



March 30, 2023

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# ENGROSSED SENATE BILL No. 271

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DIGEST OF SB 271 (Updated March 29, 2023 5:47 pm - DI 125)

**Citations Affected:** IC 36-7; noncode.

**Synopsis:** Certified technology parks. Specifies additional information that a certified technology park (park) is required to provide to the Indiana economic development corporation (corporation) in the course of a review. Provides that if a park has reached the limit on deposits and maintains its certification, the park shall become a Level 2 park. Increases, from \$100,000 to \$250,000, the annual additional incremental income tax deposit amount that a park captures once it has reached its limit on deposits. Clarifies the calculation of the additional incremental income tax deposit amount in the year in which a park reaches its limit on deposits. Provides that when the corporation certifies a Level 2 park, the corporation shall make a determination of whether the park shall continue to be designated as a Level 2 park. Requires the corporation to report to the budget committee certain information pertaining to businesses located in each park on a biennial basis.

**Effective:** July 1, 2023.

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**Buchanan, Holdman,  
Randolph Lonnie M**  
(HOUSE SPONSORS — SNOW, ROWRAY, HEINE)

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January 11, 2023, read first time and referred to Committee on Appropriations.  
January 23, 2023, amended, reported favorably — Do Pass.  
January 30, 2023, read second time, amended, ordered engrossed.  
January 31, 2023, engrossed. Read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

February 28, 2023, read first time and referred to Committee on Ways and Means.  
March 30, 2023, amended, reported — Do Pass.

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ES 271—LS 7210/DI 120





March 30, 2023

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

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 271

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

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

1 SECTION 1. IC 36-7-32-11, AS AMENDED BY P.L.158-2019,  
2 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2023]: Sec. 11. (a) After receipt of an application under  
4 section 10 of this chapter, and subject to subsection (b), the Indiana  
5 economic development corporation may designate a certified  
6 technology park if the corporation determines that the application  
7 demonstrates a firm commitment from at least one (1) business  
8 engaged in a high technology activity creating a significant number of  
9 jobs and satisfies one (1) or more of the following additional criteria:  
10 (1) A demonstration of significant support from an institution of  
11 higher education, a private research based institute, or a military  
12 research and development or testing facility on an active United  
13 States government military base or other military installation  
14 located within, or in the vicinity of, the proposed certified  
15 technology park, as evidenced by the following criteria:  
16 (A) Grants of preferences for access to and commercialization  
17 of intellectual property.

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- 1 (B) Access to laboratory and other facilities owned by or under  
 2 the control of the postsecondary educational institution or  
 3 private research based institute.  
 4 (C) Donations of services.  
 5 (D) Access to telecommunications facilities and other  
 6 infrastructure.  
 7 (E) Financial commitments.  
 8 (F) Access to faculty, staff, and students.  
 9 (G) Opportunities for adjunct faculty and other types of staff  
 10 arrangements or affiliations.  
 11 (H) Other criteria considered appropriate by the Indiana  
 12 economic development corporation.
- 13 (2) A demonstration of a significant commitment by the  
 14 postsecondary educational institution, private research based  
 15 institute, or military research and development or testing facility  
 16 on an active United States government military base or other  
 17 military installation to the commercialization of research  
 18 produced at the certified technology park, as evidenced by the  
 19 intellectual property and, if applicable, tenure policies that reward  
 20 faculty and staff for commercialization and collaboration with  
 21 private businesses.
- 22 (3) A demonstration that the proposed certified technology park  
 23 will be developed to take advantage of the unique characteristics  
 24 and specialties offered by the public and private resources  
 25 available in the area in which the proposed certified technology  
 26 park will be located.
- 27 (4) The existence of or proposed development of a business  
 28 incubator within the proposed certified technology park that  
 29 exhibits the following types of resources and organization:
- 30 (A) Significant financial and other types of support from the  
 31 public or private resources in the area in which the proposed  
 32 certified technology park will be located.
- 33 (B) A business plan exhibiting the economic utilization and  
 34 availability of resources and a likelihood of successful  
 35 development of technologies and research into viable business  
 36 enterprises.
- 37 (C) A commitment to the employment of a qualified full-time  
 38 manager to supervise the development and operation of the  
 39 business incubator.
- 40 (5) The existence of a business plan for the proposed certified  
 41 technology park that identifies its objectives in a clearly focused  
 42 and measurable fashion and that addresses the following matters:



- 1 (A) A commitment to new business formation.  
 2 (B) The clustering of businesses, technology, and research.  
 3 (C) The opportunity for and costs of development of properties  
 4 under common ownership or control.  
 5 (D) The availability of and method proposed for development  
 6 of infrastructure and other improvements, including  
 7 telecommunications technology, necessary for the  
 8 development of the proposed certified technology park.  
 9 (E) Assumptions of costs and revenues related to the  
 10 development of the proposed certified technology park.
- 11 (6) A demonstrable and satisfactory assurance that the proposed  
 12 certified technology park can be developed to principally contain  
 13 property that is primarily used for, or will be primarily used for,  
 14 a high technology activity or a business incubator.
- 15 (b) The Indiana economic development corporation may not  
 16 approve an application that would result in a substantial reduction or  
 17 cessation of operations in another location in Indiana in order to  
 18 relocate them within the certified technology park. The Indiana  
 19 economic development corporation may designate not more than two  
 20 (2) new certified technology parks during any state fiscal year. The  
 21 designation of a new certified technology park is subject to review and  
 22 approval under section 11.5 of this chapter.
- 23 (c) A certified technology park designated under this section is  
 24 subject to the review of the Indiana economic development corporation  
 25 and must be recertified:
- 26 (1) every four (4) years, for a recertification occurring before  
 27 January 1, 2018, or after December 31, 2019; and  
 28 (2) every three (3) years, for a recertification occurring after  
 29 December 31, 2017, and before January 1, 2020.
- 30 (d) The corporation shall develop procedures and the criteria to be  
 31 used in the review required under subsection (c). The procedures and  
 32 criteria must include the metrics developed under subsection (h) for  
 33 measuring the performance of a certified technology park.
- 34 (e) A certified technology park shall furnish to the corporation the  
 35 following information to be used in the course of the review:
- 36 (1) Total employment and payroll levels for all businesses  
 37 operating within the certified technology park.  
 38 (2) The nature and extent of any technology transfer activity  
 39 occurring within the certified technology park.  
 40 (3) The nature and extent of any nontechnology businesses  
 41 operating within the certified technology park.  
 42 (4) The use and outcomes of any state money made available to



- 1 the certified technology park.
- 2 (5) An analysis of the certified technology park's overall
- 3 contribution to the technology based economy in Indiana.
- 4 **(6) The nature and extent of financial support secured by the**
- 5 **certified technology park from outside sources such as**
- 6 **philanthropy, federal government, local government, and**
- 7 **other private or nonprofit sources, and including the nature,**
- 8 **type, and structure of the funding mechanisms to support the**
- 9 **development and growth of the certified technology park.**
- 10 **(7) The nature and extent of incubation services provided to**
- 11 **businesses consistent with incubation industry best practices,**
- 12 **and growth or relocations of those businesses outside the**
- 13 **certified technology park.**
- 14 **(8) The nature and extent of partnerships undertaken between**
- 15 **the certified technology park and local and regional**
- 16 **organizations in pursuit of shared objectives.**
- 17 (f) A certified technology park must meet or exceed the minimum
- 18 threshold requirements developed under subsection (h)(2) before the
- 19 certified technology park may be recertified under this section. If a
- 20 certified technology park is not recertified, the Indiana economic
- 21 development corporation shall send a certified copy of a notice of the
- 22 determination to the county auditor, the department of local
- 23 government finance, and the department of state revenue.
- 24 (g) To the extent allowed under IC 5-14-3, the corporation shall
- 25 maintain the confidentiality of any information that is:
- 26 (1) submitted as part of the review process under subsection (c);
- 27 and
- 28 (2) marked as confidential;
- 29 by the certified technology park.
- 30 (h) The corporation, in conjunction with the office of management
- 31 and budget, shall develop metrics for measuring the performance of a
- 32 certified technology park during the review period for recertification
- 33 under subsection (c). The corporation shall consult with local units of
- 34 government in developing the metrics under this subsection. The
- 35 metrics shall include at least the following elements:
- 36 (1) Specific criteria to be used to analyze and evaluate each
- 37 category of information furnished to the corporation under
- 38 subsection (e)(1) through ~~(e)(5)~~; **(e)(8)**.
- 39 (2) Minimum threshold requirements for the performance of a
- 40 certified technology park regarding each category of information
- 41 furnished to the corporation under subsection (e)(1) through
- 42 ~~(e)(5)~~ **(e)(8)** based on the criteria for the analysis and evaluation



- 1 of the information under subdivision (1).
- 2 (i) The board of the Indiana economic development corporation  
3 shall adopt the metrics developed under subsection (h) as part of the  
4 criteria to be used in the corporation's review under subsection (c).
- 5 SECTION 2. IC 36-7-32-22, AS AMENDED BY P.L.32-2021,  
6 SECTION 101, IS AMENDED TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2023]: Sec. 22. (a) The treasurer of state shall  
8 establish an incremental tax financing fund for each certified  
9 technology park designated under this chapter. The fund shall be  
10 administered by the treasurer of state. Money in the fund does not  
11 revert to the state general fund at the end of a state fiscal year.
- 12 (b) Subject to subsection (c), the following amounts shall be  
13 deposited during each state fiscal year in the incremental tax financing  
14 fund established for a certified technology park under subsection (a):
- 15 (1) The aggregate amount of state gross retail and use taxes that  
16 are remitted under IC 6-2.5 by businesses operating in the  
17 certified technology park, until the amount of state gross retail  
18 and use taxes deposited equals the gross retail incremental  
19 amount for the certified technology park.
- 20 (2) Except as provided in subdivision (3), the aggregate amount  
21 of the following taxes paid by employees employed in the  
22 certified technology park with respect to wages earned for work  
23 in the certified technology park, until the amount deposited equals  
24 the income tax incremental amount as defined in section 8.5(1) of  
25 this chapter:
- 26 (A) The adjusted gross income tax.  
27 (B) The local income tax (IC 6-3.6).
- 28 (3) In the case of a certified technology park to which subsection  
29 (e) applies, the amount determined under subsection (e), if any.
- 30 (c) Except as provided in subsections (d) and (e), not more than a  
31 total of five million dollars (\$5,000,000) may be deposited in a  
32 particular incremental tax financing fund for a certified technology  
33 park over the life of the certified technology park.
- 34 (d) Except as provided in subsection (e), in the case of a certified  
35 technology park that is operating under a written agreement entered  
36 into by two (2) or more redevelopment commissions, and subject to  
37 section 26(b)(4) of this chapter:
- 38 (1) not more than a total of five million dollars (\$5,000,000) may  
39 be deposited over the life of the certified technology park in the  
40 incremental tax financing fund of each redevelopment  
41 commission participating in the operation of the certified  
42 technology park; and



1 (2) the total amount that may be deposited in all incremental tax  
 2 financing funds, over the life of the certified technology park, in  
 3 aggregate, may not exceed the result of:

4 (A) five million dollars (\$5,000,000); multiplied by

5 (B) the number of redevelopment commissions that have  
 6 entered into a written agreement for the operation of the  
 7 certified technology park.

8 (e) If a certified technology park ~~maintains its certification under~~  
 9 ~~section 11(c) of this chapter and has reached~~ the limit on deposits  
 10 under subsection (c) or (d) ~~and maintains its certification under~~  
 11 **section 11(c) of this chapter, the certified technology park shall**  
 12 **become a Level 2 certified technology park and has been reached for**  
 13 ~~a period~~, an additional annual deposit amount shall ~~if applicable~~, be  
 14 deposited in the incremental tax financing fund for the certified  
 15 technology park equal to the following:

16 (1) For a certified technology park to which subsection (c)  
 17 applies, the lesser of:

18 (A) the income tax incremental amount as defined in section  
 19 8.5(2) of this chapter; or

20 (B) ~~one hundred thousand dollars (\$100,000)~~ **two hundred**  
 21 **fifty thousand dollars (\$250,000)**.

22 (2) For a certified technology park to which subsection (d)  
 23 applies, the lesser of:

24 (A) the aggregate income tax incremental amounts as defined  
 25 in section 8.5(2) of this chapter attributable to each  
 26 redevelopment commission that has entered into a written  
 27 agreement for the operation of the certified technology park;  
 28 or

29 (B) ~~one hundred thousand dollars (\$100,000)~~ **two hundred**  
 30 **fifty thousand dollars (\$250,000)** multiplied by the number  
 31 of redevelopment commissions that have entered into a written  
 32 agreement for the operation of the certified technology park.

33 (3) **The following apply to deposits under this subsection:**

34 (A) **If a certified technology park reached its limit on**  
 35 **deposits based on a state fiscal year ending before July 1,**  
 36 **2022, the certified technology park shall receive deposits**  
 37 **based on the income tax incremental amount as defined in**  
 38 **section 8.5(2) of this chapter for each state fiscal year**  
 39 **ending after June 30, 2021.**

40 (B) **If a certified technology park reached its limit on**  
 41 **deposits based on a state fiscal year ending after June 30,**  
 42 **2022, the certified technology park shall receive deposits**





1 based on the income tax incremental amount as defined in  
 2 section 8.5(2) of this chapter for the state fiscal year in  
 3 which it reached its limit on deposits under subsection (c)  
 4 or (d) and each state fiscal year thereafter.

5 (C) If a certified technology park is permitted to receive  
 6 deposits under this subsection during the state fiscal year  
 7 in which it reached its limit on deposits under subsection  
 8 (c) or (d), the income tax incremental amount for purposes  
 9 of subdivision (1)(A) or (1)(B) for that state fiscal year  
 10 shall be reduced by an amount equal to:

11 (i) the deposit amount for the state fiscal year under  
 12 subsection (b) required to reach the limit on deposits  
 13 under subsection (c) or (d); minus

14 (ii) the gross retail incremental amount determined  
 15 under section 6.5 of this chapter;

16 but not less than zero (0).

17 (f) This subsection applies to a Level 2 certified technology park  
 18 designated in subsection (e). When the Indiana economic  
 19 development corporation recertifies a certified technology park as  
 20 required under section 11 of this chapter, the corporation shall  
 21 make a determination of whether the certified technology park  
 22 shall continue to be designated as a Level 2 certified technology  
 23 park.

24 (g) On or before the twentieth day of each month, all amounts  
 25 held in the incremental tax financing fund established for a certified  
 26 technology park shall be distributed to the redevelopment commission  
 27 for deposit in the certified technology park fund established under  
 28 section 23 of this chapter.

29 SECTION 3. IC 36-7-32-29 IS ADDED TO THE INDIANA CODE  
 30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 31 1, 2023]: **Sec. 29. Before January 1, 2024, and before January 1 of**  
 32 **each even-numbered year thereafter, the Indiana economic**  
 33 **development corporation shall submit a report to the budget**  
 34 **committee that includes at least the following information for each**  
 35 **certified technology park:**

36 (1) The total number of businesses located in the certified  
 37 technology park, including the specific number of businesses  
 38 engaged in high technology activity in the certified technology  
 39 park.

40 (2) The number of businesses described in subdivision (1) that  
 41 have left the certified technology park and the locations to  
 42 which the businesses moved.



1           **(3) The number of employees of each business described in**  
2           **subdivision (1), and the average annual wage paid to those**  
3           **employees.**  
4           **(4) The amount of capital investment that each business**  
5           **described in subdivision (1) has secured.**  
6           SECTION 4. [EFFECTIVE JULY 1, 2023] **(a) IC 36-7-32-22(e)(3),**  
7           **as added by this act, is intended as a clarification of law and not a**  
8           **substantive change in law.**  
9           **(b) IC 36-7-32-22(e), as amended by this act to increase the**  
10           **maximum distribution to two hundred fifty thousand dollars**  
11           **(\$250,000), shall apply only to distributions that are based on fiscal**  
12           **years beginning after June 30, 2022.**



## COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 271, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 7, delete lines 35 through 42.

Page 8, delete lines 1 through 8.

and when so amended that said bill do pass.

(Reference is to SB 271 as introduced.)

MISHLER, Chairperson

Committee Vote: Yeas 11, Nays 0.

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 SENATE MOTION

Madam President: I move that Senate Bill 271 be amended to read as follows:

Page 7, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 3. IC 36-7-32-29 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 29. Before January 1, 2024, and before January 1 of each even-numbered year thereafter, the Indiana economic development corporation shall submit a report to the budget committee that includes at least the following information for each certified technology park:**

- (1) **The total number of businesses located in the certified technology park, including the specific number of businesses engaged in high technology activity in the certified technology park.**
- (2) **The number of businesses described in subdivision (1) that have left the certified technology park and the locations to which the businesses moved.**
- (3) **The number of employees of each business described in subdivision (1), and the average annual wage paid to those employees.**
- (4) **The amount of capital investment that each business described in subdivision (1) has secured."**

Renumber all SECTIONS consecutively.

ES 271—LS 7210/DI 120



(Reference is to SB 271 as printed January 24, 2023.)

MELTON

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 271, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 6, line 20, delete "five".

Page 6, line 20, strike "hundred thousand dollars".

Page 6, line 20, delete "\$500,000." and insert "**two hundred fifty thousand dollars (\$250,000)**".

Page 6, line 28, delete "five".

Page 6, line 28, strike "hundred thousand dollars".

Page 6, line 28, delete "\$500,000)" and insert "**two hundred fifty thousand dollars (\$250,000)**".

Page 8, line 9, delete "five hundred thousand dollars (\$500,000)," and insert "**two hundred fifty thousand dollars (\$250,000)**".

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 271 as reprinted January 31, 2023.)

THOMPSON

Committee Vote: yeas 21, nays 0.

