

Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1065

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AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-1.1-1-8.4, AS AMENDED BY P.L.235-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 8.4. (a) "Inventory" means:

- (1) materials held for processing or for use in production;
- (2) finished or partially finished goods of a manufacturer or processor; ~~and~~
- (3) property held for sale in the ordinary course of trade or business; **and**
- (4) uniforms, garments, linens, and facilities services supplies owned, held, possessed, or controlled for the purpose of rental or lease in the ordinary course of trade or business.**

(b) The term includes:

- (1) items that qualify as inventory under 50 IAC 4.2-5-1 (as effective December 31, 2008); and
- (2) subject to subsection (c), a mobile home or manufactured home that:
  - (A) does not qualify as real property;
  - (B) is located in a mobile home community;
  - (C) is unoccupied; and
  - (D) is owned and held for sale or lease by the owner of the

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mobile home community.

(c) Subsection (b)(2) applies regardless of whether the mobile home that is held for sale or lease is new or was previously owned.

SECTION 2. IC 6-1.1-4-12, AS AMENDED BY P.L.257-2019, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) As used in this section, "land developer" means a person that holds land for sale in the ordinary course of the person's trade or business. The term includes a financial institution (as defined in IC 28-1-1-3(1)) if the financial institution's land in inventory is purchased, acquired, or held for one (1) or more of the purposes established under IC 28-1-11-5(a)(2), IC 28-1-11-5(a)(3), and IC 28-1-11-5(a)(4). **The determination of whether a person qualifies as a land developer shall be based upon whether such person satisfies the requirements contained in this subsection, and no consideration shall be given to either the person's industry classification, such as classification as a developer or builder, or any other activities undertaken by the person in addition to holding land for sale in the ordinary course of the person's trade or business.**

(b) As used in this section, "land in inventory" means:

- (1) a lot; or
- (2) a tract that has not been subdivided into lots;

to which a land developer holds title in the ordinary course of the land developer's trade or business.

(c) As used in this section, "title" refers to legal or equitable title, including the interest of a contract purchaser.

(d) For purposes of this section, land purchased, acquired, or held by a financial institution for one (1) or more of the purposes established under IC 28-1-11-5(a)(2), IC 28-1-11-5(a)(3), and IC 28-1-11-5(a)(4) is considered held for sale in the ordinary course of the financial institution's trade or business.

(e) Except as provided in subsections (i), (j), and (k), if:

- (1) land assessed on an acreage basis is subdivided into lots; or
- (2) land is rezoned for, or put to, a different use;

the land shall be reassessed on the basis of its new classification.

(f) If improvements are added to real property, the improvements shall be assessed.

(g) An assessment or reassessment made under this section is effective on the next assessment date.

(h) No petition to the department of local government finance is necessary with respect to an assessment or reassessment made under this section.



(i) Except as provided in subsection (k) and subject to subsection (j), land in inventory may not be reassessed until the next assessment date following the earliest of:

- (1) the date on which title to the land is transferred by:
  - (A) the land developer; or
  - (B) a successor land developer that acquires title to the land; to a person that is not a land developer;
- (2) the date on which construction of a structure begins on the land; or
- (3) the date on which a building permit is issued for construction of a building or structure on the land.

(j) Subsection (i) applies regardless of whether the land in inventory is rezoned while a land developer holds title to the land.

(k) This subsection applies to land in inventory that a for-profit land developer acquires from a:

- (1) school corporation; or
- (2) local unit of government (as defined in IC 14-22-31.5-1), but only if the local unit of government:
  - (A) acquired the land in a tax sale procedure under IC 6-1.1; or
  - (B) has held the land for not less than three (3) years prior to the date on which the for-profit land developer acquires it from the local unit of government.

Land in inventory to which this subsection applies shall be assessed on the first assessment date immediately following the date on which the land developer acquires title to the land in inventory. Notwithstanding section 13(a) of this chapter, land in inventory to which this subsection applies is considered to be devoted to agricultural use and shall be assessed at the agricultural land base rate. After the initial assessment under this subsection, land in inventory to which this subsection applies shall be reassessed in accordance with subsection (i).

SECTION 3. IC 6-1.1-9-10, AS ADDED BY P.L.154-2006, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 10. (a) If in the course of a review of a taxpayer's personal property assessment under this chapter an assessing official or the assessing official's representative or contractor discovers an error indicating that the taxpayer has overreported a personal property assessment, the assessing official shall:

- (1) adjust the personal property assessment to correct the error; and
- (2) process a refund or credit for any resulting overpayment.



(b) Application of subsection (a) is subject to the restrictions of IC 6-1.1-11-1.

**(c) If a taxpayer believes that the taxpayer overreported a personal property assessment that is discovered in the course of a review of the taxpayer's personal property assessment under this chapter for which the assessing official fails to make an adjustment to correct the error under this section either in whole or in part, the taxpayer may:**

- (1) initiate an appeal of the assessment under IC 6-1.1-15-1.1 for a credit to offset any resulting overpayment against the taxpayer's current personal property tax liability; or**
- (2) file a claim for refund under IC 6-1.1-26-1.1 of personal property taxes paid with regard to any resulting overpayment.**

SECTION 4. IC 6-1.1-15-3, AS AMENDED BY P.L.121-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 3. (a) A taxpayer may obtain a review by the Indiana board of:

- (1) a county board's action with respect to a claim under section 1.1 of this chapter; or**
- (2) a denial by the county auditor, the county assessor, or the county treasurer of a claim for refund under IC 6-1.1-9-10(c)(2) that is appealed to the Indiana board as authorized in IC 6-1.1-26-2.1(d)(2).**

(b) The county assessor is the party to ~~the~~ a review under ~~this section~~ **subsection (a)(1)** to defend the determination of the county board. The county auditor may appear as an additional party to the review if the determination concerns a matter that is in the discretion of the county auditor. At the time the notice of that determination is given to the taxpayer, the taxpayer shall also be informed in writing of:

- ~~(1) the taxpayer's opportunity for review under this section;~~ **subsection (a)(1);** and
- (2) the procedures the taxpayer must follow in order to obtain review under this section.

(c) A county assessor who dissents from the determination of the county board may obtain a review by the Indiana board. A county auditor who dissents from the determination of the county board concerning a matter that is in the discretion of the county auditor may obtain a review by the Indiana board.

(d) In order to obtain a review by the Indiana board under ~~this section~~, **subsection (a)(1)**, the party must, not later than forty-five (45) days after the date of the notice given to the party or parties of the



determination of the county board:

- (1) file a petition for review with the Indiana board; and
- (2) mail a copy of the petition to the other party.

(e) The Indiana board shall prescribe the form of the petition for review under this chapter. The Indiana board shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. A petition for review of such a determination must be made on the form prescribed by the Indiana board. The form must require the petitioner to specify the reasons why the petitioner believes that the determination by the county board is erroneous.

(f) If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

- (1) Initiate the review.
- (2) Prosecute the review.

(g) If an owner petitions the Indiana board under IC 6-1.1-11-7(d), the Indiana board is authorized to approve or disapprove an exemption application:

- (1) previously submitted to a county board under IC 6-1.1-11-6; and
- (2) that is not approved or disapproved by the county board within one hundred eighty (180) days after the owner filed the application for exemption under IC 6-1.1-11.

The county assessor is a party to a petition to the Indiana board under IC 6-1.1-11-7(d).

**(h) This subsection applies only to the review by the Indiana board of a denial of a refund claim described in subsection (a)(2). The county assessor is the party to a review under subsection (a)(2) to defend the denial of the refund under IC 6-1.1-26-2.1. In order to obtain a review by the Indiana board under subsection (a)(2), the taxpayer must, within forty-five (45) days of the notice of denial under IC 6-1.1-26-2.1(d):**

- (1) file a petition for review with the Indiana board; and**
- (2) mail a copy of the petition to the county auditor.**

SECTION 5. IC 6-1.1-18-28 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 28. (a) The executive of a township may, upon approval by the township fiscal body, submit a petition to the department of local government finance for an increase in the township's maximum permissible ad valorem property tax levy for its township firefighting fund under IC 36-8-13-4 for property**



taxes first due and payable in 2021 or for any year thereafter for which a petition is submitted under this section.

(b) If the township submits a petition as provided in subsection (a) before August 1, 2020, or April 1 of a year thereafter, the department of local government finance shall increase the township's maximum permissible ad valorem property tax levy for the township firefighting fund under IC 36-8-13-4 for property taxes first due and payable in the immediately succeeding year by using the following formula for purposes of subsection (c)(2):

**STEP ONE:** Determine the percentage increase in the population, as determined by the township fiscal body and as may be prescribed by the department of local government finance, that is within the fire protection and emergency services area of the township during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The township fiscal body may use the most recently available population data issued by the Bureau of the Census during the ten (10) year period immediately preceding the petition.

**STEP TWO:** Determine the greater of zero (0) or the result of:

(A) the STEP ONE percentage; minus

(B) six percent (6%);

expressed as a decimal.

**STEP THREE:** Determine a rate that is the lesser of:

(A) fifteen-hundredths (0.15); or

(B) the STEP TWO result.

**STEP FOUR:** Reduce the STEP THREE rate by any rate increase in the township's property tax rate for its township firefighting fund within the immediately preceding ten (10) year period that was made based on a petition submitted by the township under this section.

(c) The township's maximum permissible ad valorem property tax levy for its township firefighting fund under IC 36-8-13-4 for property taxes first due and payable in a given year, as adjusted under this section, shall be calculated as:

(1) the amount of the ad valorem property tax levy increase for the township firefighting fund without regard to this section; plus

(2) an amount equal to the result of:

(A) the rate determined under the formula in subsection

(b); multiplied by



(B) the net assessed value of the fire protection and emergency services area divided by one hundred (100).  
The calculation under this subsection shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 36-8-13-4 for property taxes first due and payable in the first year of the increase and thereafter.

SECTION 6. IC 6-1.1-18-29 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 29. (a)** The board of trustees of a fire protection district may, upon approval by the county legislative body, submit a petition to the department of local government finance for an increase in the fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2021 or for any year thereafter for which a petition is submitted under this section.

(b) If a petition is submitted as provided in subsection (a) before August 1, 2020, or April 1 of a year thereafter, the department of local government finance shall increase the fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in the immediately succeeding year by using the following formula for purposes of subsection (c)(2):

**STEP ONE:** Determine the percentage increase in the population, as determined by the county legislative body and as may be prescribed by the department of local government finance, that is within the fire protection district area during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The county legislative body may use the most recently available population data issued by the Bureau of the Census during the ten (10) year period immediately preceding the petition.

**STEP TWO:** Determine the greater of zero (0) or the result of:

(A) the STEP ONE percentage; minus

(B) six percent (6%);

expressed as a decimal.

**STEP THREE:** Determine a rate that is the lesser of:

(A) fifteen-hundredths (0.15); or

(B) the STEP TWO result.

**STEP FOUR:** Reduce the STEP THREE rate by any rate increase in the fire protection district's property tax rate within the immediately preceding ten (10) year period that was made based on a petition submitted by the fire protection



**district under this section.**

**(c) The fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in a given year, as adjusted under this section, shall be calculated as:**

- (1) the amount of the ad valorem property tax levy increase for the fire protection district without regard to this section; plus**
- (2) an amount equal to the result of:**
  - (A) the rate determined under the formula in subsection (b); multiplied by**
  - (B) the net assessed value of the fire protection district area divided by one hundred (100).**

**The calculation under this subsection shall be used in the determination of the fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in the first year of the increase and thereafter.**

SECTION 7. IC 6-1.1-20.3-17, AS ADDED BY P.L.257-2019, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 17. **(a)** If the distressed unit appeal board delays or suspends, for a period determined by the board, any payments on loans or advances from the common school fund under section 6.8 of this chapter, the distressed unit appeal board may recommend to the state board of finance that the term of the loans or advances be extended. If the distressed unit appeal board makes a recommendation to extend the term of the loan or advances, the state board of finance may extend the term of the loans or advances for a period of time that is equal to or less than the number of months for which the payments are delayed or suspended.

**(b) If payments on loans or advances from the common school fund are suspended under section 6.8 of this chapter, the distressed unit appeal board shall require that the school corporation:**

- (1) establish a school improvement fund; and**
- (2) transfer to the school improvement fund an amount equal to the payments that are delayed or suspended.**

**(c) A school improvement fund established under subsection (b)(1) may be used only for the following purposes:**

- (1) Repair, renovation, or other improvements to school buildings and property being used for education purposes as of July 1, 2020.**
- (2) Demolition of school buildings or other structures on school property in existence as of July 1, 2020.**





**(d) All expenditures from a school improvement fund established under subsection (b)(1) must be approved by the distressed unit appeal board.**

**(e) A school corporation may, on an annual basis, levy a tax in the debt service fund equal to the amount that would have been deducted from the distribution of state tuition support for the payment of loans made under section 6.8 of this chapter during calendar year 2020 if the loans had not been suspended. The amount received from a tax under this subsection must be transferred from the debt service fund to the education fund.**

**(f) With the approval of the distressed unit appeal board, a school corporation may spend other funds of the school corporation for the purposes described in subsection (c) and reimburse the expenditures from a school improvement fund established under subsection (b)(1).**

**(g) This section expires January 1, 2025.**

SECTION 8. IC 6-1.1-26-2.1, AS ADDED BY P.L.232-2017, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 2.1. (a) The county auditor shall approve or deny a claim for refund.

(b) If the county auditor approves the claim for refund, the county auditor shall forward the claim to the county treasurer and county assessor for approval or denial. The county treasurer and county assessor shall each certify their approval or denial and return the claim to the county auditor not later than seventy-five (75) days after the date of the filing of the claim under section 1.1 of this chapter.

(c) If the county auditor, the county assessor, and the county treasurer approve the refund, the county auditor shall issue a warrant to the claimant payable on the general fund for the amount due under this section within forty-five (45) days of the approval of a claim for refund. In addition, the taxpayer is entitled to interest on any overpayment of property taxes. Interest shall be computed:

- (1) from the date on which the taxes were paid or due, whichever is later, to the date on which the county auditor and the county treasurer approve the refund; and
- (2) using the rate in effect under IC 6-8.1-10-1 for each particular year covered by the refund.

If the taxpayer no longer owns the property on which the tax was assessed and paid, the county auditor shall pay the refunds to the taxpayer or other lawful claimant.

(d) If the county auditor, the county assessor, or the county treasurer denies a refund, the county auditor shall send a notice to the claimant.



The claimant may, within forty-five (45) days of the notice of denial:

- (1) file an original action claiming a refund in a court of competent jurisdiction in the county where the property is located;
- or
- (2) in the case of notice of denial of a claim for refund that is filed pursuant to IC 6-1.1-9-10(c)(2), file a petition for review with the Indiana board under the procedures set forth in IC 6-1.1-15-3.**

(e) If a credit is not applied or a refund is not paid within one hundred twenty (120) days from the date a claim was filed under section 1.1 of this chapter, a claimant may file an original action claiming a refund in a court of competent jurisdiction in the county where the property is located. An original action must be filed by the later of four (4) years after the tax is paid, or four (4) years after the final disposition of an appeal by the county board, board of tax review, department of local government finance, or a court, with respect to a particular tax year.

(f) The county auditor shall correct the tax duplicate for refunds. In the June or December settlement and apportionment of taxes, or both the June and December settlement and apportionment of taxes, immediately following a refund made under this section the county auditor shall deduct the amount refunded from the gross tax collections of the taxing units for which the refunded taxes were originally paid and shall pay the amount so deducted out of the general fund. However, the county auditor shall make the deductions and payments required by this subsection not later than the December settlement and apportionment. The county auditor shall notify the county executive of the payment of the amount due.

SECTION 9. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss), SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) As used in this section:

"Base period wages" means the following:

- (1) In the case of a taxpayer other than a pass through entity, wages paid or payable by a taxpayer to its employees during the year that ends on the last day of the month that immediately precedes the month in which an enterprise zone is established, to the extent that the wages would have been qualified wages if the enterprise zone had been in effect for that year. If the taxpayer did not engage in an active trade or business during that year in the area that is later designated as an enterprise zone, then the base period wages equal zero (0). If the taxpayer engaged in an active trade or business during only part of that year in an area that is



later designated as an enterprise zone, then the department shall determine the amount of base period wages.

(2) In the case of a taxpayer that is a pass through entity, base period wages equal zero (0).

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Enterprise zone adjusted gross income" means adjusted gross income of a taxpayer that is derived from sources within an enterprise zone. Sources of adjusted gross income shall be determined with respect to an enterprise zone, to the extent possible, in the same manner that sources of adjusted gross income are determined with respect to the state of Indiana under IC 6-3-2-2.

"Enterprise zone gross income" means gross income of a taxpayer that is derived from sources within an enterprise zone.

"Enterprise zone insurance premiums" means insurance premiums derived from sources within an enterprise zone.

"Monthly base period wages" means base period wages divided by twelve (12).

"Qualified employee" means an individual who is employed by a taxpayer and who:

- (1) has the individual's principal place of residence in the enterprise zone in which the individual is employed;
- (2) performs services for the taxpayer, ninety percent (90%) of which are directly related to the conduct of the taxpayer's trade or business that is located in an enterprise zone;
- (3) performs at least fifty percent (50%) of the individual's services for the taxpayer during the taxable year in the enterprise zone; and
- (4) in the case of an individual who is employed by a taxpayer that is a pass through entity, was first employed by the taxpayer after December 31, 1998.

"Qualified increased employment expenditures" means the following:

- (1) For a taxpayer's taxable year other than the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during the taxable year to qualified employees exceeds the taxpayer's base period wages.
- (2) For the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during all of the full calendar months in the taxpayer's taxable year that succeed the date on which the



enterprise zone was established exceed the taxpayer's monthly base period wages multiplied by that same number of full calendar months.

"Qualified state tax liability" means a taxpayer's total income tax liability incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with respect to enterprise zone adjusted gross income;
- (2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; ~~and~~
- (3) IC 6-5.5 (the financial institutions tax); **and**
- (4) IC 6-8-15 (nonprofit agricultural organization health coverage tax);**

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

"Qualified wages" means the wages paid or payable to qualified employees during a taxable year.

"Taxpayer" includes a pass through entity.

(b) A taxpayer is entitled to a credit against the taxpayer's qualified state tax liability for a taxable year in the amount of the lesser of:

- (1) the product of ten percent (10%) multiplied by the qualified increased employment expenditures of the taxpayer for the taxable year; or
- (2) one thousand five hundred dollars (\$1,500) multiplied by the number of qualified employees employed by the taxpayer during the taxable year.

(c) The amount of the credit provided by this section that a taxpayer uses during a particular taxable year may not exceed the taxpayer's qualified state tax liability for the taxable year. If the credit provided by this section exceeds the amount of that tax liability for the taxable year it is first claimed, then the excess may be carried back to preceding taxable years or carried over to succeeding taxable years and used as a credit against the taxpayer's qualified state tax liability for those taxable years. Each time that the credit is carried back to a preceding taxable year or carried over to a succeeding taxable year, the amount of the carryover is reduced by the amount used as a credit for that taxable year. Except as provided in subsection (e), the credit provided by this section may be carried forward and applied in the ten (10) taxable years that succeed the taxable year in which the credit accrues. The credit provided by this section may be carried back and applied in the three (3) taxable years that precede the taxable year in which the credit accrues.



(d) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's qualified state tax liability for that taxable year before any credit carryover or carryback is applied against that liability under subsection (c).

(e) Notwithstanding subsection (c), if a credit under this section results from wages paid in a particular enterprise zone, and if that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use the credit carryover that results from those wages under subsection (c), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the enterprise zone terminates.

(f) A taxpayer is not entitled to a refund of any unused credit.

(g) A taxpayer that:

- (1) does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and
- (2) is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise zone;

is exempt from the allocation and apportionment provisions of this section.

(h) If a pass through entity is entitled to a credit under subsection (b) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

SECTION 10. IC 6-3-3-12, AS AMENDED BY P.L.214-2018(ss), SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: Sec. 12. (a) As used in this section, "account" has the meaning set forth in IC 21-9-2-2.

(b) As used in this section, "account beneficiary" has the meaning set forth in IC 21-9-2-3.

(c) As used in this section, "account owner" has the meaning set



forth in IC 21-9-2-4.

(d) As used in this section, "college choice 529 education savings plan" refers to a college choice 529 plan established under IC 21-9.

(e) As used in this section, "contribution" means the amount of money directly provided to a college choice 529 education savings plan account by a taxpayer. A contribution does not include any of the following:

(1) Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account.

(2) Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

(3) Money that is credited to an account and that will be transferred to an ABL account (as defined in Section 529A of the Internal Revenue Code).

(f) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is not a qualified withdrawal.

(g) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5, **except that the term does not include qualified education loan repayments under Section 529(c)(9) of the Internal Revenue Code.**

(h) As used in this section, "qualified K-12 education expenses" means expenses that are for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school located in Indiana and are permitted under Section 529 of the Internal Revenue Code.

(i) As used in this section, "qualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is made:

(1) to pay for qualified higher education expenses, excluding any withdrawals or distributions used to pay for qualified higher education expenses, if the withdrawals or distributions are made from an account of a college choice 529 education savings plan that is terminated within twelve (12) months after the account is opened;

(2) as a result of the death or disability of an account beneficiary;

(3) because an account beneficiary received a scholarship that paid for all or part of the qualified higher education expenses of the account beneficiary, to the extent that the withdrawal or distribution does not exceed the amount of the scholarship; or



(4) by a college choice 529 education savings plan as the result of a transfer of funds by a college choice 529 education savings plan from one (1) third party custodian to another.

However, a qualified withdrawal does not include a withdrawal or distribution that will be used for expenses that are for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school unless the school is located in Indiana. A qualified withdrawal does not include a rollover distribution or transfer of assets from a college choice 529 education savings plan to any other qualified tuition program under Section 529 of the Internal Revenue Code or to any other similar plan.

(j) As used in this section, "taxpayer" means:

(1) an individual filing a single return; ~~or~~

(2) a married couple filing a joint return; **or**

**(3) for taxable years beginning after December 31, 2019, a married individual filing a separate return.**

(k) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:

(1) The following amount:

(A) For taxable years beginning before January 1, 2019, the sum of twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that will be used to pay for qualified higher education expenses that are not qualified K-12 education expenses, plus the lesser of:

(i) five hundred dollars (\$500); or

(ii) ten percent (10%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that will be used to pay for qualified K-12 education expenses.

(B) For taxable years beginning after December 31, 2018, the sum of:

(i) twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified higher education expenses that are not qualified K-12 education expenses; plus

(ii) twenty percent (20%) multiplied by the amount of the



total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified K-12 education expenses.

(2) One thousand dollars (\$1,000), **or five hundred dollars (\$500) in the case of a married individual filing a separate return.**

(3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(l) This subsection applies after December 31, 2018. At the time a contribution is made to or a withdrawal is made from an account or accounts of a college choice 529 education savings plan, the person making the contribution or withdrawal shall designate whether the contribution is made for or the withdrawal will be used for:

- (1) qualified higher education expenses that are not qualified K-12 education expenses; or
- (2) qualified K-12 education expenses.

The Indiana education savings authority (IC 21-9-3) shall use subaccounting to track the designations.

(m) A taxpayer who makes a contribution to a college choice 529 education savings plan is considered to have made the contribution on the date that:

- (1) the taxpayer's contribution is postmarked or accepted by a delivery service, for contributions that are submitted to a college choice 529 education savings plan by mail or delivery service; or
- (2) the taxpayer's electronic funds transfer is initiated, for contributions that are submitted to a college choice 529 education savings plan by electronic funds transfer.

(n) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

(o) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.

(p) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.

(q) An account owner of an account of a college choice 529 education savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made from the account.





The amount the taxpayer must repay is equal to the lesser of:

- (1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the account; or
- (2) the excess of:
  - (A) the cumulative amount of all credits provided by this section that are claimed by any taxpayer with respect to the taxpayer's contributions to the account for all prior taxable years beginning on or after January 1, 2007; over
  - (B) the cumulative amount of repayments paid by the account owner under this subsection for all prior taxable years beginning on or after January 1, 2008.

(r) Any required repayment under subsection (q) shall be reported by the account owner on the account owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.

(s) A nonresident account owner who is not required to file an annual income tax return for a taxable year in which a nonqualified withdrawal is made shall make any required repayment on the form required under IC 6-3-4-1(2). If the nonresident account owner does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(t) The executive director of the Indiana education savings authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to account owners, account beneficiaries, and other taxpayers for each taxable year with respect to:

- (1) nonqualified withdrawals made from accounts, including subaccounts of a college choice 529 education savings plan for the taxable year; or
- (2) account closings for the taxable year.

SECTION 11. IC 6-3.1-7-1, AS AMENDED BY P.L.4-2005, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. As used in this chapter:

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Pass through entity" means a:

- (1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
- (2) partnership;
- (3) trust;
- (4) limited liability company; or
- (5) limited liability partnership.

"Qualified loan" means a loan made to an entity that uses the loan proceeds for:



- (1) a purpose that is directly related to a business located in an enterprise zone;
- (2) an improvement that increases the assessed value of real property located in an enterprise zone; or
- (3) rehabilitation, repair, or improvement of a residence.

"State tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax)**; and
- (3) IC 6-5.5 (the financial institutions tax);

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

"Taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has any state tax liability. The term includes a pass through entity.

SECTION 12. IC 6-3.1-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) A credit to which a taxpayer is entitled under this chapter shall be applied against taxes owed by the taxpayer in the following order:

- (1) First, against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Second, against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) **or nonprofit agricultural organization health coverage tax liability (IC 6-8-15)** for the taxable year.
- (3) Third, against the taxpayer's financial institutions tax liability (IC 6-5.5) for the taxable year.

(b) If the tax paid by the taxpayer under a tax provision listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this chapter.

SECTION 13. IC 6-3.1-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax)**; and
- (3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under



IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

SECTION 14. IC 6-3.1-11-16, AS AMENDED BY SEA 272-2020, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) Subject to entering into an agreement with the corporation under section 19.5 of this chapter and subject to section 21 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment **as certified by the corporation for in** that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer **and certified by the corporation for a** ~~during the~~ taxable year multiplied by the applicable percentage.

(c) The taxpayer may assign any part of the credit that the taxpayer may claim under this chapter. A credit that is assigned under this subsection remains subject to this chapter. **If a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another taxpayer. Nothing in this subsection shall prohibit a taxpayer from making more than one (1) assignment of any part of the credit, but a taxpayer may not assign the same part of a credit more than once.**

(d) ~~If a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another taxpayer. A taxpayer may make only one (1) assignment of a credit.~~ Before a credit may be assigned, the taxpayer must notify the corporation of the assignment of the credit in the manner prescribed by the corporation. An assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and the assignee's state tax returns for the year in which the assignment is made, in the manner prescribed by the department. A taxpayer may not receive value in connection with an assignment under this section that exceeds the value of the part of the credit assigned.

SECTION 15. IC 6-3.1-11-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 22. (a) A credit to which a taxpayer is entitled under this chapter shall be applied against taxes owed by the taxpayer in the following order:

- (1) Against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) **or nonprofit agricultural organization health coverage tax (IC 6-8-15)** for the taxable year.
- (3) Against the taxpayer's financial institutions tax (IC 6-5.5) for



the taxable year.

(b) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this chapter.

SECTION 16. IC 6-3.1-13-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax)**; and
- (3) IC 6-5.5 (the financial institutions tax);

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

SECTION 17. IC 6-3.1-19-1, AS AMENDED BY P.L.197-2016, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. As used in this chapter, "state and local tax liability" means a taxpayer's total tax liability incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 6-3.6 (local income tax);
- (3) IC 6-5.5 (the financial institutions tax); and
- (4) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax)**;

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

SECTION 18. IC 6-3.1-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-2.5 (state gross retail and use tax);
- (2) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (3) IC 6-5.5 (the financial institutions tax); and
- (4) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax)**;

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

SECTION 19. IC 6-3.1-26-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:



(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);  
 (2) IC 27-1-18-2 (the insurance premiums tax); and  
 (3) IC 6-5.5 (the financial institutions tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax);**  
 as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

SECTION 20. IC 6-3.1-30.5-5, AS ADDED BY P.L.182-2009(ss), SECTION 205, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);  
 (2) IC 6-5.5 (the financial institutions tax); and  
 (3) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax);**  
 as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

SECTION 21. IC 6-3.1-34-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 3.5. As used in this chapter, "mine reclamation site" means:**

**(1) land that has been mined using surface mining methods or underground mining methods, specifically and primarily for the removal of coal; and**

**(2) land that is contiguous to land described in subdivision (1).**

SECTION 22. IC 6-3.1-34-6, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. As used in this chapter, "qualified redevelopment site" means:

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

(2) land on which a vacant building or complex of buildings:  
 (A) was placed in service at least fifteen (15) years before the date on which the demolition of the vacant building or complex of buildings was completed; and  
 (B) that was demolished in an effort to protect the health, safety, and welfare of the community;

(3) land on which a vacant building or complex of buildings:  
 (A) was placed in service at least fifteen (15) years before the date on which the demolition of the vacant building or complex of buildings was completed;



- (B) was placed in service as a public building;
- (C) was owned by a unit of local government; and
- (D) has not been redeveloped since the building was taken out of service as a public building;
- (4) vacant land; **or**
- (5) mine reclamation site; or**
- ~~(5)~~ **(6) brownfields** consisting of more than fifty (50) acres.

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

SECTION 23. IC 6-3.1-34-9, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax); and
- (3) IC 6-5.5 (the financial institutions tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax);**

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

SECTION 24. IC 6-3.1-34-10, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. As used in this chapter, "taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has any state tax liability. The term includes the owner or the developer of the qualified development site property, a pass through entity, and **a person an assignee** that is assigned part or all of a credit under section 14 of this chapter.

SECTION 25. IC 6-3.1-34-12, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) A tax credit that a taxpayer may claim under this chapter shall be applied against taxes owed by the taxpayer in the following order:

- (1) First, against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Second, against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) **or nonprofit agricultural organization health coverage tax liability (IC 6-8-15)** for the taxable year.
- (3) Third, against the taxpayer's financial institutions tax liability (IC 6-5.5) for the taxable year.



(b) If the tax paid by the taxpayer under a tax provision listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer may claim under this chapter.

SECTION 26. IC 6-3.1-34-14, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14.(a) If a taxpayer is awarded a credit under this chapter before July 1, 2029, the taxpayer may assign any part of the credit that the taxpayer may claim under this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(b) If a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another ~~person~~: **taxpayer**. A taxpayer may make only one (1) assignment of a credit. Before a credit may be assigned, the taxpayer must notify the corporation of the assignment of the credit in the manner prescribed by the corporation. An assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and assignee's state tax returns for the year in which the assignment is made, in the manner prescribed by the department. A taxpayer may not receive value in connection with an assignment under this section that exceeds the value of that part of the credit assigned.

(c) The corporation shall collect and compile data on the assignments of tax credits under this chapter and determine the effectiveness of each assignment in getting projects completed. The corporation shall report its findings under this subsection to the legislative council in an electronic format under IC 5-14-6 before November 1, 2022.

SECTION 27. IC 6-3.1-34-17, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 17. (a) The following apply if the corporation determines that a credit should be awarded under this chapter:

- (1) The corporation shall require the taxpayer to enter into an agreement with the corporation as a condition of receiving a credit under this chapter.
- (2) The agreement with the corporation must:
  - (A) prescribe the method of certifying the taxpayer's qualified investment; and
  - (B) include provisions that authorize the corporation to work with the department and the taxpayer, if the corporation determines that the taxpayer is noncompliant with the terms of the agreement or the provisions of this chapter, to bring the



taxpayer into compliance or to protect the interests of the state.

(3) The corporation shall specify the taxpayer's expenditures that will be considered a qualified investment.

(4) The corporation shall determine the applicable credit percentage under subsections (b) and (c).

(b) If the corporation determines that a credit should be awarded under this chapter, the corporation shall determine the applicable credit percentage for a qualified investment certified by the corporation. However, and except as provided in subsection (c), the applicable credit percentage may not exceed the following:

(1) If the qualified redevelopment site was placed in service at least fifteen (15) years ago but less than thirty (30) years ago, or is vacant land or a brownfield described in section ~~6(5)~~ **6(6)** of this chapter:

(A) fifteen percent (15%), if the qualified redevelopment site is part of a development plan of a regional development authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or  
(B) ten percent (10%), if the qualified redevelopment site is not part of a development plan of a regional development authority described under clause (A).

(2) If the qualified redevelopment site was placed in service at least thirty (30) years ago but less than forty (40) years ago:

(A) twenty percent (20%), if the qualified redevelopment site is part of a development plan of a regional development authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or  
(B) ten percent (10%), if the qualified redevelopment site is not part of a development plan of a regional development authority described under clause (A).

(3) If the qualified redevelopment site was placed in service at least forty (40) years ago:

(A) twenty-five percent (25%), if the qualified redevelopment site is part of a development plan of a regional development authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or  
(B) fifteen percent (15%), if the qualified redevelopment site is not part of a development plan of a regional development authority described under clause (A).

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

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

(2) the project qualifies for federal new markets tax credits under





Section 45D of the Internal Revenue Code.

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

SECTION 28. IC 6-3.6-2-7.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.4. "County with a single voting bloc" means a county that has a local income tax council in which one (1) city that is a member of the local income tax council or one (1) town that is a member of the local income tax council is allocated more than fifty percent (50%) of the total one hundred (100) votes allocated under IC 6-3.6-3-6(d). This section expires May 31, 2021.**

SECTION 29. IC 6-3.6-3-5, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all votes taken on ordinances presented for a vote under this article and not more than ten (10) days after the vote, send a certified copy of the results to:

- (1) the commissioner of the department of state revenue; and
- (2) the commissioner of the department of local government finance;

in an electronic format approved by the commissioner of the department of local government finance.

(b) **Except as provided in subsection (c)**, this subsection applies only to a county that has a local income tax council. The county auditor may cease sending certified copies after the county auditor sends a certified copy of results showing that members of the local income tax council have cast a majority of the votes on the local income tax council for or against the proposed ordinance.

(c) **This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The county auditor may cease sending certified copies of the votes on the local income tax council voting as a whole under section 9.5 of this chapter after the county auditor sends a certified copy of results showing that the individuals who sit on the fiscal bodies of the county, cities, and towns that are members of the local income tax council have cast a majority of the votes on the local income tax council voting as a whole under section 9.5 of this chapter for or against the proposed ordinance. This subsection**



**expires May 31, 2021.**

SECTION 30. IC 6-3.6-3-6, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) In the case of a city or town that lies within more than one (1) county, the county auditor of each county shall base the allocations required by subsection (c) on the population of that part of the city or town that lies within the county for which the allocations are being made.

(c) Each local income tax council has a total of one hundred (100) votes.

(d) Each **county, city, or town that is** a member of a local income tax council is allocated a percentage of the total one hundred (100) votes that may be cast. The percentage that a city or town is allocated for a year equals the same percentage that the population of the city or town bears to the population of the county. The percentage that the county is allocated for a year equals the same percentage that the population of all areas in the county not located in a city or town bears to the population of the county.

**(e) This subsection applies only to a county with a single voting bloc. Each individual who sits on the fiscal body of a county, city, or town that is a member of the local income tax council is allocated for a year the number of votes equal to the total number of votes allocated to the particular county, city, or town under subsection (d) divided by the number of members on the fiscal body of the county, city, or town. This subsection expires May 31, 2021.**

(f) On or before January 1 of each year, the county auditor shall certify to each member of the local income tax council the number of votes, rounded to the nearest one hundredth (0.01), each member has for that year.

**(g) This subsection applies only to a county with a single voting bloc. On or before January 1 of each year, in addition to the certification to each member of the local income tax council under subsection (f), the county auditor shall certify to each individual who sits on the fiscal body of each county, city, or town that is a member of the local income tax council the number of votes, rounded to the nearest one hundredth (0.01), each individual has under subsection (e) for that year. This subsection expires May 31, 2021.**

SECTION 31. IC 6-3.6-3-7, AS AMENDED BY P.L.247-2017,



SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) Before a member of the local income tax council may propose an ordinance **under section 8 of this chapter**, or vote on a proposed ordinance **(including a proposed ordinance under section 8(e) of this chapter that is being considered by the local income tax council as a whole as required under section 9.5 of this chapter (before its expiration))**, the member must hold a public hearing on the proposed ordinance and provide the public with notice of the time and place where the public hearing will be held.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance or resolution to propose an ordinance.

(d) In addition to the notice required by subsection (b), the adopting body shall also provide a copy of the notice to all taxing units in the county at least ten (10) days before the public hearing.

SECTION 32. IC 6-3.6-3-8, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) **Except as provided in subsection (e)**, any member of a local income tax council may present an ordinance for passage. To do so, the member must adopt a resolution to propose the ordinance to the local income tax council and distribute a copy of the proposed ordinance to the county auditor. The county auditor shall treat any proposed ordinance distributed to the auditor under this section as a casting of all that member's votes in favor of the proposed ordinance.

(c) **Except as provided in subsection (f)**, the county auditor shall deliver copies of a proposed ordinance the auditor receives to all members of the local income tax council within ten (10) days after receipt. Subject to subsection (d), once a member receives a proposed ordinance from the county auditor, the member shall vote on it within thirty (30) days after receipt.

(d) **Except as provided in subsection (h)**, if, before the elapse of thirty (30) days after receipt of a proposed ordinance, the county auditor notifies the member that the members of the local income tax council have cast a majority of the votes on the local income tax council for or against the proposed ordinance the member need not vote on the proposed ordinance.

(e) **This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the**



county. The fiscal body of any county, city, or town that is a member of a local income tax council may adopt a resolution to propose an ordinance to increase a tax rate in the county to be voted on by the local income tax council as a whole as required under section 9.5 of this chapter and distribute a copy of the proposed ordinance to the county auditor. The county auditor shall treat the vote tally on the resolution adopted under this subsection for each individual who is a member of the fiscal body of the county, city, or town as the voting record for that individual either for or against the ordinance being proposed for consideration by the local income tax council as a whole under section 9.5 of this chapter. This subsection expires May 31, 2021.

(f) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The county auditor shall deliver copies of a proposed ordinance the auditor receives under subsection (e) to the fiscal officers of all members of the local income tax council (other than the member proposing the ordinance under subsection (e)) within ten (10) days after receipt. Subject to subsection (h), once a member receives a proposed ordinance from the county auditor, the member shall vote on it within thirty (30) days after receipt. This subsection expires May 31, 2021.

(g) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The fiscal body of each county, city, or town voting on a resolution to propose an ordinance under subsection (e), or voting on a proposed ordinance being considered by the local income tax council as a whole under section 9.5 of this chapter, must take a roll call vote on the resolution or the proposed ordinance. If an individual who sits on the fiscal body is absent from the meeting in which a vote is taken or abstains from voting on the resolution or proposed ordinance, the fiscal officer of the county, city, or town shall nevertheless consider that individual's vote as a "no" vote against the resolution or the proposed ordinance being considered, whichever is applicable, for purposes of the vote tally under this section and shall note on the vote tally that the individual's "no" vote is due to absence or abstention. The fiscal body of each county, city, or town shall certify the roll call vote on a resolution or a proposed ordinance, either for or against, to the county auditor as set forth under this chapter. This subsection expires May 31, 2021.

(h) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the



county. If, before the elapse of thirty (30) days after receipt of a proposed ordinance under subsection (e), the county auditor notifies the member that the individuals who sit on the fiscal bodies of the county, cities, and towns that are members of the local income tax council have cast a majority of the votes on the local income tax council for or against a proposed ordinance voting as a whole under section 9.5 of this chapter, the member need not vote on the proposed ordinance under subsection (e). This subsection expires May 31, 2021.

SECTION 33. IC 6-3.6-3-9, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) **Except as provided in subsection (d)**, this section applies to a county in which the county adopting body is a local income tax council.

(b) A member of the local income tax council may exercise its votes by passing a resolution and transmitting the resolution to the county auditor.

(c) A resolution passed by a member of the local income tax council exercises all votes of the member on the proposed ordinance, and those votes may not be changed during the year.

**(d) This section does not apply to a county in which the county adopting body is a local income tax council to which section 9.5 of this chapter applies. This subsection expires May 31, 2021.**

SECTION 34. IC 6-3.6-3-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) **This section applies to a county:**

- (1) in which the county adopting body is a local income tax council;
- (2) that is a county with a single voting bloc; and
- (3) that proposes to increase a tax rate in the county.

However, the provisions under section 9 of this chapter shall apply to a county described in subdivisions (1) and (2) that proposes to decrease a tax rate in the county.

(b) A local income tax council described in subsection (a) must vote as a whole to exercise its authority to increase a tax rate under this article.

(c) A resolution passed by the fiscal body of a county, city, or town that is a member of the local income tax council exercises the vote of each individual who sits on the fiscal body of the county, city, or town on the proposed ordinance, and the individual's vote may not be changed during the year.



**(d) This section expires May 31, 2021.**

SECTION 35. IC 6-3.6-3-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: **Sec. 11. (a) This section applies to a county in which the county adopting body is the local income tax council and is a county with a single voting bloc.**

**(b) Notwithstanding any other law, any action taken under this chapter after December 31, 2019, and before April 1, 2020, by:**

- (1) a member of a local income tax council; or**
- (2) the local income tax council;**

**on a resolution or proposed ordinance to increase a local income tax rate in the county is void. However, this subsection does not apply to any action taken under this chapter on a resolution or proposed ordinance to decrease a local income tax rate in the county.**

**(c) This section expires May 31, 2021.**

SECTION 36. IC 6-3.6-7-10, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 10. (a) This section applies only to Howard County.**

**(b) Maintaining low property tax rates is essential to economic development, and the use of a tax under this section, as needed in the county, to carry out the purposes of this section, rather than the use of property taxes, promotes these purposes.**

**(c) The county fiscal body may impose a tax rate on the adjusted gross income of local taxpayers that does not exceed twenty-five hundredths percent (0.25%).**

**(d) Revenues raised from a tax imposed under this section may be used only for the purposes of funding a property tax credit to reduce the property tax liability imposed by a county to fund the county's operation and maintenance of a jail or a juvenile detention center, or both.**

**(e) The total of all tax credits granted under this section for a year may not exceed the amount of revenue raised by the tax imposed under this section. If the amount available in a year for property tax credits under this section is less than the amount necessary to provide all the property tax credits authorized by the adopting body, the county auditor shall reduce the property tax credits granted to eliminate the excess. The county auditor shall reduce credits uniformly in proportion to the tax liability incurred by each taxpayer.**

**(f) The total of all tax credits granted under this section for a year may not exceed the amount necessary to offset the property tax liability**



imposed for the purposes of this section. If the amount available in a year for property tax credits under this section is greater than the amount necessary to provide property tax credits to offset the property tax liability imposed for the purposes of this section, the county auditor shall retain and apply the excess, as necessary, to provide the property tax credits for the purposes of this section for the following year.

(g) The county auditor shall allocate the amount of revenue applied as tax credits under this section to the county.

SECTION 37. IC 6-3.6-7-16, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 16. (a) This section applies only to Monroe County.

(b) Maintaining low property tax rates is essential to economic development, and the use of a tax under this section, as needed in the county, to carry out the purposes of this section, rather than the use of property taxes, promotes these purposes.

(c) The county fiscal body may impose a tax rate on the adjusted gross income of local taxpayers that does not exceed twenty-five hundredths percent (0.25%).

(d) Revenues raised from a tax imposed under this section may be used only for the purposes of funding a property tax credit to reduce the property tax liability imposed by a county to fund the operation and maintenance of a juvenile detention center and other facilities to provide juvenile services.

(e) The total of all tax credits granted under this section for a year may not exceed the amount of revenue raised by the tax imposed under this section. If the amount available in a year for property tax credits under this section is less than the amount necessary to provide all the property tax credits authorized by the adopting body, the county auditor shall reduce the property tax credits granted to eliminate the excess. The county auditor shall reduce credits uniformly in proportion to the tax liability incurred by each taxpayer.

(f) The total of all tax credits granted under this section for a year may not exceed the amount necessary to offset the property tax liability imposed for the purposes of this section. If the amount available in a year for property tax credits under this section is greater than the amount necessary to provide property tax credits to offset the property tax liability imposed for the purposes of this section, the county auditor shall retain and apply the excess, as necessary, to provide the property tax credits for the purposes of this section for the following year.

(g) The county auditor shall allocate the amount of revenue applied as tax credits under this section to the county.



SECTION 38. IC 6-8-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

**Chapter 15. Nonprofit Agricultural Organization Health Coverage Tax**

**Sec. 1.** As used in this chapter, "commissioner" refers to the insurance commissioner appointed under IC 27-1-1-2.

**Sec. 2.** As used in this chapter, "department" refers to the Indiana department of insurance created by IC 27-1-1-1.

**Sec. 3.** As used in this chapter, "nonprofit agricultural organization" means an organization:

- (1) that is exempt from taxation under Section 501(c)(5) of the Internal Revenue Code;
- (2) that is domiciled in Indiana;
- (3) that was in existence before 1950; and
- (4) the members of which include residents of every county in Indiana.

**Sec. 4.** As used in this chapter, "nonprofit agricultural organization coverage" means health benefit coverage that is:

- (1) sponsored by:
  - (A) a nonprofit agricultural organization; or
  - (B) an affiliate of a nonprofit agricultural organization;
- (2) offered only to:
  - (A) members of the nonprofit agricultural organization; and
  - (B) families of the members of the nonprofit agricultural organization;
- (3) deemed by the nonprofit agricultural organization to be important in assisting its members to live long and productive lives; and
- (4) offered to members of the nonprofit agricultural organization in every county in Indiana.

**Sec. 5.** If an organization provides nonprofit agricultural organization coverage in Indiana, the organization is subject to a nonprofit agricultural organization health coverage tax under this chapter.

**Sec. 6. (a)** Before March 1 of each year, an organization providing nonprofit agricultural organization coverage shall report to the department, under the oath of the president and secretary, the gross premiums received from providing nonprofit agricultural organization coverage during the twelve (12) month period ending on December 31 of the preceding calendar year.





(b) Any organization providing nonprofit agricultural organization coverage shall pay into the treasury of Indiana an amount equal to one and three-tenths percent (1.3%) of gross premiums collected during the previous calendar year. In the computation of the tax, the organization providing nonprofit agricultural organization coverage shall be entitled to deduct any annual Indiana gross premiums returned on account of cancellation or dividends returned to members or expenditures used for the purchase of reinsurance or stop-loss coverage.

(c) Payments of the nonprofit agricultural organization health coverage tax imposed by this chapter shall be made on a quarterly estimated basis. The amounts of the quarterly installments shall be computed on the basis of the total estimated tax liability for the current calendar year and the installments shall be due and payable on or before April 15, June 15, September 15, and December 15 of the current calendar year.

(d) Any balance due shall be paid on or before April 15 of the next succeeding calendar year.

(e) Any overpayment of the estimated tax during the preceding calendar year shall be allowed as a credit against the liability for the first installment of the current calendar year.

(f) If an organization providing nonprofit agricultural organization coverage fails to make any quarterly payment in an amount equal to at least:

- (1) twenty-five percent (25%) of the total tax paid during the preceding calendar year; or
- (2) twenty percent (20%) of the actual tax for the current calendar year;

the organization shall be liable, in addition to the amount due, for interest in the amount of one percent (1%) of the amount due and unpaid for each month or part of a month that the amount due, together with interest, remains unpaid. This interest penalty shall be exclusive of and in addition to any other fee, assessment, or charge made by the department.

(g) The nonprofit agricultural organization health coverage tax under this chapter shall be in lieu of all license fees or privilege or other tax levied or assessed by Indiana or by any municipality, county, or other political subdivision of Indiana. No municipality, county, or other political subdivision of Indiana shall impose any license fee or privilege or other tax upon any nonprofit agricultural organization or any of its agents for the privilege of providing nonprofit agricultural organization coverage in the municipality,



county, or other political subdivision, except the tax authorized by IC 22-12-6-5. However, the taxes authorized under IC 22-12-6-5 shall be credited against the taxes provided for under this chapter. This section shall not be construed to prohibit the levy and collection of state, county, or municipal taxes upon real and tangible personal property of an organization providing nonprofit agricultural organization coverage or to prohibit the levy of any retaliatory tax, fine, penalty, or fee provided by law. However, all organizations providing nonprofit agricultural organization coverage paying taxes in Indiana predicated in part on their income from nonprofit agricultural organization coverage provided shall have the same rights and privileges from further taxation, and shall be given the same credits wherever applicable, as those set out for insurance companies paying only a tax on premiums as set out in IC 27-1-18-2.

(h) Any organization providing nonprofit agricultural organization coverage that fails or refuses, for more than thirty (30) days, to:

- (1) render an accurate account of its receipts as provided in this chapter; and
- (2) pay the nonprofit agricultural organization health coverage tax due thereon;

shall be subject to a penalty of one hundred dollars (\$100) for each additional day such report and payment shall be delayed, not to exceed a maximum penalty of ten thousand dollars (\$10,000). The penalty may be ordered by the commissioner after a hearing under IC 4-21.5-3. The commissioner may revoke all authority of the defaulting nonprofit agricultural organization to provide nonprofit agricultural organization coverage or suspend the nonprofit agricultural organization's authority during the period of the default, in the discretion of the commissioner.

SECTION 39. IC 20-24-7-6, AS AMENDED BY P.L.244-2017, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) With the approval of a majority of the members of the governing body, a school corporation may distribute a proportionate share of the school corporation's operations fund to a charter school. **A charter school may elect to distribute a proportionate share of the charter school's operations fund to the school corporation in whose district the charter school is located.**

(b) A governing body may distribute money that is received as part of a tax levy collected under IC 20-46-1 from the school corporation's education fund to a charter school, excluding a



**virtual charter school, in the manner provided by IC 20-46-1-8(d).**

**(c) A governing body may distribute money from the school safety referendum tax levy fund to a charter school, excluding a virtual charter school, in the manner prescribed by IC 20-46-9-6(b).**

SECTION 40. IC 20-40-3-5, AS AMENDED BY P.L.244-2017, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. **(a)** Money in the fund may be used for any lawful school expenses, including making a transfer to the school corporation's education fund (IC 20-40-2) or operations fund (IC 20-40-18).

**(b) A school corporation may distribute proceeds of a tax levy collected under IC 20-46-1 that is transferred to the school corporation's education fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation.**

SECTION 41. IC 20-40-20-6, AS ADDED BY P.L.272-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Subject to subsections ~~(b)~~ and ~~(c)~~; **(c) and (d)**, money in the fund may be used only for the following purposes:

- (1) To employ or compensate a school resource officer or school resource officers.
- (2) To establish or fund a school safety office.
- (3) To conduct a threat assessment of a school building.
- (4) To create or update a school safety plan.
- (5) To develop or update school emergency response systems.
- (6) To purchase equipment to improve the safety of a school building, school grounds, or school buses.
- (7) To pay capital expenses to improve the safety of a school building.
- (8) To establish and administer programs to address youth specific mental illness, addiction, anger management, bullying, and school violence.
- (9) To develop and administer professional development programs for teachers, administrators, and other school employees designed to improve school safety and reduce violence.

**(b) A school corporation may distribute, with the approval of the majority of members of the governing body, a portion of the proceeds of a tax levy collected under IC 20-46-9 that is deposited in the fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation,**



**to be used by the charter school for the purposes described in subsection (a).**

~~(b)~~ **(c)** Expenditures paid using money collected from the levy shall be included in a school's safety plan.

~~(c)~~ **(d)** Local law enforcement shall participate in:

- (1) development of a school safety plan;
- (2) development or updates to school emergency response systems; and
- (3) determination of capital expenses that would improve the safety of a school building.

~~(d)~~ **(e)** Money in the fund may be transferred to the school corporation's education fund (IC 20-40-2), operations fund (IC 20-40-18), or school safety referendum debt service fund (IC 20-40-21), as applicable, to pay for expenditures listed in subsection (a).

SECTION 42. IC 20-43-8-15, AS AMENDED BY P.L.108-2019, SECTION 230, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) This subsection applies to the state fiscal year beginning July 1, 2019. A school corporation's career and technical education enrollment grant for a state fiscal year is the sum of the amounts determined under the following STEPS:

STEP ONE: Determine for each career and technical education program provided by the school corporation:

- (A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3) credits); multiplied by
- (B) the number of pupils enrolled in the program; multiplied by
- (C) the following applicable amount:
  - (i) Six hundred eighty dollars (\$680) for a career and technical education program designated by the department of workforce development as a high value program under section 7.5 of this chapter.
  - (ii) Four hundred dollars (\$400) for a career and technical education program designated by the department of workforce development as a moderate value program under section 7.5 of this chapter.
  - (iii) Two hundred dollars (\$200) for a career and technical education program designated by the department of workforce development as a less than moderate value program under section 7.5 of this chapter.

STEP TWO: Determine the number of pupils enrolled in an apprenticeship program, a cooperative education program, a



foundational career and technical education course, or a work based learning course designated under section 7.5 of this chapter multiplied by one hundred fifty dollars (\$150).

STEP THREE: Determine the number of pupils enrolled in an introductory program designated under section 7.5 of this chapter multiplied by three hundred dollars (\$300).

STEP FOUR: Determine the number of pupils who travel from the school in which they are currently enrolled to another school to participate in a career and technical education program in which pupils from multiple schools are served at a common location multiplied by one hundred fifty dollars (\$150).

(b) This subsection applies to state fiscal years beginning after June 30, 2020. A school corporation's career and technical education enrollment grant for a state fiscal year is the sum of the amounts determined under the following STEPS:

STEP ONE: Determine for each career and technical education program provided by the school corporation:

(A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3) credits); multiplied by

(B) the number of pupils enrolled in the program; multiplied by

(C) the following applicable amount:

(i) Six hundred eighty dollars (\$680) for a career and technical education program designated by the department of workforce development as a high value level 1 program under section 7.5 of this chapter.

(ii) One thousand twenty dollars (\$1,020) for a career and technical education program designated by the department of workforce development as a high value level 2 program under section 7.5 of this chapter.

(iii) Four hundred dollars (\$400) for a career and technical education program designated by the department of workforce development as a moderate value level 1 program under section 7.5 of this chapter.

(iv) Six hundred dollars (\$600) for a career and technical education program designated by the department of workforce development as a moderate value level 2 program under section 7.5 of this chapter.

(v) Two hundred dollars (\$200) for a career and technical education program designated by the department of workforce development as a less than moderate value level 1 program under section 7.5 of this chapter.



(vi) Three hundred dollars (\$300) for a career and technical education program designated by the department of workforce development as a less than moderate value level 2 program under section 7.5 of this chapter.

STEP TWO: Determine the number of pupils enrolled in an apprenticeship program or a work based learning program designated under section 7.5 of this chapter multiplied by five hundred dollars (\$500).

STEP THREE: Determine the number of pupils enrolled in an introductory program designated under section 7.5 of this chapter multiplied by three hundred dollars (\$300).

STEP FOUR: Determine the number of pupils enrolled in a planning for college and career course under section 7.5 of this chapter at the school corporation that is approved by the department of workforce development multiplied by one hundred fifty dollars (\$150).

STEP FIVE: Determine the number of pupils who travel from the school in which they are currently enrolled to another school to participate in a career and technical education program in which pupils from multiple schools are served at a common location multiplied by one hundred fifty dollars (\$150).

(c) The amount distributed under subsection (b) may not exceed one hundred thirty million dollars (\$130,000,000) for a state fiscal year. If the amount determined under subsection (b) will exceed one hundred thirty million dollars (\$130,000,000) for a state fiscal year, the amount distributed to each recipient during the remaining months of the state fiscal year shall be proportionately reduced so that the total reductions equal the amount of the excess for the state fiscal year.

SECTION 43. IC 20-46-1-8, AS AMENDED BY P.L.272-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) Subject to subsection (c) and this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot for **either any** of the following purposes:

(1) The governing body of the school corporation determines that it cannot, in a calendar year, carry out its public educational duty unless it imposes a referendum tax levy under this chapter.

(2) The governing body of the school corporation determines that a referendum tax levy under this chapter should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the credit under IC 6-1.1-20.6.



**(3) The governing body makes the determination required under subdivision (1) or (2) and determines to share a portion of the referendum proceeds with a charter school, excluding a virtual charter school, in the manner prescribed in subsection (d).**

(b) The governing body of the school corporation shall certify a copy of the resolution **to place a referendum on the ballot** to the following:

(1) The department of local government finance, including the language for the question required by section 10 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance after March 15, 2016, section 10.1 of this chapter. The department shall review the language for compliance with section 10 or 10.1 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

(c) If a school safety referendum tax levy under IC 20-46-9 has been approved by the voters in a school corporation at any time in the previous three (3) years, the school corporation may not:

(1) adopt a resolution to place a referendum under this chapter on the ballot; or

(2) otherwise place a referendum under this chapter on the ballot.

**(d) The resolution described in subsection (a) must indicate whether proceeds in the school corporation's education fund collected from a tax levy under this chapter will be used to provide a distribution to a charter school or charter schools, excluding a virtual charter school, under IC 20-40-3-5 as well as the amount that will be distributed to the particular charter school or charter schools. A school corporation may request from the designated charter school or charter schools any financial documentation necessary to demonstrate the financial need of the charter school or charter schools.**

SECTION 44. IC 20-46-1-18, AS AMENDED BY P.L.1-2009,



SECTION 126, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. A school corporation's levy may not be considered in the determination of the school corporation's **or a charter school's (excluding a virtual charter school)** state tuition support distribution under IC 20-43 or the determination of any other property tax levy imposed by the school corporation.

SECTION 45. IC 20-46-9-6, AS ADDED BY P.L.272-2019, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Subject to this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot if the governing body of the school corporation determines that a referendum levy should be imposed for measures to improve school safety as described in IC 20-40-20-6(a) or **IC 20-40-20-6(b)**.

**(b) A school corporation may, with the approval of the majority of members of the governing body, distribute a portion of the proceeds of a tax levy collected under this chapter that is deposited in the fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation, to be used by the charter school for the purposes described in IC 20-40-20-6(a).**

~~(b)~~ (c) The governing body of the school corporation shall certify a copy of the resolution to the following:

- (1) The department of local government finance, including the language for the question required by section 9 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance, section 10 of this chapter. The department shall review the language for compliance with section 9 or 10 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.
- (2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).
- (3) The circuit court clerk of each county in which the school corporation is located.

**(d) The resolution described in subsection (a) must indicate whether proceeds in the school corporation's fund collected from**





**a tax levy under this chapter will be used to provide a distribution to a charter school or charter schools, excluding a virtual charter school, under IC 20-40-20-6(b) as well as the amount that will be distributed to the particular charter school or charter schools. A school corporation may request from the designated charter school or charter schools any financial documentation necessary to demonstrate the financial need of the charter school or charter schools.**

SECTION 46. IC 36-7-4-1103, AS AMENDED BY P.L.119-2012, SECTION 195, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1103. ~~(a) This section does not apply to a plan commission exercising jurisdiction in a county having a population of more than twenty thousand nine hundred (20,900) but less than twenty-one thousand (21,000).~~

~~(b)~~ **(a) ADVISORY—AREA.** For purposes of this section, urban areas include all lands and lots within the corporate boundaries of a municipality, any other lands or lots used for residential purposes where there are at least eight (8) residences within any quarter mile square area, and other lands or lots that have been or are planned for residential areas contiguous to the municipality.

~~(c)~~ **(b) ADVISORY—AREA.** This chapter does not authorize an ordinance or action of a plan commission that would prevent, outside of urban areas, the complete use and alienation of any mineral resources or forests by the owner or alienee of them.

SECTION 47. IC 36-7-14-0.5, AS AMENDED BY P.L.235-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 0.5. (a) The definitions in this section apply throughout this chapter.

(b) "Obligation" means any bond, note, warrant, lease, or other instrument under which money is borrowed.

(c) "Public funds" means all fees, payments, tax receipts, and funds of whatever kind or character coming into the possession of a:

- (1) redevelopment commission; or
- (2) department of redevelopment.

(d) "Residential housing" means housing or workforce housing that consists of single family dwelling units sufficient to secure quality housing in reasonable proximity to employment. **The term includes condominiums and townhouses located within an economic development target area that is designated under IC 6-1.1-12.1-7.**

(e) "Residential housing development program" means a residential housing development program for the:

- (1) construction of new residential housing; or



(2) renovation of existing residential housing; established by a commission under section 53 of this chapter.

(f) "Workforce housing" means housing that is affordable for households with earned income that is sufficient to secure quality housing in reasonable proximity to employment.

SECTION 48. IC 36-7-14-53, AS ADDED BY P.L.235-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 53. (a) Subject to subsection (g), a commission may establish a residential housing development program by resolution for the construction of new residential housing or the renovation of existing residential housing **in an area within the jurisdiction of the commission** if:

(1) for a commission established by a county, the average of new, single family residential houses constructed ~~in the unincorporated~~ **within the township in which the area of the county is located** during the preceding three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within ~~the unincorporated area of the county that township~~ on January 1 of the year in which the resolution is adopted; or

(2) for a commission established by a municipality, the average of new, single family residential houses constructed within the municipal boundaries during the preceding three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within the boundaries of the municipality on January 1 of the year in which the resolution is adopted.

**However, the calculations described in subdivisions (1) and (2) and the provisions of subsection (f) do not apply for purposes of establishing a residential housing development program within an economic development target area designated under IC 6-1.1-12.1-7.**

(b) The program, which may include any relevant elements the commission considers appropriate, may be adopted as part of a redevelopment plan or amendment to a redevelopment plan, and must establish an allocation area for purposes of sections 39 and 56 of this chapter for the accomplishment of the program. The program must be approved by the municipal legislative body or county executive as specified in section 17 of this chapter.

(c) The notice and hearing provisions of sections 17 and 17.5 of this chapter, including notice under section 17(c) of this chapter to a taxing unit that is wholly or partly located within an allocation area, apply to



the resolution adopted under subsection (b). Judicial review of the resolution may be made under section 18 of this chapter.

(d) Before formal submission of any residential housing development program to the commission, the department of redevelopment shall:

(1) consult with persons interested in or affected by the proposed program, **including the superintendents and governing body presidents of all school corporations located within the proposed allocation area;**

(2) provide the affected neighborhood associations, residents, and township assessors with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program; and

(3) hold **public meetings in the affected neighborhood at least one (1) public meeting** to obtain the views of neighborhood associations and residents **of the affected neighborhood. The department of redevelopment shall send notice thirty (30) days prior to the public meeting to the fiscal officer of all affected taxing units and to the superintendents and governing body presidents of all school corporations located within the proposed allocation area.**

(e) A residential housing development program established under this section must terminate not later than ~~twenty (20) years~~ **after the date the program is established under subsection (b): twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues from the program.**

(f) The department of local government finance in cooperation with either the appropriate county agency or the appropriate municipal agency, or both, shall determine whether a county or municipality meets the **threshold** requirements under subsection (a). **In making the determination, the department of local government finance may request information necessary to make the determination.** A county or municipality may request from the department of local government finance a report, if it exists, describing the effect of current assessed value allocated to tax increment financing allocation areas on the amount of the tax levy or proceeds and the credit for excessive property taxes under IC 6-1.1-20.6 for the taxing units within the boundaries of the residential housing development program.

(g) A program established under subsection (a) may not take effect until the governing body of each school corporation affected by the program passes a resolution approving the program.



SECTION 49. IC 36-7-32-8, AS AMENDED BY P.L.158-2019, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. As used in this chapter, "income tax base period amount" means the following:

(1) Except as provided in subdivision (2); the aggregate amount of the following taxes paid by employees employed in the territory comprising a certified technology park with respect to wages and salary earned for work in the certified technology park for the state fiscal year that precedes the date on which the certified technology park was designated under section 11 of this chapter:

(A) (1) The adjusted gross income tax.

(B) (2) The local income tax (IC 6-3.6).

(2) In the case of a certified technology park for which the amount limit under section 22(c) or 22(d) of this chapter has been exceeded; the aggregate amount of adjusted gross income taxes and local income taxes (IC 6-3.6) paid by employees employed in the territory comprising a certified technology park with respect to wages and salary earned for work in the certified technology park for:

(A) the state fiscal year in which the total deposits in the incremental tax financing fund for the certified technology park first exceeded the amount limit under section 22(c) or 22(d) of this chapter; or

(B) the state fiscal year beginning July 1, 2019; and ending June 30, 2020; in the case of a certified technology park for which the amount limit under section 22(c) or 22(d) of this chapter was exceeded before July 1, 2020.

SECTION 50. IC 36-7-32-8.5, AS AMENDED BY P.L.158-2019, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8.5. As used in this chapter, "income tax incremental amount" means the following:

(1) Except as provided in subdivision (2), the remainder of:

(A) the total amount of state adjusted gross income taxes and local income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus

(B) the sum of the:

(i) income tax base period amount as defined in section 8(1) 8 of this chapter; and

(ii) tax credits awarded by the Indiana economic



development corporation under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

(2) In the case of a certified technology park for which the amount limit under section 22(c) or 22(d) of this chapter has been exceeded, the remainder of:

(A) the total amount of state adjusted gross income taxes and local income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus

(B) the sum of the:

(i) income tax base period amount as defined in section ~~8(2)~~ **8** of this chapter; and

(ii) tax credits awarded by the Indiana economic development corporation under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

**SECTION 51. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the interim study committee on fiscal policy during the 2020 legislative interim the task of studying tax credits and other fiscal incentives for a film and media production program.**

**(b) If the legislative council assigns the task described in subsection (a) to the interim study committee on fiscal policy during the 2020 legislative interim, the legislative services agency shall prepare a study of film and media production tax incentives in other states and submit the study to the interim study committee on fiscal policy before October 1, 2020. The study must include at least the following:**

**(1) Information concerning film and media production incentives offered in all other states.**

**(2) Information concerning the effectiveness of film and media production incentives offered in all other states.**

**(c) This SECTION expires July 1, 2023.**

**SECTION 52. [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)] (a) IC 6-3-3-12, as amended by this act, applies**



**only to taxable years beginning after December 31, 2019.**

**(b) This SECTION expires July 1, 2021.**

**SECTION 53. [EFFECTIVE UPON PASSAGE] Notwithstanding the January 1, 2020, effective date contained in P.L.121-2019, SECTION 4, the revisor of statutes shall publish IC 6-1.1-15-3, as amended by this act, effective January 1, 2019.**

**SECTION 54. An emergency is declared for this act.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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