



February 22, 2022

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# ENGROSSED

## SENATE BILL No. 361

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DIGEST OF SB 361 (Updated February 22, 2022 11:07 am - DI 125)

**Citations Affected:** IC 5-1.2; IC 5-28; IC 6-1.1; IC 6-3; IC 6-3.1; IC 8-14; IC 8-22; IC 36-1; IC 36-7; noncode.

**Synopsis:** Economic development. Makes certain amendments to the hoosier business investment tax credit, the economic development for a growing economy tax credit, the headquarters relocation tax credit, and the redevelopment tax credit. Adds veteran owned businesses to the list of businesses that would qualify for an enhanced venture capital tax credit. Limits the total amount of credits that the Indiana economic development corporation (IEDC) may award for a calendar year for all taxpayers for all applicable tax credits to \$300,000,000. Specifies the procedure by which the IEDC may designate an area as an innovation development district (district). Provides that an innovation development district board (board) must be established to govern each innovation development district. Requires the IEDC to enter into a final agreement with the board establishing the terms and conditions governing a district. Requires the board to establish a local innovation development district fund for a district. Provides for the uses of money  
(Continued next page)

**Effective:** Upon passage; July 1, 2022; January 1, 2023; July 1, 2023.

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**Mishler, Holdman, Niezgodski,  
Ford Jon, Busch, Buck, Gaskill, Alting**  
(HOUSE SPONSORS — BROWN T, SNOW, JORDAN, HAMILTON)

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January 11, 2022, read first time and referred to Committee on Appropriations.  
January 27, 2022, amended, reported favorably — Do Pass.  
January 31, 2022, read second time, amended, ordered engrossed.  
February 1, 2022, engrossed. Read third time, passed. Yeas 48, nays 1.

HOUSE ACTION  
February 8, 2022, read first time and referred to Committee on Ways and Means.  
February 22, 2022, amended, reported — Do Pass.

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ES 361—LS 7135/DI 120



## Digest Continued

in a local innovation development district fund. Provides that money in a local innovation development district fund is continuously appropriated for the uses of the fund. Authorizes a county, city, or town to establish a workforce retention and recruitment program and fund (fund) for the purposes of recruiting and retaining individuals who will satisfy the current and future workforce needs of the unit's employers or provide substantial economic impact to the unit, including providing incentives in the form of grants or loans to qualified workers. Authorizes the unit to transfer money into the fund from other sources. Provides that the executive of the unit shall administer the fund in coordination with a workforce fund board of managers appointed by the executive of the unit. Provides that the IEDC may award a tax credit for media production expenses for certain media productions in Indiana beginning July 1, 2023. Provides for the augmentation of the amount appropriated to the IEDC in an amount not to exceed \$300,000,000 for the purposes of business promotion and innovation. Specifies that funds appropriated to the IEDC for the purposes of business promotion and innovation do not revert to the state general fund. Requires the IEDC to identify state laws and regulations that burden existing businesses or inhibit creation of new businesses and provide a report with recommendations to the general assembly and budget committee. Makes conforming changes.

**ES 361—LS 7135/DI 120**



February 22, 2022

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 361

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

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

1 SECTION 1. IC 5-1.2-4-4, AS ADDED BY P.L.189-2018,  
2 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2022]: Sec. 4. **(a)** In addition to the powers listed in section 1  
4 of this chapter, the authority may:  
5 (1) enter into leases and issue bonds under terms and conditions  
6 determined by the authority and use the proceeds of the bonds to:  
7 (A) acquire obligations issued by any entity authorized to  
8 acquire, finance, construct, or lease capital improvements  
9 under IC 5-1-17;  
10 (B) acquire any obligations issued by the northwest Indiana  
11 regional development authority established by IC 36-7.5-2-1;  
12 or  
13 (C) carry out the purposes of IC 5-1-17.5 within a motorsports  
14 investment district; ~~and~~  
15 **(2) at the request of the Indiana economic development**  
16 **corporation established by IC 5-28-3-1, and subject to**  
17 **subsections (b), (c), and (d), enter into leases and issue bonds**

ES 361—LS 7135/DI 120



1 under terms and conditions determined by the authority  
2 payable solely from:

3 (A) revenues that are deposited in a local innovation  
4 development district fund established under  
5 IC 36-7-32.5-21;

6 (B) revenues generated from a project under  
7 IC 36-7-32.5-21; and

8 (C) appropriations from the general assembly; and

9 ~~(2)~~ (3) perform any other functions determined by the authority to  
10 be necessary or appropriate to carry out the purposes of this  
11 section.

12 (b) The proceeds of bonds issued under subsection (a)(2) may be  
13 used to pay the costs of projects:

14 (1) described in IC 36-7-32.5-21; and

15 (2) located within or directly servicing the innovation  
16 development district in which the revenue was generated.

17 (c) Before the authority enters into leases or issues bonds under  
18 subsection (a)(2), the proposed lease or issuance of bonds must be  
19 reviewed by the budget committee.

20 (d) The authority may not issue more than one billion dollars  
21 (\$1,000,000,000) of bonds under subsection (a)(2).

22 SECTION 2. IC 5-28-2-1.5 IS ADDED TO THE INDIANA CODE  
23 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
24 1, 2022]: Sec. 1.5. "Applicable tax credit" means a tax credit  
25 available under any of the following:

26 (1) IC 6-3.1-13.

27 (2) IC 6-3.1-19.

28 (3) IC 6-3.1-26.

29 (4) IC 6-3.1-30.

30 (5) IC 6-3.1-34.

31 (6) IC 6-3.1-36.

32 SECTION 3. IC 5-28-6-9 IS ADDED TO THE INDIANA CODE  
33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
34 1, 2022]: Sec. 9. (a) The aggregate amount of applicable tax credits  
35 that the corporation may award for a state fiscal year for all  
36 taxpayers is three hundred million dollars (\$300,000,000).

37 (b) For purposes of determining the amount of applicable tax  
38 credits that have been awarded for a state fiscal year, the following  
39 apply:

40 (1) An applicable tax credit is considered awarded in the state  
41 fiscal year in which the taxpayer can first claim the credit,  
42 determined without regard to any carryforward period or



1 carryback period.

2 (2) An applicable tax credit awarded by the corporation  
3 before July 1, 2022, shall be counted toward the aggregate  
4 credit limitation under this section.

5 (3) If an accelerated credit is awarded under IC 6-3.1-26-15,  
6 the amount counted toward the aggregate credit limitation  
7 under this section for a state fiscal year shall be the amount of  
8 the credit for the taxable year described in subdivision (1)  
9 prior to any discount.

10 SECTION 4. IC 6-1.1-10-50 IS ADDED TO THE INDIANA CODE  
11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
12 1, 2022]: **Sec. 50. Property identified under IC 36-7-32.5-17 by an  
13 innovation development district board established under  
14 IC 36-7-32.5-14 is exempt from property taxation.**

15 SECTION 5. IC 6-1.1-39-0.5, AS ADDED BY P.L.38-2021,  
16 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2022]: Sec. 0.5. (a) This section does not apply to a parcel that  
18 is included in more than one (1) allocation area established by:

19 (1) an ordinance adopted under section 2 of this chapter and  
20 confirmed under section 3 of this chapter;

21 (2) a resolution adopted under IC 8-22-3.5-5 and confirmed under  
22 IC 8-22-3.5-6;

23 (3) a resolution establishing an allocation provision under  
24 IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15,  
25 IC 36-7-14-16, and IC 36-7-14-17;

26 (4) a resolution establishing an allocation provision under  
27 IC 36-7-15.1-26 that is adopted and approved under  
28 IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;

29 (5) a resolution establishing an allocation provision under  
30 IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10,  
31 IC 36-7-30-11, and IC 36-7-30-12;

32 (6) a resolution establishing an allocation provision under  
33 IC 36-7-30.5-30 that is adopted and approved under  
34 IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or

35 (7) a resolution designating a certified technology park as an  
36 allocation area that is approved and adopted under IC 36-7-32-15;  
37 on or before May 1, 2021. In addition, a new allocation area may not  
38 be established under this chapter that includes a parcel that is located  
39 in an allocation area described in this subsection.

40 (b) Except as provided in subsection (a), but notwithstanding any  
41 other provision, for the purpose of the allocation of property taxes  
42 under this chapter, a parcel may not be included in more than one (1)



1 allocation area under this chapter or under:

- 2 (1) IC 8-22-3.5;  
 3 (2) IC 36-7-14;  
 4 (3) IC 36-7-15.1;  
 5 (4) IC 36-7-30;  
 6 (5) IC 36-7-30.5; **or**  
 7 (6) IC 36-7-32; **or**  
 8 **(7) IC 36-7-32.5.**

9 SECTION 6. IC 6-3-5-5 IS ADDED TO THE INDIANA CODE AS  
 10 A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 11 2022]: **Sec. 5. (a) If the Indiana economic development corporation**  
 12 **established by IC 5-28-3-1 enters into an agreement with a**  
 13 **taxpayer for an economic development for a growing economy tax**  
 14 **credit under IC 6-3.1-13, and the taxpayer elects to forgo claiming**  
 15 **the credit against any state tax liability for that taxable year and**  
 16 **requests the department to remit to the taxpayer an amount equal**  
 17 **to the credit for the taxable year as set forth under**  
 18 **IC 6-3.1-13-20(b), the provisions of this section shall apply.**

19 (b) Before making a payment to a taxpayer under this section,  
 20 the taxpayer shall provide to the department:

- 21 (1) a copy of the taxpayer's agreement with the Indiana  
 22 economic development corporation;  
 23 (2) the credit awarded to the taxpayer for that taxable year;  
 24 and  
 25 (3) any other information required by the department.

26 (c) A payment by the department cannot exceed the actual  
 27 incremental income tax withholdings collected by the department  
 28 as a result of the employment of new employees subject to an  
 29 agreement entered into under IC 6-3.1-13.

30 (d) In the case of a credit awarded under IC 6-3.1-13 to a  
 31 taxpayer that is a pass through entity, the:

- 32 (1) pass through entity has the authority to make the election  
 33 with regard to the credit;  
 34 (2) shareholders, partners, members, and beneficiaries of the  
 35 pass through entity may not make an election separate from  
 36 the pass through entity with regard to the credit;  
 37 (3) pass through entity is entitled to the payment allowable  
 38 under this section; and  
 39 (4) pass through entity may not pass through any portion of  
 40 the credit for which the pass through entity requests payment  
 41 as a tax credit to the shareholders, partners, members, or  
 42 beneficiaries of the pass through entity.



1 (e) If a payment under this section is included in the federal  
2 adjusted gross income of an individual or the federal taxable  
3 income of any other entity, the payment must be treated as:

4 (1) adjusted gross income from Indiana sources under this  
5 article and IC 6-5.5;

6 (2) business income for purposes of this article; and

7 (3) a receipt from Indiana sources for apportionment  
8 purposes under IC 6-3-2 and IC 6-5.5-4.

9 (f) For purposes of offsetting refunds and overpayments, a  
10 payment under this section is treated as an overpayment of tax  
11 under this article and IC 6-5.5 for purposes of IC 6-8.1-9-2,  
12 IC 6-8.1-9.5, and IC 6-8.1-9.7.

13 (g) A payment under this section is subject to IC 6-3.1-13-22 in  
14 the same manner as if the payment had been claimed as a credit.

15 (h) If all or a portion of a payment under this section is  
16 determined to have been made in error or is subject to assessment  
17 under IC 6-3.1-13-22, the department may issue an assessment for  
18 repayment of such amount before the later of:

19 (1) ten (10) years from the date of the payment; or

20 (2) three (3) years from the date the Indiana economic  
21 development corporation notifies the department of the  
22 taxpayer's noncompliance pursuant to IC 6-3.1-13-22.

23 (i) An assessment for repayment shall be treated as a proposed  
24 assessment for purposes of administrative review and judicial  
25 appeal under IC 6-8.1-5. However, review of the Indiana economic  
26 development corporation's determination of noncompliance shall  
27 be limited to an abuse of discretion by the Indiana economic  
28 development corporation.

29 (j) For purposes of this section, an election for payment in lieu  
30 of claiming the credit under IC 6-3.1-13 for a taxable year is not  
31 allowed if:

32 (1) the taxpayer has claimed all or part of the credit for the  
33 taxable year;

34 (2) in the case of a taxpayer who is a pass through entity, the  
35 taxpayer passes through all or part of the credit as a tax  
36 credit, regardless of whether the pass through entity  
37 subsequently provides information to the department, the  
38 Indiana economic development corporation, or any other  
39 affected person or entity, that the credit should not be passed  
40 through as a tax credit or whether the credit otherwise has  
41 been claimed as a tax credit; or

42 (3) the taxpayer makes the election after the due date of the



1 taxpayer's return under IC 6-3, IC 6-5.5, IC 6-8-15, or  
 2 IC 27-1-18-2, determined without regard to extensions, on  
 3 which it would have claimed the credit for which the taxpayer  
 4 is requesting payment under this section.

5 (k) The amount needed to make a payment under this section  
 6 shall be paid from funds appropriated to the Indiana economic  
 7 development corporation for business promotion and innovation  
 8 or from the statewide innovation development district fund  
 9 established by IC 36-7-32.5-22. Payments made under this section  
 10 are subject to available funding.

11 SECTION 7. IC 6-3.1-13-17, AS AMENDED BY P.L.197-2005,  
 12 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2022]: Sec. 17. (a) **If the applicant proposes a project that**  
 14 **will be located at a physical location in Indiana**, in determining the  
 15 credit amount that should be awarded to an applicant under section 15  
 16 of this chapter that proposes a project to create jobs in Indiana, the  
 17 corporation may take into consideration the following factors:

18 (1) The economy of the county where the projected investment is  
 19 to occur.

20 (2) The potential impact on the economy of Indiana.

21 (3) The incremental payroll attributable to the project.

22 (4) The capital investment attributable to the project.

23 (5) The amount the average wage paid by the applicant exceeds  
 24 the average wage paid:

25 (A) within the county in which the project will be located, in  
 26 the case of an application submitted before January 1, 2006; or

27 (B) in the case of an application submitted after December 31,  
 28 2005:

29 (i) to all employees working in the same NAICS industry  
 30 sector to which the applicant's business belongs in the  
 31 county in which the applicant's business is located, if there  
 32 is more than one (1) business in that NAICS industry sector  
 33 in the county in which the applicant's business is located;

34 (ii) to all employees working in the same NAICS industry  
 35 sector to which the applicant's business belongs in Indiana,  
 36 if the applicant's business is the only business in that NAICS  
 37 industry sector in the county in which the applicant's  
 38 business is located but there is more than one (1) business in  
 39 that NAICS industry sector in Indiana; or

40 (iii) to all employees working in the same county as the  
 41 county in which the applicant's business is located, if there  
 42 is no other business in Indiana in the same NAICS industry





- 1 sector to which the applicant's business belongs.  
 2 (6) The costs to Indiana and the affected political subdivisions  
 3 with respect to the project.  
 4 (7) The financial assistance and incentives that are otherwise  
 5 provided by Indiana and the affected political subdivisions.  
 6 (8) The extent to which the incremental income tax withholdings  
 7 attributable to the applicant's project are needed for the purposes  
 8 of an incremental tax financing fund or industrial development  
 9 fund under IC 36-7-13 or a certified technology park fund under  
 10 IC 36-7-32.

11 As appropriate, the corporation shall consider the factors in this ~~section~~  
 12 **subsection** to determine the credit amount awarded to an applicant for  
 13 a project to retain existing jobs in Indiana under section 15.5 of this  
 14 chapter.

15 **(b) Subject to the limitations of subsection (c), if an applicant**  
 16 **proposes a project that proposes to create new jobs in Indiana but**  
 17 **does not propose a physical location in Indiana, the corporation**  
 18 **may consider the following factors:**

- 19 (1) **The potential impact on the economy in Indiana.**  
 20 (2) **The incremental payroll attributable to the project.**  
 21 (3) **The amount of average wage paid by the applicant that**  
 22 **exceeds the average wage paid to all employees working in the**  
 23 **same NAICS industry sector to which the applicant's business**  
 24 **belongs in Indiana.**  
 25 (4) **The cost to Indiana with respect to the project.**  
 26 (5) **The financial assistance and incentives that are otherwise**  
 27 **provided by Indiana.**  
 28 (6) **The extent of Indiana income tax that is paid by eligible**  
 29 **employees.**

30 **(c) An applicant proposing a project that meets the**  
 31 **requirements of subsection (b) must propose:**

- 32 **(1) to create at least fifty (50) new full-time jobs; and**  
 33 **(2) to pay an average hourly wage of at least one hundred fifty**  
 34 **percent (150%) of the state average wage;**

35 **in order to be eligible to receive a credit under this chapter.**

36 SECTION 8. IC 6-3.1-13-18, AS AMENDED BY P.L.86-2018,  
 37 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JULY 1, 2022]: Sec. 18. (a) The corporation shall determine the  
 39 amount and duration of a tax credit awarded under this chapter. The  
 40 duration of the credit may not exceed ~~ten (10)~~ **twenty (20)** taxable  
 41 years. The credit may be stated as a percentage of the incremental  
 42 income tax withholdings attributable to the applicant's project and may



1 include a fixed dollar limitation. In the case of a credit awarded for a  
 2 project to create new jobs in Indiana, the credit amount may not exceed  
 3 the incremental income tax withholdings. However, the credit amount  
 4 claimed for a taxable year may exceed the taxpayer's state tax liability  
 5 for the taxable year, in which case the excess may, at the discretion of  
 6 the corporation, be refunded to the taxpayer.

7 (b) For state fiscal year 2006 and each state fiscal year thereafter,  
 8 the aggregate amount of credits awarded under this chapter for projects  
 9 to retain existing jobs in Indiana may not exceed ten million dollars  
 10 (\$10,000,000) per year.

11 (c) This subsection does not apply to a business that was enrolled  
 12 and participated in the E-Verify program (as defined in IC 22-5-1.7-3)  
 13 during the time the taxpayer conducted business in Indiana in the  
 14 taxable year. A credit under this chapter may not be computed on any  
 15 amount withheld from an individual or paid to an individual for  
 16 services provided in Indiana as an employee, if the individual was,  
 17 during the period of service, prohibited from being hired as an  
 18 employee under 8 U.S.C. 1324a.

19 SECTION 9. IC 6-3.1-13-20, AS AMENDED BY P.L.4-2005,  
 20 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2022]: Sec. 20. **(a) Except as provided in subsection (b),** a  
 22 taxpayer claiming a credit under this chapter must claim the credit on  
 23 the taxpayer's annual state tax return or returns in the manner  
 24 prescribed by the department of state revenue. The taxpayer shall  
 25 submit to the department of state revenue all information that the  
 26 department determines necessary for the calculation of the credit  
 27 provided by this chapter and the determination of whether the credit  
 28 was properly claimed.

29 **(b) Notwithstanding subsection (a), if a taxpayer is entitled to a**  
 30 **credit under this chapter, the taxpayer may, with the approval of**  
 31 **the corporation, elect to forgo claiming the credit against any state**  
 32 **tax liability and submit the credit to the department with a request**  
 33 **to receive a payment from the corporation, to be paid from funds**  
 34 **appropriated to the corporation for business promotion and**  
 35 **innovation or from the statewide innovation development district**  
 36 **fund established by IC 36-7-32.5-22, that is equal to the credit for**  
 37 **that taxable year as provided in IC 6-3-5-5.**

38 SECTION 10. IC 6-3.1-24-8, AS AMENDED BY P.L.165-2021,  
 39 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JANUARY 1, 2023]: Sec. 8. (a) A certification provided under section  
 41 7 of this chapter must include notice to the investors of the maximum  
 42 amount of tax credits available under this chapter for the provision of



1 qualified investment capital to the qualified Indiana business.

2 (b) For a calendar year ending before January 1, 2011, the maximum  
3 amount of tax credits available under this chapter for the provision of  
4 qualified investment capital to a particular qualified Indiana business  
5 equals the lesser of:

6 (1) the total amount of qualified investment capital provided to  
7 the qualified Indiana business in the calendar year, multiplied by  
8 twenty percent (20%); or

9 (2) five hundred thousand dollars (\$500,000).

10 (c) For a calendar year beginning after December 31, 2010, and  
11 ending before January 1, 2022, the maximum amount of tax credits  
12 available under this chapter for the provision of qualified investment  
13 capital to a particular qualified Indiana business equals the lesser of the  
14 following:

15 (1) The total amount of qualified investment capital provided to  
16 the qualified Indiana business in the calendar year, multiplied by  
17 twenty percent (20%).

18 (2) One million dollars (\$1,000,000).

19 (d) For a calendar year beginning after December 31, 2021, the  
20 maximum amount of tax credits available under this chapter for the  
21 provision of qualified investment capital to a particular qualified  
22 Indiana business equals the lesser of the following:

23 (1) The total amount of qualified investment capital provided to  
24 the qualified Indiana business in the calendar year, multiplied by  
25 twenty-five percent (25%).

26 (2) One million dollars (\$1,000,000).

27 (e) Notwithstanding subsection (d), for a calendar year beginning  
28 after December 31, 2021, the maximum amount of tax credits available  
29 under this chapter for the provision of qualified investment capital to  
30 a particular qualified Indiana business, if the qualified Indiana business  
31 is a minority business enterprise, ~~or~~ a women's business enterprise, **or**  
32 **a veteran owned business** equals the lesser of the following:

33 (1) The total amount of qualified investment capital provided to  
34 the qualified Indiana business in the calendar year, multiplied by  
35 thirty percent (30%).

36 (2) One million five hundred thousand dollars (\$1,500,000).

37 SECTION 11. IC 6-3.1-26-20, AS AMENDED BY P.L.158-2019,  
38 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2022]: Sec. 20. (a) The corporation shall certify the amount  
40 of the qualified investment that is eligible for a credit under this  
41 chapter. In determining the credit amount that should be awarded, the  
42 corporation shall grant a credit only for the amount of the qualified



1 investment that is directly related to:

- 2 (1) expanding the workforce in Indiana; or  
 3 (2) substantially enhancing the logistics industry **and or**  
 4 improving the overall Indiana economy.

5 ~~(b)~~ The total amount of credits that the corporation may approve  
 6 under this chapter for a state fiscal year for all taxpayers for all  
 7 qualified investments is:

- 8 ~~(1)~~ fifty million dollars (\$50,000,000) for credits based on a  
 9 qualified investment that is not being claimed as a logistics  
 10 investment; and  
 11 ~~(2)~~ five million dollars (\$5,000,000) for credits based on a  
 12 qualified investment that is being claimed as a logistics  
 13 investment.

14 For purposes of applying the limit under this subsection, a tax credit  
 15 that is accelerated under section 15(d) or 16(d) of this chapter shall be  
 16 valued at the amount of the tax credit before the tax credit is  
 17 discounted.

18 ~~(e)~~ **(b)** A person that desires to claim a tax credit for a qualified  
 19 investment shall file with the department, in the form that the  
 20 department may prescribe, an application:

- 21 (1) stating separately the amount of the credit awards for qualified  
 22 investments that have been granted to the taxpayer by the  
 23 corporation that will be claimed as a credit; ~~that is covered by:~~  
 24 ~~(A)~~ subsection ~~(b)~~(1); and  
 25 ~~(B)~~ subsection ~~(b)~~(2);  
 26 (2) stating separately the amount sought to be claimed as a credit;  
 27 ~~that is covered by:~~  
 28 ~~(A)~~ subsection ~~(b)~~(1); and  
 29 ~~(B)~~ subsection ~~(b)~~(2); and  
 30 (3) identifying whether the credit will be claimed during the state  
 31 fiscal year in which the application is filed or the immediately  
 32 succeeding state fiscal year.

33 ~~(d)~~ **(c)** The department shall separately record the time of filing of  
 34 each application for a credit award for a qualified investment ~~covered~~  
 35 ~~by subsection (b)(1) and for a qualified investment covered by~~  
 36 ~~subsection (b)(2) and shall, except as provided in subsection (e); (d),~~  
 37 approve the credit to the taxpayer in the chronological order in which  
 38 the application is filed in the state fiscal year. The department shall  
 39 promptly notify an applicant whether, or the extent to which, the tax  
 40 credit is allowable in the state fiscal year proposed by the taxpayer.

41 ~~(e)~~ **(d)** If the total credit awards for qualified investments, ~~that are~~  
 42 covered by:



1           (1) subsection (b)(1); and  
 2           (2) subsection (b)(2);  
 3 including carryover credit awards covered by each subsection for a  
 4 previous state fiscal year, equal the maximum amount allowable in the  
 5 state fiscal year, an application for such a credit award that is filed later  
 6 for that same state fiscal year may not be granted by the department.  
 7 However, if an applicant for which a credit has been awarded and  
 8 applied for with the department fails to claim the credit, an amount  
 9 equal to the credit previously applied for but not claimed may be  
 10 allowed to the next eligible applicant or applicants until the total  
 11 amount has been allowed.

12           SECTION 12. IC 6-3.1-30-8, AS AMENDED BY P.L.158-2019,  
 13 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2022]: Sec. 8. (a) Subject to entering into an agreement with  
 15 the corporation under sections 14 and 15 of this chapter, if the  
 16 corporation certifies that a taxpayer:

- 17           (1) is an eligible business;
- 18           (2) completes a qualifying project; **and**
- 19           (3) incurs relocation costs; **and**
- 20           (4) employs:
  - 21               (A) at least seventy-five (75) employees in Indiana, in the case
  - 22               of a taxpayer that qualifies as an eligible business under
  - 23               section 2(1) of this chapter; or
  - 24               (B) at least ten (10) employees in Indiana, in the case of a
  - 25               taxpayer that qualifies as an eligible business under section
  - 26               2(2) of this chapter;

27 the taxpayer is entitled to a credit against the taxpayer's state tax  
 28 liability for the taxable year in which the relocation costs are incurred.  
 29 **subject to subsection (c).** The credit allowed under this section is equal  
 30 to the amount determined under section 9 of this chapter.

31           (b) For purposes of establishing the employment level required by  
 32 subsection (a)(4), a taxpayer may include:

- 33           (1) individuals who:
  - 34               (A) were employed in Indiana by the taxpayer before the
  - 35               taxpayer commenced a qualifying project; and
  - 36               (B) remain employed in Indiana after the completion of the
  - 37               taxpayer's qualifying project; and
- 38           (2) individuals who:
  - 39               (A) were not employed in Indiana by the taxpayer before the
  - 40               taxpayer commenced a qualifying project; and
  - 41               (B) are employed in Indiana by the taxpayer as a result of the
  - 42               completion of the taxpayer's qualifying project.



1 (c) The total amount of credits that may be approved by the  
 2 corporation for all eligible businesses described in section 2(2) of this  
 3 chapter may not exceed five million dollars (\$5,000,000) in a state  
 4 fiscal year.

5 SECTION 13. IC 6-3.1-34-6, AS AMENDED BY P.L.154-2020,  
 6 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2022]: Sec. 6. As used in this chapter, "qualified  
 8 redevelopment site" means **a vacant or underutilized property in  
 9 Indiana as determined by the corporation.**

10 (1) land on which a vacant building or complex of buildings was  
 11 placed in service at least fifteen (15) years before the date on  
 12 which the application is filed with the corporation under this  
 13 chapter;

14 (2) land on which a vacant building or complex of buildings:

15 (A) was placed in service at least fifteen (15) years before the  
 16 date on which the demolition of the vacant building or  
 17 complex of buildings was completed; and

18 (B) that was demolished in an effort to protect the health,  
 19 safety; and welfare of the community;

20 (3) land on which a vacant building or complex of buildings:

21 (A) was placed in service at least fifteen (15) years before the  
 22 date on which the demolition of the vacant building or  
 23 complex of buildings was completed;

24 (B) was placed in service as a public building;

25 (C) was owned by a unit of local government; and

26 (D) has not been redeveloped since the building was taken out  
 27 of service as a public building;

28 (4) vacant land;

29 (5) mine reclamation site; or

30 (6) brownfields consisting of more than fifty (50) acres.

31 For a complex of buildings to be considered a qualified redevelopment  
 32 site under subdivision (1), (2) or (3), the buildings must have been  
 33 located on a single parcel or contiguous parcels of land that were under  
 34 common ownership at the time the site was placed in service.

35 SECTION 14. IC 6-3.1-34-8, AS ADDED BY P.L.158-2019,  
 36 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JULY 1, 2022]: Sec. 8. As used in this chapter, "rehabilitation" means  
 38 the betterment of real property **including remodeling or repair: in any  
 39 way.**

40 SECTION 15. IC 6-3.1-34-17, AS AMENDED BY P.L.154-2020,  
 41 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2022]: Sec. 17. (a) The following apply if the corporation



- 1 determines that a credit should be awarded under this chapter:
- 2 (1) The corporation shall require the taxpayer to enter into an
- 3 agreement with the corporation as a condition of receiving a
- 4 credit under this chapter.
- 5 (2) The agreement with the corporation must:
- 6 (A) prescribe the method of certifying the taxpayer's qualified
- 7 investment; and
- 8 (B) include provisions that authorize the corporation to work
- 9 with the department and the taxpayer, if the corporation
- 10 determines that the taxpayer is noncompliant with the terms of
- 11 the agreement or the provisions of this chapter, to bring the
- 12 taxpayer into compliance or to protect the interests of the state.
- 13 (3) The corporation shall specify the taxpayer's expenditures that
- 14 will be considered a qualified investment.
- 15 (4) The corporation shall determine the applicable credit
- 16 percentage under subsections (b) and (c).
- 17 (b) If the corporation determines that a credit should be awarded
- 18 under this chapter, the corporation shall determine the applicable credit
- 19 percentage for a qualified investment certified by the corporation.
- 20 However, and except as provided in subsection (c), the applicable
- 21 credit percentage may not exceed ~~the following:~~ **thirty percent (30%)**.
- 22 (1) If the qualified redevelopment site was placed in service at
- 23 least fifteen (15) years ago but less than thirty (30) years ago, or
- 24 is vacant land or a brownfield described in section 6(6) of this
- 25 chapter:
- 26 (A) fifteen percent (15%); if the qualified redevelopment site
- 27 is part of a development plan of a regional development
- 28 authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or
- 29 (B) ten percent (10%); if the qualified redevelopment site is
- 30 not part of a development plan of a regional development
- 31 authority described under clause (A):
- 32 (2) If the qualified redevelopment site was placed in service at
- 33 least thirty (30) years ago but less than forty (40) years ago:
- 34 (A) twenty percent (20%); if the qualified redevelopment site
- 35 is part of a development plan of a regional development
- 36 authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or
- 37 (B) ten percent (10%); if the qualified redevelopment site is
- 38 not part of a development plan of a regional development
- 39 authority described under clause (A):
- 40 (3) If the qualified redevelopment site was placed in service at
- 41 least forty (40) years ago:
- 42 (A) twenty-five percent (25%); if the qualified redevelopment



1 site is part of a development plan of a regional development  
 2 authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or  
 3 (B) fifteen percent (15%); if the qualified redevelopment site  
 4 is not part of a development plan of a regional development  
 5 authority described under clause (A):

6 (c) The corporation may increase the credit amount by not more  
 7 than an additional five percent (5%) if:

8 (1) the qualified redevelopment site is located in a federally  
 9 designated qualified opportunity zone (Section 1400Z-1 and  
 10 1400Z-2 of the Internal Revenue Code); or

11 (2) the project qualifies for federal new markets tax credits under  
 12 Section 45D of the Internal Revenue Code.

13 (d) To be eligible for the credit for a qualified investment, a  
 14 taxpayer's expenditures that are considered a qualified investment must  
 15 be certified by the corporation not later than two (2) taxable years after  
 16 the end of the calendar year in which the taxpayer's expenditures are  
 17 made.

18 SECTION 16. IC 6-3.1-34-18, AS ADDED BY P.L.158-2019,  
 19 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20 JULY 1, 2022]: Sec. 18. (a) ~~Subject to subsection (c);~~ **Except as**  
 21 **provided in subsection (b), if the corporation awards a tax credit to**  
 22 **a taxpayer under this chapter that exceeds twenty million dollars**  
 23 **(\$20,000,000), the corporation shall include in an agreement**  
 24 **entered into under section 17 of this chapter a provision that**  
 25 **requires the taxpayer to repay to the corporation the portion of the**  
 26 **credit that exceeds twenty million dollars (\$20,000,000) with**  
 27 **interest. may, as part of an agreement entered into under section 17 of**  
 28 **this chapter:**

29 (1) require a taxpayer to repay all or part of a credit awarded  
 30 under this chapter over a period of years; and

31 (2) limit the maximum amount of a credit awarded to a taxpayer  
 32 under this chapter that may be claimed during a taxable year.

33 (b) The corporation may elect to enter into an agreement with a  
 34 local unit that has jurisdiction over the real property that is subject to  
 35 the proposed qualified investment, through which such agreement the  
 36 local unit commits local revenue generated by the project to the  
 37 corporation rather than the corporation including a repayment provision  
 38 in an agreement with a taxpayer under subsection (a)(1). The total  
 39 amount of revenue committed under an agreement entered into under  
 40 this subsection may not exceed the credit repayment amount  
 41 determined under subsection (a)(1). Any amounts received under an  
 42 agreement entered into under this subsection shall be deposited in the





1 state general fund:

2 (c) Notwithstanding subsections (a) and (b), if the corporation  
3 awards a tax credit to a taxpayer under this chapter that exceeds seven  
4 million dollars (\$7,000,000), the corporation shall include in an  
5 agreement entered into under section 17 of this chapter a provision that  
6 requires the taxpayer to repay the portion of the credit that exceeds  
7 seven million dollars (\$7,000,000).

8 **(b) Notwithstanding subsection (a), the corporation may exclude**  
9 **from its agreement entered into under section 17 of this chapter a**  
10 **repayment provision for any portion of the credit if the award is**  
11 **for a qualified redevelopment site subject to a proposal that will**  
12 **result in a qualified investment of at least one hundred million**  
13 **dollars (\$100,000,000).**

14 ~~(c)~~ (c) If the corporation enters into an agreement with a taxpayer  
15 under section 17 of this chapter that includes a repayment provision  
16 under subsection ~~(a)(1) or (c)~~, (a), the corporation shall include in the  
17 repayment provision a provision establishing the interest rate that will  
18 be applied. The interest rate shall be determined by the board and  
19 approved by the budget agency.

20 ~~(c)~~ (d) This subsection applies to an active multi-phased project  
21 occurring on a defined footprint for which the taxpayer has received  
22 approval for at least the first phase of the active multi-phased project  
23 from the corporation's board before July 1, 2018, for a tax credit under  
24 IC 6-3.1-11 (industrial recovery tax credit) before its expiration. The  
25 following apply to a project described in this subsection:

- 26 (1) Only qualified investments that are made after June 30, 2021,  
27 are eligible for a credit award under this chapter.  
28 (2) The annual amount of credits awarded under this chapter for  
29 the project may not exceed five million dollars (\$5,000,000).  
30 (3) The corporation may not include a repayment provision as part  
31 of an agreement entered into under section 17 of this chapter for  
32 the credits awarded for the project.

33 SECTION 17. IC 6-3.1-34-22 IS REPEALED [EFFECTIVE JULY  
34 1, 2022]. Sec. 22: (a) Except as provided in subsection (b), the total  
35 amount of credits that the corporation may award under this chapter for  
36 a state fiscal year for all taxpayers for all qualified investments is fifty  
37 million dollars (\$50,000,000). The portion of the credits that is subject  
38 to a repayment provision under section 18(b) or 18(c) of this chapter is  
39 not included in the calculation of the annual limit.

40 (b) If the corporation determines that a credit should be awarded  
41 under this chapter for a taxpayer's qualified investment but the award:

- 42 (1) will result in the corporation's cumulative credit awards under



1 this chapter for a state fiscal year for all taxpayers for all qualified  
 2 investments to exceed the limit established by subsection (a); or  
 3 (2) should not be considered when calculating the corporation's  
 4 cumulative credit awards under this chapter for a state fiscal year  
 5 for all taxpayers for all qualified investments;  
 6 the corporation may, after review by the budget committee, enter into  
 7 an agreement with the taxpayer under section 17 of this chapter.

8 SECTION 18. IC 6-3.1-36 IS ADDED TO THE INDIANA CODE  
 9 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 10 JULY 1, 2023]:

11 **Chapter 36. Film and Media Production Tax Credit**

12 **Sec. 1.** As used in this chapter, "corporation" refers to the  
 13 Indiana economic development corporation established by  
 14 IC 5-28-3-1.

15 **Sec. 2.** As used in this chapter, "qualified applicant" means a  
 16 person, corporation, limited liability partnership, limited liability  
 17 company, or other entity that is engaged in the business of making  
 18 a qualified media production in Indiana.

19 **Sec. 3.** As used in this chapter, "qualified media production"  
 20 means:

- 21 (1) a feature length film, including an independent or studio
- 22 production, or a documentary;
- 23 (2) a television episodic series, program, or feature;
- 24 (3) a digital media production that is intended for reasonable
- 25 commercial exploitation; or
- 26 (4) any other similar production as determined by the
- 27 corporation;

28 that is produced in Indiana.

29 **Sec. 4.** As used in this chapter, "qualified production expenses"  
 30 means expenses incurred by a qualified applicant for a qualified  
 31 media production.

32 **Sec. 5.** As used in this chapter, "state tax liability" means a  
 33 taxpayer's total tax liability that is incurred under:

- 34 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- 35 and
- 36 (2) IC 6-5.5 (the financial institutions tax);

37 as computed after the application of the credits that under  
 38 IC 6-3.1-1-2 are to be applied before the credit provided by this  
 39 chapter.

40 **Sec. 6.** As used in this chapter, "taxpayer" means a qualified  
 41 applicant that has any state tax liability.

42 **Sec. 7. (a)** A qualified applicant may apply to the corporation



1 for a tax credit under this chapter. The corporation shall prescribe  
2 the form and contents of the application.

3 (b) The corporation shall evaluate an applicant's eligibility for  
4 a tax credit under this chapter.

5 (c) The corporation may certify the eligibility of a taxpayer that  
6 meets the requirements for a tax credit under this chapter.

7 (d) If the corporation certifies a taxpayer under subsection (c),  
8 the corporation shall determine the percentage used to calculate  
9 the amount of a tax credit under section 8(2) of this chapter.

10 Sec. 8. If the corporation certifies a taxpayer under section 7(c)  
11 of this chapter, the taxpayer is entitled to a tax credit under this  
12 chapter equal to:

13 (1) the amount of the taxpayer's qualified production  
14 expenses; multiplied by

15 (2) a percentage determined by the corporation, not to exceed  
16 thirty percent (30%).

17 Sec. 9. If a pass through entity is entitled to a credit under  
18 section 8 of this chapter but does not have state tax liability against  
19 which the tax credit may be applied, a shareholder, partner,  
20 member, or beneficiary of the pass through entity is entitled to a  
21 tax credit equal to:

22 (1) the tax credit determined for the pass through entity for  
23 the taxable year; multiplied by

24 (2) the percentage of the pass through entity's distributive  
25 income to which the shareholder, partner, member, or  
26 beneficiary is entitled.

27 Sec. 10. To receive the credit provided by this chapter, a  
28 taxpayer must claim the credit on the taxpayer's state tax return  
29 or returns in the manner prescribed by the department.

30 Sec. 11. (a) The amount of the credit provided by this chapter  
31 that a taxpayer uses during a particular taxable year may not  
32 exceed the state tax liability of the taxpayer.

33 (b) If the credit provided by this chapter exceeds the taxpayer's  
34 state tax liability for the first taxable year containing the taxable  
35 year for which the corporation awards the credit, then the excess  
36 may be carried over to succeeding taxable years and used as a  
37 credit against the state tax liability of the taxpayer during those  
38 taxable years.

39 (c) Each time that the credit is carried over to a succeeding  
40 taxable year, it is to be reduced by the amount that was used as a  
41 credit during the immediately preceding taxable year. The credit  
42 provided by this chapter may be carried forward and applied to



1 succeeding taxable years for nine (9) taxable years following the  
 2 first taxable year containing the taxable year for which the  
 3 corporation awards the credit.

4 (d) If a taxpayer fails to claim a credit under this chapter for a  
 5 year in which the taxpayer is otherwise permitted to claim the  
 6 credit, the credit will be considered to be used for purposes of  
 7 subsection (c).

8 (e) If a taxpayer claims a credit under this chapter, the  
 9 department and the department of insurance may disclose  
 10 information necessary to verify that amounts in excess of the credit  
 11 allowable under this chapter have not been claimed.

12 **Sec. 12. A tax credit awarded under this chapter is subject to the**  
 13 **limitations set forth in IC 5-28-6-9.**

14 **Sec. 13. This chapter expires July 1, 2027.**

15 SECTION 19. IC 8-14-15.1-7, AS ADDED BY P.L.217-2017,  
 16 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 JULY 1, 2022]: Sec. 7. (a) The next level Indiana fund investment  
 18 board is established. The board consists of the following members:

19 (1) The secretary of commerce or the secretary's designee, who  
 20 shall serve as the chairperson of the board.

21 (2) The director of the office of management and budget or the  
 22 director's designee.

23 (3) Two (2) individuals appointed by the governor who have  
 24 experience and knowledge in investments.

25 (4) The treasurer of state or the treasurer's designee.

26 **(5) One (1) individual appointed by the speaker of the house**  
 27 **of representatives who has experience and knowledge in**  
 28 **venture capital investments.**

29 **(6) One (1) individual appointed by the president pro tempore**  
 30 **of the senate who has experience and knowledge in venture**  
 31 **capital investments.**

32 (b) The board shall serve as trustee of the trust and direct the  
 33 investment of the trust.

34 (c) The board shall adopt an investment policy in conformance with  
 35 section 8 of this chapter.

36 (d) The board shall hold regular meetings at least quarterly. The  
 37 board may hold special meetings at the call of the treasurer of state or  
 38 with a written request signed by at least two (2) members of the board.

39 (e) The board may hold its meetings at offices in Indiana that the  
 40 chairperson or the requesting members designate. All meetings must  
 41 be open to the public in accordance with IC 5-14-1.5. The board shall  
 42 keep a record of its proceedings.



1 (f) ~~Three (3)~~ **Five (5)** members of the board constitute a quorum for  
 2 the transaction of business of the board. Each member of the board is  
 3 entitled to one (1) vote. A vote of at least ~~three (3)~~ **five (5)** members of  
 4 the board present is required for the board to adopt a resolution or take  
 5 other action at a regular or special meeting.

6 SECTION 20. IC 8-22-3.5-1.5, AS ADDED BY P.L.38-2021,  
 7 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2022]: Sec. 1.5. (a) This section does not apply to a parcel that  
 9 is included in more than one (1) allocation area established by:

- 10 (1) an ordinance adopted under section 5 of this chapter and  
 11 confirmed under section 6 of this chapter;  
 12 (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under  
 13 IC 6-1.1-39-3;  
 14 (3) a resolution establishing an allocation provision under  
 15 IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15,  
 16 IC 36-7-14-16, and IC 36-7-14-17;  
 17 (4) a resolution establishing an allocation provision under  
 18 IC 36-7-15.1-26 that is adopted and approved under  
 19 IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;  
 20 (5) a resolution establishing an allocation provision under  
 21 IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10,  
 22 IC 36-7-30-11, and IC 36-7-30-12;  
 23 (6) a resolution establishing an allocation provision under  
 24 IC 36-7-30.5-30 that is adopted and approved under  
 25 IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or  
 26 (7) a resolution designating a certified technology park as an  
 27 allocation area that is approved and adopted under IC 36-7-32-15;  
 28 on or before May 1, 2021. In addition, a new allocation area may not  
 29 be established under this chapter that includes a parcel that is located  
 30 in an allocation area described in this subsection.

31 (b) Except as provided in subsection (a), but notwithstanding any  
 32 other provision, for the purpose of the allocation of property taxes  
 33 under this chapter, a parcel may not be included in more than one (1)  
 34 allocation area established under this chapter or under:

- 35 (1) IC 6-1.1-39;  
 36 (2) IC 36-7-14;  
 37 (3) IC 36-7-15.1;  
 38 (4) IC 36-7-30;  
 39 (5) IC 36-7-30.5; **or**  
 40 (6) IC 36-7-32; **or**  
 41 (7) **IC 36-7-32.5.**

42 SECTION 21. IC 36-1-29.5 IS ADDED TO THE INDIANA CODE



1 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2022]:

3 **Chapter 29.5. Workforce Retention and Recruitment Program**  
4 **and Fund**

5 **Sec. 1. As used in this chapter, "fund" means a workforce**  
6 **retention and recruitment fund established by the fiscal officer of**  
7 **a unit under section 9 of this chapter.**

8 **Sec. 2. As used in this chapter, "incentive agreement" means an**  
9 **agreement described in section 8(b) of this chapter.**

10 **Sec. 3. As used in this chapter, "program" means a workforce**  
11 **retention and recruitment program established by the executive of**  
12 **a unit under section 8(a) of this chapter.**

13 **Sec. 4. As used in this chapter, "qualified nonprofit**  
14 **organization" means a private, nonprofit entity formed as a**  
15 **partnership between one (1) or more units, private sector**  
16 **businesses, or community or philanthropic organizations to**  
17 **develop and implement a workforce retention and recruitment**  
18 **strategy that has an organizational structure that conforms with**  
19 **the requirements of a policy developed by the workforce fund**  
20 **managers under section 10 of this chapter.**

21 **Sec. 5. As used in this chapter, "qualified worker" means an**  
22 **individual described in section 11 of this chapter.**

23 **Sec. 6. As used in this chapter, "unit" means a county, city, or**  
24 **town.**

25 **Sec. 7. As used in this chapter, "workforce fund managers"**  
26 **means a workforce fund board of managers established by the**  
27 **executive of a unit under section 10 of this chapter.**

28 **Sec. 8. (a) The executive of a unit may by resolution or executive**  
29 **order establish a workforce retention and recruitment program for**  
30 **the purposes of recruiting and retaining individuals who will**  
31 **satisfy the current and future workforce needs of the unit's**  
32 **employers or provide substantial economic impact to the unit,**  
33 **including providing incentives in the form of grants or loans to**  
34 **qualified workers.**

35 **(b) A program must require each qualified worker who receives**  
36 **a grant or loan from the fund to enter into an incentive agreement**  
37 **with the workforce fund managers. An incentive agreement must**  
38 **include the following terms:**

39 **(1) The duration of time each qualified worker agrees to**  
40 **reside within the unit following the date specified in the**  
41 **agreement.**

42 **(2) A penalty clause if a qualified worker fails to fulfill the**



1 terms of the agreement.

2 However, the workforce fund managers may waive a penalty under  
3 subdivision (2) regarding any part of a grant or loan that the  
4 qualified worker may have received and that is due under the  
5 incentive agreement.

6 Sec. 9. (a) If the executive of a unit establishes a program under  
7 section 8 of this chapter, the fiscal officer of the unit shall establish  
8 a workforce retention and recruitment fund for the purposes of the  
9 program.

10 (b) The fund shall consist of the following:

11 (1) Any private grants or contributions.

12 (2) Appropriations to the fund included in the unit's budget.

13 (3) Transfers of money to the fund under section 12 of this  
14 chapter.

15 (4) Any repayments to the fund under section 8(b) of this  
16 chapter.

17 (c) The executive of the unit shall administer the fund in  
18 coordination with a workforce fund board of managers established  
19 under section 10 of this chapter, including any qualified nonprofit  
20 organization established by the workforce fund managers under  
21 that section.

22 (d) Any money remaining in a fund at the end of the calendar  
23 year does not revert to the unit's general fund.

24 Sec. 10. (a) The executive of a unit that establishes a program  
25 under section 8 of this chapter shall appoint a five (5) member  
26 workforce fund board of managers. The duties of the workforce  
27 fund managers shall include:

28 (1) adopting rules and bylaws they consider necessary for the  
29 proper conduct of their proceedings, the carrying out of other  
30 duties, and the safeguarding of the money or property placed  
31 in their custody;

32 (2) by resolution or in accordance with their rules and bylaws,  
33 prescribing the date and manner of notice of their regular  
34 meetings;

35 (3) identifying the most appropriate and fiscally responsible  
36 incentives that will attract or retain individuals or families  
37 who will satisfy the current and future workforce needs of the  
38 unit's employers or provide substantial economic impact to  
39 the unit;

40 (4) developing and implementing marketing strategies to  
41 recruit or retain these individuals or families;

42 (5) identifying and recruiting applicants who may receive



- 1           incentives from the fund;  
 2           (6) establishing an application process for individuals and  
 3           families;  
 4           (7) evaluating applicants; and  
 5           (8) offering incentives to qualified applicants.  
 6           (b) Three (3) of the workforce fund managers constitute a  
 7           quorum and the concurrence of three (3) of the workforce fund  
 8           managers is necessary to authorize any action.  
 9           (c) The workforce fund managers may establish a qualified  
 10          nonprofit organization for purposes of carrying out a program and  
 11          the purposes of a fund under this chapter.
- 12          **Sec. 11. To qualify for a grant or loan from a fund, an individual**  
 13          **must be:**
- 14               (1) a graduate of an Indiana college or university who:  
 15                   (A) was a resident of another state before enrolling at the  
 16                   Indiana college or university;  
 17                   (B) relocates to a location within the unit; and  
 18                   (C) accepts and commences employment with an employer  
 19                   located within the unit under the terms of an incentive  
 20                   agreement;  
 21               (2) an out-of-state resident who relocates to a location within  
 22               the unit in order to accept and commence employment with  
 23               an employer located within the unit under the terms of an  
 24               incentive agreement; or  
 25               (3) an out-of-state resident who relocates to a location within  
 26               the unit and works remotely for an employer, regardless of  
 27               the employer's domicile.
- 28          **Sec. 12. (a) The fiscal body of a unit may transfer or deposit the**  
 29          **following into a fund:**
- 30               (1) Any private grants or contributions.  
 31               (2) Appropriations to the fund included in the unit's budget.  
 32               (3) Except for money in a fund with a restricted purpose, but  
 33               otherwise notwithstanding any use of funds prohibition as  
 34               long as the transfer or deposit is authorized by the relevant  
 35               statutory procedure:  
 36                   (A) any surplus, unexpended, unappropriated,  
 37                   unencumbered, or otherwise available public or private  
 38                   money; and  
 39                   (B) from any general account, reverting or nonreverting  
 40                   fund, special account, or trust, other than a fund or  
 41                   account that receives bond proceeds, created or  
 42                   administered by any department, board, authority,





1           commission, political subdivision, special service district,  
2           special taxing district, or any other instrumentality of local  
3           government under IC 36 with authority to collect or  
4           receive taxes, interest, or any other public or private  
5           money.

6           (b) Notwithstanding any other statute, an executive of a unit  
7           that has established a program under section 8 of this chapter,  
8           after consulting with the fiscal body and fiscal officer of the unit,  
9           may authorize a transfer or loan to a fund from any dedicated fund  
10          or account, other than a fund or account that receives bond  
11          proceeds, before the purpose for which the dedicated fund or  
12          account was established has been accomplished.

13          (c) Two (2) or more units may, by written agreement,  
14          collaborate, commingle funds, or otherwise work together for the  
15          benefit of administering or carrying out the purposes of the units'  
16          funds.

17          Sec. 13. Any separate body corporate and politic or regional,  
18          multicounty, or metropolitan authority or commission may, by  
19          written agreement, establish a mutually beneficial relationship  
20          with one (1) or more units for purposes of administering or  
21          carrying out the purposes of the unit's fund or units' funds.

22          Sec. 14. (a) Not later than April 15 of each year, the workforce  
23          fund managers shall file with the executive of the unit and fiscal  
24          body of the unit a report setting out their activities during the  
25          preceding calendar year.

26          (b) The report of the workforce fund managers under this  
27          section must show:

28               (1) the names of the then qualified and acting workforce fund  
29               managers;

30               (2) the amount of the expenditures made during the preceding  
31               year and their general purpose;

32               (3) the amount of funds on hand at the close of the calendar  
33               year; and

34               (4) other information deemed necessary to disclose the  
35               activities of the workforce fund managers and the results  
36               obtained.

37          (c) Not later than April 15 of each year, a copy of each report  
38          under this section must be submitted to the department of local  
39          government finance in an electronic format specified by the  
40          department of local government finance.

41          SECTION 22. IC 36-7-14-57, AS ADDED BY P.L.38-2021,  
42          SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2022]; Sec. 57. (a) This section does not apply to a parcel that  
2 is included in more than one (1) allocation area established by:

3 (1) a resolution establishing an allocation provision under section  
4 39 of this chapter that is adopted and approved under sections 15  
5 through 17 of this chapter;

6 (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under  
7 IC 6-1.1-39-3;

8 (3) a resolution adopted under IC 8-22-3.5-5 and confirmed under  
9 IC 8-22-3.5-6;

10 (4) a resolution establishing an allocation provision under  
11 IC 36-7-15.1-26 that is adopted and approved under  
12 IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;

13 (5) a resolution establishing an allocation provision under  
14 IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10,  
15 IC 36-7-30-11, and IC 36-7-30-12;

16 (6) a resolution establishing an allocation provision under  
17 IC 36-7-30.5-30 that is adopted and approved under  
18 IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or

19 (7) a resolution designating a certified technology park as an  
20 allocation area that is approved and adopted under IC 36-7-32-15;  
21 on or before May 1, 2021. In addition, a new allocation area may not  
22 be established under this chapter that includes a parcel that is located  
23 in an allocation area described in this subsection.

24 (b) Except as provided in subsection (a), but notwithstanding any  
25 other provision, for the purpose of the allocation of property taxes  
26 under this chapter, a parcel may not be included in more than one (1)  
27 allocation area established under this chapter or under:

28 (1) IC 6-1.1-39;

29 (2) IC 8-22-3.5;

30 (3) IC 36-7-15.1;

31 (4) IC 36-7-30;

32 (5) IC 36-7-30.5; **or**

33 (6) IC 36-7-32; **or**

34 **(7) IC 36-7-32.5.**

35 SECTION 23. IC 36-7-15.1-63, AS ADDED BY P.L.38-2021,  
36 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
37 JULY 1, 2022]; Sec. 63. (a) This section does not apply to a parcel that  
38 is included in more than one (1) allocation area established by:

39 (1) a resolution establishing an allocation provision under section  
40 26 of this chapter that is adopted and approved under sections 8  
41 through 10 of this chapter;

42 (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under



- 1 IC 6-1.1-39-3;  
 2 (3) a resolution adopted under IC 8-22-3.5-5 and confirmed under  
 3 IC 8-22-3.5-6;  
 4 (4) a resolution establishing an allocation provision under  
 5 IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15,  
 6 IC 36-7-14-16, and IC 36-7-14-17;  
 7 (5) a resolution establishing an allocation provision under  
 8 IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10,  
 9 IC 36-7-30-11, and IC 36-7-30-12;  
 10 (6) a resolution establishing an allocation provision under  
 11 IC 36-7-30.5-30 that is adopted and approved under  
 12 IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or  
 13 (7) a resolution designating a certified technology park as an  
 14 allocation area that is approved and adopted under IC 36-7-32-15;  
 15 on or before May 1, 2021. In addition, a new allocation area may not  
 16 be established under this chapter that includes a parcel that is located  
 17 in an allocation area described in this subsection.
- 18 (b) Except as provided in subsection (a), but notwithstanding any  
 19 other provision, for the purpose of the allocation of property taxes  
 20 under this chapter, a parcel may not be included in more than one (1)  
 21 allocation area established under this chapter or under:
- 22 (1) IC 6-1.1-39;  
 23 (2) IC 8-22-3.5;  
 24 (3) IC 36-7-14;  
 25 (4) IC 36-7-30;  
 26 (5) IC 36-7-30.5; **or**  
 27 (6) IC 36-7-32; **or**  
 28 **(7) IC 36-7-32.5.**
- 29 SECTION 24. IC 36-7-30-36, AS ADDED BY P.L.38-2021,  
 30 SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JULY 1, 2022]: Sec. 36. (a) This section does not apply to a parcel that  
 32 is included in more than one (1) allocation area established by:
- 33 (1) a resolution establishing an allocation provision under section  
 34 25 of this chapter that is adopted and approved under sections 10  
 35 through 12 of this chapter;  
 36 (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under  
 37 IC 6-1.1-39-3;  
 38 (3) a resolution adopted under IC 8-22-3.5-5 and confirmed under  
 39 IC 8-22-3.5-6;  
 40 (4) a resolution establishing an allocation provision under  
 41 IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15,  
 42 IC 36-7-14-16, and IC 36-7-14-17;



1 (5) a resolution establishing an allocation provision under  
 2 IC 36-7-15.1-26 that is adopted and approved under  
 3 IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;

4 (6) a resolution establishing an allocation provision under  
 5 IC 36-7-30.5-30 that is adopted and approved under  
 6 IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or

7 (7) a resolution designating a certified technology park as an  
 8 allocation area that is approved and adopted under IC 36-7-32-15;  
 9 on or before May 1, 2021. In addition, a new allocation area may not  
 10 be established under this chapter that includes a parcel that is located  
 11 in an allocation area described in this subsection.

12 (b) Except as provided in subsection (a), but notwithstanding any  
 13 other provision, for the purpose of the allocation of property taxes  
 14 under this chapter, a parcel may not be included in more than one (1)  
 15 allocation area established under this chapter or under:

16 (1) IC 6-1.1-39;

17 (2) IC 8-22-3.5;

18 (3) IC 36-7-14;

19 (4) IC 36-7-15.1;

20 (5) IC 36-7-30.5; or

21 (6) IC 36-7-32; or

22 **(7) IC 36-7-32.5.**

23 SECTION 25. IC 36-7-30.5-37, AS ADDED BY P.L.38-2021,  
 24 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2022]: Sec. 37. (a) This section does not apply to a parcel that  
 26 is included in more than one (1) allocation area established by:

27 (1) a resolution establishing an allocation provision under section  
 28 30 of this chapter that is adopted and approved under sections 16  
 29 through 18 of this chapter;

30 (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under  
 31 IC 6-1.1-39-3;

32 (3) a resolution adopted under IC 8-22-3.5-5 and confirmed under  
 33 IC 8-22-3.5-6;

34 (4) a resolution establishing an allocation provision under  
 35 IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15,  
 36 IC 36-7-14-16, and IC 36-7-14-17;

37 (5) a resolution establishing an allocation provision under  
 38 IC 36-7-15.1-26 that is adopted and approved under  
 39 IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;

40 (6) a resolution establishing an allocation provision under  
 41 IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10,  
 42 IC 36-7-30-11, and IC 36-7-30-12; or



1 (7) a resolution designating a certified technology park as an  
 2 allocation area that is approved and adopted under IC 36-7-32-15;  
 3 on or before May 1, 2021. In addition, a new allocation area may not  
 4 be established under this chapter that includes a parcel that is located  
 5 in an allocation area described in this subsection.

6 (b) Except as provided in subsection (a), but notwithstanding any  
 7 other provision, for the purpose of the allocation of property taxes  
 8 under this chapter, a parcel may not be included in more than one (1)  
 9 allocation area established under this chapter or under:

10 (1) IC 6-1.1-39;

11 (2) IC 8-22-3.5;

12 (3) IC 36-7-14;

13 (4) IC 36-7-15.1;

14 (5) IC 36-7-30; **or**

15 (6) IC 36-7-32; **or**

16 **(7) IC 36-7-32.5.**

17 SECTION 26. IC 36-7-32-28, AS ADDED BY P.L.38-2021,  
 18 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 19 JULY 1, 2022]: Sec. 28. (a) This section does not apply to a parcel that  
 20 is included in more than one (1) allocation area established by:

21 (1) a resolution designating a certified technology park as an  
 22 allocation area that is approved and adopted under section 15 of  
 23 this chapter;

24 (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under  
 25 IC 6-1.1-39-3;

26 (3) a resolution adopted under IC 8-22-3.5-5 and confirmed under  
 27 IC 8-22-3.5-6;

28 (4) a resolution establishing an allocation provision under  
 29 IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15,  
 30 IC 36-7-14-16, and IC 36-7-14-17;

31 (5) a resolution establishing an allocation provision under  
 32 IC 36-7-15.1-26 that is adopted and approved under  
 33 IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;

34 (6) a resolution establishing an allocation provision under  
 35 IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10,  
 36 IC 36-7-30-11, and IC 36-7-30-12; **or**

37 (7) a resolution establishing an allocation provision under  
 38 IC 36-7-30.5-30 that is adopted and approved under  
 39 IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18;

40 on or before May 1, 2021. In addition, a new allocation area may not  
 41 be established under this chapter that includes a parcel that is located  
 42 in an allocation area described in this subsection.



1 (b) Except as provided in subsection (a), but notwithstanding any  
 2 other provision, for the purpose of the allocation of property taxes  
 3 under this chapter, a parcel may not be included in more than one (1)  
 4 allocation area established under this chapter or under:

- 5 (1) IC 6-1.1-39;  
 6 (2) IC 8-22-3.5;  
 7 (3) IC 36-7-14;  
 8 (4) IC 36-7-15.1;  
 9 (5) IC 36-7-30; ~~or~~  
 10 (6) IC 36-7-30.5; ~~or~~  
 11 (7) **IC 36-7-32.5.**

12 SECTION 27. IC 36-7-32.5 IS ADDED TO THE INDIANA CODE  
 13 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2022]:

15 **Chapter 32.5. Innovation Development Districts**

16 **Sec. 1. As used in this chapter, "base assessed value" means the**  
 17 **net assessed value of all the taxable real and personal property that**  
 18 **is assessed as commercial or industrial property under the rules of**  
 19 **the department of local government finance and is located in an**  
 20 **innovation development district as finally determined for the**  
 21 **assessment date immediately preceding the effective date of the**  
 22 **designation by the corporation under section 10 of this chapter.**

23 **Sec. 2. As used in this chapter, "board" refers to the innovation**  
 24 **development district board established under section 14 of this**  
 25 **chapter to govern an innovation development district.**

26 **Sec. 3. As used in this chapter, "corporation" refers to the**  
 27 **Indiana economic development corporation established by**  
 28 **IC 5-28-3-1.**

29 **Sec. 4. As used in this chapter, "gross retail base period**  
 30 **amount" means the aggregate amount of state gross retail and use**  
 31 **taxes remitted under IC 6-2.5 by the businesses:**

- 32 (1) operating in the territory comprising an innovation  
 33 development district; and  
 34 (2) that is, in the case of the:  
 35 (A) state gross retail tax, collected by a business for sales  
 36 occurring at a physical location of the business in the  
 37 innovation development district; and  
 38 (B) state use tax, incurred with regard to property used in  
 39 the innovation development district;

40 **during the full state fiscal year that precedes the date on which the**  
 41 **innovation development district was designated under section 10**  
 42 **of this chapter.**



1           **Sec. 5. As used in this chapter, "gross retail incremental**  
 2 **amount" means the remainder of:**

3           **(1) the aggregate amount of state gross retail and use taxes**  
 4 **that are remitted under IC 6-2.5 by businesses:**

5           **(A) operating in the territory comprising an innovation**  
 6 **development district; and**

7           **(B) that is, in the case of the:**

8           **(i) state gross retail tax, collected by a business for sales**  
 9 **occurring at a physical location of the business in the**  
 10 **innovation development district; and**

11           **(ii) state use tax, incurred with regard to property used**  
 12 **in the innovation development district;**

13           **during a state fiscal year; minus**

14           **(2) the gross retail base period amount;**  
 15 **as determined by the department of state revenue.**

16           **Sec. 6. As used in this chapter, "income tax base period**  
 17 **amount" means the aggregate amount of adjusted gross income**  
 18 **taxes paid by employees employed in the territory comprising an**  
 19 **innovation development district with respect to wages and salary**  
 20 **earned for work in the innovation development district for the**  
 21 **state fiscal year that precedes the date on which the innovation**  
 22 **development district was designated under section 10 of this**  
 23 **chapter.**

24           **Sec. 7. As used in this chapter, "income tax incremental**  
 25 **amount" means the remainder of:**

26           **(1) the total amount of state adjusted gross income taxes paid**  
 27 **by employees employed in the territory comprising the**  
 28 **innovation development district with respect to wages and**  
 29 **salary earned for work in the territory comprising the**  
 30 **innovation development district for a particular state fiscal**  
 31 **year; minus**

32           **(2) the sum of the:**

33           **(A) income tax base period amount; plus**

34           **(B) tax credits awarded by the Indiana economic**  
 35 **development corporation under IC 6-3.1-13 to businesses**  
 36 **operating in an innovation development district as the**  
 37 **result of wages earned for work in the innovation**  
 38 **development district for the state fiscal year;**

39 **as determined by the department of state revenue.**

40           **Sec. 8. As used in this chapter, "legislative body" means the**  
 41 **following:**

42           **(1) The board of county commissioners, for a county not**



- 1           subject to IC 36-2-3.5 or IC 36-3-1.
- 2           (2) The county council, for a county subject to IC 36-2-3.5.
- 3           (3) The city-county council, for a consolidated city or county
- 4           having a consolidated city.
- 5           (4) The common council, for a city other than a consolidated
- 6           city.
- 7           (5) The town council, for a town.

8           **Sec. 9.** As used in this chapter, "net increment" means the sum  
 9 of:

- 10           (1) the gross retail incremental amount; plus
- 11           (2) the income tax incremental amount;
- 12 as determined by the department of state revenue.

13           **Sec. 10. (a)** Before the corporation may designate territory  
 14 within the jurisdiction of a city, town, or county, or within the  
 15 jurisdiction of more than one (1) city, town, or county, as an  
 16 innovation development district under this section, the board of the  
 17 corporation established under IC 5-28-4 shall establish policies and  
 18 guidelines that the corporation must follow when notifying and  
 19 collaborating with a legislative body, or, if applicable, legislative  
 20 bodies, to designate territory within the jurisdiction of a city, town,  
 21 or county as an innovation development district under this section.

22           (b) After notifying and collaborating with the legislative body,  
 23 or, if an innovation development district will include territory  
 24 within the jurisdiction of more than one (1) city, town, or county,  
 25 with the legislative bodies, in the manner provided under the  
 26 policies and guidelines established under subsection (a), the  
 27 corporation may designate territory within the jurisdiction of a  
 28 city, town, or county, or territory within the jurisdiction of more  
 29 than one (1) city, town, or county, as an innovation development  
 30 district if the corporation determines that the designation will  
 31 support economic growth.

32           (c) The corporation may not designate an innovation  
 33 development district under this section after June 30, 2025.

34           **Sec. 11. (a)** The corporation may not designate an area as an  
 35 innovation development district under section 10 of this chapter,  
 36 if the business or businesses that are expected to locate within the  
 37 innovation development district:

- 38           (1) currently operate in Indiana in a location outside of the
- 39           proposed innovation development district; and
- 40           (2) intend to substantially reduce or cease operations at the
- 41           other location or locations within Indiana in order to relocate
- 42           to a location within the innovation development district.





1           (b) Notwithstanding any other provision of this chapter, an  
 2 innovation development district may not be established in an  
 3 existing allocation area established under IC 6-1.1-39, IC 8-22-3.5,  
 4 IC 36-7-14, IC 36-7-15.1, IC 36-7-30, IC 36-7-30.5, IC 36-7-32,  
 5 IC 36-7.5-4.5, or any other provision that authorizes the  
 6 establishment of an allocation area.

7           (c) A development within the innovation development district is  
 8 subject to any zoning ordinance or other zoning law that otherwise  
 9 applies to territory within the innovation development district.

10          Sec. 12. (a) Except as provided in subsection (b), after June 30,  
 11 2022, and before July 1, 2025, the corporation may not designate  
 12 more than five (5) innovation development districts under section  
 13 10 of this chapter.

14          (b) Notwithstanding subsection (a), after June 30, 2022, and  
 15 before July 1, 2025, the corporation may designate additional  
 16 innovation development districts under section 10 of this chapter  
 17 after review by the budget committee.

18          Sec. 13. The term of an area's designation as an innovation  
 19 development district may not exceed thirty (30) years.

20          Sec. 14. (a) After an innovation development district is  
 21 designated under section 10 of this chapter, the legislative body, or,  
 22 if applicable, the legislative bodies, and the corporation shall  
 23 establish an innovation development district board to govern the  
 24 innovation development district.

25          (b) The board consists of five (5) members appointed as follows:

26           (1) Three (3) members appointed by the secretary of  
 27 commerce appointed under IC 5-28-3-4.

28           (2) Two (2) members appointed by the legislative body, or, if  
 29 applicable, the legislative bodies.

30          Each member of the board must be a resident of the county, or, if  
 31 applicable, one (1) of the counties, in which the innovation  
 32 development district is located. A member of the board serves at  
 33 the pleasure of the appointing authority. A vacancy on the board  
 34 shall be filled in the same manner as the original appointment.

35          (c) After the members of have been appointed under this  
 36 section, the board and the corporation shall enter into an  
 37 agreement establishing the terms and conditions governing the  
 38 innovation development district. After entering into the agreement,  
 39 the subsequent failure of any party to comply with the terms of the  
 40 agreement may result in the termination or rescission of the  
 41 designation of the area as an innovation development district.

42          (d) The agreement must include the following provisions:



- 1           **(1) A description of the area, including a list of all parcels to**
- 2           **be included within the innovation development district.**
- 3           **(2) Covenants and restrictions, if any, upon all or a part of the**
- 4           **properties contained within the innovation development**
- 5           **district and terms of enforcement of any covenants or**
- 6           **restrictions.**
- 7           **(3) The due diligence and financial commitments of any party**
- 8           **to the agreement and of any owner or developer of property**
- 9           **within the innovation development district.**
- 10          **(4) The financial projections of the innovation development**
- 11          **district.**
- 12          **(5) The proposed use of the net increment and property tax**
- 13          **incremental amount described in section 16(c) of this chapter**
- 14          **that is captured within the innovation development district.**
- 15          **(6) Subject to the limitations of this chapter, the duration of**
- 16          **the designation of an area as an innovation development**
- 17          **district.**
- 18          **(7) The terms of enforcement of the agreement, which may**
- 19          **include the definition of events of default, cure periods, legal**
- 20          **and equitable remedies and rights, and penalties and**
- 21          **damages, actual or liquidated, upon the occurrence of an**
- 22          **event of default.**
- 23          **(8) The public facilities to be developed for the innovation**
- 24          **development district and the estimated costs of those public**
- 25          **facilities.**
- 26          **(e) Within fifteen (15) days of entering into an agreement under**
- 27          **subsection (c), the corporation shall submit a written report on the**
- 28          **agreement to the budget committee.**
- 29          **Sec. 15. (a) After the corporation and a board enter into an**
- 30          **agreement described in section 14 of this chapter concerning the**
- 31          **terms and conditions governing the innovation development**
- 32          **district, the legislative body, or, if applicable, legislative bodies,**
- 33          **shall adopt a resolution designating an innovation development**
- 34          **district as an allocation area for purposes of the allocation and**
- 35          **distribution of property taxes.**
- 36          **(b) After adoption of the resolution under subsection (a), the**
- 37          **legislative body, or, if applicable, legislative bodies, shall:**
- 38               **(1) publish notice of the adoption and substance of the**
- 39               **resolution in accordance with IC 5-3-1; and**
- 40               **(2) file the following information with each taxing unit that**
- 41               **has authority to levy property taxes in the geographic area**
- 42               **where the innovation development district is located:**



- 1           **(A) A copy of the notice required under subdivision (1).**  
 2           **(B) A statement disclosing the impact of the innovation**  
 3           **development district, including the estimated economic**  
 4           **benefits and costs incurred by the innovation development**  
 5           **district, as measured by increased employment and**  
 6           **anticipated growth of real and personal property assessed**  
 7           **values.**

8           **The notice must state the general boundaries of the innovation**  
 9           **development district and include a list of all parcels to be included**  
 10           **within the innovation development district.**

11           **Sec. 16. (a) An allocation provision adopted under section 15 of**  
 12           **this chapter must:**

- 13           **(1) apply to the entire innovation development district; and**  
 14           **(2) require that any property tax assessed on taxable property**  
 15           **used for commercial or industrial purposes subsequently**  
 16           **levied by or for the benefit of any public body entitled to a**  
 17           **distribution of property taxes in the innovation development**  
 18           **district be allocated and distributed as provided in subsections**  
 19           **(b) and (c).**

20           **(b) Except as otherwise provided in this section:**

- 21           **(1) the proceeds of the taxes attributable to the lesser of:**  
 22           **(A) the assessed value of the taxable property for the**  
 23           **assessment date with respect to which the allocation and**  
 24           **distribution is made; or**  
 25           **(B) the base assessed value;**

26           **shall be allocated and, when collected, paid into the funds of**  
 27           **the respective taxing units; and**

- 28           **(2) the excess of the proceeds of the property taxes imposed**  
 29           **for the assessment date with respect to which the allocation**  
 30           **and distribution is made that are attributable to taxes**  
 31           **imposed after being approved by the voters in a referendum**  
 32           **or local public question conducted after April 30, 2010, not**  
 33           **otherwise included in subdivision (1) shall be allocated to and,**  
 34           **when collected, paid into the funds of the taxing unit for**  
 35           **which the referendum or local public question was conducted.**

36           **(c) Except as provided in subsection (d), all the property tax**  
 37           **proceeds that:**

- 38           **(1) exceed those described in subsection (b); and**  
 39           **(2) are attributable to the assessed value of taxable property**  
 40           **used for commercial or industrial purposes;**

41           **shall be paid into the appropriate local innovation development**  
 42           **district fund established by section 21 of this chapter by the county**



1 auditor at the same time that the county auditor distributes  
2 property taxes to other local units of government under  
3 IC 6-1.1-27. Any remaining property tax proceeds that exceed  
4 those described in subsection (b) that are not described in  
5 subdivision (2) shall be allocated and, when collected, paid into the  
6 funds of the respective taxing units.

7 (d) Notwithstanding any other law, each assessor shall, upon  
8 petition of the board, reassess the taxable property situated upon  
9 or in, or added to, the innovation development district effective on  
10 the next assessment date after the petition.

11 (e) Notwithstanding any other law, the assessed value of all  
12 taxable property in the innovation development district, for  
13 purposes of tax limitation, property tax replacement, and  
14 formulation of the budget, tax rate, and tax levy for each political  
15 subdivision in which the property is located is the lesser of:

- 16 (1) the assessed value of the taxable property as valued  
17 without regard to this section; or  
18 (2) the base assessed value.

19 Sec. 17. (a) A board may enter into a written agreement with a  
20 taxpayer who owns, or is otherwise obligated to pay property taxes  
21 on, tangible property that is or will be located in an allocation area  
22 established under this chapter in which the taxpayer waives review  
23 of any assessment of the taxpayer's tangible property that is  
24 located in the allocation area for an assessment date that occurs  
25 during the term of any specified bond or lease obligations that are  
26 payable, in whole or in part, from property taxes in accordance  
27 with an allocation provision for the allocation area and any  
28 applicable statute, ordinance, or resolution.

29 (b) Notwithstanding any other law, a board may exempt from  
30 taxation any tangible real or personal property that is:

- 31 (1) assessed as commercial or industrial property under the  
32 rules of the department of local government finance; and  
33 (2) located within the innovation development district.

34 Sec. 18. (a) The state board of accounts, the department of state  
35 revenue, and the department of local government finance may  
36 adopt rules under IC 4-22-2 and prescribe the forms and  
37 procedures that the state board of accounts, the department of  
38 state revenue, and the department of local government finance  
39 consider appropriate for the implementation of an innovation  
40 development district under this chapter. However, before adopting  
41 rules under this section, the state board of accounts, the  
42 department of state revenue, and the department of local



1 government finance shall submit a report to the budget committee  
2 that:

- 3 (1) describes the rules proposed by the state board of  
4 accounts, the department of state revenue, and the  
5 department of local government finance; and  
6 (2) recommends statutory changes necessary to implement the  
7 provisions of this chapter.

8 (b) After each reassessment of real property in an area under a  
9 county's reassessment plan prepared under IC 6-1.1-4-4.2, the  
10 department of local government finance shall adjust the base  
11 assessed value one (1) time to neutralize any effect of the  
12 reassessment of the real property in the area on the property tax  
13 proceeds allocated to the local innovation development district  
14 fund established by section 21 of this chapter.

15 (c) After each annual adjustment under IC 6-1.1-4-4.5, the  
16 department of local government finance shall adjust the base  
17 assessed value to neutralize any effect of the annual adjustment on  
18 the property tax proceeds allocated to the local innovation  
19 development district fund established by section 21 of this chapter.

20 Sec. 19. (a) After entering into an agreement under section 14 of  
21 this chapter, the board shall send to the department of state  
22 revenue:

- 23 (1) a certified copy of the designation of the innovation  
24 development district under section 10 of this chapter;  
25 (2) a certified copy of the agreement entered into under  
26 section 14 of this chapter; and  
27 (3) a complete list of the employers in the innovation  
28 development district and the street names and the range of  
29 street numbers of each street in the innovation development  
30 district.

31 The board shall update the list provided under subdivision (3)  
32 before July 1 of each year.

33 (b) Not later than sixty (60) days after receiving a copy of the  
34 designation of the innovation development district, the department  
35 of state revenue shall determine the gross retail base period  
36 amount and the income tax base period amount.

37 Sec. 20. (a) Before the first business day in October of each year,  
38 the department of state revenue shall calculate the income tax  
39 incremental amount and the gross retail incremental amount for  
40 the preceding state fiscal year for each innovation development  
41 district designated under this chapter.

42 (b) Taxpayers operating in an innovation development district



1 shall report annually, in the manner and form prescribed by the  
 2 department of state revenue, information that the department of  
 3 state revenue determines necessary to calculate the net increment.

4 (c) A taxpayer operating in an innovation development district  
 5 that files a consolidated tax return with the department of state  
 6 revenue shall also file annually an informational return with the  
 7 department of state revenue for each business location of the  
 8 taxpayer within the innovation development district.

9 (d) If a taxpayer fails to report the information required by this  
 10 section or file an informational return required by this section, the  
 11 department of state revenue shall use the best information  
 12 available in calculating the income tax incremental amount and  
 13 gross retail incremental amount.

14 (e) The department of state revenue shall transfer the amount  
 15 calculated as provided in subsection (a) to the applicable local  
 16 innovation development district fund established for the innovation  
 17 development district under section 21 of this chapter by November  
 18 1 of each year.

19 Sec. 21. (a) Each board shall establish a local innovation  
 20 development district fund for an innovation development district  
 21 designated under section 10 of this chapter.

22 (b) Each fund consists of:

23 (1) deposits of incremental property tax revenue from the  
 24 county auditor as provided in section 16(c) of this chapter;  
 25 and

26 (2) transfers from the department under section 20 of this  
 27 chapter.

28 (c) The board established for the innovation development  
 29 district shall administer each local innovation development district  
 30 fund established under this section. The expenses of administering  
 31 each fund shall be paid from money in that fund.

32 (d) A board may use money in each fund for the following  
 33 purposes:

34 (1) The acquisition, improvement, preparation, demolition,  
 35 disposal, construction, reconstruction, remediation,  
 36 rehabilitation, restoration, preservation, maintenance, repair,  
 37 furnishing, and equipping of public facilities, including but  
 38 not limited to utilities and transportation infrastructure.

39 (2) The operation of public facilities.

40 (3) The acquisition of land within the innovation development  
 41 district.

42 (4) The recruitment of new businesses and new employees to



- 1           the innovation development district.
- 2           **(5) The training of individuals employed in the innovation**
- 3           **development district.**
- 4           **(6) For any other purpose authorized by an agreement**
- 5           **between the corporation and the board entered into under**
- 6           **section 14 of this chapter.**
- 7           **(e) Not later than August 1 of each year, the board shall transfer**
- 8           **an amount equal to twelve percent (12%) of the incremental**
- 9           **property tax revenues that were deposited into the fund in the**
- 10           **immediately preceding state fiscal year to the general fund of each**
- 11           **city, town, county, or school corporation with territory located**
- 12           **within the innovation development district. If the board is required**
- 13           **to transfer funds to more than one (1) city, town, county, or school**
- 14           **corporation under this subsection, the amount transferred to each**
- 15           **city, town, county, and school corporation must be allocated among**
- 16           **each city, town, county, and school corporation proportionately**
- 17           **based on each city's, town's, county's, and school corporation's**
- 18           **gross property tax levy.**
- 19           **(f) This subsection applies only to a city, town, or county that**
- 20           **receives funds under subsection (e). A city, town, or county may**
- 21           **use funds received under subsection (e) to pay any:**
- 22               **(1) costs incurred by the city, town, or county to construct,**
- 23               **maintain, or operate utilities, transportation infrastructure,**
- 24               **or any other public facility that provides services to the**
- 25               **innovation development district; or**
- 26               **(2) other costs deemed necessary by the city, town, or county**
- 27               **to provide police or fire protection to the innovation**
- 28               **development district.**
- 29           **(g) Each state fiscal year, the board may, after making the**
- 30           **transfer required under subsection (e) and satisfying all debt**
- 31           **service obligations due and payable during the state fiscal year for**
- 32           **bonds issued under IC 5-1.2-4-4(a)(2), transfer from each local**
- 33           **innovation development district fund to the statewide innovation**
- 34           **development district fund established by section 22 of this chapter**
- 35           **an amount not to exceed one hundred percent (100%) of the net**
- 36           **incremental revenue derived from state income taxes and gross**
- 37           **retail taxes deposited into each fund during the immediately**
- 38           **preceding state fiscal year.**
- 39           **(h) Money in each local innovation development district fund at**
- 40           **the end of a state fiscal year does not revert to the state general**
- 41           **fund.**
- 42           **(i) Money in each local innovation development district fund is**



1 continuously appropriated for the purposes specified in this  
2 section.

3 **Sec. 22. (a)** The statewide innovation development district fund  
4 is established within the state treasury to provide grants or loans  
5 to support the development or expansion of industry in Indiana.

6 **(b)** The fund consists of:

7 **(1)** Transfers from a local innovation development district  
8 fund under section 21(g) of this chapter.

9 **(2)** Appropriations from the general assembly.

10 **(3)** Loan repayments, including earnings from loans under  
11 subsection (d).

12 **(c)** The corporation shall administer the fund. The following  
13 may be paid from money in the fund:

14 **(1)** The expenses of administering the fund.

15 **(2)** Nonrecurring administrative expenses incurred to carry  
16 out the purposes of this chapter.

17 **(d)** Earnings from loans made under this chapter shall be  
18 deposited in the fund.

19 **(e)** The corporation may make grants, loans, or investments  
20 from the fund for the following purposes:

21 **(1)** For the purposes identified in section 21(d) of this chapter.

22 **(2)** For the acquisition and improvement of land or other  
23 property.

24 **(3)** For costs associated with creating new innovation  
25 development districts.

26 **(4)** For the development of partnerships, including grants and  
27 loans, between the state, advanced industry and higher  
28 educational institutions focused on development, expansion,  
29 or retention in the state.

30 **(5)** For the stimulation of investments in entrepreneurial or  
31 high growth potential companies in the state.

32 **(6)** For workforce training assistance in the state.

33 **(f)** The corporation may use money in the fund to make a  
34 payment in lieu of a growing economy tax credit as provided in  
35 IC 6-3-5-5.

36 **Sec. 23. (a)** Except as provided in subsection (b), money in the  
37 statewide innovation development district fund established by  
38 section 22 of this chapter at the end of the state fiscal year does not  
39 revert to the state general fund.

40 **(b)** Notwithstanding subsection (a), if the unobligated balance  
41 of the statewide innovation development district fund established  
42 by section 22 of this chapter exceeds five hundred million dollars





1 (\$500,000,000) at the close of any state fiscal year, the amount of  
 2 funds in excess of five hundred million dollars (\$500,000,000) shall  
 3 be transferred to the state general fund.

4 (c) Money in the fund is continuously appropriated for the  
 5 purposes of this chapter.

6 Sec. 24. The corporation shall provide information on the  
 7 innovation development district program in its economic incentive  
 8 and compliance report submitted pursuant to IC 5-28-28-5, and to  
 9 the budget committee, that includes the following:

10 (1) Metrics established by the corporation to evaluate the  
 11 effectiveness of the innovation development district in  
 12 promoting economic growth in the state.

13 (2) The number and amount of grants or loans from the  
 14 statewide innovation development district fund established by  
 15 section 22 of this chapter that are contractually awarded by  
 16 the corporation for each innovation development district and  
 17 in total for all innovation development districts statewide.

18 (3) The name of each entity receiving a grant or loan from the  
 19 statewide innovation development district fund established by  
 20 section 22 of this chapter for each innovation development  
 21 district and for all innovation development districts statewide.

22 (4) The amount and name of each entity for which there is a  
 23 unfunded obligation at the close of each state fiscal year.

24 (5) A report on each innovation development district  
 25 designated under this chapter that includes a description of:

26 (A) the general boundaries of the innovation development  
 27 district;

28 (B) the total acreage encompassed within the innovation  
 29 development district;

30 (C) the base assessed value of the innovation development  
 31 district;

32 (D) the gross retail base period amount determined for the  
 33 innovation development district;

34 (E) the income tax base period amount determined for the  
 35 innovation development district;

36 (F) the gross assessed value of all tangible real and  
 37 personal property, without regard to any exemption  
 38 granted by the board under section 17(b) of this chapter,  
 39 that is:

40 (i) assessed as commercial or industrial property under  
 41 the rules of the department of local government finance;  
 42 and



- 1           (ii) located within the innovation development district;  
 2           in each calendar year after the calendar year in which the  
 3           innovation development district was designated;  
 4           (G) the amount of incremental property tax revenue  
 5           deposited into the local innovation development district  
 6           fund established by section 21 of this chapter in each state  
 7           fiscal year after the state fiscal year in which the  
 8           innovation development district was designated;  
 9           (H) the amount of incremental state gross retail and use  
 10          tax revenue deposited into the local innovation  
 11          development district fund established by section 21 of this  
 12          chapter in each state fiscal year after the state fiscal year  
 13          in which the innovation development district was  
 14          designated;  
 15          (I) the amount of incremental state adjusted gross income  
 16          tax revenue deposited into the local innovation  
 17          development district fund established by section 21 of this  
 18          chapter in each state fiscal year after the state fiscal year  
 19          in which the innovation development district was  
 20          designated;  
 21          (J) the amount of revenue deposited into the local  
 22          innovation development district fund established by section  
 23          21 of this chapter that was transferred into the statewide  
 24          innovation development district fund established under  
 25          section 22 of this chapter in each state fiscal year after the  
 26          state fiscal year in which the innovation development  
 27          district was designated;  
 28          (K) the aggregate amount of bonds issued by the Indiana  
 29          finance authority under IC 5-1.2-4-4(a)(2) to pay for  
 30          projects within the innovation development district;  
 31          (L) the annual amount of debt service payments due on the  
 32          bonds described in clause (K); and  
 33          (M) a description of all economic development incentives  
 34          granted by the corporation to businesses located within the  
 35          innovation development district.

36           SECTION 28. [EFFECTIVE UPON PASSAGE] (a) For the  
 37           biennium beginning July 1, 2021, and ending June 30, 2023, the  
 38           budget agency shall augment from the state general fund the  
 39           amount of money appropriated for the Indiana economic  
 40           development corporation for business promotion and innovation  
 41           in P.L.165-2021, SECTION 6, by an amount not to exceed three  
 42           hundred million dollars (\$300,000,000). Notwithstanding



1 P.L.165-2021 or any other law, the Indiana economic development  
2 corporation may transfer any funds allocated for business  
3 promotion and innovation to the statewide innovation development  
4 district fund established by IC 36-7-32.5-22 or to the Indiana  
5 promotion fund established by IC 5-28-5-12.

6 (b) Notwithstanding any other law, funds appropriated to the  
7 Indiana economic development corporation for business promotion  
8 and innovation do not revert to the state general fund at the end of  
9 the state fiscal year and remain available in subsequent state fiscal  
10 years for the uses specified under state law.

11 (c) This SECTION expires July 1, 2025.

12 SECTION 29. [EFFECTIVE UPON PASSAGE] (a) As used in this  
13 SECTION, "corporation" refers to the Indiana economic  
14 development corporation established by IC 5-28-3-1.

15 (b) The corporation shall identify and review state laws and  
16 regulations that:

17 (1) are burdensome to existing Indiana businesses; or

18 (2) inhibit the creation of new businesses and industries in the  
19 state.

20 (c) Not later than November 1, 2022, the corporation shall  
21 provide a report with recommendations for amending the state  
22 laws and regulations identified and reviewed under subsection (b)  
23 to the general assembly and the budget committee in an electronic  
24 format under IC 5-14-6.

25 (d) This SECTION expires July 1, 2023.

26 SECTION 30. An emergency is declared for this act.



## COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 361, 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 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 5-1.2-4-4, AS ADDED BY P.L.189-2018, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023]: Sec. 4. In addition to the powers listed in section 1 of this chapter, the authority may:

(1) enter into leases and issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to:

(A) acquire obligations issued by any entity authorized to acquire, finance, construct, or lease capital improvements under IC 5-1-17;

(B) acquire any obligations issued by the northwest Indiana regional development authority established by IC 36-7.5-2-1; or

(C) carry out the purposes of IC 5-1-17.5 within a motorsports investment district; and

**(2) issue bonds under terms and conditions determined by the authority payable solely from:**

**(A) revenues generated by a project under IC 36-7-32.5;**

**(B) net increment distributed to the Indiana economic development corporation by the department of state revenue under IC 36-7-32.5-16;**

**(C) property tax increment distributed to the Indiana development corporation by a redevelopment commission under IC 36-7-32.5-12; or**

**(D) any combination of the methods set forth in clauses (A) through (C);**

**and use the proceeds of the bonds to pay the cost of projects described in IC 36-7-32.5-19; and**

~~(2)~~ **(3) perform any other functions determined by the authority to be necessary or appropriate to carry out the purposes of this section.**

SECTION 2. IC 5-28-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 1.5. "Applicable tax credit" means any of the following:**

**(1) IC 6-3.1-13.**

**(2) IC 6-3.1-19.**

ES 361—LS 7135/DI 120



- (3) IC 6-3.1-26.
- (4) IC 6-3.1-30.
- (5) IC 6-3.1-34.
- (6) IC 6-3.1-36."

Page 2, delete lines 1 through 14, begin a new paragraph and insert:

"SECTION 3. IC 5-28-6-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: **Sec. 9. (a) Except as provided in subsection (b), the total amount of credits that the corporation may award for a calendar year for all taxpayers for all applicable tax credits is four hundred million dollars (\$400,000,000).**

**(b) Subject to review by the budget committee, the corporation may award for a calendar year for all taxpayers an additional two hundred million dollars (\$200,000,000) for all applicable tax credits in addition to those under subsection (a). However, the tax credits awarded under this subsection shall not be assigned or transferred.**

**(c) If the corporation has not or does not expect to exhaust the limit on the award of applicable credits, the corporation may award some or all of the remaining credits to taxpayers that make contributions to the Indiana promotion fund established by IC 5-28-5-12 in accordance with the policy established by the corporation under subsection (e).**

**(d) Credits provided to taxpayers providing contributions to the Indiana promotion fund may not be carried back or refunded.**

**(e) The corporation shall establish a policy for the award and distribution of credits that must be approved by the board."**

Page 17, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 19. IC 6-3.1-36 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023]:

**Chapter 36. Film and Media Production Tax Credit**

**Sec. 1. As used in this chapter, "qualified applicant" means a person, corporation, limited liability partnership, limited liability company, or other entity that is engaged in the business of making a qualified media production in Indiana.**

**Sec. 2. As used in this chapter, "qualified media production" means:**

- (1) a feature length film, including an independent or studio production, or a documentary;**
- (2) a television episodic series, program, or feature;**
- (3) a digital media production that is intended for reasonable**



commercial exploitation; or  
 (4) any other similar production as determined by the corporation;  
 that is produced in Indiana.

Sec. 3. As used in this chapter, "qualified production expenses" means expenses incurred by a qualified applicant for a qualified media production.

Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 6-5.5 (the financial institutions tax); and
- (3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 5. As used in this chapter, "taxpayer" means a qualified applicant that has any state tax liability.

Sec. 6. (a) A qualified applicant may apply to the Indiana economic development corporation for a tax credit under this chapter. The corporation shall prescribe the form and contents of the application.

(b) The corporation shall evaluate an applicant's eligibility for a tax credit under this chapter.

(c) The corporation may certify the eligibility of a taxpayer that meets the requirements for a tax credit under this chapter.

(d) If the corporation certifies a taxpayer under subsection (c), the corporation shall determine the percentage used to calculate the amount of a tax credit under section 7(2) of this chapter.

Sec. 7. If the corporation certifies a taxpayer under section 6(c) of this chapter, the taxpayer is entitled to a tax credit under this chapter equal to:

- (1) the amount of the taxpayer's qualified production expenses; multiplied by
- (2) a percentage determined by the corporation.

Sec. 8. If a pass through entity is entitled to a credit under section 7 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive



income to which the shareholder, partner, or member is entitled.

**Sec. 9. 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.**

**Sec. 10. A tax credit awarded under this chapter is subject to the limitations set forth in IC 5-28-6-9."**

Page 19, line 32, after "district" insert ".".

Page 19, line 32, delete "and" and insert "**The unit shall**".

Page 19, line 38, delete "Unless otherwise provided by subsection (e), before" and insert "**Before**".

Page 19, line 41, after "committee." delete "The".

Page 19, delete line 42.

Page 20, delete line 1.

Page 20, delete lines 14 through 39, begin a new paragraph and insert:

**"(f) Notwithstanding any other provision of this chapter, an innovation development district may not be established in an existing allocation area established under IC 6-1.1-39, IC 36-7-14, IC 36-7-15.1, IC 36-7-30, IC 36-7-30.5, IC 36-7-32, or any other provision that authorizes the establishment of an allocation area."**

Page 27, delete lines 25 through 39, begin a new paragraph and insert:

**"Sec. 19. (a) The corporation, in order to accelerate the rate of economic growth in Indiana, is hereby authorized and empowered to construct, maintain, and operate, in cooperation with the federal government, or otherwise, at such locations within a designated innovation development district, projects to accelerate economic growth. The Indiana finance authority may issue bonds to pay the cost of such projects payable solely from revenue as set forth in IC 5-1.2-4-4(2)."**

Page 28, line 11, delete "." and insert "**for each district and in total for all districts statewide.**".

Page 28, line 13, delete "." and insert "**for each district and for all**



**districts statewide."**

Renumber all SECTIONS consecutively.  
and when so amended that said bill do pass.

(Reference is to SB 361 as introduced.)

MISHLER, Chairperson

Committee Vote: Yeas 11, Nays 1.

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SENATE MOTION

Madam President: I move that Senate Bill 361 be amended to read as follows:

Replace the effective dates in SECTIONS 1 through 21 with "[EFFECTIVE JULY 1, 2023]".

Page 2, line 6, delete "; or" and insert "**for assessments after December 31, 2023; or**".

Page 3, line 13, delete "2022;" and insert "**2023;**".

Page 3, line 42, delete "2022;" and insert "**2023;**".

Page 4, line 2, delete "2023." and insert "**2024.**".

Page 4, line 11, delete "2023," and insert "**2024,**".

Page 22, line 3, delete "December 31, 2022," and insert "**June 30, 2023,**".

Page 22, line 23, delete "(f)" and insert "**(e)**".

Page 25, line 21, after "tax" insert "**assessed after December 31, 2023, and**".

Page 29, delete line 40.

(Reference is to SB 361 as printed January 28, 2022.)

MISHLER

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 361, 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:

**ES 361—LS 7135/DI 120**





Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

Replace the effective dates in SECTIONS 1 through 3 with "[EFFECTIVE JULY 1, 2022]".

Replace the effective dates in SECTIONS 8 through 18 with "[EFFECTIVE JULY 1, 2022]".

Replace the effective date in SECTION 21 with "[EFFECTIVE JULY 1, 2022]".

Page 1, line 3, after "4." insert "(a)".

Page 1, line 15, after "(2)" insert "**at the request of the Indiana economic development corporation established by IC 5-28-3-1, and subject to subsections (b), (c), and (d), enter into leases and**".

Page 1, line 17, delete "generated by a project under IC 36-7-32.5;" and insert "**that are deposited in a local innovation development district fund established under IC 36-7-32.5-21;**

**(B) revenues generated from a project under IC 36-7-32.5-21; and**

**(C) appropriations from the general assembly; and"**.

Page 2, delete lines 1 through 11.

Page 2, between lines 14 and 15, begin a new paragraph and insert:

**"(b) The proceeds of bonds issued under subsection (a)(2) may be used to pay the costs of projects:**

**(1) described in IC 36-7-32.5-21; and**

**(2) located within or directly servicing the innovation development district in which the revenue was generated.**

**(c) Before the authority enters into leases or issues bonds under subsection (a)(2), the proposed lease or issuance of bonds must be reviewed by the budget committee.**

**(d) The authority may not issue more than one billion dollars (\$1,000,000,000) of bonds under subsection (a)(2)."**

Page 2, line 17, after "means" insert "**a tax credit available under**".

Page 2, line 27, delete "Except as provided in subsection (b), the total" and insert "**The aggregate amount of applicable tax credits that the corporation may award for a state fiscal year for all taxpayers is three hundred million dollars (\$300,000,000).**

**(b) For purposes of determining the amount of applicable tax credits that have been awarded for a state fiscal year, the following apply:**

**(1) An applicable tax credit is considered awarded in the state fiscal year in which the taxpayer can first claim the credit, determined without regard to any carryforward period or**



carryback period.

**(2) An applicable tax credit awarded by the corporation before July 1, 2022, shall be counted toward the aggregate credit limitation under this section.**

**(3) If an accelerated credit is awarded under IC 6-3.1-26-15, the amount counted toward the aggregate credit limitation under this section for a state fiscal year shall be the amount of the credit for the taxable year described in subdivision (1) prior to any discount.**

SECTION 4. IC 6-1.1-10-50 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 50. Property identified under IC 36-7-32.5-17 by an innovation development district board established under IC 36-7-32.5-14 is exempt from property taxation.**

SECTION 5. IC 6-1.1-39-0.5, AS ADDED BY P.L.38-2021, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 0.5. (a) This section does not apply to a parcel that is included in more than one (1) allocation area established by:

- (1) an ordinance adopted under section 2 of this chapter and confirmed under section 3 of this chapter;
- (2) a resolution adopted under IC 8-22-3.5-5 and confirmed under IC 8-22-3.5-6;
- (3) a resolution establishing an allocation provision under IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15, IC 36-7-14-16, and IC 36-7-14-17;
- (4) a resolution establishing an allocation provision under IC 36-7-15.1-26 that is adopted and approved under IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;
- (5) a resolution establishing an allocation provision under IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10, IC 36-7-30-11, and IC 36-7-30-12;
- (6) a resolution establishing an allocation provision under IC 36-7-30.5-30 that is adopted and approved under IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or
- (7) a resolution designating a certified technology park as an allocation area that is approved and adopted under IC 36-7-32-15;

on or before May 1, 2021. In addition, a new allocation area may not be established under this chapter that includes a parcel that is located in an allocation area described in this subsection.

(b) Except as provided in subsection (a), but notwithstanding any other provision, for the purpose of the allocation of property taxes under this chapter, a parcel may not be included in more than one (1)

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allocation area under this chapter or under:

- (1) IC 8-22-3.5;
- (2) IC 36-7-14;
- (3) IC 36-7-15.1;
- (4) IC 36-7-30;
- (5) IC 36-7-30.5; **or**
- (6) IC 36-7-32; **or**
- (7) IC 36-7-32.5."**

Page 2, delete lines 28 through 42.

Delete pages 3 through 7.

Page 8, delete lines 1 through 41.

Page 9, line 3, delete "IC 5-28" and insert "**IC 5-28-3-1**".

Page 9, line 10, after "section," insert "**the taxpayer shall provide to the department:**".

Page 9, delete line 11.

Page 9, delete lines 21 through 22, begin a new paragraph and insert:

**"(d) In the case of a credit awarded under IC 6-3.1-13 to a taxpayer that is a pass through entity, the:**

- (1) pass through entity has the authority to make the election with regard to the credit;**
- (2) shareholders, partners, members, and beneficiaries of the pass through entity may not make an election separate from the pass through entity with regard to the credit;**
- (3) pass through entity is entitled to the payment allowable under this section; and**
- (4) pass through entity may not pass through any portion of the credit for which the pass through entity requests payment as a tax credit to the shareholders, partners, members, or beneficiaries of the pass through entity.**

**(e) If a payment under this section is included in the federal adjusted gross income of an individual or the federal taxable income of any other entity, the payment must be treated as:**

- (1) adjusted gross income from Indiana sources under this article and IC 6-5.5;**
- (2) business income for purposes of this article; and**
- (3) a receipt from Indiana sources for apportionment purposes under IC 6-3-2 and IC 6-5.5-4.**

**(f) For purposes of offsetting refunds and overpayments, a payment under this section is treated as an overpayment of tax under this article and IC 6-5.5 for purposes of IC 6-8.1-9-2, IC 6-8.1-9.5, and IC 6-8.1-9.7.**



(g) A payment under this section is subject to IC 6-3.1-13-22 in the same manner as if the payment had been claimed as a credit.

(h) If all or a portion of a payment under this section is determined to have been made in error or is subject to assessment under IC 6-3.1-13-22, the department may issue an assessment for repayment of such amount before the later of:

- (1) ten (10) years from the date of the payment; or
- (2) three (3) years from the date the Indiana economic development corporation notifies the department of the taxpayer's noncompliance pursuant to IC 6-3.1-13-22.

(i) An assessment for repayment shall be treated as a proposed assessment for purposes of administrative review and judicial appeal under IC 6-8.1-5. However, review of the Indiana economic development corporation's determination of noncompliance shall be limited to an abuse of discretion by the Indiana economic development corporation.

(j) For purposes of this section, an election for payment in lieu of claiming the credit under IC 6-3.1-13 for a taxable year is not allowed if:

- (1) the taxpayer has claimed all or part of the credit for the taxable year;
- (2) in the case of a taxpayer who is a pass through entity, the taxpayer passes through all or part of the credit as a tax credit, regardless of whether the pass through entity subsequently provides information to the department, the Indiana economic development corporation, or any other affected person or entity, that the credit should not be passed through as a tax credit or whether the credit otherwise has been claimed as a tax credit; or
- (3) the taxpayer makes the election after the due date of the taxpayer's return under IC 6-3, IC 6-5.5, IC 6-8-15, or IC 27-1-18-2, determined without regard to extensions, on which it would have claimed the credit for which the taxpayer is requesting payment under this section.

(k) The amount needed to make a payment under this section shall be paid from funds appropriated to the Indiana economic development corporation for business promotion and innovation or from the statewide innovation development district fund established by IC 36-7-32.5-22. Payments made under this section are subject to available funding."

Page 12, line 3, delete "department" and insert "corporation, to be paid from funds appropriated to the corporation for business



**promotion and innovation or from the statewide innovation development district fund established by IC 36-7-32.5-22, that is".**

Page 12, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 14. IC 6-3.1-24-8, AS AMENDED BY P.L.165-2021, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023]: Sec. 8. (a) A certification provided under section 7 of this chapter must include notice to the investors of the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to the qualified Indiana business.

(b) For a calendar year ending before January 1, 2011, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of:

- (1) the total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty percent (20%); or
- (2) five hundred thousand dollars (\$500,000).

(c) For a calendar year beginning after December 31, 2010, and ending before January 1, 2022, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of the following:

- (1) The total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty percent (20%).
- (2) One million dollars (\$1,000,000).

(d) For a calendar year beginning after December 31, 2021, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of the following:

- (1) The total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty-five percent (25%).
- (2) One million dollars (\$1,000,000).

(e) Notwithstanding subsection (d), for a calendar year beginning after December 31, 2021, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business, if the qualified Indiana business is a minority business enterprise, **or** a women's business enterprise, **or a veteran owned business** equals the lesser of the following:

- (1) The total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by



thirty percent (30%).

(2) One million five hundred thousand dollars (\$1,500,000)."

Page 12, strike lines 24 through 27.

Page 16, line 30, delete "If" and insert **"Except as provided in subsection (b), if"**.

Page 17, line 27, reset in roman "board and".

Page 17, line 28, reset in roman "approved by the budget agency."

Page 17, line 28, delete "corporation at its discretion."

Page 18, between lines 20 and 21, begin a new paragraph and insert:

**"Sec. 1. As used in this chapter, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1."**

Page 18, line 21, delete "1." and insert "2."

Page 18, line 25, delete "2." and insert "3."

Page 18, line 35, delete "3." and insert "4."

Page 18, line 38, delete "4." and insert "5."

Page 18, line 40, after "tax);" insert **"and"**.

Page 18, line 41, delete "and".

Page 18, delete line 42.

Page 19, line 4, delete "5." and insert "6."

Page 19, line 6, delete "6." and insert "7."

Page 19, line 6, delete "Indiana".

Page 19, line 7, delete "economic development".

Page 19, line 16, delete "7(2)" and insert **"8(2)"**.

Page 19, line 17, delete "7." and insert **"8."**

Page 19, line 17, delete "6(c)" and insert **"7(c)"**.

Page 19, line 22, delete "corporation." and insert **"corporation, not to exceed thirty percent (30%)."**

Page 19, line 23, delete "8." and insert **"9."**

Page 19, line 24, delete "7" and insert **"8"**.

Page 19, line 25, delete "or".

Page 19, line 26, delete "member" and insert **"member, or beneficiary"**.

Page 19, line 31, delete "or member" and insert **"member, or beneficiary"**.

Page 19, line 33, delete "9." and insert **"10."**

Page 19, between lines 35 and 36, begin a new paragraph and insert:

**"Sec. 11. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the state tax liability of the taxpayer.**

**(b) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the first taxable year containing the taxable**



year for which the corporation awards the credit, then the excess may be carried over to succeeding taxable years and used as a credit against the state tax liability of the taxpayer during those taxable years.

(c) Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the first taxable year containing the taxable year for which the corporation awards the credit.

(d) If a taxpayer fails to claim a credit under this chapter for a year in which the taxpayer is otherwise permitted to claim the credit, the credit will be considered to be used for purposes of subsection (c).

(e) If a taxpayer claims a credit under this chapter, the department and the department of insurance may disclose information necessary to verify that amounts in excess of the credit allowable under this chapter have not been claimed."

Page 19, line 36, delete "10." and insert "12."

Page 19, delete lines 38 through 41, begin a new paragraph and insert:

**"Sec. 13. This chapter expires July 1, 2027.**

SECTION 19. IC 8-14-15.1-7, AS ADDED BY P.L.217-2017, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 7. (a) The next level Indiana fund investment board is established. The board consists of the following members:

- (1) The secretary of commerce or the secretary's designee, who shall serve as the chairperson of the board.
- (2) The director of the office of management and budget or the director's designee.
- (3) Two (2) individuals appointed by the governor who have experience and knowledge in investments.
- (4) The treasurer of state or the treasurer's designee.
- (5) One (1) individual appointed by the speaker of the house of representatives who has experience and knowledge in venture capital investments.**
- (6) One (1) individual appointed by the president pro tempore of the senate who has experience and knowledge in venture capital investments.**

(b) The board shall serve as trustee of the trust and direct the investment of the trust.



(c) The board shall adopt an investment policy in conformance with section 8 of this chapter.

(d) The board shall hold regular meetings at least quarterly. The board may hold special meetings at the call of the treasurer of state or with a written request signed by at least two (2) members of the board.

(e) The board may hold its meetings at offices in Indiana that the chairperson or the requesting members designate. All meetings must be open to the public in accordance with IC 5-14-1.5. The board shall keep a record of its proceedings.

(f) ~~Three (3)~~ **Five (5)** members of the board constitute a quorum for the transaction of business of the board. Each member of the board is entitled to one (1) vote. A vote of at least ~~three (3)~~ **five (5)** members of the board present is required for the board to adopt a resolution or take other action at a regular or special meeting.

SECTION 20. IC 8-22-3.5-1.5, AS ADDED BY P.L.38-2021, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 1.5. (a) This section does not apply to a parcel that is included in more than one (1) allocation area established by:

- (1) an ordinance adopted under section 5 of this chapter and confirmed under section 6 of this chapter;
- (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under IC 6-1.1-39-3;
- (3) a resolution establishing an allocation provision under IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15, IC 36-7-14-16, and IC 36-7-14-17;
- (4) a resolution establishing an allocation provision under IC 36-7-15.1-26 that is adopted and approved under IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;
- (5) a resolution establishing an allocation provision under IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10, IC 36-7-30-11, and IC 36-7-30-12;
- (6) a resolution establishing an allocation provision under IC 36-7-30.5-30 that is adopted and approved under IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or
- (7) a resolution designating a certified technology park as an allocation area that is approved and adopted under IC 36-7-32-15; on or before May 1, 2021. In addition, a new allocation area may not be established under this chapter that includes a parcel that is located in an allocation area described in this subsection.

(b) Except as provided in subsection (a), but notwithstanding any other provision, for the purpose of the allocation of property taxes under this chapter, a parcel may not be included in more than one (1)





allocation area established under this chapter or under:

- (1) IC 6-1.1-39;
- (2) IC 36-7-14;
- (3) IC 36-7-15.1;
- (4) IC 36-7-30;
- (5) IC 36-7-30.5; or
- (6) IC 36-7-32; or
- (7) IC 36-7-32.5.**

SECTION 21. IC 36-1-29.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:

**Chapter 29.5. Workforce Retention and Recruitment Program and Fund**

**Sec. 1.** As used in this chapter, "fund" means a workforce retention and recruitment fund established by the fiscal officer of a unit under section 9 of this chapter.

**Sec. 2.** As used in this chapter, "incentive agreement" means an agreement described in section 8(b) of this chapter.

**Sec. 3.** As used in this chapter, "program" means a workforce retention and recruitment program established by the executive of a unit under section 8(a) of this chapter.

**Sec. 4.** As used in this chapter, "qualified nonprofit organization" means a private, nonprofit entity formed as a partnership between one (1) or more units, private sector businesses, or community or philanthropic organizations to develop and implement a workforce retention and recruitment strategy that has an organizational structure that conforms with the requirements of a policy developed by the workforce fund managers under section 10 of this chapter.

**Sec. 5.** As used in this chapter, "qualified worker" means an individual described in section 11 of this chapter.

**Sec. 6.** As used in this chapter, "unit" means a county, city, or town.

**Sec. 7.** As used in this chapter, "workforce fund managers" means a workforce fund board of managers established by the executive of a unit under section 10 of this chapter.

**Sec. 8. (a)** The executive of a unit may by resolution or executive order establish a workforce retention and recruitment program for the purposes of recruiting and retaining individuals who will satisfy the current and future workforce needs of the unit's employers or provide substantial economic impact to the unit, including providing incentives in the form of grants or loans to



qualified workers.

(b) A program must require each qualified worker who receives a grant or loan from the fund to enter into an incentive agreement with the workforce fund managers. An incentive agreement must include the following terms:

- (1) The duration of time each qualified worker agrees to reside within the unit following the date specified in the agreement.
- (2) A penalty clause if a qualified worker fails to fulfill the terms of the agreement.

However, the workforce fund managers may waive a penalty under subdivision (2) regarding any part of a grant or loan that the qualified worker may have received and that is due under the incentive agreement.

**Sec. 9. (a)** If the executive of a unit establishes a program under section 8 of this chapter, the fiscal officer of the unit shall establish a workforce retention and recruitment fund for the purposes of the program.

(b) The fund shall consist of the following:

- (1) Any private grants or contributions.
- (2) Appropriations to the fund included in the unit's budget.
- (3) Transfers of money to the fund under section 12 of this chapter.
- (4) Any repayments to the fund under section 8(b) of this chapter.

(c) The executive of the unit shall administer the fund in coordination with a workforce fund board of managers established under section 10 of this chapter, including any qualified nonprofit organization established by the workforce fund managers under that section.

(d) Any money remaining in a fund at the end of the calendar year does not revert to the unit's general fund.

**Sec. 10. (a)** The executive of a unit that establishes a program under section 8 of this chapter shall appoint a five (5) member workforce fund board of managers. The duties of the workforce fund managers shall include:

- (1) adopting rules and bylaws they consider necessary for the proper conduct of their proceedings, the carrying out of other duties, and the safeguarding of the money or property placed in their custody;
- (2) by resolution or in accordance with their rules and bylaws, prescribing the date and manner of notice of their regular



meetings;

(3) identifying the most appropriate and fiscally responsible incentives that will attract or retain individuals or families who will satisfy the current and future workforce needs of the unit's employers or provide substantial economic impact to the unit;

(4) developing and implementing marketing strategies to recruit or retain these individuals or families;

(5) identifying and recruiting applicants who may receive incentives from the fund;

(6) establishing an application process for individuals and families;

(7) evaluating applicants; and

(8) offering incentives to qualified applicants.

(b) Three (3) of the workforce fund managers constitute a quorum and the concurrence of three (3) of the workforce fund managers is necessary to authorize any action.

(c) The workforce fund managers may establish a qualified nonprofit organization for purposes of carrying out a program and the purposes of a fund under this chapter.

**Sec. 11.** To qualify for a grant or loan from a fund, an individual must be:

(1) a graduate of an Indiana college or university who:

(A) was a resident of another state before enrolling at the Indiana college or university;

(B) relocates to a location within the unit; and

(C) accepts and commences employment with an employer located within the unit under the terms of an incentive agreement;

(2) an out-of-state resident who relocates to a location within the unit in order to accept and commence employment with an employer located within the unit under the terms of an incentive agreement; or

(3) an out-of-state resident who relocates to a location within the unit and works remotely for an employer, regardless of the employer's domicile.

**Sec. 12. (a)** The fiscal body of a unit may transfer or deposit the following into a fund:

(1) Any private grants or contributions.

(2) Appropriations to the fund included in the unit's budget.

(3) Except for money in a fund with a restricted purpose, but otherwise notwithstanding any use of funds prohibition as



long as the transfer or deposit is authorized by the relevant statutory procedure:

(A) any surplus, unexpended, unappropriated, unencumbered, or otherwise available public or private money; and

(B) from any general account, reverting or nonreverting fund, special account, or trust, other than a fund or account that receives bond proceeds, created or administered by any department, board, authority, commission, political subdivision, special service district, special taxing district, or any other instrumentality of local government under IC 36 with authority to collect or receive taxes, interest, or any other public or private money.

(b) Notwithstanding any other statute, an executive of a unit that has established a program under section 8 of this chapter, after consulting with the fiscal body and fiscal officer of the unit, may authorize a transfer or loan to a fund from any dedicated fund or account, other than a fund or account that receives bond proceeds, before the purpose for which the dedicated fund or account was established has been accomplished.

(c) Two (2) or more units may, by written agreement, collaborate, commingle funds, or otherwise work together for the benefit of administering or carrying out the purposes of the units' funds.

Sec. 13. Any separate body corporate and politic or regional, multicounty, or metropolitan authority or commission may, by written agreement, establish a mutually beneficial relationship with one (1) or more units for purposes of administering or carrying out the purposes of the unit's fund or units' funds.

Sec. 14. (a) Not later than April 15 of each year, the workforce fund managers shall file with the executive of the unit and fiscal body of the unit a report setting out their activities during the preceding calendar year.

(b) The report of the workforce fund managers under this section must show:

(1) the names of the then qualified and acting workforce fund managers;

(2) the amount of the expenditures made during the preceding year and their general purpose;

(3) the amount of funds on hand at the close of the calendar year; and



**(4) other information deemed necessary to disclose the activities of the workforce fund managers and the results obtained.**

**(c) Not later than April 15 of each year, a copy of each report under this section must be submitted to the department of local government finance in an electronic format specified by the department of local government finance.**

SECTION 22. IC 36-7-14-57, AS ADDED BY P.L.38-2021, SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 57. (a) This section does not apply to a parcel that is included in more than one (1) allocation area established by:

- (1) a resolution establishing an allocation provision under section 39 of this chapter that is adopted and approved under sections 15 through 17 of this chapter;
- (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under IC 6-1.1-39-3;
- (3) a resolution adopted under IC 8-22-3.5-5 and confirmed under IC 8-22-3.5-6;
- (4) a resolution establishing an allocation provision under IC 36-7-15.1-26 that is adopted and approved under IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;
- (5) a resolution establishing an allocation provision under IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10, IC 36-7-30-11, and IC 36-7-30-12;
- (6) a resolution establishing an allocation provision under IC 36-7-30.5-30 that is adopted and approved under IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or
- (7) a resolution designating a certified technology park as an allocation area that is approved and adopted under IC 36-7-32-15;

on or before May 1, 2021. In addition, a new allocation area may not be established under this chapter that includes a parcel that is located in an allocation area described in this subsection.

(b) Except as provided in subsection (a), but notwithstanding any other provision, for the purpose of the allocation of property taxes under this chapter, a parcel may not be included in more than one (1) allocation area established under this chapter or under:

- (1) IC 6-1.1-39;
- (2) IC 8-22-3.5;
- (3) IC 36-7-15.1;
- (4) IC 36-7-30;
- (5) IC 36-7-30.5; **or**
- (6) IC 36-7-32; **or**

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**(7) IC 36-7-32.5.**

SECTION 23. IC 36-7-15.1-63, AS ADDED BY P.L.38-2021, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 63. (a) This section does not apply to a parcel that is included in more than one (1) allocation area established by:

(1) a resolution establishing an allocation provision under section 26 of this chapter that is adopted and approved under sections 8 through 10 of this chapter;

(2) a resolution adopted under IC 6-1.1-39-2 and confirmed under IC 6-1.1-39-3;

(3) a resolution adopted under IC 8-22-3.5-5 and confirmed under IC 8-22-3.5-6;

(4) a resolution establishing an allocation provision under IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15, IC 36-7-14-16, and IC 36-7-14-17;

(5) a resolution establishing an allocation provision under IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10, IC 36-7-30-11, and IC 36-7-30-12;

(6) a resolution establishing an allocation provision under IC 36-7-30.5-30 that is adopted and approved under IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or

(7) a resolution designating a certified technology park as an allocation area that is approved and adopted under IC 36-7-32-15;

on or before May 1, 2021. In addition, a new allocation area may not be established under this chapter that includes a parcel that is located in an allocation area described in this subsection.

(b) Except as provided in subsection (a), but notwithstanding any other provision, for the purpose of the allocation of property taxes under this chapter, a parcel may not be included in more than one (1) allocation area established under this chapter or under:

(1) IC 6-1.1-39;

(2) IC 8-22-3.5;

(3) IC 36-7-14;

(4) IC 36-7-30;

(5) IC 36-7-30.5; **or**

(6) IC 36-7-32; **or**

**(7) IC 36-7-32.5.**

SECTION 24. IC 36-7-30-36, AS ADDED BY P.L.38-2021, SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 36. (a) This section does not apply to a parcel that is included in more than one (1) allocation area established by:

(1) a resolution establishing an allocation provision under section



25 of this chapter that is adopted and approved under sections 10 through 12 of this chapter;

(2) a resolution adopted under IC 6-1.1-39-2 and confirmed under IC 6-1.1-39-3;

(3) a resolution adopted under IC 8-22-3.5-5 and confirmed under IC 8-22-3.5-6;

(4) a resolution establishing an allocation provision under IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15, IC 36-7-14-16, and IC 36-7-14-17;

(5) a resolution establishing an allocation provision under IC 36-7-15.1-26 that is adopted and approved under IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;

(6) a resolution establishing an allocation provision under IC 36-7-30.5-30 that is adopted and approved under IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18; or

(7) a resolution designating a certified technology park as an allocation area that is approved and adopted under IC 36-7-32-15; on or before May 1, 2021. In addition, a new allocation area may not be established under this chapter that includes a parcel that is located in an allocation area described in this subsection.

(b) Except as provided in subsection (a), but notwithstanding any other provision, for the purpose of the allocation of property taxes under this chapter, a parcel may not be included in more than one (1) allocation area established under this chapter or under:

(1) IC 6-1.1-39;

(2) IC 8-22-3.5;

(3) IC 36-7-14;

(4) IC 36-7-15.1;

(5) IC 36-7-30.5; or

(6) IC 36-7-32; or

**(7) IC 36-7-32.5.**

SECTION 25. IC 36-7-30.5-37, AS ADDED BY P.L.38-2021, SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 37. (a) This section does not apply to a parcel that is included in more than one (1) allocation area established by:

(1) a resolution establishing an allocation provision under section 30 of this chapter that is adopted and approved under sections 16 through 18 of this chapter;

(2) a resolution adopted under IC 6-1.1-39-2 and confirmed under IC 6-1.1-39-3;

(3) a resolution adopted under IC 8-22-3.5-5 and confirmed under IC 8-22-3.5-6;



(4) a resolution establishing an allocation provision under IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15, IC 36-7-14-16, and IC 36-7-14-17;

(5) a resolution establishing an allocation provision under IC 36-7-15.1-26 that is adopted and approved under IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;

(6) a resolution establishing an allocation provision under IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10, IC 36-7-30-11, and IC 36-7-30-12; or

(7) a resolution designating a certified technology park as an allocation area that is approved and adopted under IC 36-7-32-15; on or before May 1, 2021. In addition, a new allocation area may not be established under this chapter that includes a parcel that is located in an allocation area described in this subsection.

(b) Except as provided in subsection (a), but notwithstanding any other provision, for the purpose of the allocation of property taxes under this chapter, a parcel may not be included in more than one (1) allocation area established under this chapter or under:

- (1) IC 6-1.1-39;
- (2) IC 8-22-3.5;
- (3) IC 36-7-14;
- (4) IC 36-7-15.1;
- (5) IC 36-7-30; **or**
- (6) IC 36-7-32; **or**
- (7) IC 36-7-32.5.**

SECTION 26. IC 36-7-32-28, AS ADDED BY P.L.38-2021, SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 28. (a) This section does not apply to a parcel that is included in more than one (1) allocation area established by:

- (1) a resolution designating a certified technology park as an allocation area that is approved and adopted under section 15 of this chapter;
- (2) a resolution adopted under IC 6-1.1-39-2 and confirmed under IC 6-1.1-39-3;
- (3) a resolution adopted under IC 8-22-3.5-5 and confirmed under IC 8-22-3.5-6;
- (4) a resolution establishing an allocation provision under IC 36-7-14-39 that is adopted and approved under IC 36-7-14-15, IC 36-7-14-16, and IC 36-7-14-17;
- (5) a resolution establishing an allocation provision under IC 36-7-15.1-26 that is adopted and approved under IC 36-7-15.1-8, IC 36-7-15.1-9, and IC 36-7-15.1-10;





(6) a resolution establishing an allocation provision under IC 36-7-30-25 that is adopted and approved under IC 36-7-30-10, IC 36-7-30-11, and IC 36-7-30-12; or

(7) a resolution establishing an allocation provision under IC 36-7-30.5-30 that is adopted and approved under IC 36-7-30.5-16, IC 36-7-30.5-17, and IC 36-7-30.5-18;

on or before May 1, 2021. In addition, a new allocation area may not be established under this chapter that includes a parcel that is located in an allocation area described in this subsection.

(b) Except as provided in subsection (a), but notwithstanding any other provision, for the purpose of the allocation of property taxes under this chapter, a parcel may not be included in more than one (1) allocation area established under this chapter or under:

(1) IC 6-1.1-39;

(2) IC 8-22-3.5;

(3) IC 36-7-14;

(4) IC 36-7-15.1;

(5) IC 36-7-30; ~~or~~

(6) IC 36-7-30.5; ~~or~~

**(7) IC 36-7-32.5."**

Page 20, delete line 5.

Page 20, line 6, delete "(1) the".

Page 20, run in lines 4 through 6.

Page 20, line 7, after "property" insert "**that is assessed as commercial or industrial property under the rules of the department of local government finance and is**".

Page 20, line 10, delete "8" and insert "**10**".

Page 20, line 10, delete "chapter; plus" and insert "**chapter**".

Page 20, delete lines 11 through 15.

Page 20, between lines 15 and 16, begin a new paragraph and insert:

**"Sec. 2. As used in this chapter, "board" refers to the innovation development district board established under section 14 of this chapter to govern an innovation development district.**

**Sec. 3. As used in this chapter, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1."**

Page 20, line 16, delete "2." and insert "**4**".

Page 20, line 18, after "businesses" insert ":

**(1)**".

Page 20, line 19, after "district" insert "; **and**

**(2) that is, in the case of the:**

**(A) state gross retail tax, collected by a business for sales**



**occurring at a physical location of the business in the innovation development district; and  
(B) state use tax, incurred with regard to property used in the innovation development district;"**.

Page 20, line 19, beginning with "during" begin a new line blocked left.

Page 20, line 21, delete "8" and insert "**10**".

Page 20, line 23, delete "3." and insert "**5.**".

Page 20, line 26, after "businesses" insert "**:(A)**".

Page 20, line 27, after "district" insert "**; and**

**(B) that is, in the case of the:**

**(i) state gross retail tax, collected by a business for sales occurring at a physical location of the business in the innovation development district; and**

**(ii) state use tax, incurred with regard to property used in the innovation development district;"**.

Page 20, line 28, beginning with "during" begin a new line block indented.

Page 20, line 31, delete "4." and insert "**6.**".

Page 20, line 32, delete "the following" and insert "**adjusted gross income**".

Page 20, line 37, delete "8 of this chapter:" and insert "**10 of this chapter.**".

Page 20, delete lines 38 through 39.

Page 20, line 40, delete "5." and insert "**7.**".

Page 20, line 42, delete "and".

Page 21, line 1, delete "local income taxes".

Page 21, line 7, delete "and" and insert "**plus**".

Page 21, between lines 13 and 14, begin a new paragraph and insert:  
**"Sec. 8. As used in this chapter, "legislative body" means the following:**

**(1) The board of county commissioners, for a county not subject to IC 36-2-3.5 or IC 36-3-1.**

**(2) The county council, for a county subject to IC 36-2-3.5.**

**(3) The city-county council, for a consolidated city or county having a consolidated city.**

**(4) The common council, for a city other than a consolidated city.**

**(5) The town council, for a town."**

Page 21, line 14, delete "6." and insert "**9.**".

Page 21, line 16, delete "and" and insert "**plus**".



Page 21, delete lines 19 through 42, begin a new paragraph and insert:

**"Sec. 10. (a) Before the corporation may designate territory within the jurisdiction of a city, town, or county, or within the jurisdiction of more than one (1) city, town, or county, as an innovation development district under this section, the board of the corporation established under IC 5-28-4 shall establish policies and guidelines that the corporation must follow when notifying and collaborating with a legislative body, or, if applicable, legislative bodies, to designate territory within the jurisdiction of a city, town, or county as an innovation development district under this section.**

**(b) After notifying and collaborating with the legislative body, or, if an innovation development district will include territory within the jurisdiction of more than one (1) city, town, or county, with the legislative bodies, in the manner provided under the policies and guidelines established under subsection (a), the corporation may designate territory within the jurisdiction of a city, town, or county, or territory within the jurisdiction of more than one (1) city, town, or county, as an innovation development district if the corporation determines that the designation will support economic growth.**

**(c) The corporation may not designate an innovation development district under this section after June 30, 2025.**

**Sec. 11. (a) The corporation may not designate an area as an innovation development district under section 10 of this chapter, if the business or businesses that are expected to locate within the innovation development district:**

- (1) currently operate in Indiana in a location outside of the proposed innovation development district; and**
- (2) intend to substantially reduce or cease operations at the other location or locations within Indiana in order to relocate to a location within the innovation development district.**

**(b) Notwithstanding any other provision of this chapter, an innovation development district may not be established in an existing allocation area established under IC 6-1.1-39, IC 8-22-3.5, IC 36-7-14, IC 36-7-15.1, IC 36-7-30, IC 36-7-30.5, IC 36-7-32, IC 36-7.5-4.5, or any other provision that authorizes the establishment of an allocation area.**

**(c) A development within the innovation development district is subject to any zoning ordinance or other zoning law that otherwise applies to territory within the innovation development district.**

**Sec. 12. (a) Except as provided in subsection (b), after June 30,**



2022, and before July 1, 2025, the corporation may not designate more than five (5) innovation development districts under section 10 of this chapter.

(b) Notwithstanding subsection (a), after June 30, 2022, and before July 1, 2025, the corporation may designate additional innovation development districts under section 10 of this chapter after review by the budget committee.

Sec. 13. The term of an area's designation as an innovation development district may not exceed thirty (30) years.

Sec. 14. (a) After an innovation development district is designated under section 10 of this chapter, the legislative body, or, if applicable, the legislative bodies, and the corporation shall establish an innovation development district board to govern the innovation development district.

(b) The board consists of five (5) members appointed as follows:

(1) Three (3) members appointed by the secretary of commerce appointed under IC 5-28-3-4.

(2) Two (2) members appointed by the legislative body, or, if applicable, the legislative bodies.

Each member of the board must be a resident of the county, or, if applicable, one (1) of the counties, in which the innovation development district is located. A member of the board serves at the pleasure of the appointing authority. A vacancy on the board shall be filled in the same manner as the original appointment.

(c) After the members of have been appointed under this section, the board and the corporation shall enter into an agreement establishing the terms and conditions governing the innovation development district. After entering into the agreement, the".

Page 22, delete lines 1 through 28.

Page 22, line 32, delete "(b)" and insert "(d)".

Page 22, line 33, delete "area" and insert "**area, including a list of all parcels**".

Page 23, line 2, after "district" delete ", as determined by the corporation." and insert ".".

Page 23, delete lines 3 through 5.

Page 23, line 6, delete "(6)" and insert "**(5)**".

Page 23, line 7, after "amount" insert "**described in section 16(c) of this chapter that is**".

Page 23, line 9, delete "(7)" and insert "**(6)**".

Page 23, line 10, delete "corporation's".

Page 23, line 12, delete "(8)" and insert "**(7)**".



Page 23, line 17, delete "(9)" and insert "**(8)**".

Page 23, line 18, after "and the" insert "**estimated**".

Page 23, line 18, after "facilities" delete ", as" and insert ".".

Page 23, delete line 19, begin a new paragraph and insert:

**"(e) Within fifteen (15) days of entering into an agreement under subsection (c), the corporation shall submit a written report on the agreement to the budget committee."**

Page 23, line 20, delete "10." and insert "**15.**".

Page 23, line 20, delete "If the corporation designates an area as an" and insert "**After the corporation and a board enter into an agreement described in section 14 of this chapter concerning the terms and conditions governing the**".

Page 23, line 21, delete "redevelopment commission" and insert "**legislative body, or, if applicable, legislative bodies,**".

Page 23, line 26, delete "redevelopment commission" and insert "**legislative body, or, if applicable, legislative bodies,**".

Page 23, line 34, delete "following:".

Page 23, line 35, delete "(i) The".

Page 23, run in lines 34 through 35.

Page 23, delete lines 39 through 40.

Page 23, line 42, delete "must state that written remonstrances" and insert "**include a list of all parcels to be included within the innovation development district.**".

Delete page 24.

Page 25, delete lines 1 through 12.

Page 25, line 13, delete "12." and insert "**16.**".

Page 25, line 13, delete "10" and insert "**15**".

Page 25, line 16, delete "after December 31,".

Page 25, line 17, delete "2023, and".

Page 25, line 17, after "property" insert "**used for commercial or industrial purposes**".

Page 25, line 38, delete "provided in subsections (d) and (e)," and insert "**as provided in subsection (d),**".

Page 25, line 39, delete "that exceed those described in subsection (b) shall be" and insert "**that:**

**(1) exceed those described in subsection (b); and**

**(2) are attributable to the assessed value of taxable property used for commercial or industrial purposes;**

**shall be paid into the appropriate local innovation development district fund established by section 21 of this chapter by the county auditor at the same time that the county auditor distributes property taxes to other local units of government under**



**IC 6-1.1-27. Any remaining property tax proceeds that exceed those described in subsection (b) that are not described in subdivision (2) shall be allocated and, when collected, paid into the funds of the respective taxing units."**

Page 25, delete lines 40 through 42.

Page 26, delete lines 1 through 6.

Page 26, line 7, delete "(e)" and insert "(d)".

Page 26, line 8, delete "corporation," and insert "board,".

Page 26, line 11, delete "(f)" and insert "(e)".

Page 26, line 19, delete "13. The corporation or a redevelopment commission" and insert "**17. (a) A board**".

Page 26, line 29, delete "An agreement described in this section".

Page 26, delete lines 30 through 32, begin a new paragraph and insert:

**"(b) Notwithstanding any other law, a board may exempt from taxation any tangible real or personal property that is:**

**(1) assessed as commercial or industrial property under the rules of the department of local government finance; and**

**(2) located within the innovation development district."**

Page 26, line 33, delete "14." and insert "**18**".

Page 26, line 33, delete "accounts and" and insert "**accounts, the department of state revenue, and the**".

Page 26, line 34, delete "shall make the rules" and insert "**may adopt rules under IC 4-22-2**".

Page 26, line 35, delete "accounts and" and insert "**accounts, the department of state revenue, and the**".

Page 26, line 37, delete "allocation area" and insert "**innovation development district**".

Page 26, line 37, after "chapter." insert "**However, before adopting rules under this section, the state board of accounts, the department of state revenue, and the department of local government finance shall submit a report to the budget committee that:**

**(1) describes the rules proposed by the state board of accounts, the department of state revenue, and the department of local government finance; and**

**(2) recommends statutory changes necessary to implement the provisions of this chapter."**

Page 27, line 1, after "to the" insert "**local**".

Page 27, line 2, delete "under section 17" and insert "**established by section 21**".

Page 27, line 2, delete "After", begin a new paragraph and insert:



**"(c) After".**

Page 27, line 5, after "to the" insert **"local"**.

Page 27, line 6, delete "17" and insert **"21"**.

Page 27, line 8, delete "15." and insert **"19."**.

Page 27, line 8, delete "9" and insert **"14"**.

Page 27, line 9, delete "redevelopment commission" and insert **"board"**.

Page 27, line 12, delete "8" and insert **"10"**.

Page 27, line 14, delete "9" and insert **"14"**.

Page 27, line 19, delete "redevelopment commission" and insert **"board"**.

Page 27, line 25, delete "16." and insert **"20."**.

Page 27, line 32, after "the department" insert **"of state revenue"**.

Page 28, line 4, after "to the" insert **"applicable local"**.

Page 28, line 5, delete "by section 17" and insert **"for the innovation development district under section 21"**.

Page 28, between lines 6 and 7, begin a new paragraph and insert:

**"Sec. 21. (a) Each board shall establish a local innovation development district fund for an innovation development district designated under section 10 of this chapter.**

**(b) Each fund consists of:**

- (1) deposits of incremental property tax revenue from the county auditor as provided in section 16(c) of this chapter; and**
- (2) transfers from the department under section 20 of this chapter.**

**(c) The board established for the innovation development district shall administer each local innovation development district fund established under this section. The expenses of administering each fund shall be paid from money in that fund.**

**(d) A board may use money in each fund for the following purposes:**

- (1) The acquisition, improvement, preparation, demolition, disposal, construction, reconstruction, remediation, rehabilitation, restoration, preservation, maintenance, repair, furnishing, and equipping of public facilities, including but not limited to utilities and transportation infrastructure.**
- (2) The operation of public facilities.**
- (3) The acquisition of land within the innovation development district.**
- (4) The recruitment of new businesses and new employees to the innovation development district.**



**(5) The training of individuals employed in the innovation development district.**

**(6) For any other purpose authorized by an agreement between the corporation and the board entered into under section 14 of this chapter.**

**(e) Not later than August 1 of each year, the board shall transfer an amount equal to twelve percent (12%) of the incremental property tax revenues that were deposited into the fund in the immediately preceding state fiscal year to the general fund of each city, town, county, or school corporation with territory located within the innovation development district. If the board is required to transfer funds to more than one (1) city, town, county, or school corporation under this subsection, the amount transferred to each city, town, county, and school corporation must be allocated among each city, town, county, and school corporation proportionately based on each city's, town's, county's, and school corporation's gross property tax levy.**

**(f) This subsection applies only to a city, town, or county that receives funds under subsection (e). A city, town, or county may use funds received under subsection (e) to pay any:**

**(1) costs incurred by the city, town, or county to construct, maintain, or operate utilities, transportation infrastructure, or any other public facility that provides services to the innovation development district; or**

**(2) other costs deemed necessary by the city, town, or county to provide police or fire protection to the innovation development district.**

**(g) Each state fiscal year, the board may, after making the transfer required under subsection (e) and satisfying all debt service obligations due and payable during the state fiscal year for bonds issued under IC 5-1.2-4-4(a)(2), transfer from each local innovation development district fund to the statewide innovation development district fund established by section 22 of this chapter an amount not to exceed one hundred percent (100%) of the net incremental revenue derived from state income taxes and gross retail taxes deposited into each fund during the immediately preceding state fiscal year.**

**(h) Money in each local innovation development district fund at the end of a state fiscal year does not revert to the state general fund.**

**(i) Money in each local innovation development district fund is continuously appropriated for the purposes specified in this**





section."

Page 28, line 7, delete "17." and insert "**22.**".

Page 28, line 7, after "The" insert "**statewide**".

Page 28, line 9, delete "an advanced".

Page 28, line 12, delete "the general fund by the department of" and insert "**a local innovation development district fund under section 21(g) of this chapter.**

**(2) Appropriations from the general assembly."**

Page 28, delete lines 13 through 15.

Page 28, line 20, delete "Expense" and insert "**The expenses**".

Page 28, line 27, delete "IC 36-7-32-23(b)." and insert "**section 21(d) of this chapter.**"

Page 28, line 29, delete "and to support the expansion of industry in the state." and insert ".".

Page 28, line 30, delete "the acquisition, development or investment in" and insert "**costs associated with creating new innovation development districts.**"

Page 28, delete lines 31 through 32.

Page 28, line 36, delete "in the interest of economic" and insert ".".

Page 28, delete line 37.

Page 28, line 40, delete "technology and equipment modernization and" and insert "**workforce**".

Page 28, line 41, delete "development, and".

Page 29, delete lines 1 through 3, begin a new paragraph and insert:

**"(f) The corporation may use money in the fund to make a payment in lieu of a growing economy tax credit as provided in IC 6-3-5-5."**

Page 29, line 4, delete "18. (a) Money in the" and insert "**23. (a) Except as provided in subsection (b), money in the statewide**".

Page 29, line 5, delete "17" and insert "**22**".

Page 29, between lines 6 and 7, begin a new paragraph and insert:

**"(b) Notwithstanding subsection (a), if the unobligated balance of the statewide innovation development district fund established by section 22 of this chapter exceeds five hundred million dollars (\$500,000,000) at the close of any state fiscal year, the amount of funds in excess of five hundred million dollars (\$500,000,000) shall be transferred to the state general fund."**

Page 29, line 7, delete "(b)" and insert "(c)".

Page 29, delete lines 9 through 23.

Page 29, line 24, delete "20." and insert "**24.**".

Page 29, line 26, after "IC 5-28-28-5" insert ", **and to the budget committee, that includes**".



Page 29, line 27, delete "including".

Page 29, line 29, delete "Innovation Development District" and insert "**innovation development district**".

Page 29, line 31, delete "fund" and insert "**statewide innovation development district fund established by section 22 of this chapter that are**".

Page 29, line 32, after "each" insert "**innovation development**".

Page 29, line 33, after "all" insert "**innovation development**".

Page 29, line 35, delete "fund for each district and for all districts statewide." and insert "**statewide innovation development district fund established by section 22 of this chapter for each innovation development district and for all innovation development districts statewide.**

(4) **The amount and name of each entity for which there is a unfunded obligation at the close of each state fiscal year.**

(5) **A report on each innovation development district designated under this chapter that includes a description of:**

(A) **the general boundaries of the innovation development district;**

(B) **the total acreage encompassed within the innovation development district;**

(C) **the base assessed value of the innovation development district;**

(D) **the gross retail base period amount determined for the innovation development district;**

(E) **the income tax base period amount determined for the innovation development district;**

(F) **the gross assessed value of all tangible real and personal property, without regard to any exemption granted by the board under section 17(b) of this chapter, that is:**

(i) **assessed as commercial or industrial property under the rules of the department of local government finance; and**

(ii) **located within the innovation development district; in each calendar year after the calendar year in which the innovation development district was designated;**

(G) **the amount of incremental property tax revenue deposited into the local innovation development district fund established by section 21 of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;**



**(H) the amount of incremental state gross retail and use tax revenue deposited into the local innovation development district fund established by section 21 of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;**

**(I) the amount of incremental state adjusted gross income tax revenue deposited into the local innovation development district fund established by section 21 of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;**

**(J) the amount of revenue deposited into the local innovation development district fund established by section 21 of this chapter that was transferred into the statewide innovation development district fund established under section 22 of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;**

**(K) the aggregate amount of bonds issued by the Indiana finance authority under IC 5-1.2-4-4(a)(2) to pay for projects within the innovation development district;**

**(L) the annual amount of debt service payments due on the bonds described in clause (K); and**

**(M) a description of all economic development incentives granted by the corporation to businesses located within the innovation development district.**

**SECTION 28. [EFFECTIVE UPON PASSAGE] (a) For the biennium beginning July 1, 2021, and ending June 30, 2023, the budget agency shall augment from the state general fund the amount of money appropriated for the Indiana economic development corporation for business promotion and innovation in P.L.165-2021, SECTION 6, by an amount not to exceed three hundred million dollars (\$300,000,000). Notwithstanding P.L.165-2021 or any other law, the Indiana economic development corporation may transfer any funds allocated for business promotion and innovation to the statewide innovation development district fund established by IC 36-7-32.5-22 or to the Indiana promotion fund established by IC 5-28-5-12.**

**(b) Notwithstanding any other law, funds appropriated to the Indiana economic development corporation for business promotion and innovation do not revert to the state general fund at the end of**



the state fiscal year and remain available in subsequent state fiscal years for the uses specified under state law.

**(c) This SECTION expires July 1, 2025.**

SECTION 29. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1.

**(b) The corporation shall identify and review state laws and regulations that:**

- (1) are burdensome to existing Indiana businesses; or**
- (2) inhibit the creation of new businesses and industries in the state.**

**(c) Not later than November 1, 2022, the corporation shall provide a report with recommendations for amending the state laws and regulations identified and reviewed under subsection (b) to the general assembly and the budget committee in an electronic format under IC 5-14-6.**

**(d) This SECTION expires July 1, 2023.**

SECTION 30. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 361 as reprinted February 1, 2022.)

BROWN T

Committee Vote: yeas 14, nays 8.

