



February 24, 2014

ENGROSSED SENATE BILL No. 308

DIGEST OF SB 308 (Updated February 21, 2014 9:39 am - DI 92)

Citations Affected: IC 6-9; IC 36-7.

Synopsis: Sports and convention development areas. Provides that authority for the 10% rate for the Marion County admissions tax is extended through 2044 (rather than through February of 2023). Extends the period in current law under which the Marion County admissions tax applies to all events at a covered facility (rather than applying only to professional sporting events). Provides that the Marion County professional sports development area (PSDA) may be changed to include the site or future site of a facility or complex of facilities that
(Continued next page)

Effective: Upon passage.

Wyss, Long, Skinner

(HOUSE SPONSORS — OBER, GIAQUINTA, BRAUN, HEATON)

January 14, 2014, read first time and referred to Committee on Appropriations.
January 30, 2014, amended, reported favorably — Do Pass.
February 3, 2014, read second time, ordered engrossed. Engrossed.
February 4, 2014, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

February 10, 2014, read first time and referred to Committee on Ways and Means.
February 24, 2014, amended, reported — Do Pass.

ES 308—LS 7076/DI 113



Digest Continued

includes a soccer stadium. Allows an additional \$2,000,000 of state revenue to be captured each year, for 30 years, from the area added to the PSDA to include a soccer stadium. Provides, however, that this amount of additional state revenue that may be captured is reduced each year by the amount of admissions tax revenue received from events held at the facility or complex of facilities that includes a soccer stadium. Requires the budget agency and the budget committee to review a comprehensive business plan submitted by the metropolitan development commission and the owner of the soccer franchise that would be the primary tenant of a soccer stadium before the budget agency may approve the commission's proposed resolution expanding the PSDA. Allows a PSDA in Allen County to be amended after April 30, 2014, and before January 1, 2015. Provides that a PSDA in Allen County must terminate before the later of January 1, 2028, or (if the designating body takes final action on the financing before January 1, 2015) a date agreed to jointly by the budget agency and the designating body that established the tax area. Specifies that the expiration date may not be later than 25 years after the debt to finance the facility or proposed facility is issued, and that the budget agency must approve the final financing for the facility or proposed facility.



February 24, 2014

Second Regular Session 118th General Assembly (2014)

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

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

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

ENGROSSED SENATE BILL No. 308

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

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

- 1 SECTION 1. IC 6-9-13-1, AS AMENDED BY P.L.214-2005,
2 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (b),
4 the city-county council of a county that contains a consolidated ~~first~~
5 ~~class~~ city may adopt an ordinance to impose an excise tax, known as
6 the county admissions tax, for the privilege of attending, before January
7 1, ~~2041~~, **2045**, any event and, after December 31, ~~2040~~, **2044**, any
8 professional sporting event:
9 (1) held in a facility financed in whole or in part by:
10 (A) bonds or notes issued under IC 18-4-17 (before its repeal
11 on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or
12 (B) a lease or other agreement under IC 5-1-17; and
13 (2) to which tickets are offered for sale to the public by:
14 (A) the box office of the facility; or
15 (B) an authorized agent of the facility.
16 (b) The excise tax imposed under subsection (a) does not apply to

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- 1 the following:
- 2 (1) An event sponsored by an educational institution or an
- 3 association representing an educational institution.
- 4 (2) An event sponsored by a religious organization.
- 5 (3) An event sponsored by an organization that is considered a
- 6 charitable organization by the Internal Revenue Service for
- 7 federal tax purposes.
- 8 (4) An event sponsored by a political organization.
- 9 (c) If a city-county council adopts an ordinance under subsection
- 10 (a), it shall immediately send a certified copy of the ordinance to the
- 11 commissioner of the department of state revenue.
- 12 (d) If a city-county council adopts an ordinance under subsection (a)
- 13 or section 2 of this chapter prior to June 1, the county admissions tax
- 14 applies to admission charges collected after June 30 of the year in
- 15 which the ordinance is adopted. If the city-county council adopts an
- 16 ordinance under subsection (a) or section 2 of this chapter on or after
- 17 June 1, the county admissions tax applies to admission charges
- 18 collected after the last day of the month in which the ordinance is
- 19 adopted.
- 20 SECTION 2. IC 6-9-13-2, AS AMENDED BY P.L.205-2013,
- 21 SECTION 132, IS AMENDED TO READ AS FOLLOWS
- 22 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in
- 23 subsection (b), the county admissions tax equals five percent (5%) of
- 24 the price for admission to any event described in section 1 of this
- 25 chapter.
- 26 (b) On or before June 30, 2005, the city-county council may, by
- 27 ordinance adopted by a majority of the members elected to the
- 28 city-county council, increase the county admissions tax from five
- 29 percent (5%) to six percent (6%) of the price for admission to any event
- 30 described in section 1 of this chapter.
- 31 (c) After January 1, 2013, and before March 1, 2013, the city-county
- 32 council may, by ordinance adopted by a majority of the members
- 33 elected to the city-county council, increase the county admissions tax
- 34 rate by not more than four percent (4%) of the price for admission to
- 35 any event described in section 1 of this chapter. If the city-county
- 36 council adopts an ordinance under this subsection:
- 37 (1) the city-county council shall immediately send a certified copy
- 38 of the ordinance to the commissioner of the department of state
- 39 revenue; and
- 40 (2) the tax applies to transactions after the last day of the month
- 41 in which the ordinance is adopted, if the city-county council
- 42 adopts the ordinance on or before the fifteenth day of a month. If



1 the city-county council adopts the ordinance after the fifteenth
 2 day of a month, the tax applies to transactions after the last day of
 3 the month following the month in which the ordinance is adopted.
 4 The increase in the tax imposed under this subsection continues in
 5 effect unless the increase is rescinded. However, any increase in the tax
 6 rate under this subsection may not continue in effect after ~~February 28,~~
 7 ~~2023.~~ **December 31, 2044.**

8 (d) **Except as provided in subsection (f)**, the amount collected
 9 from that portion of the county admissions tax imposed under:

10 (1) subsection (a) and collected after December 31, 2027; and

11 (2) subsection (b);

12 shall be distributed to the capital improvement board of managers or its
 13 designee. So long as there are any current or future obligations owed
 14 by the capital improvement board of managers to the Indiana stadium
 15 and convention building authority created by IC 5-1-17 or any state
 16 agency pursuant to a lease or other agreement entered into between the
 17 capital improvement board of managers and the Indiana stadium and
 18 convention building authority or any state agency under IC 5-1-17-26,
 19 the capital improvement board of managers or its designee shall deposit
 20 the revenues received from that portion of the county admissions tax
 21 imposed under subsection (b) in a special fund, which may be used
 22 only for the payment of the obligations described in this subsection.

23 (e) **Except as provided in subsection (f)**, the amount collected
 24 from an increase adopted under subsection (c) shall be deposited in the
 25 sports and convention facilities operating fund established by
 26 IC 36-7-31-16.

27 (f) **The entire amount collected under this chapter from any**
 28 **event held at facility or complex of facilities that includes a soccer**
 29 **stadium that:**

30 **(1) is constructed after June 30, 2014; and**

31 **(2) is financed as described in section 1(a)(1) of this chapter;**
 32 **shall be distributed to the capital improvement board of managers**
 33 **or its designee.**

34 SECTION 3. IC 36-7-31-11, AS AMENDED BY P.L. 182-2009(ss),
 35 SECTION 410, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) A tax area must be
 37 initially established before July 1, 1999, according to the procedures set
 38 forth for the establishment of an economic development area under
 39 IC 36-7-15.1. A tax area may be changed (including to the exclusion or
 40 inclusion of a facility described in this chapter) or the terms governing
 41 the tax area may be revised in the same manner as the establishment of
 42 the initial tax area. However, a tax area may be changed as follows:



1 (1) After May 14, 2005, a tax area may be changed to include the
 2 site or future site of a facility that is or will be the subject of a
 3 lease or other agreement entered into between the capital
 4 improvement board and the Indiana stadium and convention
 5 building authority or any state agency under IC 5-1-17-26.

6 (2) After June 30, 2009, a tax area may be changed to include the
 7 site or future site of a facility or complex of facilities described in
 8 section 10(a)(3) of this chapter.

9 **(3) After June 30, 2014, a tax area may be changed to include**
 10 **the site or future site of a facility or complex of facilities that**
 11 **includes a soccer stadium.**

12 ~~(4)~~ **(4)** The terms governing a tax area may be revised only with
 13 respect to a facility or complex of facilities described in
 14 subdivision (1), ~~or (2), or (3).~~

15 (b) In establishing or changing the tax area or revising the terms
 16 governing the tax area, the commission must do the following:

17 (1) With respect to a tax area change described in subsection
 18 (a)(1) ~~or (a)(3)~~, the commission must make the following findings
 19 instead of the findings required for the establishment of economic
 20 development areas:

21 (A) That a project to be undertaken or that has been
 22 undertaken in the tax area is for a facility at which a
 23 professional sporting event or a convention or similar event
 24 will be held.

25 (B) That the project to be undertaken or that has been
 26 undertaken in the tax area will benefit the public health and
 27 welfare and will be of public utility and benefit.

28 (C) That the project to be undertaken or that has been
 29 undertaken in the tax area will protect or increase state and
 30 local tax bases and tax revenues.

31 (2) With respect to a tax area change described in subsection
 32 (a)(2), the commission must make the following findings instead
 33 of the findings required for the establishment of an economic
 34 development area:

35 (A) That the facility or complex of facilities in the tax area
 36 provides both convenient accommodations for professional
 37 sporting events, conventions, or similar events and significant
 38 meeting and convention space that directly enhance events
 39 held in the capital improvements that are owned, leased, or
 40 operated by the capital improvement board.

41 (B) That the facility or complex of facilities in the tax area and
 42 the capital improvements that are owned, leased, or operated



1 by the capital improvement board are integrally related to
 2 enhancing the convention opportunities that directly affect the
 3 success of both the facilities and capital improvements.

4 (C) That the facility or complex of facilities in the tax area
 5 provides the opportunity for the capital improvement board to
 6 hold events that would not otherwise be possible.

7 (D) That the facility or complex of facilities in the tax area
 8 protects or increases state and local tax bases and tax
 9 revenues.

10 **(3) With respect to a tax area change described in subsection**
 11 **(a)(3), the commission and the owner of a professional soccer**
 12 **franchise that would be a primary tenant of the facility or**
 13 **facilities described in subsection (a)(3) shall do the following:**

14 **(A) Submit to the budget agency a comprehensive business**
 15 **plan for making professional soccer a profitable enterprise**
 16 **in Indiana, including the costs, revenues, attendance, and**
 17 **media and fan interest of the soccer franchise and the**
 18 **league in which the soccer franchise competes.**

19 **(B) Obtain the budget agency's approval of the proposed**
 20 **resolution after the budget agency and the budget**
 21 **committee have reviewed the business plan submitted**
 22 **under clause (A).**

23 (c) The tax area established by the commission under this chapter
 24 is a special taxing district authorized by the general assembly to enable
 25 the county to provide special benefits to taxpayers in the tax area by
 26 promoting economic development that is of public use and benefit.

27 SECTION 4. IC 36-7-31-14, AS AMENDED BY P.L.182-2009(ss),
 28 SECTION 412, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) This section does not
 30 apply to that part of the tax area in which a facility or complex of
 31 facilities described in section 10(a)(3) of this chapter is located. A
 32 reference to "tax area" in this section does not include the part of the
 33 tax area in which a facility or complex of facilities described in section
 34 10(a)(3) of this chapter is located.

35 (b) A tax area must be established by resolution. A resolution
 36 establishing a tax area must provide for the allocation of covered taxes
 37 attributable to a taxable event or covered taxes earned in the tax area
 38 to the professional sports development area fund established for the
 39 county. The allocation provision must apply to the part of the tax area
 40 covered by this section. The resolution must provide that the tax area
 41 terminates not later than December 31, ~~2027~~. **2044.**

42 (c) All of the salary, wages, bonuses, and other compensation that



- 1 are:
- 2 (1) paid during a taxable year to a professional athlete for
- 3 professional athletic services;
- 4 (2) taxable in Indiana; and
- 5 (3) earned in the tax area;
- 6 shall be allocated to the tax area if the professional athlete is a member
- 7 of a team that plays the majority of the professional athletic events that
- 8 the team plays in Indiana in the tax area.
- 9 (d) Except as provided by section 14.1 of this chapter **and**
- 10 **subsection (f)**, the total amount of state revenue captured by the tax
- 11 area may not exceed:
- 12 (1) five million dollars (\$5,000,000) per year, for twenty (20)
- 13 consecutive years, **from that part of the tax area that does not**
- 14 **include the addition to the tax area described in section**
- 15 **11(a)(3) of this chapter; plus**
- 16 **(2) two million dollars (\$2,000,000) per year, for thirty (30)**
- 17 **consecutive years, from that part of the tax area that is the**
- 18 **addition to the tax area described in section 11(a)(3) of this**
- 19 **chapter.**
- 20 (e) The resolution establishing the tax area must designate the
- 21 facility and the facility site for which the tax area is established and
- 22 covered taxes will be used.
- 23 (f) **The total amount of state revenue that otherwise may be**
- 24 **captured by the tax area as provided in subsection (d)(2) shall be**
- 25 **reduced each year by the lesser of:**
- 26 **(1) the amount of admissions tax revenue received under**
- 27 **IC 6-9-13 from events held at a facility or complex of facilities**
- 28 **described in IC 6-9-13-2(f); or**
- 29 **(2) two million dollars (\$2,000,000).**
- 30 (ff) (g) The department may adopt rules under IC 4-22-2 and
- 31 guidelines to govern the allocation of covered taxes to a tax area.
- 32 SECTION 5. IC 36-7-31-14.1, AS AMENDED BY
- 33 P.L.182-2009(ss), SECTION 413, IS AMENDED TO READ AS
- 34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.1. (a) The
- 35 budget director appointed under IC 4-12-1-3 may determine that,
- 36 commencing July 1, 2007, there may be captured in the tax area up to
- 37 eleven million dollars (\$11,000,000) per year in addition to the up to
- 38 ~~five seven~~ million dollars (~~\$5,000,000~~) **(\$7,000,000)** of state revenue
- 39 to be captured by the tax area under section 14 of this chapter for the
- 40 professional sports development area fund and in addition to the state
- 41 revenue to be captured by the part of the tax area covered by section
- 42 14.2 of this chapter for the sports and convention facilities operating



1 fund, for up to thirty-four (34) consecutive years. The budget director's
 2 determination must specify that the termination date of the tax area for
 3 purposes of the collection of the additional eleven million dollars
 4 (\$11,000,000) per year for the professional sports development area
 5 fund is extended to not later than:

6 (1) January 1, 2041; or

7 (2) January 1, 2010, if on that date there are no obligations owed
 8 by the capital improvement board of managers to the Indiana
 9 stadium and convention building authority or to any state agency
 10 under IC 5-1-17-26.

11 Following the budget director's determination, and commencing July
 12 1, 2007, the maximum total amount of revenue captured by the tax area
 13 for years ending before January 1, ~~2041~~, **2045**, is ~~sixteen~~ **eighteen**
 14 million dollars (~~\$16,000,000~~) (**\$18,000,000**) per year for the
 15 professional sports development area fund.

16 (b) The additional revenue captured pursuant to a determination
 17 under subsection (a) shall be distributed to the capital improvement
 18 board or its designee. So long as there are any current or future
 19 obligations owed by the capital improvement board to the Indiana
 20 stadium and convention building authority created by IC 5-1-17 or any
 21 state agency under a lease or another agreement entered into between
 22 the capital improvement board and the Indiana stadium and convention
 23 building authority or any state agency under IC 5-1-17-26, the capital
 24 improvement board or its designee shall deposit the additional revenue
 25 received under this subsection in a special fund, which may be used
 26 only for the payment of the obligations described in this subsection.

27 (c) Notwithstanding the budget director's determination under
 28 subsection (a), after January 1, 2010, the capture of the additional
 29 eleven million dollars (\$11,000,000) per year described in subsection
 30 (a) terminates on January 1 of the year following the first year in which
 31 no obligations of the capital improvement board described in
 32 subsection (b) remain outstanding.

33 SECTION 6. IC 36-7-31-23, AS AMENDED BY P.L.214-2005,
 34 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 23. This chapter expires ~~December 31, 2040~~.
 36 **July 1, 2045.**

37 SECTION 7. IC 36-7-31.3-9, AS AMENDED BY P.L.119-2012,
 38 SECTION 211, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) A tax area must be
 40 initially established by resolution:

- 41 (1) ~~except as provided in subdivision (2), before July 1, 1999; or~~
 42 (2) before January 1, 2013, in the case of:



- 1 (A) a second class city;
 2 (B) the city of Marion; or
 3 (C) the city of Westfield; **or**
 4 **(2) before July 1, 1999, if subdivision (1) does not apply;**
 5 according to the procedures set forth for the establishment of an
 6 economic development area under IC 36-7-14. ~~Before May 15, 2005,~~
 7 ~~a tax area established before January 1, 2005, may be changed or the~~
 8 ~~terms governing the tax area revised in the same manner as the~~
 9 ~~establishment of the initial tax area. After May 14, 2005, a tax area~~
 10 ~~established before January 1, 2005, may not be changed and the terms~~
 11 ~~governing a tax area may not be revised. Only one (1) tax area may be~~
 12 ~~created in each county.~~
- 13 (b) In establishing the tax area, the designating body must make the
 14 following findings instead of the findings required for the
 15 establishment of economic development areas:
- 16 (1) Except for a tax area in a city having a population of:
 17 (A) more than one hundred fifty thousand (150,000) but less
 18 than five hundred thousand (500,000); or
 19 (B) more than eighty thousand (80,000) but less than eighty
 20 thousand four hundred (80,400);
 21 there is a capital improvement that will be undertaken or has been
 22 undertaken in the tax area for a facility that is used by a
 23 professional sports franchise for practice or competitive sporting
 24 events. A tax area to which this subdivision applies may also
 25 include a capital improvement that will be undertaken or has been
 26 undertaken in the tax area for a facility that is used for any
 27 purpose specified in section 8(a)(2) of this chapter.
- 28 (2) For a tax area in a city having a population of more than one
 29 hundred fifty thousand (150,000) but less than five hundred
 30 thousand (500,000), there is a capital improvement that will be
 31 undertaken or has been undertaken in the tax area for a facility
 32 that is used for any purpose specified in section 8(a) of this
 33 chapter.
- 34 (3) For a tax area in a city having a population of more than eighty
 35 thousand (80,000) but less than eighty thousand four hundred
 36 (80,400), there is a capital improvement that will be undertaken
 37 or has been undertaken in the tax area for a facility that is used for
 38 any purpose specified in section 8(a)(2) of this chapter.
- 39 (4) The capital improvement that will be undertaken or that has
 40 been undertaken in the tax area will benefit the public health and
 41 welfare and will be of public utility and benefit.
- 42 (5) The capital improvement that will be undertaken or that has



1 been undertaken in the tax area will protect or increase state and
2 local tax bases and tax revenues.

3 (c) The tax area established under this chapter is a special taxing
4 district authorized by the general assembly to enable the designating
5 body to provide special benefits to taxpayers in the tax area by
6 promoting economic development that is of public use and benefit.

7 SECTION 8. IC 36-7-31.3-9.7 IS ADDED TO THE INDIANA
8 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
9 **[EFFECTIVE UPON PASSAGE]: Sec. 9.7. (a) Except as otherwise**
10 **provided in this chapter, after a tax area is initially established, a**
11 **tax area may not be changed and the terms governing the tax area**
12 **may not be revised.**

13 **(b) Before May 15, 2005, a tax area established before January**
14 **1, 2005, may be changed or the terms governing the tax area**
15 **revised in the same manner as the establishment of the initial tax**
16 **area.**

17 **(c) This subsection applies only to a tax area located in Allen**
18 **County. After April 30, 2014, and before January 1, 2015, a tax**
19 **area located in Allen County may be changed or the terms**
20 **governing the tax area revised in the same manner as the**
21 **establishment of the initial tax area.**

22 SECTION 9. IC 36-7-31.3-10, AS AMENDED BY P.L.137-2012,
23 SECTION 121, IS AMENDED TO READ AS FOLLOWS
24 **[EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A tax area must be**
25 **established by resolution. A resolution establishing a tax area must**
26 **provide for the allocation of covered taxes attributable to a taxable**
27 **event or covered taxes earned in the tax area to the professional sports**
28 **and convention development area fund established for the city or**
29 **county. The allocation provision must apply to the entire tax area. The**
30 **following apply to Allen County:**

31 (1) The fund required by this subsection is the coliseum
32 professional sports and convention development area fund. This
33 fund shall be administered by the Allen County Memorial
34 Coliseum board of trustees.

35 (2) The allocation each year must be as follows:

36 (A) The first two million six hundred thousand dollars
37 (\$2,600,000) shall be transferred to the county treasurer for
38 deposit in the coliseum professional sports and convention
39 development area fund.

40 (B) The remaining amount shall be transferred to the treasurer
41 of the joint county-city capital improvement board in the
42 county.



1 The resolution must provide the tax area terminates not later than
 2 December 31, 2027. **However, in the case of a tax area located in**
 3 **Allen County, the resolution must provide that the tax area**
 4 **terminates before the later of January 1, 2028, or if the designating**
 5 **body takes final action on the financing for the facility or proposed**
 6 **facility before January 1, 2015, a date agreed to jointly by the**
 7 **budget agency and the designating body that established the tax**
 8 **area. However, the date agreed to jointly may not be later than**
 9 **twenty-five (25) years after the debt to finance the facility or**
 10 **proposed facility is issued. The budget agency must approve the**
 11 **final financing for the facility or proposed facility. Any bonds**
 12 **issued to finance the facility or proposed facility must have a**
 13 **maturity of less than twenty-five (25) years.**

14 (b) In addition to subsection (a), all of the salary, wages, bonuses,
 15 and other compensation that are:

- 16 (1) paid during a taxable year to a professional athlete for
- 17 professional athletic services;
- 18 (2) taxable in Indiana; and
- 19 (3) earned in the tax area;

20 shall be allocated to the tax area if the professional athlete is a member
 21 of a team that plays the majority of the professional athletic events that
 22 the team plays in Indiana in the tax area.

23 (c) For a tax area that is:

- 24 (1) not located in a county having a population of more than three
- 25 hundred thousand (300,000) but less than four hundred thousand
- 26 (400,000); and
- 27 (2) not located in a city having a population of more than one
- 28 hundred thousand (100,000) but less than one hundred ten
- 29 thousand (110,000);

30 the total amount of state revenue captured by the tax area may not
 31 exceed five dollars (\$5) per resident of the city or county per year for
 32 twenty (20) consecutive years.

33 (d) For a tax area that is located in a city having a population of
 34 more than one hundred thousand (100,000) but less than one hundred
 35 ten thousand (110,000), the total amount of state revenue captured by
 36 the tax area may not exceed six dollars and fifty cents (\$6.50) per
 37 resident of the city per year for twenty (20) consecutive years.

38 (e) The resolution establishing the tax area must designate the
 39 facility or proposed facility and the facility site for which the tax area
 40 is established.

41 (f) The department may adopt rules under IC 4-22-2 and guidelines
 42 to govern the allocation of covered taxes to a tax area.



1 SECTION 10. IC 36-7-31.3-21 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. This chapter
3 expires December 31, ~~2027~~. **2040**.
4 SECTION 11. **An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 308, 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 3, line 7, after "(c)" insert "**This subsection applies only to a tax area located in Allen County.**".

Page 3, line 7, delete "May 1, 2016," and insert "**January 1, 2015,**".

Page 3, line 7, after "area" insert "**located in Allen County**".

Page 3, reset in roman lines 31 through 32.

Page 3, line 32, after "2027." insert "**However, in the case of a tax area located in Allen County, the resolution must provide that the tax area terminates before the later of January 1, 2028, or if the designating body takes final action on the financing for the facility or proposed facility before January 1, 2015, a date agreed to jointly by the budget agency and the designating body that established the tax area. However, the date agreed to jointly may not be later than twenty-five (25) years after the debt to finance the facility or proposed facility is issued. The budget agency must approve the final financing for the facility or proposed facility. Any bonds issued to finance the facility or proposed facility must have a maturity of less than twenty-five (25) years.**".

and when so amended that said bill do pass.

(Reference is to SB 308 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 11, Nays 0.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 308, 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 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-9-13-1, AS AMENDED BY P.L.214-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (b), the city-county council of a county that contains a consolidated ~~first~~ ~~class~~ city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, ~~2041~~, **2045**, any event and, after December 31, ~~2040~~, **2044**, any professional sporting event:

- (1) held in a facility financed in whole or in part by:
 - (A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or
 - (B) a lease or other agreement under IC 5-1-17; and
- (2) to which tickets are offered for sale to the public by:
 - (A) the box office of the facility; or
 - (B) an authorized agent of the facility.

(b) The excise tax imposed under subsection (a) does not apply to the following:

- (1) An event sponsored by an educational institution or an association representing an educational institution.
- (2) An event sponsored by a religious organization.
- (3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.
- (4) An event sponsored by a political organization.

(c) If a city-county council adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(d) If a city-county council adopts an ordinance under subsection (a) or section 2 of this chapter prior to June 1, the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a) or section 2 of this chapter on or after June 1, the county admissions tax applies to admission charges collected after the last day of the month in which the ordinance is



adopted.

SECTION 2. IC 6-9-13-2, AS AMENDED BY P.L.205-2013, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in subsection (b), the county admissions tax equals five percent (5%) of the price for admission to any event described in section 1 of this chapter.

(b) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax from five percent (5%) to six percent (6%) of the price for admission to any event described in section 1 of this chapter.

(c) After January 1, 2013, and before March 1, 2013, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax rate by not more than four percent (4%) of the price for admission to any event described in section 1 of this chapter. If the city-county council adopts an ordinance under this subsection:

(1) the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue; and

(2) the tax applies to transactions after the last day of the month in which the ordinance is adopted, if the city-county council adopts the ordinance on or before the fifteenth day of a month. If the city-county council adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

The increase in the tax imposed under this subsection continues in effect unless the increase is rescinded. However, any increase in the tax rate under this subsection may not continue in effect after ~~February 28, 2023~~; **December 31, 2044**.

(d) **Except as provided in subsection (f)**, the amount collected from that portion of the county admissions tax imposed under:

(1) subsection (a) and collected after December 31, 2027; and

(2) subsection (b);

shall be distributed to the capital improvement board of managers or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26,



the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county admissions tax imposed under subsection (b) in a special fund, which may be used only for the payment of the obligations described in this subsection.

(e) **Except as provided in subsection (f)**, the amount collected from an increase adopted under subsection (c) shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16.

(f) The entire amount collected under this chapter from any event held at facility or complex of facilities that includes a soccer stadium that:

(1) is constructed after June 30, 2014; and

(2) is financed as described in section 1(a)(1) of this chapter; shall be distributed to the capital improvement board of managers or its designee.

SECTION 3. IC 36-7-31-11, AS AMENDED BY P.L. 182-2009(ss), SECTION 410, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) A tax area must be initially established before July 1, 1999, according to the procedures set forth for the establishment of an economic development area under IC 36-7-15.1. A tax area may be changed (including to the exclusion or inclusion of a facility described in this chapter) or the terms governing the tax area may be revised in the same manner as the establishment of the initial tax area. However, a tax area may be changed as follows:

(1) After May 14, 2005, a tax area may be changed to include the site or future site of a facility that is or will be the subject of a lease or other agreement entered into between the capital improvement board and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26.

(2) After June 30, 2009, a tax area may be changed to include the site or future site of a facility or complex of facilities described in section 10(a)(3) of this chapter.

(3) After June 30, 2014, a tax area may be changed to include the site or future site of a facility or complex of facilities that includes a soccer stadium.

(3) (4) The terms governing a tax area may be revised only with respect to a facility or complex of facilities described in subdivision (1), **or** (2), **or** (3).

(b) In establishing or changing the tax area or revising the terms governing the tax area, the commission must do the following:

(1) With respect to a tax area change described in subsection (a)(1) **or** (a)(3), the commission must make the following findings



instead of the findings required for the establishment of economic development areas:

(A) That a project to be undertaken or that has been undertaken in the tax area is for a facility at which a professional sporting event or a convention or similar event will be held.

(B) That the project to be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.

(C) That the project to be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.

(2) With respect to a tax area change described in subsection (a)(2), the commission must make the following findings instead of the findings required for the establishment of an economic development area:

(A) That the facility or complex of facilities in the tax area provides both convenient accommodations for professional sporting events, conventions, or similar events and significant meeting and convention space that directly enhance events held in the capital improvements that are owned, leased, or operated by the capital improvement board.

(B) That the facility or complex of facilities in the tax area and the capital improvements that are owned, leased, or operated by the capital improvement board are integrally related to enhancing the convention opportunities that directly affect the success of both the facilities and capital improvements.

(C) That the facility or complex of facilities in the tax area provides the opportunity for the capital improvement board to hold events that would not otherwise be possible.

(D) That the facility or complex of facilities in the tax area protects or increases state and local tax bases and tax revenues.

(3) With respect to a tax area change described in subsection (a)(3), the commission and the owner of a professional soccer franchise that would be a primary tenant of the facility or facilities described in subsection (a)(3) shall do the following:

(A) Submit to the budget agency a comprehensive business plan for making professional soccer a profitable enterprise in Indiana, including the costs, revenues, attendance, and media and fan interest of the soccer franchise and the league in which the soccer franchise competes.



(B) Obtain the budget agency's approval of the proposed resolution after the budget agency and the budget committee have reviewed the business plan submitted under clause (A).

(c) The tax area established by the commission under this chapter is a special taxing district authorized by the general assembly to enable the county to provide special benefits to taxpayers in the tax area by promoting economic development that is of public use and benefit.

SECTION 4. IC 36-7-31-14, AS AMENDED BY P.L. 182-2009(ss), SECTION 412, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) This section does not apply to that part of the tax area in which a facility or complex of facilities described in section 10(a)(3) of this chapter is located. A reference to "tax area" in this section does not include the part of the tax area in which a facility or complex of facilities described in section 10(a)(3) of this chapter is located.

(b) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area to the professional sports development area fund established for the county. The allocation provision must apply to the part of the tax area covered by this section. The resolution must provide that the tax area terminates not later than December 31, ~~2027~~ **2044**.

(c) All of the salary, wages, bonuses, and other compensation that are:

- (1) paid during a taxable year to a professional athlete for professional athletic services;
- (2) taxable in Indiana; and
- (3) earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member of a team that plays the majority of the professional athletic events that the team plays in Indiana in the tax area.

(d) Except as provided by section 14.1 of this chapter **and subsection (f)**, the total amount of state revenue captured by the tax area may not exceed:

- (1) five million dollars (\$5,000,000) per year, for twenty (20) consecutive years, from that part of the tax area that does not include the addition to the tax area described in section 11(a)(3) of this chapter; plus**
- (2) two million dollars (\$2,000,000) per year, for thirty (30) consecutive years, from that part of the tax area that is the addition to the tax area described in section 11(a)(3) of this**



chapter.

(e) The resolution establishing the tax area must designate the facility and the facility site for which the tax area is established and covered taxes will be used.

(f) The total amount of state revenue that otherwise may be captured by the tax area as provided in subsection (d)(2) shall be reduced each year by the lesser of:

(1) the amount of admissions tax revenue received under IC 6-9-13 from events held at a facility or complex of facilities described in IC 6-9-13-2(f); or

(2) two million dollars (\$2,000,000).

~~(f)~~ (g) The department may adopt rules under IC 4-22-2 and guidelines to govern the allocation of covered taxes to a tax area.

SECTION 5. IC 36-7-31-14.1, AS AMENDED BY P.L.182-2009(ss), SECTION 413, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.1. (a) The budget director appointed under IC 4-12-1-3 may determine that, commencing July 1, 2007, there may be captured in the tax area up to eleven million dollars (\$11,000,000) per year in addition to the up to ~~five~~ **seven** million dollars (~~\$5,000,000~~) **(\$7,000,000)** of state revenue to be captured by the tax area under section 14 of this chapter for the professional sports development area fund and in addition to the state revenue to be captured by the part of the tax area covered by section 14.2 of this chapter for the sports and convention facilities operating fund, for up to thirty-four (34) consecutive years. The budget director's determination must specify that the termination date of the tax area for purposes of the collection of the additional eleven million dollars (\$11,000,000) per year for the professional sports development area fund is extended to not later than:

(1) January 1, 2041; or

(2) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under IC 5-1-17-26.

Following the budget director's determination, and commencing July 1, 2007, the maximum total amount of revenue captured by the tax area for years ending before January 1, ~~2041~~, **2045**, is ~~sixteen~~ **eighteen** million dollars (~~\$16,000,000~~) **(\$18,000,000)** per year for the professional sports development area fund.

(b) The additional revenue captured pursuant to a determination under subsection (a) shall be distributed to the capital improvement board or its designee. So long as there are any current or future



obligations owed by the capital improvement board to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency under a lease or another agreement entered into between the capital improvement board and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board or its designee shall deposit the additional revenue received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

(c) Notwithstanding the budget director's determination under subsection (a), after January 1, 2010, the capture of the additional eleven million dollars (\$11,000,000) per year described in subsection (a) terminates on January 1 of the year following the first year in which no obligations of the capital improvement board described in subsection (b) remain outstanding.

SECTION 6. IC 36-7-31-23, AS AMENDED BY P.L.214-2005, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. This chapter expires ~~December 31, 2040~~ **July 1, 2045**."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 308 as printed January 31, 2014.)

BROWN T, Chair

Committee Vote: yeas 18, nays 1.

