(1) established by:

(A) a city, town, county, or township; or

(B) an entity exempted from the gross retail tax under ~~IC 6-2.5-5-21(b)(1)(B);~~ **IC 6-2.5-5-25(a)(1)(B);** and

(2) created to provide services to prevent and treat domestic or family violence.

SECTION 3. IC 5-2-6.7-9, AS AMENDED BY P.L.219-2023,

SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 9. A city, town, county, or township or an entity that is exempted from the gross retail tax under ~~IC 6-2.5-5-21(b)(1)(B)~~ **IC 6-2.5-5-25(a)(1)(B)** that desires to receive a grant under this chapter must apply in the manner prescribed by the rules of the division.

SECTION 4. IC 6-2.5-2-1, AS AMENDED BY P.L.146-2020, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 1. (a) An excise tax, known as the state gross retail tax, is imposed on retail transactions made in Indiana.

(b) The person who acquires property in a retail transaction is liable for the tax on the transaction and, except as otherwise provided in this chapter, shall pay the tax to the retail merchant as a separate added amount to the consideration in the transaction. A retail merchant that has either physical presence in Indiana as described in subsection (c) or that meets ~~one (1) or both of the thresholds~~ **the threshold** in subsection (d) shall collect the tax as agent for the state.

(c) A retail merchant has physical presence in Indiana when the retail merchant:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;

(2) maintains a representative, agent, salesperson, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana; or

(3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1.

(d) A retail merchant that does not have a physical presence in Indiana shall, as an agent for the state, collect the gross retail tax on a retail transaction made in Indiana, remit the gross retail tax as provided in this article, and comply with all applicable procedures and requirements of this article as if the retail merchant has a physical presence in Indiana, if the retail ~~merchant~~ **merchant's gross revenue from any combination of:** ~~meets either of the following conditions for the calendar year in which the retail transaction is made or for the~~

~~calendar year preceding the calendar year in which the retail transaction is made:~~

~~(1) The retail merchant's gross revenue from any combination of:~~

~~(A)~~ **(1)** the sale of tangible personal property that is delivered into Indiana;

~~(B)~~ **(2)** a product transferred electronically into Indiana; or

~~(C)~~ **(3)** a service delivered in Indiana;

exceeds one hundred thousand dollars ($100,000) **for the calendar year in which the retail transaction is made or for the calendar year preceding the calendar year in which the retail transaction is made.**

~~(2) The retail merchant sells any combination of:~~

~~(A) tangible personal property that is delivered into Indiana;~~

~~(B) a product transferred electronically into Indiana; or~~

~~(C) a service delivered in Indiana;~~

~~in two hundred (200) or more separate transactions.~~

(e) A marketplace facilitator must include both transactions made on its own behalf and transactions facilitated for sellers under IC 6-2.5-4-18 for purposes of establishing the requirement to collect gross retail tax without having a physical presence in Indiana for purposes of subsection (d). In addition, except in instances where the marketplace facilitator has not met the ~~thresholds~~ **threshold** in subsection (d), the transactions of the seller made through the marketplace are not counted toward the seller for purposes of determining whether the seller has met the ~~thresholds~~ **threshold** in subsection (d).

SECTION 5. IC 6-2.5-5-5.1, AS AMENDED BY P.L.137-2022, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 5.1. (a) As used in this section, "tangible personal property" includes electricity, gas, water, and steam.

(b) Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property acquires it for direct consumption as a material to be consumed in the direct production of other tangible personal property in the person's business of manufacturing, mining, production, processing, repairing, recycling (as defined in section 45.8 of this chapter), refining, oil extraction, mineral extraction, irrigation, agriculture, floriculture, arboriculture, or horticulture. This exemption includes transactions involving acquisitions of tangible personal property used in commercial printing.

(c) Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring that property:

(1) acquires it for the person's direct consumption as a material to be consumed in an industrial processing service; and

(2) is an industrial processor.

(d) Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property:

(1) acquires it for the person's direct consumption as a material to be consumed in:

(A) the direct application of fertilizers, pesticides, fungicides, seeds, and other tangible personal property; or

(B) the direct extraction, harvesting, or processing of agricultural commodities;

for consideration; and

(2) is occupationally engaged in providing the services described in subdivision (1) on property that is:

(A) owned or rented by another person occupationally engaged in agricultural production; and

(B) used for agricultural production.

(e) Transactions involving electricity, gas, water, and steam delivered through a single meter provided by a public utility are exempt if the electrical energy, natural or artificial gas, water, steam, or steam heat is consumed for a purpose exempted pursuant to this section and the electricity, gas, water, or steam is predominately used by the purchaser for one (1) or more of the purposes exempted by this section.

**(f) A retail merchant that receives seventy-five percent (75%) or more of its receipts from the sale of prepared food as defined in section 20(c)(4), 20(c)(5), and 20(c)(6) of this chapter, including bakery items, may elect to claim an exemption equal to fifty percent (50%) of the gross retail tax imposed on transactions involving electricity purchased by the retail merchant that is derived through a single meter. The election must be submitted on forms provided by the department. Upon acceptance of the election, the department shall issue a partial exemption certificate to the utility and any third party suppliers, if applicable. The election may also be submitted with a claim for refund. The election is irrevocable for any period for which the partial exemption has already been claimed. The election can be withdrawn on a prospective basis.**

SECTION 6. IC 6-2.5-5-21, AS AMENDED BY P.L.137-2022, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 21. ~~(a) For purposes of this section, "private benefit or gain" does not include reasonable compensation paid to an employee for work or services actually performed.~~

~~(b)~~ **(a)** Sales of food and food ingredients are exempt from the state gross retail tax if:

(1) the seller meets the filing requirements under subsection ~~(d)~~ **(c)** and is an organization described in section 25(a)(1) of this chapter;

(2) the purchaser is a person confined to the purchaser's home because of age, sickness, or infirmity;

(3) the seller delivers the food and food ingredients to the purchaser; and

(4) the delivery is prescribed as medically necessary by a physician licensed to practice medicine in Indiana.

~~(c)~~ **(b)** Sales of food and food ingredients are exempt from the state gross retail tax if the seller is an organization described in section 25(a)(1) of this chapter, and the purchaser is a patient in a hospital operated by the seller.

~~(d)~~ **(c)** To obtain the exemption provided by this section, a taxpayer must follow the procedures set forth in section 25(c) of this chapter.

SECTION 7. IC 6-2.5-5-25, AS AMENDED BY P.L.56-2023, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 25. (a) Transactions involving tangible personal property, accommodations, or service are exempt from the state gross retail tax, if the person acquiring the property, accommodations, or service:

(1) is any of the following types of organizations:

(A) A fraternity, a sorority, or a student cooperative housing organization that is connected with and under the supervision of a postsecondary educational institution if no part of its income is used for the private benefit or gain of any member, trustee, shareholder, employee, or associate.

(B) Any:

(i) institution;

(ii) trust;

(iii) group;

(iv) united fund;

(v) affiliated agency of a united fund;

(vi) nonprofit corporation;

(vii) cemetery association; or

(viii) organization;

that is organized and operated exclusively for religious, charitable, scientific, literary, educational, or civic purposes if no part of its income is used for the private benefit or gain of any member, trustee, shareholder, employee, or associate.

(C) A group, an organization, or a nonprofit corporation that is organized and operated for fraternal or social purposes, or as a business league or association, and not for the private benefit or gain of any member, trustee, shareholder, employee, or associate.

(D) A:

(i) hospital licensed by the Indiana department of health;

(ii) shared hospital services organization exempt from federal income taxation by Section 501(c)(3) or 501(e) of the Internal Revenue Code;

(iii) labor union;

(iv) church;

(v) monastery;

(vi) convent;

(vii) school that is a part of the Indiana public school system;

(viii) parochial school regularly maintained by a recognized religious denomination; or

(ix) trust created for the purpose of paying pensions to members of a particular profession or business who created the trust for the purpose of paying pensions to each other;

if the taxpayer is not organized or operated for private profit or gain;

(2) uses the property, accommodations, or service to carry on or to raise money to carry on its not-for-profit purpose; and

(3) is not an organization operated predominantly for social purposes.

(b) Transactions involving tangible personal property or service are exempt from the state gross retail tax, if the person acquiring the property or service:

(1) is a fraternity, sorority, or student cooperative housing organization described in subsection (a)(1)(A); and

(2) uses the property or service to carry on its ordinary and usual activities and operations as a fraternity, sorority, or student cooperative housing organization.

(c) To obtain the exemption provided by this section, a taxpayer must file an application for exemption with the department not later than one hundred twenty (120) days after the taxpayer's formation. In addition, the taxpayer must file a report with the department on or before the fifteenth day of the fifth month every five (5) years following the date of its formation. The report must be filed electronically with the department in the manner determined by the department. If a

taxpayer fails to file the report, the department shall notify the taxpayer of the failure. If within sixty (60) days after receiving such notice the taxpayer does not provide the report, the taxpayer's exemption shall be canceled. However, the department may reinstate the taxpayer's exemption if the taxpayer shows by petition that the failure was due to reasonable cause.

(d) Notwithstanding subsection (c), a taxpayer filing a report under this subsection or section 21(d) of this chapter (prior to recodification) after December 31, 2021, and before January 1, 2023, will be required to file the next required report on or before the following dates:

(1) May 15, 2024, if the taxpayer does not have a federal employer identification number or has a federal employer identification number ending in 00 through 24, inclusive.

(2) May 15, 2025, if the taxpayer has a federal employer identification number ending in 25 through 49, inclusive.

(3) May 15, 2026, if the taxpayer has a federal employer identification number ending in 50 through 74, inclusive.

(4) May 15, 2027, if the taxpayer has a federal employer identification number ending in 75 through 99, inclusive.

**(e) For purposes of this section, "private benefit or gain" does not include reasonable compensation paid to an employee for work or services actually performed.**

SECTION 8. IC 6-2.5-5-38.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 38.1. (a) As used in this section, "service center" ~~has the meaning set forth in IC 6-3.1-15-3.~~ **means an educational service center established under IC 20-20-1.**

(b) As used in this section, "school" means a public or private elementary or secondary school containing students in any grade from grade 1 through grade 12.

(c) As used in this chapter, "qualified computer equipment" ~~has the meaning set forth in IC 6-3.1-15-2.~~ **means computer equipment, including hardware and software, specified by the state board of education under IC 6-3.1-15-10 (as in effect on January 1, 2012).**

(d) Sales of qualified computer equipment are exempt from the state gross retail tax, if:

(1) the seller is a service center or school;

(2) the purchaser is a parent or guardian of a student who is enrolled in a school; and

(3) the qualified computer equipment is sold to the parent or guardian under IC 6-3.1-15-12 **(as in effect on January 1, 2012).**

SECTION 9. IC 6-2.5-8-1, AS AMENDED BY P.L.165-2021, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JANUARY 1, 2025]: Sec. 1. (a) A retail merchant may not make a retail transaction in Indiana, unless the retail merchant has applied for a registered retail merchant's certificate.

(b) A retail merchant may obtain a registered retail merchant's certificate by filing an application with the department and paying a registration fee of twenty-five dollars ($25) for each place of business listed on the application. The retail merchant shall also provide such security for payment of the tax as the department may require under IC 6-2.5-6-12.

(c) The retail merchant shall list on the application the location (including the township) of each place of business where the retail merchant makes retail transactions. However, if the retail merchant does not have a fixed place of business, the retail merchant shall list the retail merchant's residence as the retail merchant's place of business. In addition, a public utility may list only its principal Indiana office as its place of business for sales of public utility commodities or service, but the utility must also list on the application the places of business where it makes retail transactions other than sales of public utility commodities or service.

(d) Upon receiving a proper application, the correct fee, and the security for payment, if required, the department shall issue to the retail merchant a separate registered retail merchant's certificate for each place of business listed on the application. Each certificate shall bear a serial number and the location of the place of business for which it is issued.

(e) The department may deny an application for a registered retail merchant's certificate if the applicant's business is **owned,** operated, managed, or otherwise controlled by ~~or affiliated with~~ a person ~~including a relative, family member, responsible officer, or owner,~~ who the department has determined:

(1) failed to:

(A) file all tax returns or information reports with the department for listed taxes; or

(B) pay all taxes, penalties, and interest to the department for listed taxes; and

(2) the business of the person who has failed to file all tax returns or information reports under subdivision (1)(A) or who has failed to pay all taxes, penalties, and interest under subdivision (1)(B) is substantially similar to the business of the applicant.

(f) If a retail merchant intends to make retail transactions during a calendar year at a new Indiana place of business, the retail merchant must file a supplemental application and pay the fee for that place of

business.

(g) Except as provided in subsection (i), a registered retail merchant's certificate is valid for two (2) years after the date the registered retail merchant's certificate is originally issued or renewed. If the retail merchant has filed all returns and remitted all **listed** taxes **that** the retail merchant is currently obligated to file or remit, the department shall renew the registered retail merchant's certificate within thirty (30) days after the expiration date, at no cost to the retail merchant. Before issuing or renewing the registered retail merchant certification, the department may require the following to be provided:

(1) The names and addresses of the retail merchant's principal employees, agents, or representatives. ~~who engage in Indiana in the solicitation or negotiation of the retail transaction.~~

(2) The location of all of the retail merchant's places of business in Indiana, including offices and distribution houses.

(3) Any other information that the department requests.

(h) The department may not renew a registered retail merchant certificate of a retail merchant who ~~is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4, the electronic cigarette tax under IC 6-7-4, or sales or use tax.~~ **has not filed all returns and remitted all listed taxes that the retail merchant is currently obligated to file or remit.** The department, at least sixty (60) days before the date on which a retail merchant's registered retail merchant's certificate expires, shall notify a retail merchant who ~~is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4, the electronic cigarette tax under IC 6-7-4, or sales or use tax~~ **has not filed all returns and remitted all listed taxes that the retail merchant is currently obligated to file or remit** that the department will not renew the retail merchant's registered retail merchant's certificate.

(i) If:

(1) a retail merchant has been notified by the department that the retail merchant ~~is delinquent in remitting withholding taxes or sales or use tax~~ **has not filed all returns and remitted all listed taxes that the retail merchant is currently obligated to file or remit** in accordance with subsection (h); and

(2) the retail merchant **files all returns and** pays the outstanding liability before the expiration of the retail merchant's registered retail merchant's certificate;

the department shall renew the retail merchant's registered retail merchant's certificate for one (1) year.

(j) The department may permit an out-of-state retail merchant to

collect the gross retail tax in instances where the retail merchant has not met the ~~thresholds~~ **threshold** in IC 6-2.5-2-1(d). However, before the out-of-state retail merchant may collect the tax, the out-of-state retail merchant must obtain a registered retail merchant's certificate in the manner provided by this section. Upon receiving the certificate, the out-of-state retail merchant becomes subject to the same conditions and duties as an Indiana retail merchant and must then collect the gross retail tax due on all retail transactions that the out-of-state retail merchant knows are sourced to Indiana pursuant to IC 6-2.5-13-1.

(k) Except as provided in subsection (l), the department shall submit to the township assessor, or the county assessor if there is no township assessor for the township, before January 15 of each year:

(1) the name of each retail merchant that has newly obtained a registered retail merchant's certificate during the preceding year for a place of business located in the township or county;

(2) the address of each place of business of the taxpayer in the township or county described in subdivision (1);

(3) the name of each retail merchant that:

(A) held a registered retail merchant's certificate at any time during the preceding year for a place of business located in the township or county; and

(B) had ceased to hold the registered retail merchant's certificate at the end of the preceding year for the place of business; and

(4) the address of each place of business described in subdivision (3).

(l) If the duties of the township assessor have been transferred to the county assessor as described in IC 6-1.1-1-24, the department shall submit the information listed in subsection (k) to the county assessor.

SECTION 10. IC 6-2.5-8-7, AS AMENDED BY P.L.194-2023, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 7. (a) The department may, for good cause, revoke a certificate issued under ~~section 1 or 4 of~~ this chapter. However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate under this subsection. Good cause for revocation may include the following:

(1) Failure to:

(A) file a return required under this chapter or for any tax collected for the state in trust; or

(B) remit any tax collected for the state in trust.

(2) Being charged with a violation of any provision under IC 35.

(3) Being subject to a court order under IC 7.1-2-6-7,

IC 32-30-6-8, IC 32-30-7, or IC 32-30-8.

(4) Being charged with a violation of IC 23-15-12.

~~(5) Operating as a retail merchant where the certificate issued under section 1 of this chapter could have been denied under section 1(e) of this chapter prior to its issuance.~~

**(5) The certificate holder or an officer, a director, a manager, or a partner of the certificate holder has been convicted for an offense under IC 35-48-4 and the conviction involved the sale of or the offer to sell, in the normal course of business, a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)), a controlled substance analog (as defined in IC 35-48-1-9.3), or a substance represented to be a controlled substance (as described in IC 35-48-4-4.6) by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant's certificate under this chapter.**

**(6) The certificate holder or an officer, a director, a manager, or a partner of the certificate holder has a judgment for a violation of IC 35-48-4-10.5 (before its repeal on July 1, 2019) as an infraction and the violation involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant's certificate under this chapter.**

**(7) The certificate holder or an officer, a director, a manager, or a partner of the certificate holder has been convicted for an offense under IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.**

**(8) The retail merchant has defaulted on a payment plan for a listed tax that was entered into prior to the date of the most recent renewal of its retail merchant's certificate.**

The department may revoke a certificate **under subdivision (2)** before a criminal adjudication or without a criminal charge being filed. If the department gives notice of an intent to revoke based on an alleged violation of subdivision (2), the department shall hold a public hearing to determine whether good cause exists. ~~If the department finds in a public hearing by a preponderance of the evidence that a person has committed a violation described in subdivision (2), the department shall proceed in accordance with subsection (i) (if the violation resulted in a criminal conviction) or subsection (j) (if the violation resulted in a judgment for an infraction).~~ **A person that has a certificate revoked**

**pursuant to subdivision (2), (5), (6), or (7) must wait one (1) year from the date of the revocation before reapplying for a certificate. The department may issue the certificate upon reapplication or hold a hearing to determine whether good cause exists for denying the application for a certificate.**

(b) The department ~~shall~~ **may** revoke a certificate issued under ~~section 1 or 4 of~~ this chapter if, for a period of ~~three (3) years,~~ **six (6) months,** the certificate holder fails to:

(1) file the returns required by IC 6-2.5-6-1; or

(2) report the collection of any state gross retail or use tax on the returns filed under IC 6-2.5-6-1.

However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate.

(c) The department may, for good cause, revoke a certificate issued under ~~section 1 of~~ this chapter after at least five (5) days notice to the certificate holder if:

(1) the certificate holder is subject to an innkeeper's tax under IC 6-9; and

(2) a board, bureau, or commission established under IC 6-9 files a written statement with the department.

(d) The statement filed under subsection (c) must state that:

(1) information obtained by the board, bureau, or commission under IC 6-8.1-7-1 indicates that the certificate holder has not complied with IC 6-9; and

(2) the board, bureau, or commission has determined that significant harm will result to the county from the certificate holder's failure to comply with IC 6-9.

(e) The department ~~shall~~ **may** revoke ~~or suspend~~ a certificate issued under ~~section 1 of~~ this chapter after at least five (5) days notice to the certificate holder if:

(1) the certificate holder owes taxes, penalties, fines, interest, or costs due under IC 6-1.1 that remain unpaid at least sixty (60) days after the due date under IC 6-1.1; and

(2) the treasurer of the county to which the taxes are due requests the department to revoke ~~or suspend~~ the certificate.

(f) The department shall reinstate a certificate suspended under subsection (e) if the taxes and any penalties due under IC 6-1.1 are paid or the county treasurer requests the department to reinstate the certificate because an agreement for the payment of taxes and any penalties due under IC 6-1.1 has been reached to the satisfaction of the county treasurer.

~~(g) The department shall revoke a certificate issued under section~~

~~1 of this chapter after at least five (5) days notice to the certificate holder if the department finds in a public hearing by a preponderance of the evidence that the certificate holder has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.~~

~~(h)~~ **(g)** If a person makes a payment for the certificate under ~~section 1 of~~ this chapter with a check, credit card, debit card, or electronic funds transfer, and the department is unable to obtain payment of the check, credit card, debit card, or electronic funds transfer for its full face amount when the check, credit card, debit card, or electronic funds transfer is presented for payment through normal banking channels, the department shall notify the person by mail that the check, credit card, debit card, or electronic funds transfer was not honored and that the person has five (5) days after the notice is mailed to pay the fee in cash, by certified check, or other guaranteed payment. If the person fails to make the payment within the five (5) day period, the department shall revoke the certificate.

~~(i) If the department finds in a public hearing by a preponderance of the evidence that a person has a conviction for an offense under IC 35-48-4 and the conviction involved the sale of or the offer to sell, in the normal course of business, a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)), a controlled substance analog (as defined in IC 35-48-1-9.3), or a substance represented to be a controlled substance (as described in IC 35-48-4-4.6) by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:~~

~~(1) shall suspend the registered retail merchant certificate for the place of business for one (1) year; and~~

~~(2) may not issue another retail merchant certificate under section 1 of this chapter for one (1) year to any person:~~

~~(A) that:~~

~~(i) applied for; or~~

~~(ii) made a retail transaction under;~~

~~the retail merchant certificate suspended under subdivision (1); or~~

~~(B) that:~~

~~(i) owned or co-owned, directly or indirectly; or~~

~~(ii) was an officer, a director, a manager, or a partner of;~~

~~the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).~~

~~(j) If the department finds in a public hearing by a preponderance of~~

~~the evidence that a person has a judgment for a violation of IC 35-48-4-10.5 (before its repeal on July 1, 2019) as an infraction and the violation involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:~~

~~(1) may suspend the registered retail merchant certificate for the place of business for six (6) months; and~~

~~(2) may withhold issuance of another retail merchant certificate under section 1 of this chapter for six (6) months to any person:~~

~~(A) that:~~

~~(i) applied for; or~~

~~(ii) made a retail transaction under;~~

~~the retail merchant certificate suspended under subdivision (1); or~~

~~(B) that:~~

~~(i) owned or co-owned, directly or indirectly; or~~

~~(ii) was an officer, a director, a manager, or a partner of;~~

~~the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).~~

~~(k) If the department finds in a public hearing by a preponderance of the evidence that a person has a conviction for a violation of IC 35-48-4-10(d)(3) and the conviction involved an offense committed by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:~~

~~(1) shall suspend the registered retail merchant certificate for the place of business for one (1) year; and~~

~~(2) may not issue another retail merchant certificate under section 1 of this chapter for one (1) year to any person:~~

~~(A) that:~~

~~(i) applied for; or~~

~~(ii) made a retail transaction under;~~

~~the retail merchant certificate suspended under subdivision (1); or~~

~~(B) that:~~

~~(i) owned or co-owned, directly or indirectly; or~~

~~(ii) was an officer, a director, a manager, or a partner of;~~

~~the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).~~

SECTION 11. IC 6-3-2.1-4, AS AMENDED BY P.L.236-2023,

SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 4. (a) A tax shall be imposed on the adjusted gross income of an electing entity for the taxable year of the election. The adjusted gross income of the electing entity shall be the aggregate of the direct owners' share of the electing entity's adjusted gross income. For purposes of this section:

(1) the electing entity shall determine each nonresident direct owner's share after allocation and apportionment pursuant to IC 6-3-2-2; and

(2) the electing entity shall determine the resident direct owner's share either before allocation and apportionment pursuant to IC 6-3-2-2 or after allocation and apportionment pursuant to IC 6-3-2-2. The electing entity must use the same method for all resident direct owners.

(b) The tax rate shall be the tax rate specified in IC 6-3-2-1(b) as of the last day of the electing entity's taxable year, and the tax shall be due on the same date as the entity return for the taxable year is due under this article, without regard to extensions.

(c) On its return for the taxable year, the electing entity shall attach a schedule showing the calculation of the tax and the credit for each direct owner, and remit the tax with the return, taking into account prior estimated tax payments and other tax payments by the electing entity, along with other payments that are credited to the electing entity as tax paid under this chapter or as tax withheld under IC 6-3-4 or IC 6-5.5-2-8. The department may prescribe the form for providing the information required by this section.

(d) If a pass through entity makes estimated tax payments, makes other tax payments, or has other payments that are credited to the electing entity as tax paid under this chapter or a tax withheld under IC 6-3-4 or IC 6-5.5-2-8, and the pass through entity does not make the election under section 3 of this chapter, the pass through entity:

(1) may treat pass through entity tax remitted on its behalf under this chapter as pass through entity tax to its direct owners, provided that:

(A) the tax is designated on a schedule similar to the schedule required under subsection (c) and is reported to the direct owners in the manner provided in section 5 of this chapter; and

(B) the pass through entity credits an amount to a direct owner no greater than the tax that otherwise would be due under this chapter on their share of the adjusted gross income from the pass through entity or the direct owner's portion (as determined under subsection (a)) of the pass through entity tax

passed through to the pass through entity, whichever is greater (for purposes of this clause, a trust or estate shall compute the tax in the same manner as an electing entity);

(2) shall treat any payment other than a payment designated under subdivision (1) as a withholding tax payment under IC 6-3-4-12, IC 6-3-4-13, IC 6-3-4-15, or IC 6-5.5-2-8 to the extent the pass through entity otherwise has not remitted or been credited with such withholding; and

(3) may request a refund of any payment in excess of the amounts credited or designated under subdivision (1) or (2).

(e) If a pass through entity elects to be subject to tax under this chapter and the pass through entity determines that its tax is less than the pass through entity tax that is paid on its behalf, the pass through entity may treat the tax paid on its behalf in a manner similar to subsection ~~(d)(1)(B).~~ **(d). However, the pass through entity may not treat an amount less than its own liability under this chapter as pass through entity tax under subsection (d)(1).**

SECTION 12. IC 6-3.1-30-12, AS AMENDED BY P.L.288-2013, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 12. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department the corporation's certification of the following information:

(1) Proof of the taxpayer's relocation costs.

~~(2) Proof that the taxpayer is employing in Indiana the number of employees required by section 8 of this chapter.~~

~~(3)~~ **(2)** All other information that the department determines is necessary for the calculation of the credit provided by this chapter.

SECTION 13. IC 6-6-2.5-41, AS AMENDED BY P.L.227-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 41. (a) Each supplier engaged in business in Indiana as a supplier shall first obtain a supplier's license. The fee for a supplier's license shall be five hundred dollars ($500).

(b) Any person who desires to collect the tax imposed by this chapter as a supplier and who meets the definition of a permissive supplier may obtain a permissive supplier's license. Application for or possession of a permissive supplier's license shall not in itself subject the applicant or licensee to the jurisdiction of Indiana for any other purpose than administration and enforcement of this chapter. The fee for a permissive supplier's license is fifty dollars ($50).

(c) Each terminal operator other than a supplier licensed under subsection (a) engaged in business in Indiana as a terminal operator shall first obtain a terminal operator's license for each terminal site. The fee for a terminal operator's license is three hundred dollars ($300).

(d) Each exporter engaged in business in Indiana as an exporter shall first obtain an exporter's license. However, in order to obtain a license to export special fuel from Indiana to another specified state, a person shall be licensed either to collect and remit special fuel taxes or be licensed to deal in tax free special fuel in that other specified state of destination. The fee for an exporter's license is two hundred dollars ($200).

(e) Each person who is not licensed as a supplier shall obtain a transporter's license before transporting special fuel by whatever manner from a point outside Indiana to a point inside Indiana, or from a point inside Indiana to a point outside Indiana, regardless of whether the person is engaged for hire in interstate commerce or for hire in intrastate commerce. The registration fee for a transporter's license is fifty dollars ($50).

(f) Each person who wishes to cause special fuel to be delivered into Indiana on the person's own behalf, for the person's own account, or for resale to an Indiana purchaser, from another state in a fuel transport vehicle having a capacity of more than five thousand four hundred (5,400) gallons, or in a pipeline or barge shipment into storage facilities other than a qualified terminal, shall first make an application for and obtain an importer's license. The fee for an importer's license is two hundred dollars ($200). This subsection does not apply to a person who imports special fuel that is exempt because the special fuel has been dyed or marked, or both, in accordance with section 31 of this chapter. This subsection does not apply to a person who imports nonexempt special fuels meeting the following conditions:

(1) The special fuel is subject to one (1) or more tax precollection agreements with suppliers as provided in section 35 of this chapter.

(2) The special fuel tax precollection by the supplier is expressly evidenced on the terminal-issued shipping paper as specifically provided in section 62(e)(2) of this chapter.

(g) A person desiring to import special fuel to an Indiana destination who does not enter into an agreement to prepay Indiana special fuel tax to a supplier or permissive supplier under section 35 of this chapter on the imports must do the following:

(1) Obtain a valid license under subsection (f).

(2) Obtain an import verification number from the department not earlier than twenty-four (24) hours before entering the state with each import, if importing in a vehicle with a capacity of more than five thousand four hundred (5,400) gallons.

(3) Display a proper import verification number on the shipping document, if importing in a vehicle with a capacity of more than five thousand four hundred (5,400) gallons.

(h) The department may require a person that wants to blend special fuel to first obtain a license from the department. The department may establish reasonable requirements for the proper enforcement of this subsection, including the following:

(1) Guidelines under which a person may be required to obtain a license.

(2) A requirement that a licensee file reports in the form and manner required by the department.

(3) A requirement that a licensee meet the bonding requirements specified by the department.

(i) The department may require a person that:

(1) is subject to the special fuel tax under this chapter;

(2) qualifies for a federal diesel fuel tax exemption under Section 4082 of the Internal Revenue Code; and

(3) is purchasing red dyed low sulfur diesel fuel;

to register with the department as a dyed fuel user. The department may establish reasonable requirements for the proper enforcement of this subsection, including guidelines under which a person may be required to register and the form and manner of reports a registrant is required to file.

~~(j) A person who owns a truck stop in Indiana must obtain from the department a truck stop owner's license in the manner prescribed by the department. A truck stop owner's license must be renewed every two (2) years.~~

SECTION 14. IC 6-7-2-3.3, AS ADDED BY P.L.137-2022, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 3.3. As used in this chapter, "remote seller" means a retail dealer that meets ~~one (1) or both of~~ the economic ~~thresholds~~ **threshold** under IC 6-2.5-2-1(d) and sells taxable products to an ultimate consumer under either of the following circumstances:

(1) By means of a telephone or other method of voice transmission, the mail, or the Internet or other electronic service.

(2) When the taxable products are delivered to the consumer by common carrier, private delivery service, or other method of

delivery.

SECTION 15. IC 6-7-2-4, AS AMENDED BY P.L.137-2022, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 4. As used in this chapter, "retail dealer" means a person engaged in the business of selling taxable products to ultimate consumers, including a retail merchant that meets ~~one (1) or both of~~ the economic ~~thresholds~~ **threshold** under IC 6-2.5-2-1(d).

SECTION 16. IC 6-7-2-8.5, AS ADDED BY P.L.137-2022, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 8.5. (a) A remote seller, including a person that sells taxable products through ~~an Internet web site,~~ **a website,** must obtain a license under this section before a remote seller can sell taxable products in Indiana. The department shall issue licenses to applicants that qualify under this section. A license issued under this section is valid for one (1) year unless revoked or suspended by the department and is not transferable.

(b) An applicant for a license under this section must submit proof to the department of the appointment of an agent for service of process in Indiana if the applicant is:

(1) an individual whose principal place of residence is outside Indiana; or

(2) a person, other than an individual, that has its principal place of business outside Indiana.

(c) To obtain or renew a license under this section, a person must:

(1) submit an application that includes all information required by the department;

(2) meet ~~one (1) or both of~~ the economic ~~thresholds~~ **threshold** under IC 6-2.5-2-1(d) and obtain a registered retail merchant certificate;

(3) attest that the person uses third party age verification technology as described in subsection (d);

(4) pay a fee of twenty-five dollars ($25) at the time of application; and

(5) at the time of application, post a bond, issued by a surety company approved by the department, in an amount not less than one thousand dollars ($1,000) and conditioned on the applicant's compliance with this chapter.

(d) A remote seller must use age verification through an independent, third party age verification service that compares:

(1) information available from a commercially available data base (or aggregate of data bases) that are regularly used by government

agencies and businesses for the purpose of age and identity verification; and

(2) personal information entered by the individual during the ordering process;

that establishes that the individual is of the required minimum age.

(e) A remote seller that collects the tax imposed under section 7.7 of this chapter using the actual cost list method to calculate the tax must provide to the department a certified actual cost list for each individual product offered for sale in the subsequent calendar year. The actual cost list shall be updated annually as new products are added to a remote seller's inventory. New products must be added to the actual cost list using the actual cost first paid for each individual product.

(f) If a business owns multiple entities that qualify as a remote seller, a separate license must be obtained for each remote seller.

(g) Each license must be numbered, show the name and address of the remote seller, and be kept at the place of business for which it is issued.

(h) If the department determines that a bond provided by a licensee is inadequate, the department may require a new bond in the amount necessary to fully protect the state.

(i) A license issued under this section does not permit the remote seller to sell cigarettes, vapor products, or other products subject to tax under IC 6-7-1 or IC 6-7-4.

SECTION 17. IC 6-7-4-9, AS ADDED BY P.L.165-2021, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 9. (a) An excise tax, known as the electronic cigarette tax, is imposed on the retail sale of consumable material and vapor products in Indiana.

(b) The electronic cigarette tax equals fifteen percent (15%) of the gross retail income received by the retail dealer for the sale.

(c) The person who acquires consumable material or vapor products in a retail transaction is liable for the tax on the transaction, and, except as otherwise incorporated in this chapter, shall pay the tax to the retail dealer as a separate added amount to the consideration in the transaction. A retail dealer that either:

(1) has a physical presence in Indiana, as described in IC 6-2.5-2-1(c); or

(2) meets ~~one (1) or both of~~ the ~~thresholds~~ **threshold** in IC 6-2.5-2-1(d);

shall collect and remit the tax as an agent for the state.

(d) If the tax is not collected by the retail dealer, the consumer is responsible to remit the tax to the department. A retail dealer that is

required to collect and remit tax under this chapter is jointly and severally liable for uncollected tax absent proof of exemption or payment by the purchaser.

(e) Before the fifteenth day of each month, each retail dealer liable for the collection and remittance of the tax imposed by this chapter shall:

(1) file a return with the department that includes all information required by the department including, but not limited to:

(A) the name of the retail dealer;

(B) the address of the retail dealer; and

(C) the certificate number of the retail dealer's electronic cigarette retail dealer's certificate; and

(2) pay the tax for which it is liable under this chapter for the preceding month.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

(f) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter.

(g) A marketplace facilitator (as defined in IC 6-2.5-1-21.9) who is considered a retail merchant under IC 6-2.5-4-18 for a transaction to which this chapter applies shall collect and remit electronic cigarette taxes imposed on the retail transaction.

SECTION 18. IC 6-8.1-1-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 4.5. "Periodic tax" means a listed tax for which a return or report is required to be filed and the tax is required to be remitted four (4) times or more in a calendar year. The term does not include:**

**(1) an estimated tax payment under IC 6-3-2.1-6, IC 6-3-4-4.1, or IC 6-5.5-6-3; or**

**(2) a withholding payment required to be remitted quarterly under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15.**

**For purposes of this section, if a provision of the law relating to a listed tax permits a taxpayer to file returns or reports or remit the tax less frequently than four (4) times per calendar year, the listed tax is considered a periodic tax for a taxpayer who files or remits less frequently.**

SECTION 19. IC 6-8.1-3-20, AS ADDED BY P.L.227-2007,

SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 20. (a) The department shall enter a memorandum of understanding with the Indiana gaming commission authorizing the commission's unlawful gaming enforcement division to conduct actions to revoke retail merchant certificates under ~~IC 6-2.5-8-7(g)~~ **IC 6-2.5-8-7(a)(7)** in the manner specified in the memorandum of understanding.

(b) A memorandum of understanding entered into under this section must comply with the requirements of IC 4-33-19-8.

(c) The memorandum of understanding required by this section must be entered into before January 1, 2008.

SECTION 20. IC 6-8.1-5-2, AS AMENDED BY P.L.1-2023, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 2. (a) Except as otherwise provided in this section and section 2.5 of this chapter, the department may not issue a proposed assessment under section 1 of this chapter more than three (3) years after the latest of the date the return is filed, or the following:

(1) The due date of the return.

(2) In the case of a return filed for ~~the state gross retail or use tax, the gasoline use tax, the gasoline tax (including the inventory tax), the special fuel tax (including the inventory tax), the motor carrier fuel tax (including the inventory tax), the oil inspection fee, the cigarette tax, the tobacco products tax, any county innkeeper's taxes imposed under IC 6-9, any food and beverage taxes imposed under IC 6-9, any county or local admissions taxes imposed under IC 6-9, or the petroleum severance tax,~~ **a periodic tax, thirty-one (31) days after** the end of the calendar year which contains the taxable period for which the return is filed.

(3) In the case of the use tax, three (3) years **and thirty-one (31) days** from the end of the calendar year in which the first taxable use, other than an incidental nonexempt use, of the property occurred.

(b) If a person files a return for the utility receipts tax (IC 6-2.3) (repealed), adjusted gross income tax (IC 6-3), pass through entity tax (IC 6-3-2.1), supplemental net income tax (IC 6-3-8) (repealed), county adjusted gross income tax (IC 6-3.5-1.1) (repealed), county option income tax (IC 6-3.5-6) (repealed), local income tax (IC 6-3.6), or financial institutions tax (IC 6-5.5) that understates the person's income, as that term is defined in the particular income tax law, by at least twenty-five percent (25%), the proposed assessment limitation is six (6) years instead of the three (3) years provided in subsection (a).

(c) In the case of the vehicle excise tax (IC 6-6-5), the tax shall be

assessed as provided in IC 6-6-5 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a vehicle as required by IC 9-18 (before its expiration) or IC 9-18.1 and pay the tax due under IC 6-6-5 is considered to have failed to file a return for purposes of this article.

(d) In the case of the commercial vehicle excise tax imposed under IC 6-6-5.5, the tax shall be assessed as provided in IC 6-6-5.5 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a commercial vehicle as required by IC 9-18 (before its expiration) or IC 9-18.1 and pay the tax due under IC 6-6-5.5 is considered to have failed to file a return for purposes of this article.

(e) In the case of the excise tax imposed on recreational vehicles and truck campers under IC 6-6-5.1, the tax shall be assessed as provided in IC 6-6-5.1 and must include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a recreational vehicle as required by IC 9-18 (before its expiration) or IC 9-18.1 and pay the tax due under IC 6-6-5.1 is considered to have failed to file a return for purposes of this article. A person that fails to pay the tax due under IC 6-6-5.1 on a truck camper is considered to have failed to file a return for purposes of this article.

(f) In the case of a credit against a listed tax based on payments of taxes to a state or local jurisdiction outside Indiana or payments of amounts that are subsequently refunded or returned, a proposed assessment for the refunded or returned credit must be issued by the later of:

(1) the date by which a proposed assessment must be issued under this section; or

(2) one hundred eighty (180) days from the date the taxpayer notifies the department of the refund or return of payment.

For purposes of this subsection, if a taxpayer receives a refund of an amount paid by or on behalf of the taxpayer for a listed tax, that refund shall not be considered the payment of an amount that is subsequently refunded or returned.

(g) If a person files a fraudulent, unsigned, or substantially blank return, or if a person does not file a return, there is no time limit within which the department must issue its proposed assessment, except as provided in subsection (l).

(h) If any part of a listed tax has been erroneously refunded by the department, the erroneous refund may be recovered through the assessment procedures established in this chapter. An assessment issued for an erroneous refund must be issued within the later of:

(1) the period for which an assessment could otherwise be issued under this section; or

(2) whichever is applicable:

(A) within two (2) years after making the refund; or

(B) within five (5) years after making the refund if the refund was induced by fraud or misrepresentation.

(i) If, before the end of the time within which the department may make an assessment, the department and the person agree to extend that assessment period, the period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must contain:

(1) the date to which the extension is made; and

(2) a statement that the person agrees to preserve the person's records until the extension terminates.

The department and a person may agree to more than one (1) extension under this subsection.

(j) Except as otherwise provided in subsection (k), if a taxpayer's federal taxable income, federal adjusted gross income, or federal income tax liability for a taxable year is modified due to a modification as provided under IC 6-3-4-6(c) and IC 6-3-4-6(d) (for the adjusted gross income tax), or a modification or alteration as provided under IC 6-5.5-6-6(c) and IC 6-5.5-6-6(e) (for the financial institutions tax), then the date by which the department must issue a proposed assessment under section 1 of this chapter for tax imposed under IC 6-3 is extended to six (6) months after the date on which the notice of modification is filed with the department by the taxpayer.

(k) The following apply:

(1) This subsection applies to partnerships whose taxable year:

(A) begins after December 31, 2017;

(B) ends after August 12, 2018; or

(C) begins after November 2, 2015, and before January 1, 2018, and for which a valid election under United States Treasury Regulation 301.9100-22 is in effect;

and to the partners of such partnerships, including any partners, shareholders, or beneficiaries of a pass through entity that is a partner in such partnership.

(2) Notwithstanding any other provision of this article, if a partnership is subject to federal income tax liability or a federal tax adjustment at the partnership level as the result of a modification under Sections 6221 through 6241 of the Internal Revenue Code, the date on which the department must issue a proposed assessment to either the partners or the partnership shall

be the later of:

(A) the date on which a proposed assessment must otherwise be issued to the partner or the partnership under this section or IC 6-3-4.5 with regard to the taxable year of the partnership to which the modification is taxed at the partnership level; or

(B) December 31, 2021.

(3) For purposes of this section and IC 6-8.1-9-1, a modification under this subsection shall be considered a modification to the federal taxable income, federal adjusted gross income, or federal income tax liability of both the partners and the partnership within the meaning of IC 6-3-4-6 and IC 6-5.5-6-6, and shall be considered to be included in the federal taxable income or federal adjusted gross income of both the partners and partnerships for purposes of this article and IC 6-5.5.

(4) If a modification made to a partnership for federal income tax purposes is reported to the partners to determine the partners' respective federal taxable income, federal adjusted gross income, or federal income tax liability, including reporting to partners as the result of an election made under Section 6226 of the Internal Revenue Code, subdivision (2) shall not apply, and those modifications shall be treated as modifications to the partners' federal taxable income, federal adjusted gross income, or federal income tax liability for purposes of the following:

(A) This section.

(B) IC 6-3-4-6.

(C) IC 6-5.5-6-6.

(D) IC 6-8.1-9-1.

(l) Notwithstanding any other provision, a nonresident individual is considered to have filed a return for purposes of this section for a taxable year if the individual does not file a return otherwise required under IC 6-3-4-1 for a taxable year and all of the following apply:

(1) the:

(A) individual did not have income from sources within Indiana; or

(B) only income derived from sources within Indiana and includible in the individual's adjusted gross income is distributive share income from one (1) or more pass through entities (as defined by IC 6-3-1-35);

(2) the individual is not a resident of Indiana for any portion of the taxable year;

(3) the individual does not request a reduction in tax withholding for a pass through entity under IC 6-3-4-12, IC 6-3-4-13, or

IC 6-3-4-15 for the taxable year; and

(4) all pass through entities from which the individual derives income from Indiana sources:

(A) file a composite return required under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15; and

(B) include the individual on the composite return.

(m) The following provisions apply to subsection (l):

(1) If an individual is married and files a joint federal tax return with the individual's spouse, the individual is considered to have filed a return for purposes of this section only if both the individual and the individual's spouse meet the conditions under subsection (l)(1) through (l)(4).

(2) If an individual does not file a return, the last date for assessment with regard to the individual's share of income from a pass through entity shall be determined at the pass through entity and shall be determined separately for each pass through entity.

(3) In the event the individual files a return, the period for assessment shall be determined based on the individual's filing unless a different period for assessment is prescribed under this title.

(4) The individual is required to file a return to request a refund or carryforward of an overpayment for a taxable year.

(5) If the individual has a net operating loss deduction under IC 6-3-2-2.5 or IC 6-3-2-2.6, or a credit carryforward allowable under IC 6-3-3 or IC 6-3.1 for the taxable year, the amount of net operating loss or credit carryforward shall be reduced to reflect the amount of net operating loss or credit carryforward that otherwise would have been allowable for the taxable year.

SECTION 21. IC 6-8.1-7-1, AS AMENDED BY P.L.194-2023, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to any of the following when it is agreed that the information is to be

confidential and to be used solely for official purposes:

(1) Members and employees of the department.

(2) The governor.

(3) A member of the general assembly or an employee of the house of representatives or the senate when acting on behalf of a taxpayer located in the member's legislative district who has provided sufficient information to the member or employee for the department to determine that the member or employee is acting on behalf of the taxpayer.

(4) An employee of the legislative services agency to carry out the responsibilities of the legislative services agency under IC 2-5-1.1-7 or another law.

(5) The attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes.

(6) Any authorized officers of the United States.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:

(1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and

(2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family resources, and to any director of a county office of the division of family resources located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to a postsecondary educational institution may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved postsecondary

educational institutions (as defined by IC 21-7-13-6(a)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

(1) the state agency shows an official need for the information; and

(2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.

(g) The information described in subsection (a) may be revealed upon the receipt of a written request from the chief law enforcement officer of a state or local law enforcement agency in Indiana when it is agreed that the information is to be confidential and to be used solely for official purposes.

(h) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(k) may be released solely for tax collection purposes to township assessors and county assessors.

(i) The department shall notify the appropriate innkeeper's tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(j) All information relating to the delinquency or evasion of the vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(m) All information relating to the delinquency or evasion of the excise taxes imposed on recreational vehicles and truck campers that are payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.1.

(n) This section does not apply to:

(1) the beer excise tax, including brand and packaged type (IC 7.1-4-2);

(2) the liquor excise tax (IC 7.1-4-3);

(3) the wine excise tax (IC 7.1-4-4);

(4) the hard cider excise tax (IC 7.1-4-4.5);

(5) the vehicle excise tax (IC 6-6-5);

(6) the commercial vehicle excise tax (IC 6-6-5.5); and

(7) the fees under IC 13-23.

(o) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under IC 6-2.5-6-14.2.

(p) The name and business address of a person licensed by the department under IC 6-6 or IC 6-7, or issued a registered retail merchant's certificate under IC 6-2.5, may be released for the purpose of reporting the status of the person's license or certificate.

(q) The department may release information concerning total incremental tax amounts under:

(1) IC 5-28-26;

(2) IC 36-7-13;

(3) IC 36-7-26;

(4) IC 36-7-27;

(5) IC 36-7-31;

(6) IC 36-7-31.3; or

(7) any other statute providing for the calculation of incremental state taxes that will be distributed to or retained by a political subdivision or other entity;

to the fiscal officer of the political subdivision or other entity that established the district or area from which the incremental taxes were received if that fiscal officer enters into an agreement with the

department specifying that the political subdivision or other entity will use the information solely for official purposes.

(r) The department may release the information as required in IC 6-8.1-3-7.1 concerning:

(1) an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9;

(2) the supplemental auto rental excise tax under IC 6-6-9.7; and

(3) the covered taxes allocated to a professional sports development area fund, sports and convention facilities operating fund, or other fund under IC 36-7-31 and IC 36-7-31.3.

(s) Information concerning state gross retail tax exemption certificates that relate to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 may be disclosed to a power subsidiary (as defined in IC 6-2.5-1-22.5) or a person selling the services or commodities listed in IC 6-2.5-4-5 for the purpose of enforcing and collecting the state gross retail and use taxes under IC 6-2.5.

(t) The department may release a statement of tax withholding or other tax information statement provided on behalf of a taxpayer to the department to:

(1) the taxpayer on whose behalf the tax withholding or other tax information statement was provided to the department;

(2) the taxpayer's spouse, if:

(A) the taxpayer is deceased or incapacitated; and

(B) the taxpayer's spouse is filing a joint income tax return with the taxpayer; or

(3) an administrator, executor, trustee, or other fiduciary acting on behalf of the taxpayer if the taxpayer is deceased.

(u) Information related to a listed tax regarding a taxpayer may be disclosed to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) if:

(1) the individual is authorized to file returns and remit payments for one (1) or more listed taxes on behalf of the taxpayer through the department's online tax system before September 8, 2020;

(2) the information relates to a listed tax described in subdivision (1) for which the individual is authorized to file returns and remit payments;

(3) the taxpayer has been notified by the department of the individual's ability to access the taxpayer's information for the listed taxes described in subdivision (1) and the taxpayer has not objected to the individual's access;

(4) the individual's authorization or right to access the taxpayer's information for a listed tax described in subdivision (1) has not

been withdrawn by the taxpayer; and

(5) disclosure of the information to the individual is not prohibited by federal law.

Except as otherwise provided by this article, this subsection does not authorize the disclosure of any correspondence from the department that is mailed or otherwise delivered to the taxpayer relating to the specified listed taxes for which the individual was given authorization by the taxpayer. The department shall establish a date, which may be earlier but not later than September 1, 2023, after which a taxpayer's information concerning returns and remittances for a listed tax may not be disclosed to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) by providing notice to the affected taxpayers and previously authorized individuals, including notification published on the department's website. After the earlier of the date established by the department or September 1, 2023, the department may not disclose a taxpayer's information concerning returns and remittances for a listed tax to an individual unless the individual has a power of attorney under IC 6-8.1-3-8(a)(2) or the disclosure is otherwise allowed under this article.

(v) The department may publish a list of persons, corporations, or other entities that qualify or have qualified for an exemption for sales tax under IC 6-2.5-5-16, IC 6-2.5-5-25, or IC 6-2.5-5-26, or otherwise provide information regarding a person's, corporation's, or entity's exemption status under IC 6-2.5-5-16, IC 6-2.5-5-25, or IC 6-2.5-5-26. For purposes of this subsection, information that may be disclosed includes:

(1) any federal identification number or other identification number for the entity assigned by the department;

(2) any expiration date of an exemption under IC 6-2.5-5-25;

(3) whether any sales tax exemption has expired or has been revoked by the department; and

(4) any other information reasonably necessary for a recipient of an exemption certificate to determine if an exemption certificate is valid.

**(w) The department may share a taxpayer's name and other personal identification information with a tax preparer or tax preparation software provider in cases where the department suspects that a fraudulent return has been filed on behalf of a taxpayer and the department suspects that the system of a taxpayer's previous year tax preparer or tax preparation software provider has been breached.**

SECTION 22. IC 6-8.1-8-3, AS AMENDED BY P.L.234-2019,

SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 3. (a) The county sheriff of a county shall attempt to levy on and collect a judgment arising from a tax warrant in that county for a period of one hundred twenty (120) days from the date the judgment lien is entered, unless the sheriff is relieved of that duty at an earlier time by the department. The sheriff shall also have authority to attempt to levy on and collect the outstanding tax liability if the taxpayer does not pay the amount demanded under section 2(b) of this chapter and the taxpayer has taken an action under section 2(n) of this chapter to foreclose the lien. The sheriff's authority to collect the warrant exists only while the sheriff holds the tax warrant, and if the sheriff surrenders the warrant to the department for any reason the sheriff's authority to collect that tax warrant ceases. During the period that the sheriff has the duty to collect a tax warrant, the sheriff shall collect from the person owing the tax, an amount equal to the amount of the judgment lien plus the accrued interest to the date of the payment. Subject to subsection (b), the sheriff shall make the collection by garnisheeing the person's wages and by levying on and selling any interest in property or rights in any chose in action that the person has in the county. The Indiana laws which provide relief for debtors by exempting certain property from levy by creditors do not apply to levy and sale proceedings for judgments arising from tax warrants.

(b) A sheriff shall sell property to satisfy a tax warrant in a manner that is reasonably likely to bring the highest net proceeds from the sale after deducting the expenses of the offer to sell and sale. A sheriff may engage an auctioneer to advertise a sale and to conduct a public auction, unless the person being levied files an objection with the clerk of the circuit or superior court having the tax warrant within five (5) days of the day that the sheriff informs the person of the person's right to object. The advertising conducted by the auctioneer is in addition to any other notice required by law, and shall include a detailed description of the property to be sold. When an auctioneer is engaged under this subsection and the auctioneer files a verified claim with the clerk of the circuit or superior court with whom the tax warrant is filed, the sheriff may pay the reasonable fee and reasonable expenses of the auctioneer from the gross proceeds of the sale before other expenses and the judgment arising from the tax warrant are paid. As used in this section, "auctioneer" means an auctioneer licensed under IC 25-6.1.

(c) The sheriff shall deposit all amounts that the sheriff collects under this section, including partial payments, into a special trust account for judgments collected that arose from tax warrants. The sheriff shall ~~notify the department, in a manner specified by the~~

~~department, of the name of the taxpayer and the amount of the payment within seven (7) days of receipt. In the event of an emergency, a taxpayer may direct the sheriff to make a~~ **remit received** ~~payment~~ **payments** ~~on the taxpayer's behalf~~ **through the department's direct electronic interface or by** using the department's electronic payment **sheriff** portal. ~~when certified funds have been received by the sheriff.~~ On ~~or before~~ the fifth **and the twentieth** day of each month, the sheriff shall disburse the money in the tax warrant judgment lien trust account in the following order:

(1) The sheriff shall pay the department the part of the collections that represents taxes, interest, and penalties.

(2) The sheriff shall pay the county treasurer and the clerk of the circuit or superior court the part of the collections that represents their assessed costs.

(3) Except as provided in subdivisions (4) and (5), the sheriff shall keep the part of the collections that represents the ten percent (10%) collection fee added under section 2(b) of this chapter.

(4) If the sheriff has entered a salary contract under IC 36-2-13-2.5, the sheriff shall deposit in the county general fund the part of the collections that represents the ten percent (10%) collection fee added under section 2(b) of this chapter.

(5) If the sheriff has not entered into a salary contract under IC 36-2-13-2.5, the sheriff shall deposit in the county general fund the part of the collections that:

(A) represents the ten percent (10%) collection fee added under section 2(b) of this chapter; and

(B) would, if kept by the sheriff, result in the total amount of the sheriff's annual compensation exceeding the maximum amount allowed under IC 36-2-13-17.

The department shall establish the procedure for the disbursement of partial payments so that the intent of this section is carried out.

(d) After the period described in subsection (a) has passed, the sheriff shall return the tax warrant to the department. However, if the department determines that:

(1) at the end of this period the sheriff is in the process of collecting the judgment arising from a tax warrant in periodic payments of sufficient size that the judgment will be fully paid within one (1) year after the date the judgment was filed; and

(2) the sheriff's electronic data base regarding tax warrants is compatible with the department's data base;

the sheriff may keep the tax warrant and continue collections.

(e) Notwithstanding any other provision of this chapter, the department may order a sheriff to return a tax warrant at any time, if the department feels that action is necessary to protect the interests of the state.

(f) This subsection applies only to the sheriff of a county having a consolidated city or a second class city. In such a county, the ten percent (10%) collection fee added under section 2(b) of this chapter shall be divided as follows:

(1) Subject to subsection (g), the sheriff may retain forty thousand dollars ($40,000), plus one-fifth (1/5) of any fees exceeding that forty thousand dollar ($40,000) amount.

(2) Two-fifths (2/5) of any fees exceeding that forty thousand dollar ($40,000) amount shall be deposited in the sheriff's department's pension trust fund.

(3) Two-fifths (2/5) of any fees exceeding that forty thousand dollar ($40,000) amount shall be deposited in the county general fund.

(g) If an amount of the collection fee added under section 2(b) of this chapter would, if retained by the sheriff under subsection (f)(1), cause the total amount of the sheriff's annual compensation to exceed the maximum amount allowed under IC 36-2-13-17, the sheriff shall instead deposit the amount in the county general fund.

(h) Money deposited into a county general fund under subsections (c)(5) and (g) must be used as follows:

(1) To reduce any unfunded liability of a sheriff's pension trust plan established for the county's sheriff's department.

(2) Any amounts remaining after complying with subdivision (1) must be applied to the costs incurred to operate the county's sheriff's department.

SECTION 23. IC 6-8.1-9-1, AS AMENDED BY P.L.159-2021, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 1. (a) If a person has paid more tax than the person determines is legally due for a particular taxable period, the person may file a claim for a refund with the department. Except as provided in subsections (j), (k), (l), (m), and (n), in order to obtain the refund, the person must file the claim with the department within three (3) years after the later of the following:

(1) The due date of the return.

(2) The date of payment.

For purposes of this section, the due date for a return filed for ~~the state gross retail or use tax, the gasoline use tax, the gasoline tax (including the inventory tax), the special fuel tax (including the inventory tax), the~~

~~motor carrier fuel tax (including the inventory tax), the oil inspection fee, the cigarette tax, the tobacco products tax, any county innkeeper's taxes imposed under IC 6-9, any food and beverage taxes imposed under IC 6-9, any county or local admissions taxes imposed under IC 6-9, or the petroleum severance tax~~ **a periodic tax** is **thirty-one (31) days after** the end of the calendar year which contains the taxable period for which the return is filed. The claim must set forth the amount of the refund to which the person is entitled and the reasons that the person is entitled to the refund.

(b) After considering the claim and all evidence relevant to the claim, the department shall issue a decision on the claim, stating the part, if any, of the refund allowed and containing a statement of the reasons for any part of the refund that is denied. The department shall mail a copy of the decision to the person that filed the claim. If the person disagrees with a part of the decision on the claim, the person may file a protest and request a hearing with the department. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision.

(c) The tax court shall hear the appeal de novo and without a jury, and after the hearing may order or deny any part of the appealed refund. The court may assess the court costs in any manner that it feels is equitable. The court may enjoin the collection of any of the listed taxes under IC 33-26-6-2. The court may also allow a refund of taxes, interest, and penalties that have been paid to and collected by the department.

(d) The decision on the claim must state that the person has sixty (60) days from the date the decision is mailed to file a written protest. If the person files a protest and requests a hearing on the protest, the department shall:

(1) set the hearing at the department's earliest convenient time; and

(2) notify the person by United States mail of the time, date, and location of the hearing.

(e) The department may hold the hearing at the location of its choice within Indiana if that location complies with IC 6-8.1-3-8.5.

(f) After conducting a hearing on a protest, or after making a decision on a protest when no hearing is requested, the department shall issue a memorandum of decision or order denying a refund and shall send a copy of the decision through the United States mail to the person that filed the protest. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision. The department may continue the hearing until

a later date if the taxpayer presents additional information at the hearing or the taxpayer requests an opportunity to present additional information after the hearing.

(g) A person that disagrees with any part of the department's determination in a memorandum of decision or order denying a refund may request a rehearing not more than thirty (30) days after the date on which the memorandum of decision or order denying a refund is issued by the department. The department shall consider the request and may grant the rehearing if the department reasonably believes that a rehearing would be in the best interests of the taxpayer and the state. If the department grants the rehearing, the department shall issue a supplemental order denying a refund or a supplemental memorandum of decision based on the rehearing, whichever is applicable.

(h) If the person disagrees with any part of the department's determination, the person may appeal the determination, regardless of whether or not the person protested the tax payment or whether or not the person has accepted a refund. The person must file the appeal with the tax court. The tax court does not have jurisdiction to hear a refund appeal if:

(1) the appeal is filed more than ninety (90) days after the latest of the dates on which:

(A) the memorandum of decision or order denying a refund is issued by the department, if the person does not make a timely request for a rehearing under subsection (g) on the memorandum of decision or order denying a refund;

(B) the department issues a denial of the person's timely request for a rehearing under subsection (g) on the memorandum of decision or order denying a refund; or

(C) the department issues a supplemental memorandum of decision or supplemental order denying a refund following a rehearing granted under subsection (g); or

(2) the appeal is filed both before the decision is issued and before the one hundred eighty-first day after the date the person files the claim for a refund with the department.

The ninety (90) day period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must specify a date upon which the extension will terminate and include a statement that the person agrees to preserve the person's records until that specified termination date. The specified termination date agreed upon under this subsection may not be more than ninety (90) days after the expiration of the period otherwise specified by this subsection.

(i) With respect to the vehicle excise tax, this section applies only to penalties and interest paid on assessments of the vehicle excise tax. Any other overpayment of the vehicle excise tax is subject to IC 6-6-5.

(j) If a taxpayer's federal taxable income, federal adjusted gross income, or federal income tax liability for a taxable year is modified by the Internal Revenue Service, and the modification would result in a reduction of the tax legally due, the due date by which the taxpayer must file a claim for refund with the department is the latest of:

(1) the date determined under subsection (a);

(2) the date that is one hundred eighty (180) days after the date of the modification by the Internal Revenue Service as provided under:

(A) IC 6-3-4-6(c) and IC 6-3-4-6(d) (for the adjusted gross income tax); or

(B) IC 6-5.5-6-6(c) and IC 6-5.5-6-6(d) (for the financial institutions tax); or

(3) in the case of a modification described in IC 6-8.1-5-2(k)(1) through IC 6-8.1-5-2(k)(3), the date provided in IC 6-3-4.5 for such refunds or December 31, 2021, whichever is later.

(k) Notwithstanding any other provision of this section, if an individual received a severance payment described in Section 3(a)(1)(A) of the Combat-Injured Veterans Tax Fairness Act of 2016 (P.L. 114-292) and upon which the United States Secretary of Defense withheld tax under IC 6-3, IC 6-3.5-1.1 (before its repeal), IC 6-3.5-6 (before its repeal), IC 6-3.5-7 (before its repeal), or IC 6-3.6, the individual must file a claim for refund for taxes that were overpaid and attributable to the severance payment not later than December 31, 2020. Any refund under this subsection shall be computed without regard to subsection (a)(2). The department may establish procedures to provide standard refund amounts if a standard refund amount is requested from the Internal Revenue Service.

(l) Notwithstanding any other provision of this section, a taxpayer may file a claim for refund for any taxes under IC 6-3 or IC 6-5.5 that the taxpayer expected to be due as a result of an Internal Revenue Service audit not later than the date otherwise prescribed in this section or one hundred eighty (180) days after the date the taxpayer is notified that the audit resulted in no change or, if the audit resulted in a modification, the date of the modification as provided under:

(1) IC 6-3-4-6(c) and IC 6-3-4-6(d) (for adjusted gross income tax); or

(2) IC 6-5.5-6-6(c) and IC 6-5.5-6-6(d) (for the financial institutions tax);

whichever is later.

(m) If a taxpayer has an overpayment for a listed tax as a result of a credit of taxes paid to another state, country, or local jurisdiction in another state or country, and those taxes were assessed by the state, country, or local jurisdiction after the period for which a refund could have been claimed for that listed tax under this section, the period for requesting the refund under this section is extended to one hundred eighty (180) days after payment of the tax to the state, country, or local jurisdiction.

(n) If an agreement to extend the assessment time period is entered into under IC 6-8.1-5-2(i), the period during which a person may file a claim for a refund under subsection (a) is extended to the same date to which the assessment time period is extended.

SECTION 24. IC 6-8.1-9-2, AS AMENDED BY P.L.159-2021, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 2. (a) If the department finds that a person has paid more tax for a taxable year than is legally due, the department shall apply the amount of the excess against any amount of that same tax that is assessed and is currently due. The department may then apply any remaining excess against any of the listed taxes that have been assessed against the person and that are currently due. Subject to subsection (c), if any excess remains after the department has applied the overpayment against the person's tax liabilities, the department shall either refund the amount to the person or, at the person's request, credit the amount to the person's future tax liabilities.

(b) Subject to subsection (c), if a court determines that a person has paid more tax for a taxable year than is legally due, the department shall refund the excess amount to the person.

(c) As used in this subsection, "pass through entity" means a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2), a partnership, a limited liability company, or a limited liability partnership and "pass through income" means a person's distributive share of adjusted gross income for a taxable year attributable to the person's interest in a pass through entity. This subsection applies to a person's overpayment of adjusted gross income tax for a taxable year if:

(1) the person has filed a timely claim for refund with respect to the overpayment under ~~IC 6-8.1-9-1;~~ **section 1 of this chapter;**

(2) the overpayment:

(A) is with respect to a taxable year beginning before January 1, 2009; **and**

(B) is attributable to amounts paid to the department by:

(i) a nonresident shareholder, partner, or member of a pass through entity;

(ii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of the pass through entity; or

(iii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of another pass through entity; and

(3) the overpayment arises from a determination by the department or a court that the person's pass through income is not includible in the person's adjusted gross income derived from sources within Indiana as a result of the application of IC 6-3-2-2(a)(5) and IC 6-3-2-2.2(g).

The department shall apply the overpayment to the person's liability for taxes that have been assessed and are currently due as provided in subsection (a) and apply any remaining overpayment as a credit or credits in satisfaction of the person's liability for listed taxes in taxable years beginning after December 31, 2008. If the person, including any successor to the person's interest in the overpayment, does not have sufficient liability for listed taxes against which to credit all the remaining overpayment in a taxable year beginning after December 31, 2008, and ending before January 1, 2019, the taxpayer is not entitled for any taxable year ending after December 31, 2018, to have any part of the remaining overpayment applied, refunded, or credited to the person's liability for listed taxes. If an overpayment or part of an overpayment is required to be applied as a credit under this subsection to the person's liability for listed taxes for a taxable year beginning after December 31, 2008, and has not been determined by the department or a court to meet the conditions of subdivision (3) by the due date of the person's return for a listed tax for a taxable year beginning after December 31, 2008, the department shall refund to the person that part of the overpayment that should have been applied as a credit for such taxable year within ninety (90) days of the date that the department or a court makes the determination that the overpayment meets the conditions of subdivision (3). However, the department may establish a program to refund small overpayment amounts that do not exceed the threshold dollar value established by the department rather than crediting the amounts against tax liability accruing for a taxable year after December 31, 2008. A person that receives a refund or credit under this subsection shall file a report with the department in the form and in the schedule specified by the department that identifies under penalties of perjury the home state or other jurisdiction where the

income subject to the refund or credit was reported as income attributable to that state or jurisdiction.

(d) An excess tax payment that is not refunded or credited against a current or future tax liability within ninety (90) days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from:

(1) the date the refund claim is filed, if the refund claim is filed before July 1, 2015; or

(2) for a refund claim filed after June 30, 2015, the latest of:

(A) the date the tax payment was due;

(B) the date the tax was paid;

(C) the date the tax return was filed for the period and tax type for which the refund is claimed;

(D) in the case of a refund based on payment of a tax by the taxpayer to another state, country, or locality, the date of such payment of tax to the other state, country, or locality; or

(E) July 1, 2015;

at the rate established under IC 6-8.1-10-1 until a date, determined by the department, that does not precede by more than thirty (30) days, the date on which the refund or credit is made. As used in this subsection, "refund claim" includes a return and an amended return that indicates an overpayment of tax. For purposes of this subsection only, the due date for the payment of ~~the state gross retail or use tax, the oil inspection fee, and the petroleum severance~~ **a periodic** tax is ~~December 31~~ **January 31** of the calendar year **following the calendar year** that contains the taxable period for which the payment is remitted.

(e) A person who is liable for the payment of excise taxes under IC 7.1-4-3 or IC 7.1-4-4 is entitled to claim a credit against the person's excise tax liability in the amount of the excise taxes paid in duplicate by the person, or the person's assignors or predecessors, upon both:

(1) the receipt of the goods subject to the excise taxes, as reported by the person, or the person's assignors or predecessors, on excise tax returns filed with the department; and

(2) the withdrawal of the same goods from a storage facility operated under 19 U.S.C. 1555(a).

(f) The amount of the credit under subsection (e) is equal to fifty percent (50%) of the amount of excise taxes:

(1) that were paid by the person as described in subsection (e)(2);

(2) that are duplicative of excise taxes paid by the person as described in subsection (e)(1); and

(3) for which the person has not previously claimed a credit.

The credit may be claimed by subtracting the amount of the credit from

the amount of the person's excise taxes reported on the person's monthly excise tax returns filed under IC 7.1-4-6 with the department for taxes imposed under IC 7.1-4-3 or IC 7.1-4-4. The amount of the credit that may be taken monthly by the person on each monthly excise tax return may not exceed ten percent (10%) of the excise tax liability reported by the person on the monthly excise tax return. The credit may be claimed on not more than thirty-six (36) consecutive monthly excise tax returns beginning with the month in which credit is first claimed.

(g) The amount of the credit calculated under subsection (f) must be used for capital expenditures to:

(1) expand employment; or

(2) assist in retaining employment within Indiana.

The department shall annually verify whether the capital expenditures made by the person comply with this subsection.

(h) An excess tax payment under section 1(k) of this chapter that is not refunded or credited against a current or future tax liability within ninety (90) days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from April 1, 2020. For purposes of this subsection, a refund claim filed prior to April 1, 2020, shall be treated as filed on April 1, 2020.

SECTION 25. IC 7.1-4-3-2, AS AMENDED BY P.L.109-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 2. **(a) Except as provided in subsections (b) and (c),** the liquor excise tax shall be levied against a permittee who holds an artisan distiller's permit, a distiller's permit, a rectifier's permit, a liquor wholesaler's permit, a dining car liquor permit, a vintner's permit, a wine wholesaler's permit, a dining car wine permit, or a boat wine permit, whether the sale or gift, or withdrawal for sale or gift, is to a person authorized to purchase or receive it or not. However, the same article shall be taxed only once for liquor excise tax purposes.

**(b) In the case of a permittee referenced in subsection (a) receiving liquor from an unpermitted seller outside Indiana, the permittee is liable for the liquor excise tax imposed upon the transaction.**

**(c) In the case of a permittee referenced in subsection (a) receiving, selling, or giving liquor within Indiana from or to another permittee, the permittee who first receives the liquor in Indiana is liable for the liquor excise tax imposed upon the transaction.**

SECTION 26. IC 7.1-4-4-3, AS AMENDED BY P.L.107-2015,

SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 3. **(a) Except as provided in subsections (b) and (c),** the wine excise tax shall be paid by the holder of a vintner's permit, a farm winery permit, a wine wholesaler's permit, a direct wine seller's permit, a dining car wine permit, or a boat wine permit on the alcoholic beverage to which the tax is applicable and which has been manufactured or imported by the permit holder into this state. However, the same article shall be taxed only once for wine excise tax purposes.

**(b) In the case of a permittee referenced in subsection (a) receiving wine from an unpermitted seller outside Indiana, the permittee is liable for the wine excise tax imposed upon the transaction.**

**(c) In the case of a permittee referenced in subsection (a) receiving, selling, or giving wine within Indiana from or to another permittee, the permittee who first receives the wine in Indiana is liable for the wine excise tax imposed upon the transaction.**

SECTION 27. IC 7.1-4-4.5-3, AS AMENDED BY P.L.107-2015, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 3. **(a) Except as provided in subsections (b) and (c),** the hard cider excise tax shall be paid by the holder of a vintner's permit, a farm winery permit, a wine wholesaler's permit, a direct wine seller's permit, a beer wholesaler's permit, a dining car wine permit, or a boat wine permit on the hard cider to which the tax is applicable and that is manufactured or imported by the person into this state. However, an item may only be taxed once for hard cider excise tax purposes.

**(b) In the case of a permittee referenced in subsection (a) receiving hard cider from an unpermitted seller outside Indiana, the permittee is liable for the hard cider excise tax imposed upon the transaction.**

**(c) In the case of a permittee referenced in subsection (a) receiving, selling, or giving hard cider within Indiana from or to another permittee, the permittee who first receives the hard cider in Indiana is liable for the hard cider excise tax imposed upon the transaction.**

SECTION 28. IC 8-1-2.8-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 24. If the InTRAC meets the requirements of sections 18 and 21 of this chapter, the InTRAC:

(1) for purposes of all taxes imposed by the state or any county or municipality in Indiana is an organization that is organized and

operated exclusively for charitable purposes; and

(2) qualifies for all exemptions applicable to those organizations, including but not limited to those exemptions set forth in ~~IC 6-2.5-5-21(b)(1)(B)~~ **IC 6-2.5-5-25(a)(1)(B)** and IC 6-1.1-10-16.

SECTION 29. IC 13-20-13-7, AS AMENDED BY P.L.159-2021, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 7. (a) A fee of twenty-five cents ($0.25) is imposed on the sale of the following:

(1) Each new tire that is sold at retail.

(2) Each new tire mounted on a new vehicle sold at retail.

(b) The person that sells the new tire or vehicle at retail (including a retail merchant that meets ~~one (1) or both of~~ the economic ~~thresholds~~ **threshold** under IC 6-2.5-2-1(d)) to the ultimate consumer of the tire or vehicle shall collect the fee imposed by this section.

(c) A person that collects a fee under subsection (b):

(1) shall pay the fees collected under subsection (b):

(A) to the department of state revenue; and

(B) at the same time and in the same manner that the person pays the state gross retail tax collected by the person to the department of state revenue;

(2) shall indicate on the return:

(A) prescribed by the department of state revenue; and

(B) used for the payment of state gross retail taxes;

that the person is also paying fees collected under subsection (b); and

(3) is entitled to deduct and retain one percent (1%) of the fees required to be paid to the department of state revenue under this subsection.

(d) The department of state revenue shall deposit fees collected under this section in the waste tire management fund established by this chapter.

SECTION 30. IC 16-42-5.2-3.5, AS AMENDED BY P.L.45-2020, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 3.5. (a) An organization that is exempt from the state gross retail tax under ~~IC 6-2.5-5-21(b)(1)(B), IC 6-2.5-5-21(b)(1)(C), or IC 6-2.5-5-21(b)(1)(D)~~ **IC 6-2.5-5-25(a)(1)(B), IC 6-2.5-5-25(a)(1)(C), or IC 6-2.5-5-25(a)(1)(D)** is exempt from complying with the requirements of this chapter.

(b) This section does not prohibit an exempted organization from waiving the exemption and using a certified food protection manager.

SECTION 31. IC 22-11-14-1, AS AMENDED BY P.L.159-2021, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 1. As used in this chapter and IC 22-11-14.5:

"Auto burglar alarm" means a tube that contains pyrotechnic composition that produces a loud whistle or smoke when ignited. A small quantity of explosive, not exceeding fifty (50) milligrams, may also be used to produce a small report. A squib is used to ignite the device.

"Booby trap" means a small tube with string protruding from both ends, similar to a party popper in design. The ends of the string are pulled to ignite the friction sensitive composition, producing a small report.

"Chaser" means a device, containing fifty (50) milligrams or less of explosive composition, that consists of a small paper or cardboard tube that travels along the ground upon ignition. A whistling effect is often produced, and a small noise may be produced.

"Cigarette load" means a small wooden peg that has been coated with a small quantity of explosive composition. Upon ignition of a cigarette containing one (1) of the pegs, a small report is produced.

"Consumer firework" means a small firework that is designed primarily to produce visible effects by combustion, and that is required to comply with the construction, chemical composition, and labeling regulations promulgated by the United States Consumer Product Safety Commission under 16 CFR 1507. The term also includes some small devices designed to produce an audible effect, such as whistling devices, ground devices containing fifty (50) milligrams or less of explosive composition, and aerial devices containing one hundred thirty (130) milligrams or less of explosive composition. Propelling or expelling charges consisting of a mixture of charcoal, sulfur, and potassium nitrate are not considered as designed to produce an audible effect. Consumer fireworks:

(1) include:

(A) aerial devices, which include sky rockets, missile type rockets, helicopter or aerial spinners, roman candles, mines, and shells;

(B) ground audible devices, which include firecrackers, salutes, and chasers; and

(C) firework devices containing combinations of the effects described in clauses (A) and (B); and

(2) do not include the items referenced in section 8(a) of this chapter.

"Cone fountain" means a cardboard or heavy paper cone which contains up to fifty (50) grams of pyrotechnic composition, and which produces the same effect as a cylindrical fountain.

"Cylindrical fountain" means a cylindrical tube not exceeding three-quarters (3/4) inch in inside diameter and containing up to seventy-five (75) grams of pyrotechnic composition. Fountains produce a shower of color and sparks upon ignition, and sometimes a whistling effect. Cylindrical fountains may contain a spike to be inserted in the ground (spike fountain), a wooden or plastic base to be placed on the ground (base fountain), or a wooden handle or cardboard handle for items designed to be hand held (handle fountain).

"Dipped stick" or "wire sparkler" means a stick or wire coated with pyrotechnic composition that produces a shower of sparks upon ignition. Total pyrotechnic composition does not exceed one hundred (100) grams per item. Those devices containing chlorate or perchlorate salts do not exceed five (5) grams in total composition per item. Wire sparklers that contain no magnesium and that contain less than one hundred (100) grams of composition per item are not included in the category of consumer fireworks.

"Distributor" means a person who sells fireworks to wholesalers and retailers for resale.

"Explosive composition" means a chemical or mixture of chemicals that produces an audible effect by deflagration or detonation when ignited.

"Firecracker" or "salute" is a device that consists of a small paper wrapped or cardboard tube containing not more than fifty (50) milligrams of pyrotechnic composition and that produces, upon ignition, noise, accompanied by a flash of light.

"Firework" means any composition or device designed for the purpose of producing a visible or audible effect by combustion, deflagration, or detonation. Fireworks consist of consumer fireworks, items referenced in section 8(a) of this chapter, and special fireworks. The following items are excluded from the definition of fireworks:

(1) Model rockets.

(2) Toy pistol caps.

(3) Emergency signal flares.

(4) Matches.

(5) Fixed ammunition for firearms.

(6) Ammunition components intended for use in firearms, muzzle loading cannons, or small arms.

(7) Shells, cartridges, and primers for use in firearms, muzzle loading cannons, or small arms.

(8) Indoor pyrotechnics special effects material.

(9) M-80s, cherry bombs, silver salutes, and any device banned by the federal government.

"Flitter sparkler" means a narrow paper tube filled with pyrotechnic composition that produces color and sparks upon ignition. These devices do not use a fuse for ignition, but rather are ignited by igniting the paper at one (1) end of the tube.

"Ground spinner" means a small spinning device that is similar to wheels in design and effect when placed on the ground and ignited, and that produces a shower of sparks and color when spinning.

"Helicopter" or "aerial spinner" is a spinning device:

(1) that consists of a tube up to one-half (1/2) inch in inside diameter and that contains up to twenty (20) grams of pyrotechnic composition;

(2) to which some type of propeller or blade device is attached; and

(3) that lifts into the air upon ignition, producing a visible or audible effect at the height of flight.

"Illuminating torch" means a cylindrical tube that:

(1) contains up to one hundred (100) grams of pyrotechnic composition;

(2) produces, upon ignition, a colored fire; and

(3) is either a spike, base, or handle type device.

"Importer" means:

(1) a person who imports fireworks from a foreign country; or

(2) a person who brings or causes fireworks to be brought within this state for subsequent sale.

"Indoor pyrotechnics special effects material" means a chemical material that is clearly labeled by the manufacturer as suitable for indoor use (as provided in National Fire Protection Association Standard 1126 (2001 edition)).

"Interstate wholesaler" means a person who is engaged in interstate commerce selling fireworks.

"Manufacturer" means a person engaged in the manufacture of fireworks.

"Mine" or "shell" means a device that:

(1) consists of a heavy cardboard or paper tube up to two and one-half (2 1/2) inches in inside diameter, to which a wooden or plastic base is attached;

(2) contains up to forty (40) grams of pyrotechnic composition; and

(3) propels, upon ignition, stars (pellets of pressed pyrotechnic

composition that burn with bright color), whistles, parachutes, or combinations thereof, with the tube remaining on the ground.

"Missile-type rocket" means a device that is similar to a sky rocket in size, composition, and effect, and that uses fins rather than a stick for guidance and stability.

"Municipality" has the meaning set forth in IC 36-1-2-11.

"Party popper" means a small plastic or paper item containing not more than sixteen (16) milligrams of explosive composition that is friction sensitive. A string protruding from the device is pulled to ignite it, expelling paper streamers and producing a small report.

"Person" means an individual, an association, an organization, a limited liability company, or a corporation.

"Pyrotechnic composition" means a mixture of chemicals that produces a visible or audible effect by combustion rather than deflagration or detonation. Pyrotechnic compositions will not explode upon ignition unless severely confined.

"Responding fire department" means the paid fire department or volunteer fire department that renders fire protection services to a political subdivision.

"Retail sales stand" means a temporary business site or location where goods are to be sold.

"Retailer" means a person who purchases fireworks for resale to consumers, including a retail merchant that meets ~~one (1) or both of~~ the economic ~~thresholds~~ **threshold** under IC 6-2.5-2-1(d).

"Roman candle" means a device that consists of a heavy paper or cardboard tube not exceeding three-eighths (3/8) inch in inside diameter and that contains up to twenty (20) grams of pyrotechnic composition. Upon ignition, up to ten (10) stars (pellets of pressed pyrotechnic composition that burn with bright color) are individually expelled at several second intervals.

"Sky rocket" means a device that:

(1) consists of a tube that contains pyrotechnic composition;

(2) contains a stick for guidance and stability; and

(3) rises into the air upon ignition, producing a burst of color or noise at the height of flight.

"Smoke device" means a tube or sphere containing pyrotechnic composition that produces white or colored smoke upon ignition as the primary effect.

"Snake" or "glow worm" means a pressed pellet of pyrotechnic composition that produces a large, snake-like ash upon burning. The ash expands in length as the pellet burns. These devices do not contain mercuric thiocyanate.

"Snapper" means a small, paper wrapped item containing a minute quantity of explosive composition coated on small bits of sand. When dropped, the device explodes, producing a small report.

"Special discharge location" means a location designated for the discharge of consumer fireworks by individuals in accordance with rules adopted under section 3.5 of this chapter.

"Special fireworks" means fireworks designed primarily to produce visible or audible effects by combustion, deflagration, or detonation, including firecrackers containing more than one hundred thirty (130) milligrams of explosive composition, aerial shells containing more than forty (40) grams of pyrotechnic composition, and other exhibition display items that exceed the limits for classification as consumer fireworks.

"Trick match" means a kitchen or book match that has been coated with a small quantity of explosive or pyrotechnic composition. Upon ignition of the match, a small report or a shower of sparks is produced.

"Trick noisemaker" means an item that produces a small report intended to surprise the user.

"Wheel" means a pyrotechnic device that:

(1) is attached to a post or tree by means of a nail or string;

(2) contains up to six (6) driver units (tubes not exceeding one-half (1/2) inch in inside diameter) containing up to sixty (60) grams of composition per driver unit; and

(3) revolves, upon ignition, producing a shower of color and sparks and sometimes a whistling effect.

"Wholesaler" means a person who purchases fireworks for resale to retailers.

SECTION 32. IC 24-5-0.5-4, AS AMENDED BY P.L.11-2023, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 4. (a) A person relying upon an uncured or incurable deceptive act may bring an action for the damages actually suffered as a consumer as a result of the deceptive act or five hundred dollars ($500), whichever is greater. The court may increase damages for a willful deceptive act in an amount that does not exceed the greater of:

(1) three (3) times the actual damages of the consumer suffering the loss; or

(2) one thousand dollars ($1,000).

Except as provided in subsection (k), the court may award reasonable attorney's fees to the party that prevails in an action under this subsection. This subsection does not apply to a consumer transaction in real property, including a claim or action involving a construction

defect (as defined in IC 32-27-3-1(5)) brought against a construction professional (as defined in IC 32-27-3-1(4)), except for purchases of time shares and camping club memberships. This subsection does not apply with respect to a deceptive act described in section 3(b)(20) of this chapter. This subsection also does not apply to a violation of IC 24-4.7, IC 24-5-12, IC 24-5-14, or IC 24-5-14.5. Actual damages awarded to a person under this section have priority over any civil penalty imposed under this chapter.

(b) Any person who is entitled to bring an action under subsection (a) on the person's own behalf against a supplier for damages for a deceptive act may bring a class action against such supplier on behalf of any class of persons of which that person is a member and which has been damaged by such deceptive act, subject to and under the Indiana Rules of Trial Procedure governing class actions, except as herein expressly provided. Except as provided in subsection (k), the court may award reasonable attorney's fees to the party that prevails in a class action under this subsection, provided that such fee shall be determined by the amount of time reasonably expended by the attorney and not by the amount of the judgment, although the contingency of the fee may be considered. Except in the case of an extension of time granted by the attorney general under IC 24-10-2-2(b) in an action subject to IC 24-10, any money or other property recovered in a class action under this subsection which cannot, with due diligence, be restored to consumers within one (1) year after the judgment becomes final shall be returned to the party depositing the same. This subsection does not apply to a consumer transaction in real property, except for purchases of time shares and camping club memberships. This subsection does not apply with respect to a deceptive act described in section 3(b)(20) of this chapter. Actual damages awarded to a class have priority over any civil penalty imposed under this chapter.

(c) The attorney general may bring an action to enjoin a deceptive act, including a deceptive act described in section 3(b)(20) of this chapter, notwithstanding subsections (a) and (b). However, the attorney general may seek to enjoin patterns of incurable deceptive acts with respect to consumer transactions in real property. In addition, the court may:

(1) issue an injunction;

(2) order the supplier to make payment of the money unlawfully received from the aggrieved consumers to be held in escrow for distribution to aggrieved consumers;

(3) for a knowing violation against a senior consumer, increase the amount of restitution ordered under subdivision (2) in any

amount up to three (3) times the amount of damages incurred or value of property or assets lost;

(4) order the supplier to pay to the state the reasonable costs of the attorney general's investigation and prosecution related to the action;

(5) provide for the appointment of a receiver; and

(6) order the department of state revenue to suspend the supplier's registered retail merchant certificate, subject to the requirements and prohibitions contained in ~~IC 6-2.5-8-7(i),~~ **IC 6-2.5-8-7(a)(5),** if the court finds that a violation of this chapter involved the sale or solicited sale of a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (repealed)) (before July 1, 2019), a controlled substance analog (as defined in IC 35-48-1-9.3), or a substance represented to be a controlled substance (as described in IC 35-48-4-4.6).

(d) In an action under subsection (a), (b), or (c), the court may void or limit the application of contracts or clauses resulting from deceptive acts and order restitution to be paid to aggrieved consumers.

(e) In any action under subsection (a) or (b), upon the filing of the complaint or on the appearance of any defendant, claimant, or any other party, or at any later time, the trial court, the supreme court, or the court of appeals may require the plaintiff, defendant, claimant, or any other party or parties to give security, or additional security, in such sum as the court shall direct to pay all costs, expenses, and disbursements that shall be awarded against that party or which that party may be directed to pay by any interlocutory order by the final judgment or on appeal.

(f) Any person who violates the terms of an injunction issued under subsection (c) shall forfeit and pay to the state a civil penalty of not more than fifteen thousand dollars ($15,000) per violation. For the purposes of this section, the court issuing an injunction shall retain jurisdiction, the cause shall be continued, and the attorney general acting in the name of the state may petition for recovery of civil penalties. Whenever the court determines that an injunction issued under subsection (c) has been violated, the court shall award reasonable costs to the state.

(g) If a court finds any person has knowingly violated section 3 or 10 of this chapter, other than section 3(b)(19), 3(b)(20), or 3(b)(40) of this chapter, the attorney general, in an action pursuant to subsection (c), may recover from the person on behalf of the state a civil penalty of a fine not exceeding five thousand dollars ($5,000) per violation.

(h) If a court finds that a person has violated section 3(b)(19) of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty as follows:

(1) For a knowing or intentional violation, one thousand five hundred dollars ($1,500).

(2) For a violation other than a knowing or intentional violation, five hundred dollars ($500).

A civil penalty recovered under this subsection shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of section 3(b)(19) of this chapter.

(i) A senior consumer relying upon an uncured or incurable deceptive act, including an act related to hypnotism, may bring an action to recover treble damages, if appropriate.

(j) An offer to cure is:

(1) not admissible as evidence in a proceeding initiated under this section unless the offer to cure is delivered by a supplier to the consumer or a representative of the consumer before the supplier files the supplier's initial response to a complaint; and

(2) only admissible as evidence in a proceeding initiated under this section to prove that a supplier is not liable for attorney's fees under subsection (k).

If the offer to cure is timely delivered by the supplier, the supplier may submit the offer to cure as evidence to prove in the proceeding in accordance with the Indiana Rules of Trial Procedure that the supplier made an offer to cure.

(k) A supplier may not be held liable for the attorney's fees and court costs of the consumer that are incurred following the timely delivery of an offer to cure as described in subsection (j) unless the actual damages awarded, not including attorney's fees and costs, exceed the value of the offer to cure.

(l) If a court finds that a person has knowingly violated section 3(b)(20) of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty not exceeding one thousand dollars ($1,000) per consumer. In determining the amount of the civil penalty in any action by the attorney general under this subsection, the court shall consider, among other relevant factors, the frequency and persistence of noncompliance by the debt collector, the nature of the noncompliance, and the extent to which the noncompliance was intentional. A person may not be held liable in any action by the attorney general for a violation of section 3(b)(20) of this chapter if the person shows by a

preponderance of evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid the error. A person may not be held liable in any action for a violation of this chapter for contacting a person other than the debtor, if the contact is made in compliance with the Fair Debt Collection Practices Act.

(m) If a court finds that a person has knowingly or intentionally violated section 3(b)(40) of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty in accordance with IC 24-5-14.5-12(b). As specified in IC 24-5-14.5-12(b), a civil penalty recovered under IC 24-5-14.5-12(b) shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of IC 24-5-14.5. In addition to the recovery of a civil penalty in accordance with IC 24-5-14.5-12(b), the attorney general may also recover reasonable attorney fees and court costs from the person on behalf of the state. Those funds shall also be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6.

SECTION 33. IC 33-37-5-15, AS AMENDED BY P.L.106-2022, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 15. (a) This section also applies to a clerk of a township small claims court described in IC 33-34 for service of process fees collected under IC 33-34-8-1.

(b) The clerk of the county that maintains jurisdiction over the case shall collect a service of process fee of twenty-eight dollars ($28) from a party requesting service of a writ, an order, a process, a notice, a tax warrant, or any other paper completed by the sheriff. A service of process fee collected under this subsection may be collected only one (1) time per case for the duration of the case. However, a clerk of the county that maintains jurisdiction over the case shall collect an additional service of process fee of twenty-eight dollars ($28) **only one (1) time** per case for **the entire duration of** any postjudgment ~~service.~~ **services provided.**

(c) The clerk shall collect from the person who filed the civil action a service of process fee of sixty dollars ($60), in addition to any other fee for service of process, if:

(1) a person files a civil action outside Indiana; and

(2) a sheriff in Indiana is requested to perform a service of process associated with the civil action in Indiana.

(d) A clerk shall transfer fees collected under this section to the county auditor.

(e) The county auditor shall deposit fees collected under this section as follows:

(1) One dollar ($1) from each service of process fee described in subsection (b) into the clerk's record perpetuation fund established by the clerk under section 2 of this chapter.

(2) Twenty-seven dollars ($27) from each service of process fee described in subsection (b) into either:

(A) the pension trust established by the county under IC 36-8-10-12; or

(B) if the county has not established a pension trust under IC 36-8-10-12, the county general fund.

SECTION 34. IC 34-6-2-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 20. "Charitable entity", for purposes of IC 34-30-5, means any entity exempted from state gross retail tax under ~~IC 6-2.5-5-21(b)(1)(B).~~ **IC 6-2.5-5-25(a)(1)(B).**

SECTION 35. IC 36-8-16.6-10, AS AMENDED BY P.L.159-2021, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 10. As used in this chapter, "seller" means a person that sells prepaid wireless telecommunications service to another person, including a retail merchant that meets ~~one (1) or both of~~ the economic ~~thresholds~~ **threshold** under IC 6-2.5-2-1(d).

SECTION 36. [EFFECTIVE JULY 1, 2024] **(a) IC 6-8.1-1-4.5, as added by this act, and IC 6-8.1-5-2 and IC 6-8.1-9-1, both as amended by this act, apply only in determining statute of limitations dates that expire after June 30, 2024.**

**(b) This SECTION expires July 1, 2027.**

SECTION 37. [EFFECTIVE JULY 1, 2024] **(a) IC 6-8.1-9-2, as amended by this act, applies only to refund claims filed after June 30, 2024.**

**(b) This SECTION expires July 1, 2027.**

SECTION 38. **An emergency is declared for this act.**

President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____