

SENATE BILL No. 401

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-31; IC 4-33; IC 4-35; IC 4-38-10; IC 4-40; IC 6-1.1-4-31.5; IC 6-3.1-20-7; IC 6-8.1-3-17; IC 20-26-5-22.5; IC 20-47-1; IC 36-1; IC 36-7.5.

Synopsis: Gaming revenue distribution. Establishes the gaming revenue fund (fund). Provides that tax revenue collected after June 30, 2023, from the imposition of the wagering tax, the supplemental wagering tax, the graduated slot machine wagering tax, the county gambling game wagering fee, the sports wagering tax, and taxes and fees imposed on pari-mutuel wagering, except for tax revenue collected from an operating agent, are deposited in the fund. Provides that the auditor of state administers the fund. Provides for distribution of the money in the fund. Provides that if the Indiana gaming commission (gaming commission) imposes civil penalties in an amount that exceeds 120% of the average amount of penalties or fines imposed for violations of gaming requirements by state gaming oversight regulating bodies nationwide, the amount that exceeds 120% is deposited in the state general fund. Makes corresponding changes. Makes an appropriation. Reconciles conflicting statutes.

Effective: July 1, 2023.

Niemeyer, Perfect

January 19, 2023, read first time and referred to Committee on Appropriations.



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

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

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

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

SENATE BILL No. 401



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

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

1 SECTION 1. IC 4-31-9-3, AS AMENDED BY P.L.137-2022,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: Sec. 3. (a) At the close of each day on which a permit
4 holder or satellite facility operator conducts pari-mutuel wagering on
5 live racing or simulcasts at a racetrack or satellite facility, the permit
6 holder or satellite facility operator shall pay to the department of state
7 revenue a tax on the total amount of money wagered on that day as
8 follows:
9 (1) Two percent (2%) of the total amount of money wagered
10 under IC 4-31-7 at a permit holder's racetrack.
11 (2) Two and one-half percent (2.5%) of the total amount of money
12 wagered under IC 4-31-5.5-6 at a permit holder's satellite facility.
13 (b) **This subsection applies to taxes collected under subsection**
14 **(a) before July 1, 2023.** The taxes collected under subsection (a) shall
15 be paid from the amounts withheld under section 1 of this chapter and
16 shall be distributed as follows:
17 (1) The first one hundred fifty thousand dollars (\$150,000) of



1 taxes collected during each state fiscal year shall be deposited in
 2 the veterinary school research account established by
 3 IC 4-31-12-22.

4 (2) The remainder of the taxes collected during each state fiscal
 5 year shall be paid into the Indiana horse racing commission
 6 operating fund (IC 4-31-10).

7 **(c) This subsection applies to taxes collected under subsection**
 8 **(a) after June 30, 2023. The taxes collected under subsection (a)**
 9 **shall be paid from the amounts withheld under section 1 of this**
 10 **chapter and shall be deposited in the gaming revenue fund**
 11 **established by IC 4-40-3-1.**

12 ~~(c)~~ **(d)** The tax imposed by this section is a listed tax for purposes
 13 of IC 6-8.1-1.

14 ~~(d)~~ **(e)** The payment of the tax under this section must be reported
 15 and remitted electronically through the department's online tax filing
 16 program.

17 SECTION 2. IC 4-31-9-5 IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2023]: Sec. 5. (a) At the close of each day on
 19 which pari-mutuel wagering is conducted, each permit holder or
 20 satellite facility operator shall pay to the department of state revenue
 21 a tax equal to twenty cents (\$0.20) for each person who paid an
 22 admission charge for the privilege of entering the racetrack grounds or
 23 satellite facility on that day. Separate computations shall be made of
 24 the number of patrons at each location. If tickets are issued for more
 25 than one (1) day, the sum of twenty cents (\$0.20) shall be paid for each
 26 person using the ticket on each day that it is used.

27 **(b) This subsection applies to taxes collected under subsection**
 28 **(a) before July 1, 2023.** Before the fifteenth day of each month, the
 29 taxes collected under subsection (a) during the preceding month shall
 30 be distributed as follows:

31 (1) Fifty percent (50%) of the taxes shall be distributed in equal
 32 shares to the fiscal officers of:

- 33 (A) the city, if any;
- 34 (B) the town, if any; and
- 35 (C) the county;

36 in which the racetrack is located. The city, town, or county may
 37 use this money as general fund operating revenues.

38 (2) Fifty percent (50%) of the taxes shall be deposited in the state
 39 general fund.

40 **(c) This subsection applies to taxes collected under subsection**
 41 **(a) after June 30, 2023. Before the fifteenth day of each month, the**
 42 **taxes collected under subsection (a) during the preceding month**



1 **shall be deposited in the gaming revenue fund established by**
 2 **IC 4-40-3-1.**

3 ~~(e)~~ **(d)** The tax imposed by this section is a listed tax for purposes
 4 of IC 6-8.1-1.

5 SECTION 3. IC 4-31-9-7, AS AMENDED BY P.L.210-2013,
 6 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2023]: Sec. 7. (a) This section does not apply to money
 8 wagered on simulcasts of horse races televised under IC 4-31-7-7.

9 (b) Each permit holder shall pay a fee after the completion of each
 10 racing meeting. This fee is in addition to the taxes imposed by section
 11 3 of this chapter. Except as provided in subsection (c), the amount of
 12 this fee is determined as follows:

13 (1) If the total amount of wagering at the racing meeting is less
 14 than five million dollars (\$5,000,000), the fee is one-tenth of one
 15 percent (0.1%) of the total amount wagered.

16 (2) If the total amount of wagering at the racing meeting is five
 17 million dollars (\$5,000,000) or more, the fee is fifteen-hundredths
 18 of one percent (0.15%) of the total amount wagered.

19 (c) The fees collected under this section from any one (1) permit
 20 holder may not exceed fifteen thousand dollars (\$15,000) from any one
 21 (1) horse racing meeting in a calendar year.

22 **(d) This subsection applies to fees collected under this section**
 23 **before July 1, 2023.** Within ten (10) days after the close of each racing
 24 meeting, the permit holder shall forward the fee imposed by this
 25 section in equal shares to the fiscal officers of the:

- 26 (1) city, if any;
 27 (2) town, if any; and
 28 (3) county;

29 in which the racing meeting took place. The city, town, or county may
 30 use this money as general fund operating revenues.

31 **(e) This subsection applies to fees collected under this section**
 32 **after June 30, 2023. Within ten (10) days after the close of each**
 33 **racing meeting, the permit holder shall pay the fees to the auditor**
 34 **of state. The auditor of state shall deposit the fees collected under**
 35 **this section in the gaming revenue fund established by IC 4-40-3-1.**

36 SECTION 4. IC 4-31-9-9, AS AMENDED BY P.L.2-2008,
 37 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2023]: Sec. 9. (a) **This subsection applies to amounts**
 39 **withheld before July 1, 2023.** Before January 15 and July 15 of each
 40 year, each permit holder that operates satellite facilities shall forward
 41 to the auditor of state an amount equal to one-half of one percent
 42 (0.5%) of the total amount of money wagered at that permit holder's



1 satellite facilities during the six (6) month period ending on the last day
 2 of the preceding month. The auditor of state shall distribute amounts
 3 received under this section as follows:

4 (1) Fifty percent (50%) of the amounts received shall be deposited
 5 in the livestock industry promotion and development fund
 6 established by IC 15-11-5-4.

7 (2) Fifty percent (50%) of the amounts received shall be
 8 distributed to the state fair commission for use in any activity that
 9 the commission is authorized to carry out under IC 15-13-3.

10 **(b) This subsection applies to amounts withheld after June 30,**
 11 **2023. Before January 15 and July 15 of each year, each permit**
 12 **holder that operates satellite facilities shall forward to the auditor**
 13 **of state an amount equal to one-half of one percent (0.5%) of the**
 14 **total amount of money wagered at that permit holder's satellite**
 15 **facilities during the six (6) month period ending on the last day of**
 16 **the preceding month. The auditor of state shall deposit amounts**
 17 **received under this section in the gaming revenue fund established**
 18 **by IC 4-40-3-1.**

19 ~~(b)~~ (c) Payments required by this section shall be made from
 20 amounts withheld by the permit holder under section 1 of this chapter.

21 SECTION 5. IC 4-31-10-3, AS AMENDED BY P.L.108-2019,
 22 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2023]: Sec. 3. The fund consists of the following:

24 (1) **Before July 1, 2023**, taxes paid into the fund under
 25 IC 4-31-9-3(b)(2).

26 (2) **Before July 1, 2023**, transfers from the Indiana horse racing
 27 commission under IC 4-35-7-12.5.

28 (3) Appropriations made by the general assembly.

29 SECTION 6. IC 4-31-11-11, AS AMENDED BY P.L.210-2013,
 30 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2023]: Sec. 11. Each development fund consists of:

32 (1) breakage and outs paid into the fund under IC 4-31-9-10;

33 (2) appropriations by the general assembly;

34 (3) gifts;

35 (4) stakes payments;

36 (5) entry fees; and

37 (6) **before July 1, 2023**, money paid into the fund under
 38 IC 4-35-7-12.

39 SECTION 7. IC 4-31-11-15, AS AMENDED BY P.L.268-2017,
 40 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2023]: Sec. 15. The commission shall use the development
 42 funds to provide purses and other funding for the activities described



1 in section 9 of this chapter. The commission may pay:

- 2 (1) the operating costs of the development programs;
- 3 (2) other costs of administering this chapter; and
- 4 (3) costs incurred to promote the horse racing industry in Indiana;

5 from one (1) or more of the development funds. However, **before July**
 6 **1, 2023**, the amount used for each state fiscal year from these
 7 development funds to pay these costs may not exceed four percent
 8 (4%) of the amount distributed to those funds during the immediately
 9 preceding state fiscal year under IC 4-35-7-12.

10 SECTION 8. IC 4-31-12-22 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 22. (a) The veterinary
 12 school research account (referred to in this section as "the account") is
 13 established as an account within the state general fund. The account
 14 shall be administered by Purdue University. The account does not
 15 revert to the state general fund at the end of a state fiscal year.

16 (b) **Before July 1, 2023**, the account consists of money deposited
 17 in the account under IC 4-31-9-3.

18 (c) Money in the account is annually appropriated to the Purdue
 19 University School of Veterinary Medicine for use in equine research.
 20 Research conducted under this section must include but is not limited
 21 to research on the effects of drugs on the race performance of horses.

22 (d) Before January 15 of each year, the Purdue University School of
 23 Veterinary Medicine shall make a written report to the commission
 24 concerning:

- 25 (1) the uses of the money received by the school under this
 26 section; and
- 27 (2) the results of the research conducted by the school under this
 28 section.

29 SECTION 9. IC 4-33-4-8 IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2023]: Sec. 8. **(a) Subject to subsection (b)**, if
 31 a licensee, an operating agent, or an employee of a licensee or an
 32 operating agent violates this article or engages in a fraudulent act, the
 33 commission may do any combination of the following:

- 34 (1) Suspend, revoke, or restrict the license of the licensee, or
 35 suspend, revoke, or restrict the gambling operations of an
 36 operating agent.
- 37 (2) Require the removal of a licensee or an employee of a
 38 licensee.
- 39 (3) Impose a civil penalty of not more than five thousand dollars
 40 (\$5,000) against an individual who has been issued an
 41 occupational license for each violation of this article.
- 42 (4) Impose a civil penalty of not more than the greater of:



- 1 (A) ten thousand dollars (\$10,000); or
 2 (B) an amount equal to the licensee's or operating agent's daily
 3 gross receipts for the day of the violation;
 4 against an owner or operating agent for each violation of this
 5 article.
 6 (5) Impose a civil penalty of not more than twenty-five thousand
 7 dollars (\$25,000) against a person who has been issued a
 8 supplier's license for each violation of this article.
 9 **(b) Notwithstanding any other law, if the commission imposes**
 10 **total civil penalties in a particular year in an amount that exceeds**
 11 **an amount equal to one hundred twenty percent (120%) of the**
 12 **average amount of penalties or fines imposed during the year for**
 13 **violations of gaming requirements and regulations by state gaming**
 14 **oversight regulating bodies nationwide, the amount of civil**
 15 **penalties that exceeds one hundred twenty percent (120%) of the**
 16 **average amount nationwide shall be deposited in the state general**
 17 **fund.**
 18 SECTION 10. IC 4-33-12-5.5 IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2023]: **Sec. 5.5. The department shall deposit**
 21 **all tax revenue collected under this chapter after June 30, 2023, in**
 22 **the gaming revenue fund established by IC 4-40-3-1.**
 23 SECTION 11. IC 4-33-12-6, AS AMENDED BY P.L.104-2022,
 24 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2023]: Sec. 6. (a) The department shall place in the state
 26 general fund the tax revenue collected under this chapter **before July**
 27 **1, 2023.**
 28 (b) **This subsection applies only to tax revenue collected under**
 29 **this chapter before July 1, 2023.** Except as provided by sections 8 and
 30 8.5 of this chapter, the treasurer of state shall quarterly pay the
 31 following amounts:
 32 (1) Except as provided in section 9(k) of this chapter, thirty-three
 33 and one-third percent (33 1/3%) of the admissions tax and
 34 supplemental wagering tax collected by the licensed owner during
 35 the quarter shall be paid to:
 36 (A) the city in which the riverboat is located, if the city:
 37 (i) is located in a county having a population of more than
 38 one hundred twelve thousand (112,000) and less than one
 39 hundred twenty thousand (120,000); or
 40 (ii) is contiguous to the Ohio River and is the largest city in
 41 the county; and
 42 (B) the county in which the riverboat is located, if the



- 1 riverboat is not located in a city described in clause (A).
 2 (2) Except as provided in section 9(k) of this chapter, thirty-three
 3 and one-third percent (33 1/3%) of the admissions tax and
 4 supplemental wagering tax collected by the licensed owner during
 5 the quarter shall be paid to the county in which the riverboat is
 6 located. In the case of a county described in subdivision (1)(B),
 7 this thirty-three and one-third percent (33 1/3%) of the admissions
 8 tax and supplemental wagering tax is in addition to the
 9 thirty-three and one-third percent (33 1/3%) received under
 10 subdivision (1)(B).
 11 (3) Except as provided in section 9(k) of this chapter, three and
 12 thirty-three hundredths percent (3.33%) of the admissions tax and
 13 supplemental wagering tax collected by the licensed owner during
 14 the quarter shall be paid to the county convention and visitors
 15 bureau or promotion fund for the county in which the riverboat is
 16 located.
 17 (4) Except as provided in section 9(k) of this chapter, five percent
 18 (5%) of the admissions tax and supplemental wagering tax
 19 collected by the licensed owner during a quarter shall be paid to
 20 the state fair commission, for use in any activity that the
 21 commission is authorized to carry out under IC 15-13-3.
 22 (5) Except as provided in section 9(k) of this chapter, three and
 23 thirty-three hundredths percent (3.33%) of the admissions tax and
 24 supplemental wagering tax collected by the licensed owner during
 25 the quarter shall be paid to the division of mental health and
 26 addiction. The division shall allocate at least twenty-five percent
 27 (25%) of the funds derived from the admissions tax to the
 28 prevention and treatment of compulsive gambling.
 29 (6) Twenty-one and six hundred sixty-seven thousandths percent
 30 (21.667%) of the admissions tax and supplemental wagering tax
 31 collected by the licensed owner during the quarter shall be paid
 32 to the state general fund.
 33 SECTION 12. IC 4-33-12-8, AS AMENDED BY P.L.109-2018,
 34 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2023]: Sec. 8. (a) This section applies to tax revenue collected
 36 **before July 1, 2023**, from a riverboat operating from Lake County.
 37 (b) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
 38 quarterly pay the following amounts from the taxes collected during the
 39 preceding calendar quarter from the riverboat operating from East
 40 Chicago:
 41 (1) The lesser of:
 42 (A) eight hundred seventy-five thousand dollars (\$875,000);



- 1 or
- 2 (B) thirty-three and one-third percent (33 1/3%) of the
- 3 admissions tax and supplemental wagering tax collected by the
- 4 licensed owner during the preceding calendar quarter;
- 5 to the fiscal officer of the northwest Indiana regional development
- 6 authority to partially satisfy East Chicago's funding obligation to
- 7 the authority under IC 36-7.5-4-2.
- 8 (2) The lesser of:
- 9 (A) two hundred eighteen thousand seven hundred fifty dollars
- 10 (\$218,750); or
- 11 (B) thirty-three and one-third percent (33 1/3%) of the
- 12 admissions tax and supplemental wagering tax collected by the
- 13 licensed owner during the preceding calendar quarter;
- 14 to the fiscal officer of the northwest Indiana regional development
- 15 authority to partially satisfy Lake County's funding obligation to
- 16 the authority under IC 36-7.5-4-2.
- 17 (3) Except as provided in section 9(k) of this chapter, the
- 18 remainder, if any, of:
- 19 (A) thirty-three and one-third percent (33 1/3%) of the
- 20 admissions tax and supplemental wagering tax collected by the
- 21 licensed owner during the preceding calendar quarter; minus
- 22 (B) the amount distributed to the northwest Indiana regional
- 23 development authority under subdivision (1) for the calendar
- 24 quarter;
- 25 must be paid to the city of East Chicago.
- 26 (4) Except as provided in section 9(k) of this chapter, the
- 27 remainder, if any, of:
- 28 (A) thirty-three and one-third percent (33 1/3%) of the
- 29 admissions tax and supplemental wagering tax collected by the
- 30 licensed owner during the preceding calendar quarter; minus
- 31 (B) the amount distributed to the northwest Indiana regional
- 32 development authority under subdivision (2) for the calendar
- 33 quarter;
- 34 must be paid to Lake County.
- 35 (5) Except as provided in section 9(k) of this chapter, three
- 36 percent (3%) of the admissions tax and supplemental wagering
- 37 tax collected by the licensed owner during the preceding calendar
- 38 quarter must be paid to the county convention and visitors bureau
- 39 for Lake County.
- 40 (6) Except as provided in section 9(k) of this chapter, three
- 41 hundred thirty-three thousandths percent (.333%) of the
- 42 admissions tax and supplemental wagering tax collected by the



1 licensed owner during the preceding calendar quarter must be
 2 paid to the northwest Indiana law enforcement training center.

3 (7) Except as provided in section 9(k) of this chapter, five percent
 4 (5%) of the admissions tax and supplemental wagering tax
 5 collected by the licensed owner during the preceding calendar
 6 quarter must be paid to the state fair commission for use in any
 7 activity that the commission is authorized to carry out under
 8 IC 15-13-3.

9 (8) Except as provided in section 9(k) of this chapter, three and
 10 thirty-three hundredths percent (3.33%) of the admissions tax and
 11 supplemental wagering tax collected by the licensed owner during
 12 the preceding calendar quarter must be paid to the division of
 13 mental health and addiction.

14 (9) Twenty-one and six hundred sixty-seven thousandths percent
 15 (21.667%) of the admissions tax and supplemental wagering tax
 16 collected by the licensed owner during the preceding calendar
 17 quarter must be paid to the state general fund.

18 (c) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
 19 quarterly pay the following amounts from the taxes collected during the
 20 preceding calendar quarter from each riverboat operating in Gary:

21 (1) The lesser of:

22 (A) four hundred thirty-seven thousand five hundred dollars
 23 (\$437,500); or

24 (B) thirty-three and one-third percent (33 1/3%) of the
 25 admissions tax and supplemental wagering tax collected by the
 26 licensed owner during the preceding calendar quarter;
 27 to the fiscal officer of the northwest Indiana regional development
 28 authority to partially satisfy Gary's funding obligation to the
 29 authority under IC 36-7.5-4-2.

30 (2) The lesser of:

31 (A) two hundred eighteen thousand seven hundred fifty dollars
 32 (\$218,750); or

33 (B) thirty-three and one-third percent (33 1/3%) of the
 34 admissions tax and supplemental wagering tax collected by the
 35 licensed owner during the preceding calendar quarter;
 36 to the fiscal officer of the northwest Indiana regional development
 37 authority to partially satisfy Lake County's funding obligation to
 38 the authority under IC 36-7.5-4-2.

39 (3) Except as provided in section 9(k) of this chapter, the
 40 remainder, if any, of:

41 (A) thirty-three and one-third percent (33 1/3%) of the
 42 admissions tax and supplemental wagering tax collected by the



- 1 licensed owner of a riverboat operating in Gary during the
 2 preceding calendar quarter; minus
 3 (B) the amount distributed to the northwest Indiana regional
 4 development authority under subdivision (1) for the calendar
 5 quarter;
 6 must be paid to the city of Gary.
- 7 (4) Except as provided in section 9(k) of this chapter, the
 8 remainder, if any, of:
 9 (A) thirty-three and one-third percent (33 1/3%) of the
 10 admissions tax and supplemental wagering tax collected by the
 11 licensed owner of a riverboat operating in Gary during the
 12 preceding calendar quarter; minus
 13 (B) the amount distributed to the northwest Indiana regional
 14 development authority under subdivision (2) for the calendar
 15 quarter;
 16 must be paid to Lake County.
- 17 (5) Except as provided in section 9(k) of this chapter, three
 18 percent (3%) of the admissions tax and supplemental wagering
 19 tax collected by the licensed owner of a riverboat operating in
 20 Gary during the preceding calendar quarter must be paid to the
 21 county convention and visitors bureau for Lake County.
- 22 (6) Except as provided in section 9(k) of this chapter, three
 23 hundred thirty-three thousandths percent (.333%) of the
 24 admissions tax and supplemental wagering tax collected by the
 25 licensed owner of a riverboat operating in Gary during the
 26 preceding calendar quarter must be paid to the northwest Indiana
 27 law enforcement training center.
- 28 (7) Except as provided in section 9(k) of this chapter, five percent
 29 (5%) of the admissions tax and supplemental wagering tax
 30 collected by the licensed owner of a riverboat operating in Gary
 31 during the preceding calendar quarter must be paid to the state
 32 fair commission for use in any activity that the commission is
 33 authorized to carry out under IC 15-13-3.
- 34 (8) Except as provided in section 9(k) of this chapter, three and
 35 thirty-three hundredths percent (3.33%) of the admissions tax and
 36 supplemental wagering tax collected by the licensed owner of a
 37 riverboat operating in Gary during the preceding calendar quarter
 38 must be paid to the division of mental health and addiction.
- 39 (9) Twenty-one and six hundred sixty-seven thousandths percent
 40 (21.667%) of the admissions tax and supplemental wagering tax
 41 collected by the licensed owner of a riverboat operating in Gary
 42 during the preceding calendar quarter must be paid to the state



- 1 general fund.
- 2 (d) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
- 3 quarterly pay the following amounts from the taxes collected during the
- 4 preceding calendar quarter from the riverboat operating in Hammond:
- 5 (1) The lesser of:
- 6 (A) eight hundred seventy-five thousand dollars (\$875,000);
- 7 or
- 8 (B) thirty-three and one-third percent (33 1/3%) of the
- 9 admissions tax and supplemental wagering tax collected by the
- 10 licensed owner of a riverboat operating in Hammond during
- 11 the preceding calendar quarter;
- 12 to the fiscal officer of the northwest Indiana regional development
- 13 authority to partially satisfy Hammond's funding obligation to the
- 14 authority under IC 36-7.5-4-2.
- 15 (2) The lesser of:
- 16 (A) two hundred eighteen thousand seven hundred fifty dollars
- 17 (\$218,750); or
- 18 (B) thirty-three and one-third percent (33 1/3%) of the
- 19 admissions tax and supplemental wagering tax collected by the
- 20 licensed owner during the preceding calendar quarter;
- 21 to the fiscal officer of the northwest Indiana regional development
- 22 authority to partially satisfy Lake County's funding obligation to
- 23 the authority under IC 36-7.5-4-2.
- 24 (3) Except as provided in section 9(k) of this chapter, the
- 25 remainder, if any, of:
- 26 (A) thirty-three and one-third percent (33 1/3%) of the
- 27 admissions tax and supplemental wagering tax collected by the
- 28 licensed owner of the riverboat during the preceding calendar
- 29 quarter; minus
- 30 (B) the amount distributed to the northwest Indiana regional
- 31 development authority under subdivision (1) for the calendar
- 32 quarter;
- 33 must be paid to the city of Hammond.
- 34 (4) Except as provided in section 9(k) of this chapter, the
- 35 remainder, if any, of:
- 36 (A) thirty-three and one-third percent (33 1/3%) of the
- 37 admissions tax and supplemental wagering tax collected by the
- 38 licensed owner of the riverboat during the preceding calendar
- 39 quarter; minus
- 40 (B) the amount distributed to the northwest Indiana regional
- 41 development authority under subdivision (2) for the calendar
- 42 quarter;



- 1 must be paid to Lake County.
- 2 (5) Except as provided in section 9(k) of this chapter, three
3 percent (3%) of the admissions tax and supplemental wagering
4 tax collected by the licensed owner of the riverboat during the
5 preceding calendar quarter must be paid to the county convention
6 and visitors bureau for Lake County.
- 7 (6) Except as provided in section 9(k) of this chapter, three
8 hundred thirty-three thousandths percent (.333%) of the
9 admissions tax and supplemental wagering tax collected by the
10 licensed owner of a riverboat during the preceding calendar
11 quarter must be paid to the northwest Indiana law enforcement
12 training center.
- 13 (7) Except as provided in section 9(k) of this chapter, five percent
14 (5%) of the admissions tax and supplemental wagering tax
15 collected by the licensed owner of the riverboat during the
16 preceding calendar quarter must be paid to the state fair
17 commission for use in any activity that the commission is
18 authorized to carry out under IC 15-13-3.
- 19 (8) Except as provided in section 9(k) of this chapter, three and
20 thirty-three hundredths percent (3.33%) of the admissions tax and
21 supplemental wagering tax collected by the licensed owner for
22 each person admitted to the riverboat during the preceding
23 calendar quarter must be paid to the division of mental health and
24 addiction.
- 25 (9) Twenty-one and six hundred sixty-seven thousandths percent
26 (21.667%) of the admissions tax and supplemental wagering tax
27 collected by the licensed owner of the riverboat during the
28 preceding calendar quarter must be paid to the state general fund.
- 29 SECTION 13. IC 4-33-12-8.5, AS ADDED BY P.L.293-2019,
30 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2023]: Sec. 8.5. (a) This section applies only to tax revenue
32 collected **before July 1, 2023**, from an inland casino located in Vigo
33 County.
- 34 (b) The treasurer of state shall pay the following amounts from taxes
35 collected during the preceding calendar quarter from the inland casino
36 located in Vigo County:
- 37 (1) Forty percent (40%) to the city of Terre Haute.
38 (2) Thirty percent (30%) to Vigo County.
39 (3) Fifteen percent (15%) to the Vigo County school corporation.
40 (4) Fifteen percent (15%) to West Central 2025.
- 41 (c) This subsection applies to a city or county receiving money
42 under subsection (b). Money paid to a city or county under subsection



- 1 (b):
 2 (1) must be paid to the fiscal officer of the unit and may be
 3 deposited in the unit's general fund or a riverboat fund established
 4 by the city or county under IC 36-1-8-9, or both;
 5 (2) may not be used to reduce the unit's maximum levy under
 6 IC 6-1.1-18.5 but may be used at the discretion of the unit to
 7 reduce the property tax levy of the unit for a particular year;
 8 (3) may be used for any legal or corporate purpose of the unit,
 9 including the pledge of money to bonds, leases, or other
 10 obligations under IC 5-1-14-4; and
 11 (4) is considered miscellaneous revenue.
 12 (d) Money paid to a school corporation under subsection (b)(3):
 13 (1) may be used for any legal or corporate purpose of the school
 14 corporation, including the pledge of money to bonds, leases, or
 15 other obligations under IC 5-1-14-4; and
 16 (2) is considered miscellaneous revenue.
 17 (e) Money paid to West Central 2025 under subsection (b)(4) must
 18 be used for the development and implementation of a regional
 19 economic development strategy that:
 20 (1) assists the residents of Vigo County and the other participating
 21 counties in West Central 2025 in improving the quality of life in
 22 the region; and
 23 (2) promotes successful and sustainable communities.
 24 (f) The fiscal officer of West Central 2025 shall annually submit a
 25 report to the Indiana economic development corporation concerning the
 26 organization's use of the money received under subsection (b)(4) and
 27 the development and implementation of the regional economic
 28 development strategy required by subsection (e).
 29 SECTION 14. IC 4-33-12.5-0.5 IS ADDED TO THE INDIANA
 30 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 31 [EFFECTIVE JULY 1, 2023]: **Sec. 0.5. This chapter applies to tax**
 32 **revenue collected before July 1, 2023.**
 33 SECTION 15. IC 4-33-13-3 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) The department
 35 shall deposit tax revenue collected under this chapter **before July 1,**
 36 **2023**, in the state gaming fund.
 37 (b) **The department shall deposit tax revenue collected under**
 38 **this chapter after June 30, 2023:**
 39 (1) **in the case of tax revenue remitted by an operating agent**
 40 **operating a riverboat in a historic hotel district, in the state**
 41 **gaming fund; and**
 42 (2) **in the case of tax revenue remitted by a licensed owner, in**



1 **the gaming revenue fund established by IC 4-40-3-1.**

2 SECTION 16. IC 4-33-13-5, AS AMENDED BY P.L.178-2022(ts),
 3 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2023]: Sec. 5. (a) This subsection does not apply to tax
 5 revenue remitted by a **licensed owner after June 30, 2023, or an**
 6 operating agent operating a riverboat in a historic hotel district. After
 7 funds are appropriated under section 4 of this chapter, each month the
 8 auditor of state shall distribute the tax revenue deposited in the state
 9 gaming fund under this chapter to the following:

10 (1) An amount equal to the following shall be set aside for
 11 revenue sharing under subsection (d):

12 (A) Before July 1, 2021, the first thirty-three million dollars
 13 (\$33,000,000) of tax revenues collected under this chapter
 14 shall be set aside for revenue sharing under subsection (d).

15 (B) After June 30, 2021, if the total adjusted gross receipts
 16 received by licensees from gambling games authorized under
 17 this article during the preceding state fiscal year is equal to or
 18 greater than the total adjusted gross receipts received by
 19 licensees from gambling games authorized under this article
 20 during the state fiscal year ending June 30, 2020, the first
 21 thirty-three million dollars (\$33,000,000) of tax revenues
 22 collected under this chapter shall be set aside for revenue
 23 sharing under subsection (d).

24 (C) After June 30, 2021, if the total adjusted gross receipts
 25 received by licensees from gambling games authorized under
 26 this article during the preceding state fiscal year is less than
 27 the total adjusted gross receipts received by licensees from
 28 gambling games authorized under this article during the state
 29 year ending June 30, 2020, an amount equal to the first
 30 thirty-three million dollars (\$33,000,000) of tax revenues
 31 collected under this chapter multiplied by the result of:

32 (i) the total adjusted gross receipts received by licensees
 33 from gambling games authorized under this article during
 34 the preceding state fiscal year; divided by

35 (ii) the total adjusted gross receipts received by licensees
 36 from gambling games authorized under this article during
 37 the state fiscal year ending June 30, 2020;

38 shall be set aside for revenue sharing under subsection (d).

39 (2) Subject to subsection (c), twenty-five percent (25%) of the
 40 remaining tax revenue remitted by each licensed owner shall be
 41 paid:

42 (A) to the city in which the riverboat is located or that is



1 designated as the home dock of the riverboat from which the
2 tax revenue was collected, in the case of:

- 3 (i) a city described in IC 4-33-12-6(b)(1)(A);
4 (ii) a city located in Lake County; or
5 (iii) Terre Haute; or

6 (B) to the county that is designated as the home dock of the
7 riverboat from which the tax revenue was collected, in the case
8 of a riverboat that is not located in a city described in clause
9 (A) or whose home dock is not in a city described in clause
10 (A).

11 (3) The remainder of the tax revenue remitted by each licensed
12 owner shall be paid to the state general fund. In each state fiscal
13 year, the auditor of state shall make the transfer required by this
14 subdivision on or before the fifteenth day of the month based on
15 revenue received during the preceding month for deposit in the
16 state gaming fund. Specifically, the auditor of state may transfer
17 the tax revenue received by the state in a month to the state
18 general fund in the immediately following month according to this
19 subdivision.

20 (b) This subsection applies only to tax revenue remitted by an
21 operating agent operating a riverboat in a historic hotel district after
22 June 30, 2019. ~~After funds are appropriated under section 4 of this~~
23 ~~chapter~~, Each month the auditor of state shall distribute the tax revenue
24 remitted by the operating agent under this chapter as follows:

- 25 (1) For state fiscal years beginning after June 30, 2019, but
26 ending before July 1, 2021, fifty-six and five-tenths percent
27 (56.5%) shall be paid to the state general fund.
28 (2) For state fiscal years beginning after June 30, 2021, fifty-six
29 and five-tenths percent (56.5%) shall be paid as follows:

30 (A) Sixty-six and four-tenths percent (66.4%) shall be paid to
31 the state general fund.

32 (B) Thirty-three and six-tenths percent (33.6%) shall be paid
33 to the West Baden Springs historic hotel preservation and
34 maintenance fund established by IC 36-7-11.5-11(b).

35 However, if:

- 36 (i) at any time the balance in that fund exceeds twenty-five
37 million dollars (\$25,000,000); or
38 (ii) in any part of a state fiscal year in which the operating
39 agent has received at least one hundred million dollars
40 (\$100,000,000) of adjusted gross receipts;

41 the amount described in this clause shall be paid to the state
42 general fund for the remainder of the state fiscal year.



1 (3) Forty-three and five-tenths percent (43.5%) shall be paid as
2 follows:

3 (A) Twenty-two and four-tenths percent (22.4%) shall be paid
4 as follows:

5 (i) Fifty percent (50%) to the fiscal officer of the town of
6 French Lick.

7 (ii) Fifty percent (50%) to the fiscal officer of the town of
8 West Baden Springs.

9 (B) Fourteen and eight-tenths percent (14.8%) shall be paid to
10 the county treasurer of Orange County for distribution among
11 the school corporations in the county. The governing bodies
12 for the school corporations in the county shall provide a
13 formula for the distribution of the money received under this
14 clause among the school corporations by joint resolution
15 adopted by the governing body of each of the school
16 corporations in the county. Money received by a school
17 corporation under this clause must be used to improve the
18 educational attainment of students enrolled in the school
19 corporation receiving the money. Not later than the first
20 regular meeting in the school year of a governing body of a
21 school corporation receiving a distribution under this clause,
22 the superintendent of the school corporation shall submit to
23 the governing body a report describing the purposes for which
24 the receipts under this clause were used and the improvements
25 in educational attainment realized through the use of the
26 money. The report is a public record.

27 (C) Thirteen and one-tenth percent (13.1%) shall be paid to the
28 county treasurer of Orange County.

29 (D) Five and three-tenths percent (5.3%) shall be distributed
30 quarterly to the county treasurer of Dubois County for
31 appropriation by the county fiscal body after receiving a
32 recommendation from the county executive. The county fiscal
33 body for the receiving county shall provide for the distribution
34 of the money received under this clause to one (1) or more
35 taxing units (as defined in IC 6-1.1-1-21) in the county under
36 a formula established by the county fiscal body after receiving
37 a recommendation from the county executive.

38 (E) Five and three-tenths percent (5.3%) shall be distributed
39 quarterly to the county treasurer of Crawford County for
40 appropriation by the county fiscal body after receiving a
41 recommendation from the county executive. The county fiscal
42 body for the receiving county shall provide for the distribution



1 of the money received under this clause to one (1) or more
 2 taxing units (as defined in IC 6-1.1-1-21) in the county under
 3 a formula established by the county fiscal body after receiving
 4 a recommendation from the county executive.

5 (F) Six and thirty-five hundredths percent (6.35%) shall be
 6 paid to the fiscal officer of the town of Paoli.

7 (G) Six and thirty-five hundredths percent (6.35%) shall be
 8 paid to the fiscal officer of the town of Orleans.

9 (H) Twenty-six and four-tenths percent (26.4%) shall be paid
 10 to the Indiana economic development corporation established
 11 by IC 5-28-3-1 for transfer as follows:

12 (i) Beginning after December 31, 2017, ten percent (10%)
 13 of the amount transferred under this clause in each calendar
 14 year shall be transferred to the South Central Indiana
 15 Regional Economic Development Corporation or a
 16 successor entity or partnership for economic development
 17 for the purpose of recruiting new business to Orange County
 18 as well as promoting the retention and expansion of existing
 19 businesses in Orange County.

20 (ii) The remainder of the amount transferred under this
 21 clause in each calendar year shall be transferred to Radius
 22 Indiana or a successor regional entity or partnership for the
 23 development and implementation of a regional economic
 24 development strategy to assist the residents of Orange
 25 County and the counties contiguous to Orange County in
 26 improving their quality of life and to help promote
 27 successful and sustainable communities.

28 To the extent possible, the Indiana economic development
 29 corporation shall provide for the transfer under item (i) to be
 30 made in four (4) equal installments. However, an amount
 31 sufficient to meet current obligations to retire or refinance
 32 indebtedness or leases for which tax revenues under this
 33 section were pledged before January 1, 2015, by the Orange
 34 County development commission shall be paid to the Orange
 35 County development commission before making distributions
 36 to the South Central Indiana Regional Economic Development
 37 Corporation and Radius Indiana or their successor entities or
 38 partnerships. The amount paid to the Orange County
 39 development commission shall proportionally reduce the
 40 amount payable to the South Central Indiana Regional
 41 Economic Development Corporation and Radius Indiana or
 42 their successor entities or partnerships.



1 (c) This subsection does not apply to tax revenue remitted by an
 2 inland casino operating in Vigo County. For each city and county
 3 receiving money under subsection (a)(2), the auditor of state shall
 4 determine the total amount of money paid by the auditor of state to the
 5 city or county during the state fiscal year 2002. The amount determined
 6 is the base year revenue for the city or county. The auditor of state shall
 7 certify the base year revenue determined under this subsection to the
 8 city or county. The total amount of money distributed to a city or
 9 county under this section during a state fiscal year may not exceed the
 10 entity's base year revenue. For each state fiscal year, the auditor of state
 11 shall pay that part of the riverboat wagering taxes that:

- 12 (1) exceeds a particular city's or county's base year revenue; and
- 13 (2) would otherwise be due to the city or county under this
 14 section;

15 to the state general fund instead of to the city or county.

16 (d) Except as provided in subsections (k) and (l), before August 15
 17 of each year, the auditor of state shall distribute the wagering taxes set
 18 aside for revenue sharing under subsection (a)(1) to the county
 19 treasurer of each county that does not have a riverboat according to the
 20 ratio that the county's population bears to the total population of the
 21 counties that do not have a riverboat. Except as provided in subsection
 22 (g), the county auditor shall distribute the money received by the
 23 county under this subsection as follows:

- 24 (1) To each city located in the county according to the ratio the
 25 city's population bears to the total population of the county.
- 26 (2) To each town located in the county according to the ratio the
 27 town's population bears to the total population of the county.
- 28 (3) After the distributions required in subdivisions (1) and (2) are
 29 made, the remainder shall be retained by the county.

30 (e) Money received by a city, town, or county under subsection (d)
 31 or (g) may be used for any of the following purposes:

- 32 (1) To reduce the property tax levy of the city, town, or county for
 33 a particular year (a property tax reduction under this subdivision
 34 does not reduce the maximum levy of the city, town, or county
 35 under IC 6-1.1-18.5).
- 36 (2) For deposit in a special fund or allocation fund created under
 37 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 38 IC 36-7-30 to provide funding for debt repayment.
- 39 (3) To fund sewer and water projects, including storm water
 40 management projects.
- 41 (4) For police and fire pensions.
- 42 (5) To carry out any governmental purpose for which the money



1 is appropriated by the fiscal body of the city, town, or county.
 2 Money used under this subdivision does not reduce the property
 3 tax levy of the city, town, or county for a particular year or reduce
 4 the maximum levy of the city, town, or county under
 5 IC 6-1.1-18.5.

6 (f) This subsection does not apply to an inland casino operating in
 7 Vigo County **or for purposes of tax revenue remitted after June 30,**
 8 **2023.** Before July 15 of each year, the auditor of state shall determine
 9 the total amount of money distributed to an entity under IC 4-33-12-6
 10 or IC 4-33-12-8 during the preceding state fiscal year. **Before July 1,**
 11 **2023,** if the auditor of state determines that the total amount of money
 12 distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the
 13 preceding state fiscal year was less than the entity's base year revenue
 14 (as determined under IC 4-33-12-9), the auditor of state shall make a
 15 supplemental distribution to the entity from taxes collected under this
 16 chapter and deposited into the state general fund. Except as provided
 17 in subsection (h), the amount of an entity's supplemental distribution
 18 is equal to:

- 19 (1) the entity's base year revenue (as determined under
 20 IC 4-33-12-9); minus
 21 (2) the sum of:
 22 (A) the total amount of money distributed to the entity and
 23 constructively received by the entity during the preceding state
 24 fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus
 25 (B) the amount of any admissions taxes deducted under
 26 IC 6-3.1-20-7.

27 (g) This subsection applies only to Marion County. The county
 28 auditor shall distribute the money received by the county under
 29 subsection (d) as follows:

- 30 (1) To each city, other than the consolidated city, located in the
 31 county according to the ratio that the city's population bears to the
 32 total population of the county.
 33 (2) To each town located in the county according to the ratio that
 34 the town's population bears to the total population of the county.
 35 (3) After the distributions required in subdivisions (1) and (2) are
 36 made, the remainder shall be paid in equal amounts to the
 37 consolidated city and the county.

38 (h) This subsection does not apply to an inland casino operating in
 39 Vigo County. This subsection applies to a supplemental distribution
 40 made after June 30, 2017. The maximum amount of money that may be
 41 distributed under subsection (f) in a state fiscal year is equal to the
 42 following:



1 (1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).

2 (2) After June 30, 2021, if the total adjusted gross receipts
3 received by licensees from gambling games authorized under this
4 article during the preceding state fiscal year is equal to or greater
5 than the total adjusted gross receipts received by licensees from
6 gambling games authorized under this article during the state
7 fiscal year ending June 30, 2020, the maximum amount is
8 forty-eight million dollars (\$48,000,000).

9 (3) After June 30, 2021, if the total adjusted gross receipts
10 received by licensees from gambling games authorized under this
11 article during the preceding state fiscal year is less than the total
12 adjusted gross receipts received by licensees from gambling
13 games authorized under this article during the state fiscal year
14 ending June 30, 2020, the maximum amount is equal to the result
15 of:

16 (A) forty-eight million dollars (\$48,000,000); multiplied by

17 (B) the result of:

18 (i) the total adjusted gross receipts received by licensees
19 from gambling games authorized under this article during
20 the preceding state fiscal year; divided by

21 (ii) the total adjusted gross receipts received by licensees
22 from gambling games authorized under this article during
23 the state fiscal year ending June 30, 2020.

24 If the total amount determined under subsection (f) exceeds the
25 maximum amount determined under this subsection, the amount
26 distributed to an entity under subsection (f) must be reduced according
27 to the ratio that the amount distributed to the entity under IC 4-33-12-6
28 or IC 4-33-12-8 bears to the total amount distributed under
29 IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental
30 distribution.

31 (i) This subsection applies to a supplemental distribution, if any,
32 payable to Lake County, Hammond, Gary, or East Chicago under
33 subsections (f) and (h). Beginning in July 2016, the auditor of state
34 shall, after making any deductions from the supplemental distribution
35 required by IC 6-3.1-20-7, deduct from the remainder of the
36 supplemental distribution otherwise payable to the unit under this
37 section the lesser of:

38 (1) the remaining amount of the supplemental distribution; or

39 (2) the difference, if any, between:

40 (A) three million five hundred thousand dollars (\$3,500,000);
41 minus

42 (B) the amount of admissions taxes constructively received by



1 the unit in the previous state fiscal year.
 2 The auditor of state shall distribute the amounts deducted under this
 3 subsection to the northwest Indiana redevelopment authority
 4 established under IC 36-7.5-2-1 for deposit in the development
 5 authority revenue fund established under IC 36-7.5-4-1.

- 6 (j) Money distributed to a political subdivision under subsection (b):
 7 (1) must be paid to the fiscal officer of the political subdivision
 8 and may be deposited in the political subdivision's general fund
 9 (in the case of a school corporation, the school corporation may
 10 deposit the money into either the education fund (IC 20-40-2) or
 11 the operations fund (IC 20-40-18)) or riverboat fund established
 12 under IC 36-1-8-9, or both;
 13 (2) may not be used to reduce the maximum levy under
 14 IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate
 15 of a school corporation, but, except as provided in subsection
 16 (b)(3)(B), may be used at the discretion of the political
 17 subdivision to reduce the property tax levy of the county, city, or
 18 town for a particular year;
 19 (3) except as provided in subsection (b)(3)(B), may be used for
 20 any legal or corporate purpose of the political subdivision,
 21 including the pledge of money to bonds, leases, or other
 22 obligations under IC 5-1-14-4; and
 23 (4) is considered miscellaneous revenue.

24 Money distributed under subsection (b)(3)(B) must be used for the
 25 purposes specified in subsection (b)(3)(B).

26 (k) After June 30, 2020, the amount of wagering taxes that would
 27 otherwise be distributed to South Bend under subsection (d) shall be
 28 deposited as being received from all riverboats whose supplemental
 29 wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and
 30 five-tenths percent (3.5%). The amount deposited under this
 31 subsection, in each riverboat's account, is proportionate to the
 32 supplemental wagering tax received from that riverboat under
 33 IC 4-33-12-1.5 in the month of July. The amount deposited under this
 34 subsection must be distributed in the same manner as the supplemental
 35 wagering tax collected under IC 4-33-12-1.5. This subsection expires
 36 June 30, 2021.

37 (l) After June 30, 2021, the amount of wagering taxes that would
 38 otherwise be distributed to South Bend under subsection (d) shall be
 39 withheld and deposited in the state general fund.

40 SECTION 17. IC 4-33-13-5.3, AS ADDED BY P.L.293-2019,
 41 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2023]: Sec. 5.3. (a) This section applies to each of the first



1 four (4) full state fiscal years beginning after a licensed owner begins
2 gaming operations under IC 4-33-6-4.5, **but does not apply in a state**
3 **fiscal year after June 30, 2023. This section does not apply to tax**
4 **revenue remitted or paid under this chapter after June 30, 2023.**

5 (b) As used in this section, "qualified city" refers to East Chicago,
6 Hammond, or Michigan City.

7 (c) The auditor of state shall determine the total amount of money
8 paid by the auditor of state under section 5(a)(2) of this chapter to
9 Gary, East Chicago, Hammond, and Michigan City during the state
10 fiscal year ending on June 30, 2019. The amount determined under this
11 subsection for each city is the city's base year revenue. The auditor of
12 state shall certify the base year revenue determined under this
13 subsection to each city.

14 (d) Subject to subsection (g), a qualified city is entitled to a
15 supplemental payment under this section if both of the following occur
16 in a particular state fiscal year:

17 (1) The total amount payable to Gary under section 5(a)(2) of this
18 chapter in the state fiscal year is greater than the base year
19 revenue determined for Gary under subsection (c).

20 (2) The amount payable to the qualified city under section 5(a)(2)
21 of this chapter in the state fiscal year is less than the base year
22 revenue determined for the qualified city under subsection (c).

23 (e) Subject to subsection (g), the auditor of state shall deduct the
24 lesser of the following from the amount otherwise payable to Gary to
25 make a supplemental payment to a qualified city entitled to a payment
26 under subsection (d):

27 (1) The difference between the base year revenue determined for
28 the qualified city under subsection (c) and the amount payable to
29 the qualified city under section 5(a)(2) of this chapter.

30 (2) The difference between the amount payable to Gary under
31 section 5(a)(2) of this chapter and the base year revenue
32 determined for Gary under subsection (c).

33 (f) Subject to subsection (g), the auditor of state shall supplement
34 the amount payable to the qualified city under section 5(a)(2) of this
35 chapter with a payment equal to the amount deducted under subsection
36 (e) for the qualified city.

37 (g) The auditor of state may not deduct from the amounts payable
38 under section 5(a)(2) of this chapter to Gary in a particular state fiscal
39 year an amount greater than the difference between the amount payable
40 to Gary under section 5(a)(2) of this chapter and the base year revenue
41 determined for Gary under subsection (c). If the total amount of the
42 supplemental payments determined for qualified cities exceeds the



1 amount that may be deducted under this section, the amount paid to
 2 each qualified city entitled to a supplemental payment must be
 3 determined under STEP FOUR the following formula:

4 STEP ONE: Determine the difference between the qualified city's
 5 base year revenue and the amount payable to the qualified city
 6 under section 5(a)(2) of this chapter for the particular state fiscal
 7 year.

8 STEP TWO: Determine the sum of the STEP ONE results for all
 9 qualified cities entitled to a supplemental payment in the
 10 particular state fiscal year.

11 STEP THREE: Determine for each qualified city entitled to a
 12 supplemental payment in the particular state fiscal year the
 13 quotient of:

14 (A) the STEP ONE result for the qualified city; divided by

15 (B) the STEP TWO result.

16 STEP FOUR: Determine for each qualified city entitled to a
 17 supplemental payment in the particular state fiscal year the
 18 product of:

19 (A) the STEP THREE quotient; multiplied by

20 (B) the maximum amount that may be deducted from the
 21 amounts payable under section 5(a)(2) of this chapter for Gary.

22 SECTION 18. IC 4-35-7-12, AS AMENDED BY P.L.108-2019,
 23 SECTION 76, AND AS AMENDED BY P.L.168-2019, SECTION 18,
 24 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2023]: Sec. 12. (a) The Indiana horse racing
 26 commission shall enforce the requirements of this section. **This section**
 27 **does not apply to adjusted gross receipts of the gambling game**
 28 **wagering from the previous month at each casino operated by the**
 29 **licensee that is received after June 30, 2023.**

30 (b) *Subject to section 12.5 of this chapter, before July 1, 2023,* a
 31 licensee shall before the fifteenth day of each month distribute for the
 32 support of the Indiana horse racing industry *Subject to section 12.5 of*
 33 *this chapter, the percentage of* the adjusted gross receipts of the
 34 gambling game wagering from the previous month at each casino
 35 operated by the licensee that is determined under section 16 or 17 of
 36 this chapter **(before their repeal).** *with respect to adjusted gross*
 37 *receipts received after June 30, 2015.*

38 (c) *The Indiana horse racing commission may not use any of the*
 39 *money distributed under this section for any administrative purpose or*
 40 *other purpose of the Indiana horse racing commission.*

41 (d) (c) A licensee shall distribute the money devoted to horse racing
 42 purses and to horsemen's associations under this subsection as follows:



1 (1) Five-tenths percent (0.5%) shall be transferred to horsemen's
 2 associations for equine promotion or welfare according to the
 3 ratios specified in subsection ~~(g)~~: (f).

4 (2) Two and five-tenths percent (2.5%) shall be transferred to
 5 horsemen's associations for backside benevolence according to
 6 the ratios specified in subsection ~~(g)~~: (f).

7 (3) Ninety-seven percent (97%) shall be distributed to promote
 8 horses and horse racing as provided in subsection ~~(f)~~: (e).

9 ~~(e)~~ (d) A horsemen's association shall expend the amounts
 10 distributed to the horsemen's association under subsection ~~(d)(1)~~ (c)(1)
 11 through ~~(d)(2)~~ (c)(2) for a purpose promoting the equine industry or
 12 equine welfare or for a benevolent purpose that the horsemen's
 13 association determines is in the best interests of horse racing in Indiana
 14 for the breed represented by the horsemen's association. Expenditures
 15 under this subsection are subject to the regulatory requirements of
 16 subsection ~~(f)~~: (g).

17 ~~(f)~~ (e) A licensee shall distribute the amounts described in
 18 subsection ~~(d)(3)~~ (c)(3) as follows:

19 (1) Forty-six percent (46%) for thoroughbred purposes as follows:

20 (A) Fifty-five percent (55%) for the following purposes:

21 (i) Ninety-seven percent (97%) for thoroughbred purses.

22 (ii) Two and four-tenths percent (2.4%) to the horsemen's
 23 association representing thoroughbred owners and trainers.

24 (iii) Six-tenths percent (0.6%) to the horsemen's association
 25 representing thoroughbred owners and breeders.

26 (B) Forty-five percent (45%) to the breed development fund
 27 established for thoroughbreds under IC 4-31-11-10. *Beginning*
 28 *the date that table games are authorized under section 19 of*
 29 *this chapter, the amounts distributed under this clause shall*
 30 *be further distributed for the following purposes:*

31 (i) *At least forty-one percent (41%) to the Indiana sired*
 32 *horses program.*

33 (ii) *The remaining amount for other purposes of the fund.*

34 (2) Forty-six percent (46%) for standardbred purposes as follows:

35 (A) Three hundred seventy-five thousand dollars (\$375,000)
 36 to the state fair commission to be used by the state fair
 37 commission to support standardbred racing and facilities at the
 38 state fairgrounds.

39 (B) One hundred twenty-five thousand dollars (\$125,000) to
 40 the state fair commission to be used by the state fair
 41 commission to make grants to county fairs and the department
 42 of parks and recreation in Johnson County to support



1 standardbred racing and facilities at county fair and county
 2 park tracks. The state fair commission shall establish a review
 3 committee to include the standardbred association board, the
 4 Indiana horse racing commission, the Indiana county fair
 5 association, and a member of the board of directors of a county
 6 park established under IC 36-10 that provides or intends to
 7 provide facilities to support standardbred racing, to make
 8 recommendations to the state fair commission on grants under
 9 this clause. A grant may be provided to the Johnson County
 10 fair or department of parks and recreation under this clause
 11 only if the county fair or department provides matching funds
 12 equal to one dollar (\$1) for every three dollars (\$3) of grant
 13 funds provided.

14 (C) Fifty percent (50%) of the amount remaining after the
 15 distributions under clauses (A) and (B) for the following
 16 purposes:

17 (i) Ninety-six and five-tenths percent (96.5%) for
 18 standardbred purses.

19 (ii) Three and five-tenths percent (3.5%) to the horsemen's
 20 association representing standardbred owners and trainers.

21 (D) Fifty percent (50%) of the amount remaining after the
 22 distributions under clauses (A) and (B) to the breed
 23 development fund established for standardbreds under
 24 IC 4-31-11-10.

25 (3) Eight percent (8%) for quarter horse purposes as follows:

26 (A) Seventy percent (70%) for the following purposes:

27 (i) Ninety-five percent (95%) for quarter horse purses.

28 (ii) Five percent (5%) to the horsemen's association
 29 representing quarter horse owners and trainers.

30 (B) Thirty percent (30%) to the breed development fund
 31 established for quarter horses under IC 4-31-11-10.

32 Expenditures under this subsection are subject to the regulatory
 33 requirements of subsection ~~(h)~~ (g).

34 ~~(g)~~ (f) Money distributed under subsection ~~(d)(1)~~ (c)(1) and ~~(d)(2)~~
 35 (c)(2) shall be allocated as follows:

36 (1) Forty-six percent (46%) to the horsemen's association
 37 representing thoroughbred owners and trainers.

38 (2) Forty-six percent (46%) to the horsemen's association
 39 representing standardbred owners and trainers.

40 (3) Eight percent (8%) to the horsemen's association representing
 41 quarter horse owners and trainers.

42 ~~(h)~~ (g) Money distributed under this section may not be expended



1 unless the expenditure is for a purpose authorized in this section and is
 2 either for a purpose promoting the equine industry or equine welfare or
 3 is for a benevolent purpose that is in the best interests of horse racing
 4 in Indiana or the necessary expenditures for the operations of the
 5 horsemen's association required to implement and fulfill the purposes
 6 of this section. The Indiana horse racing commission may review any
 7 expenditure of money distributed under this section to ensure that the
 8 requirements of this section are satisfied. The Indiana horse racing
 9 commission shall adopt rules concerning the review and oversight of
 10 money distributed under this section and shall adopt rules concerning
 11 the enforcement of this section. The following apply to a horsemen's
 12 association receiving a distribution of money under this section:

13 (1) The horsemen's association must annually file a report with
 14 the Indiana horse racing commission concerning the use of the
 15 money by the horsemen's association. The report must include
 16 information as required by the commission.

17 (2) The horsemen's association must register with the Indiana
 18 horse racing commission.

19 The state board of accounts shall audit the accounts, books, and records
 20 of the Indiana horse racing commission. Each horsemen's association,
 21 a licensee, and ~~any~~ association for backside benevolence *containing*
 22 *any information relating to the distribution of money under this section*
 23 *shall submit to an annual audit of their accounts, books, and records*
 24 *relating to the distribution of money under this section. The audit shall*
 25 *be performed by an independent public accountant, and the audit*
 26 *report shall be provided to the Indiana horse racing commission.*

27 ~~(h)~~ (h) The commission shall provide the Indiana horse racing
 28 commission with the information necessary to enforce this section.

29 ~~(i)~~ (i) The Indiana horse racing commission shall investigate any
 30 complaint that a licensee has failed to comply with the horse racing
 31 purse requirements set forth in this section. If, after notice and a
 32 hearing, the Indiana horse racing commission finds that a licensee has
 33 failed to comply with the purse requirements set forth in this section,
 34 the Indiana horse racing commission may:

35 (1) issue a warning to the licensee;

36 (2) impose a civil penalty that may not exceed one million dollars
 37 (\$1,000,000); or

38 (3) suspend a meeting permit issued under IC 4-31-5 to conduct
 39 a pari-mutuel wagering horse racing meeting in Indiana.

40 ~~(j)~~ (j) A civil penalty collected under this section must be deposited
 41 in the state general fund.

42 SECTION 19. IC 4-35-7-12.3 IS ADDED TO THE INDIANA



1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2023]: **Sec. 12.3. This section applies to**
 3 **adjusted gross receipts of the gambling game wagering from the**
 4 **previous month at each casino operated by the licensee that is**
 5 **received after June 30, 2023. A licensee shall, each month, deposit**
 6 **in the gaming revenue fund established by IC 4-40-3-1 an amount**
 7 **equal to the amount that was distributed by the licensee under**
 8 **section 12 of this chapter in the state fiscal year beginning July 1,**
 9 **2022, and ending June 30, 2023, each month.**

10 SECTION 20. IC 4-35-7-12.5, AS AMENDED BY P.L.156-2020,
 11 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2023]: Sec. 12.5. (a) A licensee shall annually withhold the
 13 sum of:

14 (1) the product of:

15 (A) seventy-five thousand dollars (\$75,000); multiplied by

16 (B) the number of racetracks operated by the licensee;

17 from the amount that, **before July 1, 2023**, must be distributed
 18 under section 12(b) of this chapter, **and after June 30, 2023, that**
 19 **must be deposited under section 12.3 of this chapter; and**

20 (2) forty-five hundredths percent (0.45%) of the adjusted gross
 21 receipts from the previous month at each casino operated by the
 22 licensee.

23 (b) A licensee shall transfer the amount withheld under subsection

24 (a)(1) **according to the following:**

25 **(1) Before July 1, 2023**, to the Indiana horse racing commission
 26 for deposit in the gaming integrity fund established by
 27 IC 4-35-8.7-3. Money transferred under this ~~subsection~~
 28 **subdivision** must be used for the purposes described in
 29 IC 4-35-8.7-3(f)(1).

30 **(2) After June 30, 2023, to the gaming revenue fund**
 31 **established by IC 4-40-3-1.**

32 (c) A licensee shall transfer the amount withheld under subsection

33 (a)(2):

34 **(1) before July 1, 2023**, to the Indiana horse racing commission
 35 for deposit in the Indiana horse racing commission operating fund
 36 established by IC 4-31-10-2; **and**

37 **(2) after June 30, 2023, to the gaming revenue fund**
 38 **established by IC 4-40-3-1.**

39 SECTION 21. IC 4-35-7-16 IS REPEALED [EFFECTIVE JULY 1,
 40 2023]. ~~Sec. 16: (a) The amount of gambling game revenue that must be~~
 41 ~~distributed under section 12(b) of this chapter must be determined in~~
 42 ~~a distribution agreement entered into by negotiation committees~~



1 representing all licensees and the horsemen's associations having
 2 contracts with licensees that have been approved by the Indiana horse
 3 racing commission.

4 (b) Each horsemen's association shall appoint a representative to a
 5 negotiation committee to negotiate the distribution agreement required
 6 by subsection (a). If there is an even number of horsemen's associations
 7 appointing representatives to the committee, the members appointed by
 8 each horsemen's association shall jointly appoint an at-large member
 9 of the negotiation committee to represent the interests of all of the
 10 horsemen's associations. The at-large member is entitled to the same
 11 rights and privileges of the members appointed by the horsemen's
 12 associations.

13 (c) Each licensee shall appoint a representative to a negotiation
 14 committee to negotiate the distribution agreement required by
 15 subsection (a). If there is an even number of licensees, the members
 16 appointed by each licensee shall jointly appoint an at-large member of
 17 the negotiation committee to represent the interests of all of the
 18 licensees. The at-large member is entitled to the same rights and
 19 privileges of the members appointed by the licensees.

20 (d) If a majority of the members of each negotiation committee is
 21 present, the negotiation committees may negotiate and enter into a
 22 distribution agreement binding all horsemen's associations and all
 23 licensees as required by subsection (a).

24 (e) The initial distribution agreement entered into by the negotiation
 25 committees:

26 (1) must be in writing;

27 (2) must be submitted to the Indiana horse racing commission
 28 before October 1, 2013;

29 (3) must be approved by the Indiana horse racing commission
 30 before January 1, 2014; and

31 (4) may contain any terms determined to be necessary and
 32 appropriate by the negotiation committees, subject to subsection

33 (f) and section 12 of this chapter.

34 (f) A distribution agreement must provide that at least ten percent
 35 (10%) and not more than twelve percent (12%) of a licensee's adjusted
 36 gross receipts must be distributed under section 12(b) of this chapter.
 37 A distribution agreement applies to adjusted gross receipts received by
 38 the licensee after December 31 of the calendar year in which the
 39 distribution agreement is approved by the Indiana horse racing
 40 commission.

41 (g) A distribution agreement may expire on December 31 of a
 42 particular calendar year if a subsequent distribution agreement will take



1 effect on January 1 of the following calendar year. A subsequent
2 distribution agreement:

3 (1) is subject to the approval of the Indiana horse racing
4 commission; and

5 (2) must be submitted to the Indiana horse racing commission
6 before October 1 of the calendar year preceding the calendar year
7 in which the distribution agreement will take effect.

8 (h) The Indiana horse racing commission shall annually report to the
9 budget committee on the effect of each distribution agreement on the
10 Indiana horse racing industry before January 1 of the following
11 calendar year.

12 SECTION 22. IC 4-35-7-17 IS REPEALED [EFFECTIVE JULY 1,
13 2023]. Sec. 17. (a) Subject to subsection (b); if:

14 (1) a distribution agreement is not submitted to the Indiana horse
15 racing commission before the deadlines imposed by section 16 of
16 this chapter; or

17 (2) the Indiana horse racing commission is unable to approve a
18 distribution agreement;

19 the Indiana horse racing commission shall determine the percentage of
20 a licensee's adjusted gross receipts that must be distributed under
21 section 12(b) of this chapter.

22 (b) The Indiana horse racing commission shall give the negotiation
23 committees an opportunity to correct any deficiencies in a proposed
24 distribution agreement before making a determination of the applicable
25 percentage under subsection (a).

26 (c) The Indiana horse racing commission shall consider the factors
27 used to evaluate a distribution agreement under section 18 of this
28 chapter when making a determination under subsection (a).

29 SECTION 23. IC 4-35-7-18, AS ADDED BY P.L.210-2013,
30 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2023]: Sec. 18. The Indiana horse racing commission shall
32 evaluate any proposed distribution agreement submitted under section
33 16 of this chapter (**before its repeal**) using the following criteria:

34 (1) The best interests of pari-mutuel horse racing in Indiana.

35 (2) Maintenance of the highest standards and greatest level of
36 integrity.

37 (3) Fairness to all parties.

38 (4) The financial stability of licensees.

39 (5) Any other factor considered relevant by the Indiana horse
40 racing commission.

41 SECTION 24. IC 4-35-8-3, AS AMENDED BY P.L.146-2008,
42 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2023]: Sec. 3. **(a)** The department shall deposit tax revenue
 2 collected under section 1 of this chapter **before July 1, 2023**, in the
 3 state general fund.

4 **(b) The department shall deposit tax revenue collected under**
 5 **section 1 of this chapter after June 30, 2023, in the gaming revenue**
 6 **fund established by IC 4-40-3-1.**

7 SECTION 25. IC 4-35-8.5-1, AS AMENDED BY P.L.255-2015,
 8 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2023]: Sec. 1. (a) Before the fifteenth day of each month, a
 10 licensee that offers gambling game wagering under this article shall
 11 pay to the commission a county gambling game wagering fee equal to
 12 three percent (3%) of the adjusted gross receipts received from
 13 gambling game wagering during the previous month at the licensee's
 14 racetrack. However, a licensee is not required to pay more than eight
 15 million dollars (\$8,000,000) of county gambling game wagering fees
 16 under this section in any state fiscal year.

17 (b) The commission shall deposit the county gambling game
 18 wagering fee received by the commission into:

19 **(1) for county gambling game wagering fees received before**
 20 **July 1, 2023**, a separate account within the state general fund;
 21 **and**

22 **(2) for county gambling game wagering fees received after**
 23 **June 30, 2023, the gaming revenue fund established by**
 24 **IC 4-40-3-1.**

25 SECTION 26. IC 4-35-8.5-2, AS AMENDED BY P.L.137-2022,
 26 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2023]: Sec. 2. **This section applies to county gambling**
 28 **game wagering fees received before July 1, 2023.** On or before the
 29 fifteenth day of each month, the treasurer of state shall distribute any
 30 county gambling game wagering fees received from a licensee during
 31 the previous month to the county auditor of the county in which the
 32 licensee's racetrack is located.

33 SECTION 27. IC 4-38-10-3, AS ADDED BY P.L.293-2019,
 34 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2023]: Sec. 3. **(a) This section applies to tax revenue**
 36 **collected under section 2 of this chapter before July 1, 2023.**

37 ~~(a)~~ **(b)** Except as provided in subsection ~~(b)~~; **(c)**, the department
 38 shall deposit the tax revenue collected under section 2 of this chapter
 39 in the state general fund.

40 ~~(b)~~ **(c)** The department shall transfer an amount equal to three and
 41 thirty-three hundredths percent (3.33%) of the tax revenue collected
 42 under section 2 of this chapter to the addiction services fund



1 established by IC 12-23-2-2.

2 ~~(e)~~ **(d)** Twenty-five percent (25%) of the tax revenue transferred
3 under subsection ~~(b)~~ **(c)** must be allocated to:

- 4 (1) the prevention of;
5 (2) education regarding;
6 (3) provider credentialing for; and
7 (4) treatment of;
8 compulsive gambling.

9 SECTION 28. IC 4-38-10-3.5 IS ADDED TO THE INDIANA
10 CODE AS A NEW SECTION TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2023]: **Sec. 3.5. (a) This section applies to tax**
12 **revenue collected under section 2 of this chapter after June 30,**
13 **2023.**

14 **(b) Except as provided in subsection (c), the department shall**
15 **deposit tax revenue collected under this chapter after June 30,**
16 **2023, in the case of tax revenue remitted by a certificate holder**
17 **that is:**

- 18 (1) an operating agent operating a riverboat in a historic hotel
19 district, in the state general fund; and
20 (2) a licensed owner or permit holder, in the gaming revenue
21 fund established by IC 4-40-3-1.

22 **(c) The department shall transfer an amount equal to three and**
23 **thirty-three hundredths percent (3.33%) of the tax revenue**
24 **remitted under subsection (b)(1) by a certificate holder that is an**
25 **operating agent operating a riverboat in a historic hotel district to**
26 **the addiction services fund established by IC 12-23-2-2.**

27 **(d) Twenty-five percent (25%) of the tax revenue transferred**
28 **under subsection (b)(1) must be allocated to:**

- 29 (1) the prevention of;
30 (2) education regarding;
31 (3) provider credentialing for; and
32 (4) treatment of;
33 compulsive gambling.

34 SECTION 29. IC 4-40 IS ADDED TO THE INDIANA CODE AS
35 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
36 2023]:

37 **ARTICLE 40. GAMING REVENUE DISTRIBUTION**

38 **Chapter 1. Application**

39 **Sec. 1. This article applies to the distribution of revenue**
40 **received or remitted after June 30, 2023, by a:**

- 41 (1) licensed owner from the:
42 (A) wagering tax imposed under IC 4-33-13; and



- 1 (B) supplemental wagering tax imposed under IC 4-33-12;
 2 (2) licensee from the:
 3 (A) graduated slot machine wagering tax imposed under
 4 IC 4-35-8;
 5 (B) county gambling game wagering fee imposed under
 6 IC 4-35-8.5; and
 7 (C) fees imposed under IC 4-35-7-12.3 and IC 4-35-7-12.5;
 8 (3) except as provided in section 2 of this chapter, certificate
 9 holder from the sports wagering tax imposed under
 10 IC 4-38-10; and
 11 (4) person that holds a permit to conduct a horse racing
 12 meeting or a permit holder licensed to operate a satellite
 13 facility from taxes imposed under IC 4-31-9.

14 **Sec. 2.** This article does not apply to the distribution of revenue
 15 received or remitted by an operating agent from the:

- 16 (1) wagering tax imposed under IC 4-33-13; or
 17 (2) sports wagering tax imposed under IC 4-38-10.

18 **Chapter 2. Definitions**

19 **Sec. 1.** The definitions in this chapter apply throughout this
 20 article.

21 **Sec. 2.** "Adjusted gross receipts" means:

- 22 (1) the total of all cash and property (including checks
 23 received by a licensee or an operating agent) whether
 24 collected or not, received:
 25 (A) by a licensee from gaming operations under IC 4-33;
 26 (B) by a licensee from gambling games conducted under
 27 IC 4-35; and
 28 (C) from authorized sports wagering offered by a
 29 certificate holder under IC 4-38; minus
 30 (2) the total of:
 31 (A) all cash paid out as winnings to patrons; and
 32 (B) uncollectible gaming receivables, not to exceed the
 33 lesser of:
 34 (i) a reasonable provision for uncollectible patron checks
 35 received from gaming operations, gambling games, or
 36 sports wagering; or
 37 (ii) two percent (2%) of the total of all sums, including
 38 checks, whether collected or not, less the amount paid
 39 out as winnings to patrons.

40 **For purposes of this section, a counter or personal check that is**
 41 **invalid or unenforceable under this article is considered cash**
 42 **received by the licensee or operating agent from gaming**



1 operations, a licensee from gambling games conducted under
 2 IC 4-35, or from authorized sports wagering offered by a
 3 certificate holder under IC 4-38.

4 Sec. 3. "Certificate holder" has the meaning set forth in
 5 IC 4-38-2-4.

6 Sec. 4. "Gaming commission" means the Indiana gaming
 7 commission established by IC 4-33-3-1.

8 Sec. 5. "Gaming revenue fund" means the gaming revenue fund
 9 established by IC 4-40-3-1.

10 Sec. 6. "Host unit" means each of the following:

11 (1) If the riverboat is located in a city, or a city is designated
 12 as the home dock of the riverboat from which the tax revenue
 13 was collected, in the case of a city described in
 14 IC 4-33-12-6(b)(1)(A), a city located in Lake County, or Terre
 15 Haute, the term includes:

16 (A) the:

17 (i) city; or

18 (ii) city designated as the home dock of the riverboat
 19 from which the tax revenue was collected, in the case of
 20 a city described in IC 4-33-12-6(b)(1)(A), a city located
 21 in Lake County, or Terre Haute; and

22 (B) the county in which the riverboat is located.

23 (2) A county that is designated as the home dock of the
 24 riverboat from which the tax revenue was collected, in the
 25 case of a riverboat that is not located in a city described in
 26 subdivision (1) or whose home dock is not in a city described
 27 in subdivision (1).

28 (3) A county in which a licensee's racetrack in which gambling
 29 games are conducted under IC 4-35 is located.

30 Sec. 7. "Licensed owner" has the meaning set forth in
 31 IC 4-33-2-13.

32 Sec. 8. "Licensee" has the meaning set forth in IC 4-35-2-7.

33 Sec. 9. "Operating agent" has the meaning set forth in
 34 IC 4-33-2-14.5.

35 Sec. 10. "Riverboat" has the meaning set forth in IC 4-33-2-17.

36 **Chapter 3. Gaming Revenue Fund**

37 **Sec. 1. (a) The gaming revenue fund is established.**

38 **(b) The gaming revenue fund consists of the following:**

39 (1) Revenue deposited in the gaming revenue fund under
 40 IC 4-31-9-3(c).

41 (2) Revenue deposited in the gaming revenue fund under
 42 IC 4-31-9-5(c).



- 1 **(3) Revenue deposited in the gaming revenue fund under**
 2 **IC 4-31-9-7(e).**
- 3 **(4) Revenue deposited in the gaming revenue fund under**
 4 **IC 4-31-9-9(b).**
- 5 **(5) Revenue deposited in the gaming revenue fund under**
 6 **IC 4-33-12-5.5.**
- 7 **(6) Revenue deposited in the gaming revenue fund under**
 8 **IC 4-33-13-3(b)(2).**
- 9 **(7) Revenue deposited in the gaming revenue fund under**
 10 **IC 4-35-7-12.3.**
- 11 **(8) Revenue deposited in the gaming revenue fund under**
 12 **IC 4-35-7-12.5.**
- 13 **(9) Revenue deposited in the gaming revenue fund under**
 14 **IC 4-35-8-3(b).**
- 15 **(10) Revenue deposited in the gaming revenue fund under**
 16 **IC 4-35-8.5-1(b)(2).**
- 17 **(11) Revenue deposited in the gaming revenue fund under**
 18 **IC 4-38-10-3.5(b)(2).**
- 19 **(c) The gaming revenue fund shall be administered by the**
 20 **auditor of state.**
- 21 **(d) Money in the gaming revenue fund is continually**
 22 **appropriated as provided in this chapter.**
- 23 **(e) Money in the gaming revenue fund does not revert to the**
 24 **state general fund at the end of a state fiscal year.**
- 25 **Sec. 2. An amount equal to thirty-six hundredths percent**
 26 **(0.36%) of the money in the gaming revenue fund is annually**
 27 **appropriated to the gaming commission to carry out the duties of**
 28 **the gaming commission.**
- 29 **Sec. 3. The auditor of state shall quarterly deposit in the state**
 30 **general fund an amount equal to sixty three and eighty-six**
 31 **hundredths percent (63.86%) of the money in the gaming revenue**
 32 **fund.**
- 33 **Sec. 4. (a) The auditor of state shall quarterly divide and**
 34 **distribute a total amount equal to five and thirty-three hundredths**
 35 **percent (5.33%) of the money in the gaming revenue fund between**
 36 **each county according to the ratio that the county's population**
 37 **bears to the total population of the state. The money paid under**
 38 **this subsection must be paid to the county treasurer of each county.**
 39 **Except as provided in subsection (b), the county treasurer shall**
 40 **distribute the money received by the county under this section as**
 41 **follows:**
- 42 **(1) To each city located in the county according to the ratio**



- 1 the city's population bears to the total population of the
2 county.
- 3 **(2) To each town located in the county according to the ratio**
4 **the town's population bears to the total population of the**
5 **county.**
- 6 **(3) After the distributions required in subdivisions (1) and (2)**
7 **are made, the remainder shall be retained by the county.**
- 8 **(b) This subsection applies only to a county containing a**
9 **consolidated city. The county auditor shall distribute the money**
10 **received by the county under subsection (a) as follows:**
- 11 **(1) To each city, other than a consolidated city, located in the**
12 **county according to the ratio that the city's population bears**
13 **to the total population of the county.**
- 14 **(2) To each town located in the county according to the ratio**
15 **that the town's population bears to the total population of the**
16 **county.**
- 17 **(3) After the distributions required in subdivisions (1) and (2)**
18 **are made, the remainder shall be paid in equal amounts to the**
19 **consolidated city and the county.**
- 20 **Sec. 5. (a) The auditor of state shall quarterly divide and**
21 **distribute a total amount equal to twenty-six percent (26%) of the**
22 **money in the gaming revenue fund among each host unit and each**
23 **host unit's county convention and visitors bureau or promotion**
24 **fund. The auditor of state shall pay each host unit and each host**
25 **unit's county convention and visitors bureau or promotion fund an**
26 **amount that equals the host unit's and host unit's county**
27 **convention and visitors bureau or promotion fund's average**
28 **aggregate distribution from:**
- 29 **(1) revenue and fees collected under IC 4-31, IC 4-33, IC 4-35,**
30 **and IC 4-38; and**
- 31 **(2) money in the gaming revenue fund;**
- 32 **as applicable, in the immediately preceding five (5) years.**
- 33 **(b) A host unit or host unit's county convention and visitors**
34 **bureau or promotion fund may not receive a distribution under**
35 **this section that is less than an amount equal to the host unit's or**
36 **host unit's county convention and visitors bureau or promotion**
37 **fund's average distribution over the immediately preceding five (5)**
38 **years. If the total amount of money available to distribute under**
39 **this section in a year is less than the total amount necessary to meet**
40 **the required distributions under this subsection, the distributions**
41 **to each recipient shall be reduced proportionately.**
- 42 **(c) If the total amount to be divided and distributed under**



1 subsection (a) exceeds the amount necessary to meet the minimum
 2 payment requirement under subsection (b), the excess shall be
 3 annually divided among each host unit in proportion to the amount
 4 of tax revenue deposited in the gaming revenue fund for the period
 5 that is attributable to tax revenue collected from the gaming
 6 operations located in the host unit. Of the excess amount received
 7 by each host unit:

8 (1) if the host unit is a city:

9 (A) fifty percent (50%) of the excess shall remain with the
 10 city; and

11 (B) fifty percent (50%) of the excess shall be paid to the
 12 county in which the city is located; and

13 (2) if the host unit is a county, the excess shall remain with the
 14 county.

15 A host unit's county convention and visitors bureau or promotion
 16 fund is not eligible to receive a distribution of any excess amounts
 17 under this subsection.

18 Sec. 6. This section applies only to tax revenue distributed under
 19 section 4 of this chapter. Money paid to a unit of local government
 20 under section 4 of this chapter:

21 (1) must be paid to the fiscal officer of the unit of local
 22 government;

23 (2) may not be used to reduce the unit of local government's
 24 maximum levy under IC 6-1.1-18.5 but may be used at the
 25 discretion of the unit of local government to reduce the
 26 property tax levy of the unit of local government for a
 27 particular year;

28 (3) may be deposited in a special fund or allocation fund
 29 created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5,
 30 IC 36-7-15.1, and IC 36-7-30 to provide funding for debt
 31 repayment;

32 (4) may be used to fund sewer and water projects, including
 33 storm water management projects;

34 (5) may be used for police and fire pensions;

35 (6) may be used for any other legal or corporate purpose of
 36 the unit of local government, including the pledge of money to
 37 bonds, leases, or other obligations under IC 5-1-14-4; and

38 (7) is considered miscellaneous revenue.

39 Sec. 7. (a) This section applies only to tax revenue distributed
 40 under section 5 of this chapter to Lake County, Hammond, Gary,
 41 and East Chicago.

42 (b) A host unit that receives a distribution under section 5 of this



1 chapter shall annually distribute two million five hundred
 2 thousand dollars (\$2,500,000) from the amount received under
 3 section 5 of this chapter to the northwest Indiana regional
 4 development authority towards satisfying the host unit's funding
 5 obligation.

6 **Sec. 8. (a) This section applies only to tax revenue distributed**
 7 **under section 5 of this chapter to Vigo County and the city of Terre**
 8 **Haute.**

9 **(b) Tax revenue distributed under section 5 of this chapter to**
 10 **Vigo County and the city of Terre Haute shall be divided according**
 11 **to the following:**

12 **(1) Forty percent (40%) to the city of Terre Haute.**

13 **(2) Thirty percent (30%) to Vigo County.**

14 **(3) Fifteen percent (15%) to the Vigo County school**
 15 **corporation.**

16 **(4) Fifteen percent (15%) to West Central 2025.**

17 **(c) Money paid to a city or county under subsection (b):**

18 **(1) must be paid to the fiscal officer of the host unit and may**
 19 **be deposited in the host unit's general fund or a riverboat**
 20 **fund established by the city or county under IC 36-1-8-9, or**
 21 **both;**

22 **(2) may not be used to reduce the host unit's maximum levy**
 23 **under IC 6-1.1-18.5 but may be used at the discretion of the**
 24 **host unit to reduce the property tax levy of the host unit for a**
 25 **particular year;**

26 **(3) may be used for any legal or corporate purpose of the host**
 27 **unit, including the pledge of money to bonds, leases, or other**
 28 **obligations under IC 5-1-14-4; and**

29 **(4) is considered miscellaneous revenue.**

30 **(d) Money paid to the Vigo County school corporation under**
 31 **subsection (b)(3):**

32 **(1) may be used for any legal or corporate purpose of the**
 33 **school corporation, including the pledge of money to bonds,**
 34 **leases, or other obligations under IC 5-1-14-4; and**

35 **(2) is considered miscellaneous revenue.**

36 **(e) Money paid to West Central 2025 under subsection (b)(4)**
 37 **must be used for the development and implementation of a regional**
 38 **economic development strategy that:**

39 **(1) assists the residents of Vigo County and the other**
 40 **participating counties in West Central 2025 in improving the**
 41 **quality of life in the region; and**

42 **(2) promotes successful and sustainable communities.**



1 **(f) The fiscal officer of West Central 2025 shall submit an**
 2 **annual report to the Indiana economic development corporation**
 3 **concerning the organization's use of the money received under**
 4 **subsection (b)(4) and the development and implementation of the**
 5 **regional economic development strategy required by subsection (e).**

6 **Sec. 9. (a) The treasurer of state shall quarterly transfer an**
 7 **amount equal to four and forty-five hundredths percent (4.45%)**
 8 **of the money in the gaming revenue fund to an account established**
 9 **in the gaming revenue fund to be appropriated for distributions to**
 10 **entities for use as determined by the general assembly. Each year**
 11 **during the regular session of the general assembly, an entity may**
 12 **submit a request to the:**

13 **(1) house committee on ways and means; and**

14 **(2) senate committee on appropriations;**

15 **proposing a distribution be made from the amount under this**
 16 **subsection and the purposes for which the distribution must be**
 17 **used.**

18 **(b) The following must receive a preference in determining any**
 19 **distributions under this section:**

20 **(1) The state fair commission.**

21 **(2) The northwest Indiana law enforcement training center.**

22 **(3) The division of mental health and addiction.**

23 **(4) The economic development fund established by IC 5-28-8.**

24 **(5) Purdue University School of Veterinary Medicine.**

25 **(6) Indiana Horse Racing Commission.**

26 **(7) Entities that promote and develop the livestock industry.**

27 **(8) Entities that received a distribution under IC 4-35-7-12**
 28 **before July 1, 2023.**

29 SECTION 30. IC 6-1.1-4-31.5, AS AMENDED BY P.L.86-2018,
 30 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2023]: Sec. 31.5. (a) As used in this section, "department"
 32 refers to the department of local government finance.

33 (b) If the department makes a determination and informs local
 34 officials under section 31(c) of this chapter, the department may order
 35 a state conducted assessment or reassessment in the county subject to
 36 the time limitation in that subsection.

37 (c) If the department orders a state conducted assessment or
 38 reassessment in a county, the department shall assume the duties of the
 39 county assessor. Notwithstanding sections 15 and 17 of this chapter, a
 40 county assessor subject to an order issued under this section may not
 41 assess property or have property assessed for the assessment or under
 42 a county's reassessment plan prepared under section 4.2 of this chapter.



1 Until the state conducted assessment or reassessment is completed
2 under this section, the assessment or reassessment duties of the county
3 assessor are limited to providing the department or a contractor of the
4 department the support and information requested by the department
5 or the contractor.

6 (d) Before assuming the duties of a county assessor, the department
7 shall transmit a copy of the department's order requiring a state
8 conducted assessment or reassessment to the county assessor, the
9 county fiscal body, the county auditor, and the county treasurer. Notice
10 of the department's actions must be published one (1) time in a
11 newspaper of general circulation published in the county. The
12 department is not required to conduct a public hearing before taking
13 action under this section.

14 (e) A county assessor subject to an order issued under this section
15 shall, at the request of the department or the department's contractor,
16 make available and provide access to all:

- 17 (1) data;
- 18 (2) records;
- 19 (3) maps;
- 20 (4) parcel record cards;
- 21 (5) forms;
- 22 (6) computer software systems;
- 23 (7) computer hardware systems; and
- 24 (8) other information;

25 related to the assessment or reassessment of real property in the county.
26 The information described in this subsection must be provided at no
27 cost to the department or the contractor of the department. A failure to
28 provide information requested under this subsection constitutes a
29 failure to perform a duty related to an assessment or under a county's
30 reassessment plan prepared under section 4.2 of this chapter and is
31 subject to IC 6-1.1-37-2.

32 (f) The department may enter into a contract with a professional
33 appraising firm to conduct an assessment or reassessment under this
34 section. If a county entered into a contract with a professional
35 appraising firm to conduct the county's assessment or reassessment
36 before the department orders a state conducted assessment or
37 reassessment in the county under this section, the contract:

- 38 (1) is as valid as if it had been entered into by the department; and
- 39 (2) shall be treated as the contract of the department.

40 (g) After receiving the report of assessed values from the appraisal
41 firm acting under a contract described in subsection (f), the department
42 shall give notice to the taxpayer and the county assessor, by mail, of the



1 amount of the assessment or reassessment. The notice of assessment or
2 reassessment:

3 (1) is subject to appeal by the taxpayer under section 31.7 of this
4 chapter; and

5 (2) must include a statement of the taxpayer's rights under section
6 31.7 of this chapter.

7 (h) The department shall forward a bill for services provided under
8 a contract described in subsection (f) to the auditor of the county in
9 which the state conducted reassessment occurs. The county shall pay
10 the bill under the procedures prescribed by subsection (i).

11 (i) A county subject to an order issued under this section shall pay
12 the cost of a contract described in subsection (f), without appropriation,
13 from the county property reassessment fund. A contractor may
14 periodically submit bills for partial payment of work performed under
15 the contract. Notwithstanding any other law, a contractor is entitled to
16 payment under this subsection for work performed under a contract if
17 the contractor:

18 (1) submits to the department a fully itemized, certified bill in the
19 form required by IC 5-11-10-1 for the costs of the work performed
20 under the contract;

21 (2) obtains from the department:

22 (A) approval of the form and amount of the bill; and

23 (B) a certification that the billed goods and services have been
24 received and comply with the contract; and

25 (3) files with the county auditor:

26 (A) a duplicate copy of the bill submitted to the department;

27 (B) proof of the department's approval of the form and amount
28 of the bill; and

29 (C) the department's certification that the billed goods and
30 services have been received and comply with the contract.

31 The department's approval and certification of a bill under subdivision
32 (2) shall be treated as conclusively resolving the merits of a contractor's
33 claim. Upon receipt of the documentation described in subdivision (3),
34 the county auditor shall immediately certify that the bill is true and
35 correct without further audit and submit the claim to the county
36 executive. The county executive shall allow the claim, in full, as
37 approved by the department, without further examination of the merits
38 of the claim in a regular or special session that is held not less than
39 three (3) days and not more than seven (7) days after the date the claim
40 is certified by the county fiscal officer if the procedures in IC 5-11-10-2
41 are used to approve the claim or the date the claim is placed on the
42 claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are



1 used to approve the claim. Upon allowance of the claim by the county
 2 executive, the county auditor shall immediately issue a warrant or
 3 check for the full amount of the claim approved by the department.
 4 Compliance with this subsection constitutes compliance with
 5 IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and
 6 payment of a claim in compliance with this subsection is not subject to
 7 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply
 8 to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies
 9 to a fiscal officer who pays a claim in compliance with this subsection.

10 (j) Notwithstanding IC 4-13-2, a period of seven (7) days is
 11 permitted for each of the following to review and act under IC 4-13-2
 12 on a contract of the department entered into under this section:

- 13 (1) The commissioner of the Indiana department of
- 14 administration.
- 15 (2) The director of the budget agency.
- 16 (3) The attorney general.

17 (k) If money in the county's property reassessment fund is
 18 insufficient to pay for an assessment or reassessment conducted under
 19 this section, the department may increase the tax rate and tax levy of
 20 the county's property reassessment fund to pay the cost and expenses
 21 related to the assessment or reassessment.

22 (l) The department or the contractor of the department shall use the
 23 land values determined under section 13.6 of this chapter for a county
 24 subject to an order issued under this section to the extent that the
 25 department or the contractor finds that the land values reflect the true
 26 tax value of land, as determined under this article and the rules of the
 27 department. If the department or the contractor finds that the land
 28 values determined for the county under section 13.6 of this chapter do
 29 not reflect the true tax value of land, the department or the contractor
 30 shall determine land values for the county that reflect the true tax value
 31 of land, as determined under this article and the rules of the
 32 department. Land values determined under this subsection shall be
 33 used to the same extent as if the land values had been determined under
 34 section 13.6 of this chapter. The department or the contractor of the
 35 department shall notify the county's assessing officials of the land
 36 values determined under this subsection.

37 (m) A contractor of the department may notify the department if:

- 38 (1) a county auditor fails to:
 - 39 (A) certify the contractor's bill;
 - 40 (B) publish the contractor's claim;
 - 41 (C) submit the contractor's claim to the county executive; or
 - 42 (D) issue a warrant or check for payment of the contractor's



- 1 bill;
- 2 as required by subsection (i) at the county auditor's first legal
- 3 opportunity to do so;
- 4 (2) a county executive fails to allow the contractor's claim as
- 5 legally required by subsection (i) at the county executive's first
- 6 legal opportunity to do so; or
- 7 (3) a person or an entity authorized to act on behalf of the county
- 8 takes or fails to take an action, including failure to request an
- 9 appropriation, and that action or failure to act delays or halts
- 10 progress under this section for payment of the contractor's bill.
- 11 (n) The department, upon receiving notice under subsection (m)
- 12 from a contractor of the department, shall:
- 13 (1) verify the accuracy of the contractor's assertion in the notice
- 14 that:
- 15 (A) a failure occurred as described in subsection (m)(1) or
- 16 (m)(2); or
- 17 (B) a person or an entity acted or failed to act as described in
- 18 subsection (m)(3); and
- 19 (2) provide to the treasurer of state the department's approval
- 20 under subsection (i)(2)(A) of the contractor's bill with respect to
- 21 which the contractor gave notice under subsection (m).
- 22 (o) Upon receipt of the department's approval of a contractor's bill
- 23 under subsection (n), the treasurer of state shall pay the contractor the
- 24 amount of the bill approved by the department from money in the
- 25 possession of the state that would otherwise be available for
- 26 distribution to the county, including distributions of admissions taxes
- 27 or wagering taxes.
- 28 (p) The treasurer of state shall withhold from the money that would
- 29 be distributed under IC 4-33-12-6, IC 4-33-13-5, **IC 4-40**, or any other
- 30 law to a county described in a notice provided under subsection (m) the
- 31 amount of a payment made by the treasurer of state to the contractor of
- 32 the department under subsection (o). Money shall be withheld from any
- 33 source payable to the county.
- 34 (q) Compliance with subsections (m) through (p) constitutes
- 35 compliance with IC 5-11-10.
- 36 (r) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to
- 37 the payment made in compliance with subsections (m) through (p).
- 38 This subsection and subsections (m) through (p) must be interpreted
- 39 liberally so that the state shall, to the extent legally valid, ensure that
- 40 the contractual obligations of a county subject to this section are paid.
- 41 Nothing in this section shall be construed to create a debt of the state.
- 42 (s) The provisions of this section are severable as provided in



- 1 IC 1-1-1-8(b).
- 2 SECTION 31. IC 6-3.1-20-7, AS AMENDED BY P.L.156-2020,
3 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2023]: Sec. 7. (a) The department shall before July 1 of each
5 year determine the following:
- 6 (1) The greater of:
7 (A) eight million five hundred thousand dollars (\$8,500,000);
8 or
9 (B) the amount of credits allowed under this chapter for
10 taxable years ending before January 1 of the year.
- 11 (2) The quotient of:
12 (A) the amount determined under subdivision (1); divided by
13 (B) four (4).
- 14 (b) Except as provided in subsection (d), one-half (1/2) of the
15 amount determined by the department under subsection (a)(2) shall be:
16 (1) deducted each quarter from:
17 (A) **for tax revenue collected before July 1, 2023**, the
18 riverboat supplemental wagering tax revenue otherwise
19 payable to the county under IC 4-33-12-8 and the
20 supplemental distribution otherwise payable to the county
21 under IC 4-33-13-5(f); and
22 (B) **for tax revenue collected after June 30, 2023, from the**
23 **distributions otherwise payable to the county under**
24 **IC 4-40; and**
25 (2) paid instead to the state general fund.
- 26 (c) Except as provided in subsection (d), one-sixth (1/6) of the
27 amount determined by the department under subsection (a)(2) shall be:
28 (1) deducted each quarter from, **for tax revenue collected before**
29 **July 1, 2023**, the riverboat supplemental wagering tax revenue
30 otherwise payable under IC 4-33-12-8 and the supplemental
31 distribution otherwise payable under IC 4-33-13-5(f), **and for tax**
32 **revenue collected after June 30, 2023, from the distributions**
33 **otherwise payable to the county under IC 4-40**, to each of the
34 following:
35 (A) The largest city by population located in the county.
36 (B) The second largest city by population located in the
37 county.
38 (C) The third largest city by population located in the county;
39 and
40 (2) paid instead to the state general fund.
- 41 (d) If the amount determined by the department under subsection
42 (a)(1)(B) is less than eight million five hundred thousand dollars



1 (\$8,500,000), the difference of:

- 2 (1) eight million five hundred thousand dollars (\$8,500,000);
 3 minus
 4 (2) the amount determined by the department under subsection
 5 (a)(1)(B);

6 shall be paid in four (4) equal quarterly payments to the northwest
 7 Indiana regional development authority established by IC 36-7.5-2-1
 8 instead of the state general fund. Any amounts paid under this
 9 subsection shall be used by the northwest Indiana regional
 10 development authority only to establish or improve public mass rail
 11 transportation systems in Lake County.

12 SECTION 32. IC 6-8.1-3-17, AS AMENDED BY P.L.146-2020,
 13 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2023]: Sec. 17. (a) Before an original tax appeal is filed with
 15 the tax court under IC 33-26, the commissioner, or the taxpayer rights
 16 advocate office to the extent granted the authority by the commissioner,
 17 may settle any tax liability dispute if a substantial doubt exists as to:

- 18 (1) the constitutionality of the tax under the Constitution of the
 19 State of Indiana;
 20 (2) the right to impose the tax;
 21 (3) the correct amount of tax due;
 22 (4) the collectability of the tax; or
 23 (5) whether the taxpayer is a resident or nonresident of Indiana.

24 (b) After an original tax appeal is filed with the tax court under
 25 IC 33-26, and notwithstanding IC 4-6-2-11, the commissioner may
 26 settle a tax liability dispute with an amount in contention of twenty-five
 27 thousand dollars (\$25,000) or less. Notwithstanding IC 6-8.1-7-1(a),
 28 the terms of a settlement under this subsection are available for public
 29 inspection.

30 (c) The department shall establish an amnesty program for taxpayers
 31 having an unpaid tax liability for a listed tax that was due and payable
 32 for a tax period ending before January 1, 2013. A taxpayer is not
 33 eligible for the amnesty program:

- 34 (1) for any tax liability resulting from the taxpayer's failure to
 35 comply with IC 6-3-1-3.5(b)(3) with regard to the tax imposed by
 36 IC 4-33-13, or IC 4-35-8, or **IC 4-40**; or
 37 (2) if the taxpayer participated in any previous amnesty program
 38 under:
 39 (A) this section (as in effect on December 31, 2014); or
 40 (B) IC 6-2.5-14.

41 The time in which a voluntary payment of tax liability may be made (or
 42 the taxpayer may enter into a payment program acceptable to the



1 department for the payment of the unpaid listed taxes in full in the
 2 manner and time established in a written payment program agreement
 3 between the department and the taxpayer) under the amnesty program
 4 is limited to the period determined by the department, not to exceed
 5 eight (8) regular business weeks ending before the earlier of the date
 6 set by the department or January 1, 2017. The amnesty program must
 7 provide that, upon payment by a taxpayer to the department of all listed
 8 taxes due from the taxpayer for a tax period (or payment of the unpaid
 9 listed taxes in full in the manner and time established in a written
 10 payment program agreement between the department and the taxpayer),
 11 entry into an agreement that the taxpayer is not eligible for any other
 12 amnesty program that may be established and waives any part of
 13 interest and penalties on the same type of listed tax that is being
 14 granted amnesty in the current amnesty program, and compliance with
 15 all other amnesty conditions adopted under a rule of the department in
 16 effect on the date the voluntary payment is made, the department:

- 17 (1) shall abate and not seek to collect any interest, penalties,
 18 collection fees, or costs that would otherwise be applicable;
- 19 (2) shall release any liens imposed;
- 20 (3) shall not seek civil or criminal prosecution against any
 21 individual or entity; and
- 22 (4) shall not issue, or, if issued, shall withdraw, an assessment, a
 23 demand notice, or a warrant for payment under IC 6-8.1-5-1,
 24 IC 6-8.1-5-3, IC 6-8.1-8-2, or another law against any individual
 25 or entity;

26 for listed taxes due from the taxpayer for the tax period for which
 27 amnesty has been granted to the taxpayer. Amnesty granted under this
 28 subsection is binding on the state and its agents. However, failure to
 29 pay to the department all listed taxes due for a tax period invalidates
 30 any amnesty granted under this subsection for that tax period. The
 31 department shall conduct an assessment of the impact of the tax
 32 amnesty program on tax collections and an analysis of the costs of
 33 administering the tax amnesty program. As soon as practicable after the
 34 end of the tax amnesty period, the department shall submit a copy of
 35 the assessment and analysis to the legislative council in an electronic
 36 format under IC 5-14-6. The department shall enforce an agreement
 37 with a taxpayer that prohibits the taxpayer from receiving amnesty in
 38 another amnesty program.

39 (d) For purposes of subsection (c), a liability for a listed tax is due
 40 and payable if:

- 41 (1) the department has issued:
 - 42 (A) an assessment of the listed tax under IC 6-8.1-5-1;



- 1 (B) a demand for payment under IC 6-8.1-5-3; or
 2 (C) a demand notice for payment of the listed tax under
 3 IC 6-8.1-8-2;
 4 (2) the taxpayer has filed a return or an amended return in which
 5 the taxpayer has reported a liability for the listed tax; or
 6 (3) the taxpayer has filed a written statement of liability for the
 7 listed tax in a form that is satisfactory to the department.
 8 (e) The department may waive interest and penalties if the general
 9 assembly enacts a change in a listed tax for a tax period that increases
 10 a taxpayer's tax liability for that listed tax after the due date for that
 11 listed tax and tax period. However, such a waiver shall apply only to
 12 the extent of the increase in tax liability and only for a period not
 13 exceeding sixty (60) days after the change is enacted. The department
 14 may adopt rules, including emergency rules, or issue guidelines to carry
 15 out this subsection.
 16 SECTION 33. IC 20-26-5-22.5, AS AMENDED BY P.L.244-2017,
 17 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2023]: Sec. 22.5. (a) A school corporation may participate in
 19 the establishment of a public school foundation.
 20 (b) The governing body of a school corporation may receive the
 21 proceeds of a grant, a restricted gift, an unrestricted gift, a donation, an
 22 endowment, a bequest, a trust, an agreement to share tax revenue
 23 received by a city or county under IC 4-33-12-6, ~~or~~ IC 4-33-13,
 24 **IC 4-40**, or other funds not generated from taxes levied by the school
 25 corporation to create a foundation under the following conditions:
 26 (1) The foundation is:
 27 (A) exempt from federal income taxation under Section
 28 501(c)(3) of the Internal Revenue Code; and
 29 (B) organized as an Indiana nonprofit corporation for the
 30 purposes of providing educational funds for scholarships,
 31 teacher education, capital programs, and special programs for
 32 school corporations.
 33 (2) Except as provided in subdivision (3), the foundation retains
 34 all rights to a donation, including investment powers. The
 35 foundation may hold a donation as a permanent endowment.
 36 (3) The foundation agrees to do the following:
 37 (A) Distribute the income from a donation only to the school
 38 corporation.
 39 (B) Return a donation to the operations fund of the school
 40 corporation if the foundation:
 41 (i) loses the foundation's status as a foundation exempt from
 42 federal income taxation under Section 501(c)(3) of the



1 Internal Revenue Code;

2 (ii) is liquidated; or

3 (iii) violates any condition set forth in this subdivision.

4 (c) A school corporation may use the proceeds received under this
5 section from a foundation only for educational purposes of the school
6 corporation described in subsection (b)(1)(B).

7 (d) The governing body of the school corporation may appoint
8 members to the foundation.

9 (e) The treasurer of the governing body of the school corporation
10 may serve as the treasurer of the foundation.

11 SECTION 34. IC 20-47-1-1, AS ADDED BY P.L.2-2006,
12 SECTION 170, IS AMENDED TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2023]: Sec. 1. As used in this chapter,
14 "proceeds from riverboat gaming" means tax revenue received by a
15 political subdivision under IC 4-33-12-6, IC 4-33-13, **IC 4-40**, or an
16 agreement to share a city's or county's part of the tax revenue.

17 SECTION 35. IC 20-47-1-5, AS AMENDED BY P.L.244-2017,
18 SECTION 107, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2023]: Sec. 5. (a) The governing body of a
20 school corporation may donate the proceeds of a grant, a gift, a
21 donation, an endowment, a bequest, a trust, an agreement to share tax
22 revenue received by a city or county under IC 4-33-12-6, ~~or~~ IC 4-33-13,
23 **IC 4-40**, or an agreement to share revenue received by a political
24 subdivision under IC 4-35-8.5, or other funds not generated from taxes
25 levied by the school corporation, to a foundation under the following
26 conditions:

27 (1) The foundation is a charitable nonprofit community
28 foundation.

29 (2) The foundation retains all rights to the donation, including
30 investment powers, except as provided in subdivision (3).

31 (3) The foundation agrees to do the following:

32 (A) Hold the donation as a permanent endowment.

33 (B) Distribute the income from the donation only to the school
34 corporation as directed by resolution of the governing body of
35 the school corporation.

36 (C) Return the donation to the operations fund of the school
37 corporation if the foundation:

38 (i) loses the foundation's status as a public charitable
39 organization;

40 (ii) is liquidated; or

41 (iii) violates any condition of the endowment set by the
42 governing body of the school corporation.



1 (b) A school corporation may use income received under this
 2 section from a community foundation only for purposes of the school
 3 corporation.

4 SECTION 36. IC 36-1-8-9, AS AMENDED BY P.L.199-2005,
 5 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2023]: Sec. 9. (a) Each unit that receives:

- 7 (1) tax revenue under IC 4-33-12-6, ~~or~~ IC 4-33-13, **or IC 4-40**;
 8 (2) revenue under an agreement to share the tax revenue received
 9 under IC 4-33-12, ~~or~~ IC 4-33-13, **or IC 4-40** by another unit; or
 10 (3) revenue under a development agreement (as defined in section
 11 9.5 of this chapter);

12 may establish a riverboat fund. Money in the fund may be used for any
 13 legal or corporate purpose of the unit.

14 (b) The riverboat fund established under subsection (a) shall be
 15 administered by the unit's treasurer, and the expenses of administering
 16 the fund shall be paid from money in the fund. Money in the fund not
 17 currently needed to meet the obligations of the fund may be invested
 18 in the same manner as other public funds may be invested. Interest that
 19 accrues from these investments shall be deposited in the fund. Money
 20 in the fund at the end of a particular fiscal year does not revert to the
 21 unit's general fund.

22 SECTION 37. IC 36-1-8-9.2, AS ADDED BY P.L.142-2009,
 23 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2023]: Sec. 9.2. (a) Each unit that receives:

- 25 (1) tax revenue under IC 4-35-8.5 **or IC 4-40**; or
 26 (2) revenue under an agreement to share the tax revenue received
 27 under IC 4-35-8.5 **or IC 4-40** by another unit;

28 shall establish a fund, separate from the unit's general fund, into which
 29 the revenue shall be deposited. Money in the fund may be used for any
 30 legal or corporate purpose of the unit.

31 (b) The fund established by subsection (a) shall be administered by
 32 the unit's treasurer, and the expenses of administering the fund shall be
 33 paid from money in the fund. Money in the fund not currently needed
 34 to meet the obligations of the fund may be invested in the same manner
 35 as other public funds may be invested. Interest that accrues from these
 36 investments shall be deposited in the fund. Money in the fund at the
 37 end of a particular fiscal year does not revert to the unit's general fund.

38 SECTION 38. IC 36-1-14-1, AS AMENDED BY P.L.114-2017,
 39 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2023]: Sec. 1. (a) This section does not apply to donations of
 41 gaming revenue to a public school endowment corporation under
 42 IC 20-47-1-3.



1 (b) As used in this section, "gaming revenue" means either of the
2 following:

3 (1) Tax revenue received by a unit under IC 4-33-12-6,
4 IC 4-33-13, **IC 4-40**, or an agreement to share a city's or county's
5 part of the tax revenue.

6 (2) Revenue received by a unit under IC 4-35-8.5 **or IC 4-40**, or
7 an agreement to share revenue received by another unit under
8 IC 4-35-8.5 **or IC 4-40**.

9 (c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds
10 from the sale of a utility or facility or from a grant, a gift, a donation,
11 an endowment, a bequest, a trust, or gaming revenue to a foundation
12 under the following conditions:

13 (1) The foundation is a charitable nonprofit community
14 foundation.

15 (2) The foundation retains all rights to the donation, including
16 investment powers.

17 (3) The foundation agrees to do the following:

18 (A) Hold the donation as a permanent endowment.

19 (B) Distribute the income from the donation only to the unit as
20 directed by resolution of the fiscal body of the unit.

21 (C) Return the donation to the general fund of the unit if the
22 foundation:

23 (i) loses the foundation's status as a public charitable
24 organization;

25 (ii) is liquidated; or

26 (iii) violates any condition of the endowment set by the
27 fiscal body of the unit.

28 (d) This subsection applies only to the donation of proceeds
29 described in subsection (c) that occurs after December 31, 2015.
30 Notwithstanding subsection (c)(3)(B), the unit and the foundation may
31 agree that distribution of the proceeds is governed by IC 30-2-12.

32 (e) The department of local government finance may not reduce a
33 unit's property tax levy under IC 6-1.1-18.5 or any other law because
34 of any of the following:

35 (1) The donation of the proceeds of money from the sale of a
36 utility or a facility as provided in this section.

37 (2) A distribution from the endowment to the unit as provided in
38 this section.

39 (3) A return of the donation to the general fund of the unit as
40 provided in this section.

41 SECTION 39. IC 36-7.5-3-2, AS AMENDED BY P.L.114-2022,
42 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2023]: Sec. 2. (a) The development authority may do any of
 2 the following:

3 (1) Finance, improve, construct, reconstruct, renovate, purchase,
 4 lease, acquire, and equip land and projects located in an eligible
 5 county or eligible municipality.

6 (2) Lease land or a project to an eligible political subdivision.

7 (3) Finance and construct additional improvements to projects or
 8 other capital improvements owned by the development authority
 9 and lease them to or for the benefit of an eligible political
 10 subdivision.

11 (4) Acquire land or all or a portion of one (1) or more projects
 12 from an eligible political subdivision by purchase or lease and
 13 lease the land or projects back to the eligible political subdivision,
 14 with any additional improvements that may be made to the land
 15 or projects.

16 (5) Acquire all or a portion of one (1) or more projects from an
 17 eligible political subdivision by purchase or lease to fund or
 18 refund indebtedness incurred on account of the projects to enable
 19 the eligible political subdivision to make a savings in debt service
 20 obligations or lease rental obligations or to obtain relief from
 21 covenants that the eligible political subdivision considers to be
 22 unduly burdensome.

23 (6) Make loans, loan guarantees, and grants or provide other
 24 financial assistance to or on behalf of the following:

25 (A) A commuter transportation district.

26 (B) An airport authority or airport development authority.

27 (C) A regional bus authority. A loan, loan guarantee, grant, or
 28 other financial assistance under this clause may be used by a
 29 regional bus authority for acquiring, improving, operating,
 30 maintaining, financing, and supporting the following:

31 (i) Bus services (including fixed route services and flexible
 32 or demand-responsive services) that are a component of a
 33 public transportation system.

34 (ii) Bus terminals, stations, or facilities or other regional bus
 35 authority projects.

36 (D) A regional transportation authority.

37 (E) A member municipality that is eligible to make an
 38 appointment to the development board under
 39 IC 36-7.5-2-3(b)(2) and that has pledged admissions tax
 40 revenue for a bond anticipation note after March 31, 2014, and
 41 before June 30, 2015. However, a loan made to such a member
 42 municipality before June 30, 2016, under this clause must



- 1 have a term of not more than ten (10) years, must require
 2 annual level debt service payments, and must have a market
 3 based interest rate. If a member municipality defaults on the
 4 repayment of a loan made under this clause, the development
 5 authority shall notify the treasurer of state of the default and
 6 the treasurer of state shall:
- 7 (i) withhold from any funds held for distribution to the
 8 municipality under IC 4-33-12, ~~or~~ IC 4-33-13, **or IC 4-40**,
 9 an amount sufficient to cure the default; and
 - 10 (ii) pay that amount to the development authority.
- 11 (7) Provide funding to assist a railroad that is providing commuter
 12 transportation services in an eligible county or eligible
 13 municipality.
- 14 (8) Provide funding to assist an airport authority located in an
 15 eligible county or eligible municipality in the construction,
 16 reconstruction, renovation, purchase, lease, acquisition, and
 17 equipping of an airport facility or airport project.
- 18 (9) Provide funding to assist in the development of an intermodal
 19 facility to facilitate the interchange and movement of freight.
- 20 (10) Provide funding for economic development projects in an
 21 eligible county or eligible municipality.
- 22 (11) Hold, use, lease, rent, purchase, acquire, and dispose of by
 23 purchase, exchange, gift, bequest, grant, condemnation, lease, or
 24 sublease, on the terms and conditions determined by the
 25 development authority, any real or personal property located in an
 26 eligible county or eligible municipality.
- 27 (12) After giving notice, enter upon any lots or lands for the
 28 purpose of surveying or examining them to determine the location
 29 of a project.
- 30 (13) Make or enter into all contracts and agreements necessary or
 31 incidental to the performance of its duties and the execution of its
 32 powers under this article.
- 33 (14) Sue, be sued, plead, and be impleaded.
- 34 (15) Design, order, contract for, and construct, reconstruct, and
 35 renovate a project or improvements to a project.
- 36 (16) Appoint an executive director and employ appraisers, real
 37 estate experts, engineers, architects, surveyors, attorneys,
 38 accountants, auditors, clerks, construction managers, and any
 39 consultants or employees that are necessary or desired by the
 40 development authority in exercising its powers or carrying out its
 41 duties under this article.
- 42 (17) Accept loans, grants, and other forms of financial assistance



1 from the federal government, the state government, a political
2 subdivision, or any other public or private source.

3 (18) Use the development authority's funds to match federal
4 grants or make loans, loan guarantees, or grants to carry out the
5 development authority's powers and duties under this article.

6 (19) Provide funding for regional transportation infrastructure
7 projects under IC 36-9-43.

8 (20) Except as prohibited by law, take any action necessary to
9 carry out this article.

10 (b) If the development authority is unable to agree with the owners,
11 lessees, or occupants of any real property selected for the purposes of
12 this article, the development authority may proceed under IC 32-24-1
13 to procure the condemnation of the property. The development
14 authority may not institute a proceeding until it has adopted a
15 resolution that:

16 (1) describes the real property sought to be acquired and the
17 purpose for which the real property is to be used;

18 (2) declares that the public interest and necessity require the
19 acquisition by the development authority of the property involved;
20 and

21 (3) sets out any other facts that the development authority
22 considers necessary or pertinent.

23 The resolution is conclusive evidence of the public necessity of the
24 proposed acquisition.

25 SECTION 40. IC 36-7.5-4-16.5, AS AMENDED BY P.L.149-2016,
26 SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2023]: Sec. 16.5. (a) This section applies if the development
28 board does the following:

29 (1) Finds that a city or county described in IC 36-7.5-2-3 has, at
30 any time before July 1, 2015, failed to make a transfer or a part of
31 a transfer required by section 2 of this chapter.

32 (2) Finds that the obligation of the city or county to pay the
33 unpaid amount of the transfer or transfers has not been satisfied
34 under section 16 of this chapter or by any other means.

35 (3) Certifies to the treasurer of state the total amount of the
36 arrearage attributable to the failure of the city or county to make
37 a transfer or a part of a transfer required by section 2 of this
38 chapter.

39 (b) The treasurer of state shall do the following:

40 (1) Deduct from amounts otherwise payable to the city under
41 IC 4-33-13-5(a) or **IC 4-40**, or to the county under IC 4-33-12-6
42 or **IC 4-40**, an amount equal to:



- 1 (A) the total amount certified under subsection (a)(3); plus
- 2 (B) interest calculated in the same manner that interest on
- 3 delinquent taxes is calculated under IC 6-8.1-10-1.
- 4 (2) Pay the amount deducted under subdivision (1) to the
- 5 development authority.

