

SENATE BILL No. 370

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-21-6.

Synopsis: Indiana earned income tax credit. Increases the amount of the Indiana earned income tax credit from 9% to 10% of the federal earned income tax credit.

Effective: January 1, 2017 (retroactive).

Stoops

January 10, 2017, read first time and referred to Committee on Tax and Fiscal Policy.



First Regular Session 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

SENATE BILL No. 370

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

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

1 SECTION 1. IC 6-3.1-21-6, AS AMENDED BY P.L.242-2015,
2 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 6. (a) Except as provided
4 by subsection (b), an individual who is eligible for an earned income
5 tax credit under Section 32 of the Internal Revenue Code as it existed
6 before being amended by the Tax Relief, Unemployment Insurance
7 Reauthorization, and Job Creation Act of 2010 (P.L. 111-312), is
8 eligible for a credit under this chapter equal to ~~nine ten percent (9%)~~
9 **(10%)** of the amount of the federal earned income tax credit that the
10 individual:

- 11 (1) is eligible to receive in the taxable year; and
 - 12 (2) claimed for the taxable year;
- 13 under Section 32 of the Internal Revenue Code as it existed before
14 being amended by the Tax Relief, Unemployment Insurance
15 Reauthorization, and Job Creation Act of 2010 (P.L. 111-312).

16 (b) In the case of a nonresident taxpayer or a resident taxpayer
17 residing in Indiana for a period of less than the taxpayer's entire taxable



- 1 year, the amount of the credit is equal to the product of:
2 (1) the amount determined under subsection (a); multiplied by
3 (2) the quotient of the taxpayer's income taxable in Indiana
4 divided by the taxpayer's total income.
5 (c) If the credit amount exceeds the taxpayer's adjusted gross
6 income tax liability for the taxable year, the excess shall be refunded
7 to the taxpayer.
8 SECTION 2. [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]
9 **(a) IC 6-3.1-21-6, as amended by this act, applies only to taxable**
10 **years beginning after December 31, 2016.**
11 **(b) This SECTION expires January 1, 2020.**
12 SECTION 3. **An emergency is declared for this act.**

