February 24, 2014

ENGROSSED
SENATE BILL No. 367

DIGEST OF SB 367 (Updated February 24, 2014 3:41 pm - DI 92)

Citations Affected: IC 4-4; IC 5-3; IC 5-13; IC 6-1.1; IC 6-2.5; IC 6-3; IC 6-3.1; IC 6-3.5; IC 6-6; IC 6-7; IC 6-9; IC 7.1-4; IC 8-22; IC 22-9; IC 36-4; IC 36-5; IC 36-6; IC 36-8; noncode.

Synopsis: Various tax matters. Establishes the rural entrepreneurship grant program. Makes numerous changes to the following: (1) Ad valorem property taxes. (2) Sales and use taxes. (3) The adjusted gross income tax. (4) Fuel taxes. (5) The tobacco products tax. (6) Innkeeper's taxes. Makes numerous changes concerning state and local administration. Authorizes a pilot project in Hendricks County concerning public service answering point funding. Requires reports and studies concerning government assistance, use tax collections, income tax credits, and the use of state owned land north of the State House.

Effective: January 1, 2014 (retroactive); upon passage; July 1, 2014; January 1, 2015.

Hershman, Kenley

(HOUSE SPONSORS — TURNER, BROWN T)

January 14, 2014, read first time and referred to Committee on Appropriations.
January 30, 2014, amended, reported favorably — Do Pass.
February 3, 2014, read second time, amended, ordered engrossed.
February 4, 2014, engrossed. Read third time, passed. Yeas 44, nays 4.

HOUSE ACTION

February 10, 2014, read first time and referred to Committee on Ways and Means.
February 24, 2014, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

February 24, 2014

Second Regular Session 118th General Assembly (2014)

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

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

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

ENGROSSED
SENATE BILL No. 367

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

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

SECTION 1. IC 4-4-39 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 39. Rural Entrepreneurship Grant Program

Sec. 1. This chapter applies to an executive of a rural county or a person who submits a grant application after June 30, 2015.

Sec. 2. The purpose of this chapter is to:

(1) establish and fund programs to identify entrepreneurs with marketable ideas; and

(2) support the organization and development of new businesses in rural counties.

Sec. 3. The general assembly finds that establishing and supporting new businesses in rural counties serves a public purpose that benefits the general welfare of rural counties by encouraging investment, job creation and retention, economic growth, and more diverse economies.

Sec. 4. As used in this chapter, "incubator" means a facility in which space may be leased by a tenant and in which management provides access to business development services for use by tenants.

Sec. 5. As used in this chapter, "new business" refers to a business entity certified by the office as a new business under section 9 of this chapter.

Sec. 6. As used in this chapter, "office" refers to the office of community and rural affairs established by IC 4-4-9.7-4.

Sec. 7. As used in this chapter, "rural county" refers to a county having a population of less than fifty thousand (50,000).

Sec. 8. (a) The executive of a rural county may apply to the office for a grant that is renewable for up to three (3) years to promote entrepreneurship and new business development in the rural county. The application must:

(1) be in a form specified by the office;

(2) include a copy of an ordinance adopted by the county executive:

(A) committing up to two hundred fifty thousand dollars ($250,000) of local funds each state fiscal year for a dollar for dollar match to the grant received under this chapter; and

(B) specifying the source or sources of the funds committed; and

(3) include any information that the office determines necessary for evaluating the application.

(b) The local match required by subsection (a) may be funded from any of the following:

(1) The county economic development income tax under IC 6-3.5-7.

(2) Any public funds (other than property taxes) of the county or the county redevelopment commission.

(3) Any contributions, grants, donations, or bequests from an individual or a private entity.

Sec. 9. The office shall determine whether a business in a rural county is a new business and may certify the business as a new business if the office determines that the new business meets all the following criteria:

(1) The business is established or organized to do business in Indiana less than one (1) year before the business locates business operations in the rural county.

(2) The business conducts business operations in the rural

county to provide goods or services for profit.

(3) The business meets any other criteria specified by the office.

Sec. 10. The office shall do the following:

(1) Adopt guidelines to determine standards for awarding grants under this chapter.

(2) Prepare and supervise the issuance of public information concerning the grant program established under this chapter.

(3) Prescribe the form for and regulate the submission of applications for grants under this chapter.

(4) Determine an applicant's eligibility to receive or renew a grant under this chapter.

(5) Work with the office of small business and entrepreneurship for assistance and information regarding small businesses.

Sec. 11. The office shall determine the amount of each grant awarded under this chapter.

Sec. 12. (a) Each county that receives a grant under this chapter shall establish a rural entrepreneurship grant fund for the deposit of the grant money.

(b) Upon appropriation by the county fiscal body, money deposited in the rural entrepreneurship grant fund may be used for any of the following purposes, after recommendation by a local economic development organization in the county:

(1) Incubator development and operation.

(2) Accelerator development and operation.

(3) Obtaining small business support services provided by the office of small business and entrepreneurship or a similar entity.

(4) Assisting in the deployment of high speed Internet service (as defined by IC 5-28-33-2) to a new business located within the county if the service does not exist.

(5) Entrepreneurial internships established in the area that partner with high schools located within the county, or entrepreneurial classes established at local high schools that involve cooperation and collaboration with businesses in the area.

(c) Money in the fund may not be used to pay the administrative expenses of the fund.

Sec. 13. A county that receives a grant awarded under this chapter must comply with any guidelines developed by the office in connection with grants awarded under this chapter.

SECTION 2. IC 5-3-1-2, AS AMENDED BY P.L.141-2009, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This section applies only when notice of an event is required to be given by publication in accordance with this chapter.

(b) If the event is a public hearing or meeting concerning any matter not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h) notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.

(c) If the event is an election, notice shall be published one (1) time, at least ten (10) days before the date of the election.

(d) If the event is a sale of bonds, notes, or warrants, notice shall be published two (2) times, at least one (1) week apart, with:

(1) the first publication made at least fifteen (15) days before the date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) If the event is anything else, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the event.

(k) If any officer charged with the duty of publishing any notice required by law is unable to procure advertisement:

(1) at the price fixed by law;

(2) because the newspaper refuses to publish the advertisement; or

(3) because the newspaper refuses to post the advertisement on the newspaper's Internet web site (if required under section 1.5 of this chapter);

it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of publication of the notice in newspapers and on an Internet web site (if required under section 1.5 of this chapter).

~~(l) If a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and the published notice contains an error due to the fault of a newspaper, the notice as presented for publication is a valid notice under this chapter.~~

~~(m) Notwithstanding subsection (j), if a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and if the notice is not published at least ten (10) days before the date fixed for the public hearing on the budget estimate due to the fault of a newspaper, the notice is a valid notice under this chapter if it is published one (1) time at least three (3) days before the hearing.~~

SECTION 3. IC 5-3-1-2.3, AS AMENDED BY P.L.169-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.3. ~~(a)~~ A notice published in accordance with this chapter or any other Indiana statute is valid even though the notice contains errors or omissions, as long as:

(1) a reasonable person would not be misled by the error or omission; and

(2) the notice is in substantial compliance with the time and publication requirements applicable under this chapter or any other Indiana statute under which the notice is published.

~~(b) This subsection applies if:~~

~~(1) a county auditor publishes a notice concerning a tax rate, tax levy, or budget of a political subdivision in the county;~~

~~(2) the notice contains an error or omission that causes the notice to inaccurately reflect the tax rate, tax levy, or budget actually proposed or fixed by the political subdivision; and~~

~~(3) the county auditor is responsible for the error or omission described in subdivision (2).~~

~~Notwithstanding any other law, the department of local government finance may correct an error or omission described in subdivision (2) at any time. If an error or omission described in subdivision (2) occurs, the county auditor must publish, at the county's expense, a notice~~

~~containing the correct tax rate, tax levy, or budget as proposed or fixed by the political subdivision.~~

SECTION 4. IC 5-13-6-3, AS AMENDED BY P.L.89-2010, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) All taxes collected by the county treasurer shall be deposited as one (1) fund in the several depositories selected for the deposit of county funds and, except as provided in subsection (b), remain in the depositories until distributed at the following semiannual distribution made by the county auditor.

(b) Every county treasurer who, by virtue of the treasurer's office, is the collector of any taxes for any political subdivision wholly or partly within the county shall, not later than thirty (30) days after receipt of a written request for funds filed with the treasurer by a proper officer of any political subdivision within the county, **provide to the county auditor the amount available for distribution, as certified for each semiannual distribution under IC 6-1.1-27-2. The county auditor shall** advance to that political subdivision a portion of the taxes collected before the semiannual distribution. The amount advanced may not exceed the lesser of:

(1) ninety-five percent (95%) of the total amount collected at the time of the advance; or

(2) ninety-five percent (95%) of the amount to be distributed at the semiannual distribution.

(c) Upon notice from the county treasurer of the amount to be advanced, the county auditor shall draw a warrant upon the county treasurer for the amount. The amount of the advance must be available immediately for the use of the political subdivision.

(d) At the semiannual distribution all the advances made to any political subdivision under subsection (b) shall be deducted from the total amount due any political subdivision as shown by the distribution.

(e) If a county auditor fails to make a distribution of tax collections by the deadline for distribution under subsection (b), a political subdivision that was to receive a distribution may recover interest on the undistributed tax collections under IC 6-1.1-27-1.

SECTION 5. IC 6-1.1-8-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 19. **(a)** Each year a public utility company shall file a statement concerning the value and description of the property which is either owned or used by the company on the assessment date of that year. The company shall file this statement with the department of local government finance ~~on the form~~ **in the manner** prescribed by the department. The department of local government finance may extend the due date for a statement.

Unless the department of local government finance grants an extension, a public utility company shall file its statement for a year:

(1) on or before March 1st of that year unless the company is a railroad car company; or

(2) on or before ~~May~~ **July** 1st of that year if the company is a railroad car company.

(b) A public utility company may, not later than sixty (60) days after filing a valid and timely statement under subsection (a), file an amended statement:

(1) for distribution purposes;

(2) to correct errors; or

(3) for any other reason, except:

(A) obsolescence; or

(B) the credit for railroad car maintenance and improvements provided under IC 6-1.1-8.2.

SECTION 6. IC 6-1.1-8-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) If a public utility company does not file a statement with the department of local government finance on or before the date prescribed under section 19 of this chapter, the company shall pay a penalty of one hundred dollars ($100) per day for each day that the statement is late. **However, a penalty under this subsection may not exceed one thousand dollars ($1,000).**

(b) The department of local government finance shall notify the attorney general if a public utility company fails to file a statement on or before the due date. The attorney general shall then bring an action in the name of this state to collect the penalty due under this section.

(c) The state auditor shall deposit amounts collected under this section in the state treasury for credit to the state general fund.

SECTION 7. IC 6-1.1-8-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. **(a)** The department of local government finance shall assess the property of a public utility company based upon the information available to the department if the company:

(1) does not file a statement which is required under section 19 of this chapter;

(2) does not permit the department to examine the company's property, books, or records; or

(3) does not comply with a summons issued by the department.

~~An assessment which is made by the department of local government finance under this section is final unless the company establishes that the department committed actual fraud in making the assessment.~~

(b) A public utility company may provide the department with a statement under section 19 of this chapter not later than one (1) year after the department makes the department's assessment under this section. If a public utility company does so, the department may amend the assessment it makes under this section in reliance on the public utility company's statement filed under this subsection.

SECTION 8. IC 6-1.1-11-4, AS AMENDED BY P.L.173-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the United States, the state, an agency of this state, or a political subdivision (as defined in IC 36-1-2-13). However, this subsection applies only when the property is used, and in the case of real property occupied, by the owner.

(b) The exemption application referred to in section 3 of this chapter is not required if the exempt property is a cemetery:

(1) described by IC 6-1.1-2-7; or

(2) maintained by a township executive under IC 23-14-68.

(c) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the bureau of motor vehicles commission established under IC 9-15-1.

(d) The exemption application referred to in section 3 or 3.5 of this chapter is not required if:

(1) the exempt property is:

(A) tangible property used for religious purposes described in IC 6-1.1-10-21;

(B) tangible property owned by a church or religious society used for educational purposes described in IC 6-1.1-10-16;

(C) other tangible property owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; or

(D) other tangible property owned by a fraternity or sorority (as defined in IC 6-1.1-10-24).

(2) the exemption application referred to in section 3 or 3.5 of this chapter was filed properly at least once for a religious use under IC 6-1.1-10-21, an educational, literary, scientific, religious, or charitable use under IC 6-1.1-10-16, or use by a fraternity or sorority under IC 6-1.1-10-24; and

(3) the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24.

~~A change in ownership of property does not terminate an exemption of the property if after the change in ownership the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24. However, if title to any of the real property subject to the exemption changes or any of the tangible property subject to the exemption is used for a nonexempt purpose after the date of the last properly filed exemption application, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance. If the county assessor discovers that title to property granted an exemption described in IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners of the property and indicates that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24. Upon receipt of the affidavit, the county assessor shall reinstate the exemption for the years for which the exemption was suspended and each year thereafter that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24.~~

(e) If, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption under IC 6-1.1-10, the county assessor shall terminate the exemption for that assessment date. However, if the property remains eligible for an exemption under IC 6-1.1-10 following the transfer or change in use, the exemption shall be left in place for that assessment date. For the following assessment date, the person that obtained the exemption or the current owner of the property, as applicable, shall, under section 3 of this chapter and except as provided under section 4 of this chapter, file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. In all cases, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in ownership or use in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance.

(f) If the county assessor discovers that title to or use of property granted an exemption under IC 6-1.1-10 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title or use and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners or use of the property and indicates whether the property continues to meet the requirements for an exemption under IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall reinstate the exemption under IC 6-1.1-15-12. However, a claim under IC 6-1.1-26-1 for a refund of all or a part of a tax installment paid and any correction of error under IC 6-1.1-15-12 must be filed not later than three (3) years after the taxes are first due.

SECTION 9. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be ~~filed during the year for which the individual wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;

(2) the description and assessed value of the real property, mobile home, or manufactured home;

(3) the individual's full name and complete residence address;

(4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and

(5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 10. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be ~~filed during the year for which the individual wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of the division of family resources or the division of disability and rehabilitative services; or

(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record

number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 11. IC 6-1.1-12-15, AS AMENDED BY P.L.293-2013(ts), SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 13 or 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be ~~filed during the year for which the individual wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section. If a deceased veteran's surviving spouse is claiming the deduction, the surviving spouse shall provide the documentation necessary to establish that at the time of death the deceased veteran satisfied the requirements of section 13(a)(1) through 13(a)(4) of this chapter or

section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 12. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be ~~filed during the year for which the surviving spouse wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the deduction; and

(2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 13. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file

a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must ~~file the statement during the year for which the veteran wishes to obtain the deduction.~~ **complete and date the statement in the calendar year for which the veteran wishes to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) a description and the assessed value of the real property, mobile home, or manufactured home;

(2) the veteran's full name and complete residence address;

(3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and

(4) any additional information which the department of local government finance may require.

SECTION 14. IC 6-1.1-12-27.1, AS AMENDED BY P.L.137-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 27.1. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 or 26.1 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, manufactured home, or solar power device is subject to assessment. With respect to real property or a solar power device that is assessed as distributable property under IC 6-1.1-8 or as personal property, the person must ~~file the statement during the year for which the person desires to obtain the~~

~~deduction.~~ **complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, with respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

(1) own the real property, mobile home, or manufactured home or own the solar power device;

(2) be buying the real property, mobile home, manufactured home, or solar power device under contract; or

(3) be leasing the real property from the real property owner and be subject to assessment and property taxation with respect to the solar power device;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property, mobile home, manufactured home, or solar power device is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 15. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 30. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must ~~file the statement during the year for which the person desires to obtain the deduction.~~ **complete and date the statement in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 16. IC 6-1.1-12-35.5, AS AMENDED BY P.L.1-2009, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must ~~file the statement during the year for which the person wishes to obtain the deduction. The person must file the statement in each year for which the person desires to obtain the deduction.~~ **complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification, the department shall determine whether the system or device qualifies for a deduction. If the department fails to make a determination under this subsection before December 31 of the year in which the application is received, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the year in which the personal property return is filed.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter:

(1) the center shall determine whether the building qualifies for a deduction; and

(2) if the center fails to make a determination before December 31 of the year in which the application is received, the building is considered certified.

SECTION 17. IC 6-1.1-12-37, AS AMENDED BY SEA 24-2014, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.

(B) A mobile home that is not assessed as real property that an

individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence:

(A) that is located in Indiana;

(B) that:

(i) the individual owns;

(ii) the individual is buying under a contract; recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence;

(iii) the individual is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C. 216); or

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust if the individual is an individual described in section 17.9 of this chapter; and

(C) that consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), the term does not include property owned by a corporation, partnership, limited liability company, or other entity not described in this subdivision.

(b) Each year a homestead is eligible for a standard deduction from the assessed value of the homestead for an assessment date. *Except as provided in subsection (p),* the deduction provided by this section applies to property taxes first due and payable for an assessment date only if an individual has an interest in the homestead described in subsection (a)(2)(B) on:

(1) the assessment date; or

(2) any date in the same year after an assessment date that a statement is filed under subsection (e) or section 44 of this chapter, if the property consists of real property.

Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home

not assessed as real property; or

(2) forty-five thousand dollars ($45,000).

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

(1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;

(2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;

(3) the names of:

(A) the applicant and the applicant's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is an individual; or

(B) each individual who qualifies property as a homestead under subsection (a)(2)(B) and the individual's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is not an individual; and

(4) either:

(A) the last five (5) digits of the applicant's Social Security number and the last five (5) digits of the Social Security number of the applicant's spouse (if any); or

(B) if the applicant or the applicant's spouse (if any) ~~do~~ **does** not have a Social Security number, any of the following for that individual:

(i) The last five (5) digits of the individual's driver's license number.

(ii) The last five (5) digits of the individual's state identification card number.

(iii) If the individual does not have a driver's license or a state identification card, the last five (5) digits of a control number that is on a document issued to the individual by the federal government and determined by the department of local government finance to be acceptable.

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this section:

(1) changes the use of the individual's property so that part or all of the property no longer qualifies for the deduction under this section; or

(2) is no longer eligible for a deduction under this section on another parcel of property because:

(A) the individual would otherwise receive the benefit of more than one (1) deduction under this chapter; or

(B) the individual maintains the individual's principal place of residence with another individual who receives a deduction under this section;

the individual must file a certified statement with the auditor of the

county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual had filed the statement as required by this subsection plus a civil penalty equal to ten percent (10%) of the additional taxes due. The civil penalty imposed under this subsection is in addition to any interest and penalties for a delinquent payment that might otherwise be due. One percent (1%) of the total civil penalty collected under this subsection shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under subsection (i) and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article.

(g) The department of local government finance shall adopt rules or guidelines concerning the application for a deduction under this section.

(h) This subsection does not apply to property in the first year for which a deduction is claimed under this section if the sole reason that a deduction is claimed on other property is that the individual or married couple maintained a principal residence at the other property on March 1 in the same year in which an application for a deduction is filed under this section or, if the application is for a homestead that is assessed as personal property, on March 1 in the immediately preceding year and the individual or married couple is moving the individual's or married couple's principal residence to the property that is the subject of the application. Except as provided in subsection (n), the county auditor may not grant an individual or a married couple a deduction under this section if:

(1) the individual or married couple, for the same year, claims the deduction on two (2) or more different applications for the deduction; and

(2) the applications claim the deduction for different property.

(i) The department of local government finance shall provide secure access to county auditors to a homestead property data base that includes access to the homestead owner's name and the numbers required from the homestead owner under subsection (e)(4) for the sole purpose of verifying whether an owner is wrongly claiming a deduction under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or IC 6-3.5.

(j) A county auditor may require an individual to provide evidence

proving that the individual's residence is the individual's principal place of residence as claimed in the certified statement filed under subsection (e). The county auditor may limit the evidence that an individual is required to submit to a state income tax return, a valid driver's license, or a valid voter registration card showing that the residence for which the deduction is claimed is the individual's principal place of residence. The department of local government finance shall work with county auditors to develop procedures to determine whether a property owner that is claiming a standard deduction or homestead credit is not eligible for the standard deduction or homestead credit because the property owner's principal place of residence is outside Indiana.

(k) As used in this section, "homestead" includes property that satisfies each of the following requirements:

(1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(2) The property is the principal place of residence of an individual.

(3) The property is owned by an entity that is not described in subsection (a)(2)(B).

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

(1) imposed for an assessment date in 2009; and

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For ~~*assessments*~~ *assessment* dates after 2009, the term "homestead" includes:

(1) a deck or patio;

(2) a gazebo; or

(3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) A county auditor shall grant an individual a deduction under this section regardless of whether the individual and the individual's spouse claim a deduction on two (2) different applications and each application claims a deduction for different property if the property owned by the individual's spouse is located outside Indiana and the individual files an affidavit with the county auditor containing the following information:

(1) The names of the county and state in which the individual's spouse claims a deduction substantially similar to the deduction allowed by this section.

(2) A statement made under penalty of perjury that the following are true:

(A) That the individual and the individual's spouse maintain separate principal places of residence.

(B) That neither the individual nor the individual's spouse has an ownership interest in the other's principal place of residence.

(C) That neither the individual nor the individual's spouse has, for that same year, claimed a standard or substantially similar deduction for any property other than the property maintained as a principal place of residence by the respective individuals.

A county auditor may require an individual or an individual's spouse to provide evidence of the accuracy of the information contained in an affidavit submitted under this subsection. The evidence required of the individual or the individual's spouse may include state income tax returns, excise tax payment information, property tax payment information, driver license information, and voter registration information.

(o) If:

(1) a property owner files a statement under subsection (e) to claim the deduction provided by this section for a particular property; and

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction;

the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax

assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) An individual is entitled to the deduction under this section for a homestead for a particular assessment date if:

(1) either:

(A) the individual's interest in the homestead as described in subsection (a)(2)(B) is conveyed to the individual after the assessment date, but within the calendar year in which the assessment date occurs; or

(B) the individual contracts to purchase the homestead after the assessment date, but within the calendar year in which the assessment date occurs;

(2) on the assessment date:

(A) the property on which the homestead is currently located was vacant land; or

(B) the construction of the dwelling that constitutes the homestead was not completed;

(3) either:

(A) the individual ~~files~~ **completes** *the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs ~~to claim the deduction under this section;~~* **and files the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year;** *or*

(B) a sales disclosure form that meets the requirements of section 44 of this chapter is submitted to the county assessor on or before ~~December 31~~ **January 5** *of the calendar year ~~for~~* **immediately succeeding** *the individual's purchase of the homestead; and*

(4) the individual files with the county auditor on or before ~~December 31~~ **January 5** *of the calendar year* **immediately succeeding the calendar year** *in which the assessment date occurs a statement that:*

(A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and

(B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) is entitled to the deduction under this section for the homestead for the assessment date, even if on the assessment date the

property on which the homestead is currently located was vacant land or the construction of the dwelling that constitutes the homestead was not completed. The county auditor shall apply the deduction for the assessment date and for the assessment date in any later year in which the homestead remains eligible for the deduction. A homestead that qualifies for the deduction under this section as provided in this subsection is considered a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6. The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.

~~*(p)*~~ **(q)** *This subsection applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013. Notwithstanding any other provision of this section, an individual buying a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property under a contract providing that the individual is to pay the property taxes on the mobile home or manufactured home is not entitled to the deduction provided by this section unless the parties to the contract comply with IC 9-17-6-17.*

~~*(q)*~~ **(r)** *This subsection:*

(1) applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013; and

(2) does not apply to an individual described in subsection ~~*(p).*~~ **(q).**

The owner of a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property must attach a copy of the owner's title to the mobile home or manufactured home to the application for the deduction provided by this section.

(s) For assessment dates after 2013, the term "homestead" includes property that is owned by an individual who:

(1) is serving on active duty in any branch of the armed forces of the United States;

(2) was ordered to transfer to a location outside Indiana;

(3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date

specified in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided by this section, the individual described in subdivisions (1) through (3) must submit to the county auditor a copy of the individual's transfer orders or other information sufficient to show that the individual was ordered to transfer to a location outside Indiana. The property continues to qualify for the deduction provided by this section until the individual ceases to be on active duty, the property is sold, or the individual's ownership interest is otherwise terminated, whichever occurs first. Notwithstanding subsection (a)(2), the property remains a homestead regardless of whether the property continues to be the individual's principal place of residence after the individual transfers to a location outside Indiana. However, the property ceases to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana. Property that qualifies as a homestead under this subsection shall also be construed as a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6.

SECTION 18. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52; minus

(2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52. Subject to section

45 of this chapter, the statement and certification ~~must be filed during the year preceding the year the deduction will first be applied.~~ **must be completed and dated in the calendar year for which the person wishes to obtain the deduction, and the statement and certification must be filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(c) The deduction provided by this section applies only if the person:

(1) owns the property; or

(2) is buying the property under contract;

on the assessment date for which the deduction applies.

SECTION 19. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 45. (a) Subject to subsections (b) and (c), a deduction under this chapter applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

(1) the title is conveyed one (1) or more times; or

(2) one (1) or more contracts to purchase are entered into;

after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies:

(1) only if the title holder or the contract buyer on that next succeeding assessment date is eligible for the deduction for that next succeeding assessment date; and

(2) regardless of whether:

(A) one (1) or more grantees of title under subsection (a)(1); or

(B) one (1) or more contract purchasers under subsection (a)(2);

files a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a deduction under this chapter apply to subsequent years.

(d) If:

(1) a statement is filed under this chapter ~~in~~ **on or before January 5 of** a calendar year to claim a deduction under this

chapter with respect to real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in ~~that~~ **the preceding** calendar year and for the property taxes due and payable based on the assessment for that assessment date.

(e) If:

(1) a statement is filed under this chapter in a twelve (12) month filing period designated under this chapter to claim a deduction under this chapter with respect to a mobile home or a manufactured home not assessed as real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date.

SECTION 20. IC 6-1.1-12.6-3, AS ADDED BY P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) A property owner that qualifies for the deduction under this chapter **and that desires to receive the deduction** must ~~file a statement containing the information required by subsection (b) with the county auditor to claim the deduction for each assessment date for which the property owner wishes to receive the deduction~~ **complete and date a statement containing the information required by subsection (b) in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year,** in the manner prescribed in rules adopted under section 9 of this chapter. The township assessor shall verify each statement filed under this section, and the county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury and must contain the following information:

(1) The assessed value of the real property for which the person is claiming the deduction.

(2) The full name and complete business address of the person claiming the deduction.

(3) The complete address and a brief description of the real property for which the person is claiming the deduction.

(4) The name of any other county in which the person has applied

for a deduction under this chapter for that assessment date.

(5) The complete address and a brief description of any other real property for which the person has applied for a deduction under this chapter for that assessment date.

SECTION 21. IC 6-1.1-12.8-4, AS ADDED BY P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) A property owner that qualifies for the deduction under this chapter **and that desires to receive the deduction** must ~~file a statement containing the information required by subsection (b) with the county auditor to claim the deduction for each assessment date for which the property owner wishes to receive the deduction~~ **complete and date a statement containing the information required by subsection (b) in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year,** in the manner prescribed in rules adopted under section 8 of this chapter. The township assessor, or the county assessor if there is no township assessor for the township, shall verify each statement filed under this section, and the county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury and must contain the following information:

(1) The assessed value of the real property for which the person is claiming the deduction.

(2) The full name and complete business address of the person claiming the deduction.

(3) The complete address and a brief description of the real property for which the person is claiming the deduction.

(4) The name of any other county in which the person has applied for a deduction under this chapter for that assessment date.

(5) The complete address and a brief description of any other real property for which the person has applied for a deduction under this chapter for that assessment date.

(6) An affirmation by the owner that the owner is receiving not more than three (3) deductions under this chapter, including the deduction being applied for by the owner, either:

(A) as the owner of the residence in inventory; or

(B) as an owner that is part of an affiliated group.

(7) An affirmation that the real property has not been leased and will not be leased for any purpose during the term of the deduction.

SECTION 22. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in subsections (c) and (d), a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

(1) The description of the real property was in error.

(2) The assessment was against the wrong person.

(3) Taxes on the same property were charged more than one (1) time in the same year.

(4) There was a mathematical error in computing the taxes or penalties on the taxes.

(5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.

(6) The taxes, as a matter of law, were illegal.

(7) There was a mathematical error in computing an assessment.

(8) Through an error of omission by any state or county officer, the taxpayer was not given:

(A) the proper credit under IC 6-1.1-20.6-7.5 for property taxes imposed for an assessment date after January 15, 2011;

(B) any other credit permitted by law;

(C) an exemption permitted by law; or

(D) a deduction permitted by law.

(b) **Subject to subsection (i),** the county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following officials:

(1) The township assessor (if any).

(2) The county auditor.

(3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county board for determination. The county board shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county board to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor (if any).

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28 or an appeal under IC 6-1.1-8-30.

(i) A taxpayer is not entitled to relief under this section unless the taxpayer files a petition to correct an error:

(1) with the auditor of the county in which the taxes were originally paid; and

(2) within three (3) years after the taxes were first due.

SECTION 23. IC 6-1.1-17-3, AS AMENDED BY P.L.137-2012, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision or appropriate fiscal body, if the political subdivision is subject to section 20 of this chapter, shall give notice ~~by publication~~ to taxpayers of:

(1) the estimated budget;
(2) the estimated maximum permissible levy;
(3) the current and proposed tax levies of each fund; and
(4) the amounts of excessive levy appeals to be requested.

The political subdivision or appropriate fiscal body shall also state the time and place at which the political subdivision or appropriate fiscal body will hold a public hearing on these items. **Each year** the political subdivision or appropriate fiscal body shall ~~publish the notice twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. The first publication must be before September 14, and the second publication must be before September 21 of the year. The political subdivision shall pay for the publishing of the notice.~~ **submit this information to the department's computer gateway before September 14 and at least ten (10) days before the public hearing required by this subsection in the manner prescribed by the department. The department shall make this information available to taxpayers through its computer gateway at least ten (10) days before the public hearing required by this subsection and provide a telephone number through which taxpayers may request mailed copies of a political subdivision's information under this subsection. The department's computer gateway must allow a taxpayer to search for the information under this subsection by the taxpayer's address.**

(b) For taxes due and payable in 2015 and 2016, each county shall publish a notice in accordance with IC 5-3-1 in two (2) newspapers published in the county stating the Internet address at which the information under subsection (a) is available and the telephone number through which taxpayers may request copies of a political subdivision's information under subsection (a). If only one (1) newspaper is published in the county, publication in that newspaper is sufficient. The department of local government finance shall prescribe the notice. Notice under this subsection shall be published before September 14. Counties may seek reimbursement from the political subdivisions within their legal boundaries for the cost of the notice required under this subsection. The actions under this subsection shall be completed in the manner prescribed by the department.

~~(b)~~ **(c)** The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and
(2) in accordance with the annual notice of meetings published

under IC 13-21-5-2.

~~(c)~~ **(d)** The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(e) A political subdivision for which any of the information under subsection (a) is not submitted to the department's computer gateway in the manner prescribed by the department shall have its most recent annual appropriations and annual tax levy continued for the ensuing budget year.

(f) If a political subdivision or appropriate fiscal body timely submits the information under subsection (a) but subsequently discovers the information contains a typographical error, the political subdivision or appropriate fiscal body may request permission from the department to submit amended information to the department's computer gateway. However, such a request must occur not later than seven (7) days before the public hearing held under subsection (a). Acknowledgment of the correction of an error shall be posted on the department's computer gateway and communicated by the political subdivision or appropriate fiscal body to the fiscal body of the county in which the political subdivision and appropriate fiscal body are located.

SECTION 24. IC 6-1.1-17-16, AS AMENDED BY P.L.218-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in section 16.1 of this chapter, the department of local government finance is not required to hold a public hearing before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund,

tax rate, or tax levy under this section.

(d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. However, if the department of local government finance determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in IC 5-3-1-2.3(b). The department of local government finance shall give the political subdivision notification electronically in the manner prescribed by the department of local government finance specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a response electronically in the manner prescribed by the department of local government finance. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

(1) no bonds of the building corporation are outstanding; or

(2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

(1) the county auditor;

(2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;

(3) the taxpayer that initiated an appeal under section 13 of this chapter, or, if the appeal was initiated by multiple taxpayers, the first ten (10) taxpayers whose names appear on the statement filed

to initiate the appeal; and

(4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

(1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.

(2) If the department:

(A) acts under an appeal initiated by one (1) or more taxpayers under section 13 of this chapter; or

(B) fails to act on the appeal before the department certifies its action under subsection (f);

a taxpayer who signed the statement filed to initiate the appeal.

(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.

(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15 of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance ~~may~~ **shall** increase a political subdivision's tax levy to an amount that exceeds the amount originally ~~fixed~~ **advertised or adopted** by the political subdivision if:

(1) the increase is ~~(1)~~ requested in writing by the officers of the political subdivision;

(2) ~~either:~~ **the requested increase is published on the department's advertising Internet web site; and**

~~(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or~~

~~(B) results from an inadvertent mathematical error made in determining the levy; and~~

(3) ~~published by the political subdivision according to a notice provided by the department.~~ **notice is given to the county fiscal body of the error and the department's correction.**

If the department increases a levy beyond what was advertised or

adopted under this subsection, it shall reduce the levy affected below the maximum allowable levy by the lesser of five percent (5%) of the difference between the advertised or adopted levy and the increased levy, or one hundred thousand dollars ($100,000).

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

SECTION 25. IC 6-1.1-18.5-13.7, AS ADDED BY P.L.172-2011, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13.7. (a) Notwithstanding any other provision of this chapter, Fairfield Township in Tippecanoe County may request that the department of local government finance make an adjustment to the township's maximum permissible property tax levy. ~~The request by the township under this section must be filed before September 1, 2011.~~

(b) The amount of the requested adjustment may not exceed one hundred thirty thousand dollars ($130,000) for each year.

(c) ~~If the~~ **For a** township ~~makes~~ **that made** a request for an adjustment in an amount not exceeding the limit prescribed by subsection (b), the department of local government finance shall make the adjustment ~~each year (beginning with property taxes first due and payable in 2012)~~ **a permanent adjustment** to the township's maximum permissible ad valorem property tax levy. ~~for the number of years requested by the township (but not to exceed a total of four (4) years).~~

~~(d) This section expires July 1, 2016.~~

SECTION 26. IC 6-1.1-20.3-6.5, AS AMENDED BY P.L.257-2013, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) After the board receives a petition concerning a political subdivision under section 6(a) or 6(b)(2) of this chapter, the board may designate the political subdivision as a distressed political subdivision if at least one (1) of the following conditions applies to the political subdivision:

(1) The political subdivision has defaulted in payment of principal or interest on any of its bonds or notes.

(2) The political subdivision has failed to make required payments to payroll employees for thirty (30) days or two (2) consecutive payrolls.

(3) The political subdivision has failed to make required

payments to judgment creditors for sixty (60) days beyond the date of the recording of the judgment.

(4) The political subdivision, for at least thirty (30) days beyond the due date, has failed to do any of the following:

(A) Forward taxes withheld on the incomes of employees.

(B) Transfer employer or employee contributions due under the Federal Insurance Contributions Act (FICA).

(C) Deposit the political subdivision's minimum obligation payment to a pension fund.

(5) The political subdivision has accumulated a deficit equal to eight percent (8%) or more of the political subdivision's revenues. For purposes of this subdivision, "deficit" means a negative fund balance calculated as a percentage of revenues at the end of a budget year for any governmental or proprietary fund. The calculation must be presented on an accrual basis according to generally accepted accounting principles.

(6) The political subdivision has sought to negotiate a resolution or an adjustment of claims that in the aggregate:

(A) exceed thirty percent (30%) of the political subdivision's anticipated annual revenues; and

(B) are ninety (90) days or more past due.

(7) The political subdivision has carried over interfund loans for the benefit of the same fund at the end of two (2) successive years.

(8) The political subdivision has been severely affected, as determined by the board, as a result of granting the property tax credits under IC 6-1.1-20.6.

(9) In addition to the conditions listed in subdivisions (1) through (8), and in the case of a school corporation, the board may also designate a school corporation as a distressed political subdivision if at least one (1) of the following conditions applies:

(A) The school corporation has:

(i) issued refunding bonds under IC 5-1-5-2.5; or

(ii) adopted a resolution under IC 5-1-5-2.5 making the determinations and including the information specified in IC 5-1-5-2.5(g).

(B) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's 2011 ADM ranks in the highest ten (10) among all school corporations.

(C) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school

corporation's total assessed valuation for calendar year 2011 ranks in the highest ten (10) among all school corporations.

(D) The amount of homestead assessed valuation in the school corporation for calendar year 2011 was at least sixty percent (60%) of the total amount of assessed valuation in the school corporation for calendar year 2011.

(10) In addition to the conditions listed in subdivisions (1) through (9), and in the case of a school corporation, the board shall also designate a school corporation as a distressed political subdivision if the school corporation's petition for a loan from the counter-cyclical revenue and economic stabilization fund was denied in October 2013.

The board may consider whether a political subdivision has fully exercised all the local options available to the political subdivision, such as a local option income tax or a local option income tax rate increase or, in the case of a school corporation, an operating referendum.

(b) If the board designates a political subdivision as distressed under subsection (a), the board shall review the designation annually to determine if the distressed political subdivision meets at least one (1) of the conditions listed in subsection (a).

(c) If the board designates a political subdivision as a distressed political subdivision under subsection (a), the board shall immediately notify:

(1) the treasurer of state; and

(2) the county auditor and county treasurer of each county in which the distressed political subdivision is wholly or partially located;

that the board has designated the political subdivision as a distressed political subdivision.

SECTION 27. IC 6-1.1-20.3-7.5, AS AMENDED BY SEA 24-2014, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) This section does not apply to:

(1) a school corporation designated before July 1, 2013, as a distressed political subdivision; **or**

(2) a school corporation designated as a distressed political subdivision under section 6.5(a)(10) of this chapter, regardless of the date of the designation.

(b) If the board designates a political subdivision as a distressed political subdivision under section 6.5 or 6.7 of this chapter, the board shall appoint an emergency manager for the distressed political subdivision. An emergency manager serves at the pleasure of the

board.

(c) The chairperson of the board shall oversee the activities of an emergency manager.

(d) The distressed political subdivision shall pay the emergency manager's compensation and reimburse the emergency manager for actual and necessary expenses.

SECTION 28. IC 6-1.1-20.3-8.3, AS AMENDED BY P.L.257-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.3. **(a)** After the board receives a petition concerning a school corporation under section 6(b)(1) of this chapter, the board shall review the school corporation's request for a loan from the counter-cyclical revenue and economic stabilization fund under IC 6-1.1-21.4-3(b). **Subject to subsection (b),** the board shall make a recommendation to the state board of finance regarding the loan request. The board may consider whether a school corporation has attempted to secure temporary cash flow loans from the Indiana bond bank or a financial institution in making its recommendation.

(b) The board shall recommend that the state board of finance approve a loan request submitted by a school corporation designated as a distressed political subdivision under section 6.5(a)(10) of this chapter.

SECTION 29. IC 6-1.1-21.4-2, AS AMENDED BY P.L.145-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "eligible school corporation" refers to ~~either~~ **any** of the following:

(1) A school corporation located in a county in which distributions of property tax revenue for 2007 or 2008 to the taxing units (as defined in IC 6-1.1-1-21) of the county:

(A) have not been made; or

(B) were delayed by more than sixty (60) days after either due date specified in IC 6-1.1-22-9.

(2) A school corporation that is:

(A) designated by the distressed unit appeal board as a distressed political subdivision under IC 6-1.1-20.3; or

(B) approved for a loan by the distressed unit appeal board under IC 6-1.1-20.3-8.3.

(3) A school corporation approved for a loan by the distressed unit appeal board under IC 6-1.1-20.3-8.3(b).

SECTION 30. IC 6-1.1-21.4-3, AS AMENDED BY P.L.145-2012, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An eligible school corporation may apply to the board for a loan from the counter-cyclical revenue and

economic stabilization fund.

(b) Subject to subsections (c) and (d) and section 3.5 of this chapter, an eligible school corporation described in section 2(2) of this chapter may apply to the board for a loan. The maximum amount of a loan that the board may approve for the eligible school corporation is the lesser of the following:

(1) Five million dollars ($5,000,000).

(2) The product of:

(A) one thousand dollars ($1,000); multiplied by

(B) the school corporation's 2012 ADM.

(c) At the time the distressed unit appeal board designates a school corporation as a distressed political subdivision under IC 6-1.1-20.3 or recommends under IC 6-1.1-20.3-8.3 that a loan from the fund be approved for a school corporation, the distressed unit appeal board may also recommend to the state board of finance that a loan from the fund to the school corporation be contingent upon any of the following:

(1) The sale of specified unused property by the school board.

(2) The school corporation modifying one (1) or more specified contracts entered into by the school corporation.

(d) In making a loan from the fund to a school corporation, the state board of finance may make the loan contingent upon any condition recommended by the distressed unit appeal board under subsection (c).

(e) This subsection applies only to an eligible school corporation approved for a loan by the distressed unit appeal board under IC 6-1.1-20.3-8.3(b). The board shall make the loan approved by the distressed unit appeal board as requested by the eligible school corporation. The following apply to a loan made under this subsection:

(1) The maximum amount of a loan set forth in subsection (b).

(2) Sections 3.5 through 7 of this chapter.

In addition, an eligible school corporation receiving a loan under this subsection shall sell any unimproved land owned by the eligible school corporation that on April 1, 2014, is not contiguous to the grounds of any school.

SECTION 31. IC 6-1.1-20.6-4, AS AMENDED BY P.L.288-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 4. As used in this chapter, "residential property" refers to real property that consists of any of the following:

(1) A single family dwelling that is not part of a homestead and the land, not exceeding one (1) acre, on which the dwelling is located.

(2) Real property that consists of:
(A) a building that includes two (2) or more dwelling units;
(B) any common areas shared by the dwelling units (including any land that is a common area, as described in section 1.2(b)(2) of this chapter); and
(C) the land on which the building is located.
(3) Land rented or leased for the placement of a manufactured home or mobile home, including any common areas shared by the manufactured homes or mobile homes.

The term includes a single family dwelling that is under construction and the land, not exceeding one (1) acre, on which the dwelling will be located. The term does not include real property that consists of a commercial hotel, motel, inn, tourist camp, or tourist cabin.

SECTION 32. IC 6-1.1-24-1, AS AMENDED BY P.L.203-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer (or county executive, in the case of property described in subdivision (2)) shall certify to the county auditor a list of real property on which any of the following exist:

(1) In the case of real property other than real property described in subdivision (2), any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10 and the delinquent property ~~tax or~~ **taxes,** special assessments, **penalties, fees, or interest** due exceed twenty-five dollars ($25).
(2) In the case of real property for which a county executive has certified to the county auditor that the real property is:
(A) vacant; or
(B) abandoned;
any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10. The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made. The executive of a city or town may provide to the county executive of the county in which the city or town is located a list of real property that the city or town has determined to be vacant or abandoned. The county executive shall include

real property included on the list provided by a city or town executive on the list certified by the county executive to the county auditor under this subsection.

(3) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Except as provided in section 1.2 or another provision of this chapter, the taxpayer's property shall remain on the list. The list must:

(1) describe the real property by parcel number and common address, if any;

(2) for a tract or item of real property with a single owner, indicate the name of the owner; and

(3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

SECTION 33. IC 6-1.1-24-1.2, AS AMENDED BY P.L.48-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.2. (a) Except as provided in subsection (c), a tract or an item of real property may not be removed from the list certified under section 1 of this chapter before the tax sale unless all:

(1) delinquent taxes and special assessments due before the date the list on which the property appears was certified under section 1 of this chapter; and

(2) penalties due on the delinquency, interest, and costs directly attributable to the tax sale;

have been paid in full.

(b) A county treasurer may accept partial payments of delinquent property taxes, assessments, penalties, interest, or costs under subsection (a) after the list of real property is certified under section 1 of this chapter. However, a partial payment does not remove a tract or an item from the list certified under section 1 of this chapter unless the taxpayer complies with subsection (a) or (c) before the date of the tax sale.

(c) A county auditor shall remove a tract or an item of real property

from the list certified under section 1 of this chapter before the tax sale if the county treasurer and the taxpayer agree to a mutually satisfactory arrangement for the payment of the delinquent taxes.

(d) The county auditor shall remove the tract or item from the list certified under section 1 of this chapter if:

(1) the arrangement described in subsection (c):

(A) is in writing;

(B) is signed by the taxpayer; and

(C) requires the taxpayer to pay the delinquent taxes in full not later than the last business day before ~~July 1 of the year after~~ **the first anniversary of** the date the agreement is signed; and

(2) the county treasurer has provided a copy of the written agreement to the county auditor.

(e) If the taxpayer fails to make a payment under the arrangement described in subsection (c):

(1) the arrangement is void; and

(2) the county auditor shall immediately place the tract or item of real property on the list of real property eligible for sale at a tax sale.

(f) If the county auditor acts under subsection (e) with respect to a tract or item subject to an arrangement described in subsection (c), the taxpayer may ~~not~~ enter into another arrangement under subsection (c) with respect to that tract or item after the due date of the payment referred to in subsection (d) ~~and~~ **only if the new payment arrangement requires that the taxpayer:**

(1) pay at least one-third (1/3) of the taxes due and payable when the new payment arrangement is entered into; and

(2) pay the balance of the taxes due and payable that remains after application of the payment described in subdivision (1) before the first anniversary of the date on which the new payment arrangement is entered into.

If the county auditor acts under subsection (e) with respect to a tract or item subject to an arrangement described in subsection (c) and the county auditor and the taxpayer do not make a new arrangement under subsection (c) with respect to that tract or item that conforms with subdivisions (1) and (2), the taxpayer may not enter into another arrangement with respect to that tract or item before the ~~date that succeeds by five (5) years~~ **fifth anniversary of** the date on which the original arrangement would have expired if the arrangement had not become void under subsection (e). **If the county auditor and the taxpayer make a new arrangement under subsection (c) with respect to that tract or item that conforms with**

subdivisions (1) and (2) and the county auditor again acts under subsection (e) with respect to the tract or item subject to the new arrangement, the taxpayer may not enter into another arrangement with respect to that tract or item before the fifth anniversary of the date on which the new arrangement would have expired if the new arrangement had not become void under subsection (e).

SECTION 34. IC 6-2.5-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) An excise tax, known as the state gross retail tax, is imposed on retail transactions made in Indiana.

(b) The person who acquires property in a retail transaction is liable for the tax on the transaction and, except as otherwise provided in this chapter, shall pay the tax to the retail merchant as a separate added amount to the consideration in the transaction. ~~The~~ **A** retail merchant **engaged in business in Indiana (as defined in IC 6-2.5-3-1(c)) or who has permission from the department to collect the tax** shall collect the tax as agent for the state.

SECTION 35. IC 6-2.5-2-3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 3. (a) As used in this section, "motor vehicle" means a vehicle that would be subject to the annual license excise tax imposed under IC 6-6-5 if the vehicle were to be used in Indiana.**

(b) Notwithstanding section 2 of this chapter, the state gross retail tax rate on a motor vehicle that a purchaser intends to:

(1) transport to a destination outside Indiana within thirty (30) days after delivery; and

(2) title or register for use in another state or country;

is the rate of that state or country (excluding any locally imposed tax rates) as certified by the seller and purchaser in an affidavit satisfying the requirements of subsection (c).

(c) The department of state revenue shall prescribe the form of the affidavit required by subsection (b). In addition to the certification required by subsection (b), the affidavit must include the following:

(1) The name of the state or country in which the motor vehicle will be titled or registered.

(2) An affirmation by the purchaser under the penalties for perjury that the information contained in the affidavit is true.

(3) Any other information required by the department of state revenue for the purpose of verifying the information contained in the affidavit.

(d) The department may audit affidavits submitted under this section and make a proposed assessment of the amount of unpaid tax due with respect to any incorrect information submitted in an affidavit required by this section.

SECTION 36. IC 6-2.5-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. For purposes of this chapter:

(a) "Use" means the exercise of any right or power of ownership over tangible personal property.

(b) "Storage" means the keeping or retention of tangible personal property in Indiana for any purpose except the subsequent use of that property solely outside Indiana.

(c) "A retail merchant engaged in business in Indiana" includes any retail merchant who makes retail transactions in which a person acquires personal property or services for use, storage, or consumption in Indiana and who:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, ~~or~~ subsidiary, **or affiliate;**

(2) maintains a representative, agent, salesman, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary **or an affiliate** of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana;

(3) enters into an arrangement with any person, other than a common carrier, to facilitate the retail merchant's delivery of property to customers in Indiana by allowing the retail merchant's customers to pick up property sold by the retail merchant at an office, distribution facility, warehouse, storage place, or similar place of business maintained by the person in Indiana;

~~(3)~~ **(4)** is otherwise required to register as a retail merchant under IC 6-2.5-8-1; or

~~(4)~~ **(5)** may be required by the state to collect tax under this article to the extent allowed under the Constitution of the United States and federal law.

(d) Notwithstanding any other law, a person may be required to collect and remit gross retail tax or use tax as a retail merchant engaged in business in Indiana under subsection (c) if the activities conducted by the person in Indiana on behalf of a retail merchant are significantly associated with the retail merchant's ability to establish and maintain a market in Indiana.

~~(d)~~ **(e)** Notwithstanding any other provision of this section, tangible or intangible property that is:

(1) owned or leased by a person that has contracted with a commercial printer for printing; and

(2) located at the premises of the commercial printer;

shall not be considered to be, or to create, an office, a place of distribution, a sales location, a sample location, a warehouse, a storage place, or other place of business maintained, occupied, or used in any way by the person. A commercial printer with which a person has contracted for printing shall not be considered to be in any way a representative, an agent, a salesman, a canvasser, or a solicitor for the person.

(f) A retail merchant is presumed to be engaged in business in Indiana if an affiliate of the retail merchant has substantial nexus in Indiana, and:

(1) the retail merchant sells a line of products similar to a line of products sold by the affiliate, and the retail merchant does so under a business name that is the same as or is similar to the affiliate's business name;

(2) the affiliate uses its Indiana employees or its Indiana facilities to advertise, promote, or facilitate sales by the retail merchant to customers; or

(3) the affiliate uses trademarks, service marks, or trade names in Indiana that are the same as or substantially similar to those used by the retail merchant.

(g) The presumption under subsection (f) may be rebutted by demonstrating that the affiliate's activities in Indiana are not significantly associated with the retail merchant's ability to establish or maintain a market in Indiana for the retail merchant's sales.

(h) A retail merchant is presumed to be engaged in business in Indiana if the retail merchant enters into an agreement with one (1) or more residents of Indiana under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on an Internet web site, an in person oral presentation, or otherwise, to the retail merchant, if

the cumulative gross receipts from the sales by the retail merchant to customers in Indiana who are referred to the retail merchant by all residents with this type of an agreement with the retail merchant are greater than ten thousand dollars ($10,000) during the preceding twelve (12) months.

(i) The presumption under subsection (h) may be rebutted by submitting proof that the residents of Indiana with whom the retail merchant has an agreement did not engage in any activity within Indiana that was significantly associated with the retail merchant's ability to establish or maintain the retail merchant's market in Indiana during the preceding twelve (12) months. This proof may consist of sworn written statements that:

(1) are from all the Indiana residents with whom the retail merchant has an agreement described in subsection (h);

(2) are provided and obtained in good faith; and

(3) state that the Indiana residents did not engage in any solicitation in Indiana on behalf of the retail merchant during the preceding twelve (12) months.

(j) For purposes of this section, "affiliate" means any:

(1) person that is a member of the same controlled group of corporations (as defined in 26 U.S.C. 1563(a)) as the retail merchant; or

(2) other entity that, notwithstanding its form of organization, bears the same ownership relationship to the retail merchant as a corporation that is a member of the same controlled group of corporations (as defined in 26 U.S.C. 1563(a)).

SECTION 37. IC 6-2.5-5-46, AS AMENDED BY P.L.288-2013, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 46. (a) Transactions involving tangible personal property (including materials, parts, equipment, and engines) are exempt from the state gross retail tax, if the property is:

(1) used;

(2) consumed; or

(3) installed;

in furtherance of, or in, the repair, maintenance, refurbishment, remodeling, or remanufacturing of an aircraft or an avionics system of an aircraft.

(b) The exemption provided by this section applies to a transaction only if:

(1) the retail merchant, at the time of the transaction, possesses a valid repair station certificate issued by the Federal Aviation Administration under 14 CFR 145 et seq. or other applicable law

or regulation; **or**

(2) the:

(A) retail merchant has leased a facility at a public use airport for the maintenance of aircraft and meets the public use airport owner's minimum standards for an aircraft maintenance facility; and

(B) work is performed by a mechanic who is certified by the Federal Aviation Administration.

(c) The owner of a public use airport shall annually provide to the department the names of retail merchants that have a lease with the public use airport and that perform aircraft maintenance at the public use airport.

SECTION 38. IC 6-3-1-3.5, AS AMENDED BY P.L.205-2013, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars ($1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars ($1,000).

(4) Subtract one thousand dollars ($1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) one thousand five hundred dollars ($1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004); and

(B) five hundred dollars ($500) for each additional amount

allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars ($40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars ($2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(11) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(12) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and

local income taxes.

(13) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(14) Subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(15) Subtract an amount equal to the lesser of:

(A) two thousand five hundred dollars ($2,500); or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(16) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(18) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(20) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(21) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the

taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.

(22) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the individual's federal adjusted gross income under the Internal Revenue Code.

(23) Subtract any amount of a credit (including an advance refund of the credit) that is provided to an individual under 26 U.S.C. 6428 (federal Economic Stimulus Act of 2008) and included in the individual's federal adjusted gross income.

(24) Add any amount of unemployment compensation excluded from federal gross income, as defined in Section 61 of the Internal Revenue Code, under Section 85(c) of the Internal Revenue Code.

(25) Add the amount excluded from gross income under Section 108(a)(1)(e) of the Internal Revenue Code for the discharge of debt on a qualified principal residence.

(26) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract the amount necessary from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(27) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(28) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(29) Add or subtract the amount necessary to make the adjusted

gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(30) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(31) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(32) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(33) For a taxable year beginning after December 31, 2013, subtract the amount of Indiana investment interest payments that a taxpayer claimed as a deduction for the taxable year under Section 163 of the Internal Revenue Code in determining the taxpayer's taxable income under Section 63 of the Internal Revenue Code for federal income tax purposes.

(b) In the case of corporations, the same as "taxable income" (as

defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related intangible interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as

defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.

(10) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).

(11) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the corporation's taxable income under the Internal Revenue Code.

(12) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(16) Add or subtract the amount necessary to make the adjusted

gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(17) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(18) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the

company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section

108(i) of the Internal Revenue Code.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(15) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(16) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the

amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(17) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not

been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for

federal income tax purposes not been made for the year.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(15) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(16) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(17) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal

adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(7) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the taxpayer's taxable income under the Internal Revenue Code.

(8) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1,

2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(9) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(10) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(13) Add the amount excluded from gross income under Section 108(a)(1)(e) of the Internal Revenue Code for the discharge of debt on a qualified principal residence.

(14) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the

amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(15) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

SECTION 39. IC 6-3-1-36 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 36. "Indiana investment interest payment" means a payment of investment interest (as defined in Section 163(d) of the Internal Revenue Code) made with respect to tangible property held for investment in Indiana.**

SECTION 40. IC 6-3.1-11-24 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 24. (a) If a pass through entity does not have state income tax liability against which the tax credit provided by this chapter may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:**

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

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

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter.

SECTION 41. IC 6-3.1-16-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 1. The definitions set forth in:~~

~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

~~(2) IC 14-21-1;~~

~~apply throughout this chapter.~~

SECTION 42. IC 6-3.1-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this chapter, ~~"division"~~ **"office"** means the ~~division of historic preservation and archaeology of the department of natural resources.~~ **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 43. IC 6-3.1-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 8 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of historic property; and

(2) are approved by the ~~division.~~ **office.**

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 44. IC 6-3.1-16-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. A taxpayer qualifies for a credit under section 7 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 7(c) of this chapter, owned by the taxpayer.

(2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division.~~ **office.**

(4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is:
(A) actively used in a trade or business;
(B) held for the production of income; or
(C) held for the rental or other use in the ordinary course of the taxpayer's trade or business.
(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

SECTION 45. IC 6-3.1-16-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. (a) The ~~division~~ **office** shall provide the certifications referred to in section 8(3) and 8(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office** and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division~~ **office** under this chapter to the ~~review board.~~ **tax court.**

SECTION 46. IC 6-3.1-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division~~ **office** required under section 8 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 47. IC 6-3.1-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:
(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or
(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division.~~ **office.**

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 48. IC 6-3.1-16-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 15. **(a)** The following may adopt rules under IC 4-22-2 to carry out this chapter:
(1) The department of state revenue.

(2) The ~~division.~~ **office.**

(b) The following apply to any rules adopted by the division of historic preservation and archaeology of the department of natural resources under this chapter before January 1, 2015:

(1) The rules are transferred to the office on January 1, 2015, and are considered, after December 31, 2014, to be rules of the office.

(2) After December 31, 2014, the rules are treated as if they had been adopted by the office.

SECTION 49. IC 6-3.1-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. As used in this chapter, ~~"earned~~ **"Indiana** income" means the ~~sum of the:~~

~~(1) wages, salaries, tips, and other employee compensation; and~~

~~(2) net earnings from self-employment (as computed under Section 32(c)(2) of the Internal Revenue Code);~~

adjusted gross income of an individual taxpayer, and the individual's spouse, if the individual files a joint adjusted gross income tax return.

SECTION 50. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:

(1) the individual's ~~earned~~ **Indiana** income for the taxable year is less than eighteen thousand six hundred dollars ($18,600); and

(2) the individual pays property taxes in the taxable year on a homestead that:

(A) the individual:

(i) owns; or

(ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and

(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

SECTION 51. IC 6-3.1-20-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in

the amount determined under this section.

(b) In the case of an individual with ~~earned~~ **Indiana** income of less than eighteen thousand dollars ($18,000) for the taxable year, the amount of the credit is equal to the lesser of:

(1) three hundred dollars ($300); or

(2) the amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(c) In the case of an individual with ~~earned~~ **Indiana** income that is at least eighteen thousand dollars ($18,000) but less than eighteen thousand six hundred dollars ($18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

(1) An amount determined under the following STEPS:

STEP ONE: Determine the result of:

(i) eighteen thousand six hundred dollars ($18,600); minus

(ii) the individual's ~~earned~~ **Indiana** income for the taxable year.

STEP TWO: Determine the result of:

(i) the STEP ONE amount; multiplied by

(ii) five-tenths (0.5).

(2) The amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be refunded to the taxpayer.

SECTION 52. IC 6-3.1-20-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) The department shall before July 1 of each year determine **the greater of:**

(1) eight million five hundred thousand dollars ($8,500,000); or

(2) the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(b) **Except as provided in subsection (d),** one-half (1/2) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable to the county under IC 4-33-12-6(d)(2); and

(2) paid instead to the state general fund.

(c) **Except as provided in subsection (d),** one-sixth (1/6) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable under IC 4-33-12-6(d)(1) to each of the following:

(A) The largest city by population located in the county.
(B) The second largest city by population located in the county.
(C) The third largest city by population located in the county; and
(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection (a)(2) is less than eight million five hundred thousand dollars ($8,500,000), the difference of:

(1) eight million five hundred thousand dollars ($8,500,000); minus

(2) the amount determined by the department under subsection (a)(2);

shall be paid to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund. Any amount paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass transportation systems in Lake County.

SECTION 53. IC 6-3.1-22-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 1. The definitions set forth in:~~

~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

~~(2) IC 14-21-1;~~

~~apply throughout this chapter.~~

SECTION 54. IC 6-3.1-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this chapter, ~~"division"~~ **"office"** means the ~~division of historic preservation and archeology of the department of natural resources.~~ **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 55. IC 6-3.1-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 9 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of historic property; and

(2) are approved by the ~~division.~~ **office.**

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 56. IC 6-3.1-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. A taxpayer qualifies for a credit under section 8 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 8(c) of this chapter, owned by the taxpayer.

(2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division.~~ **office.**

(4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is principally used and occupied by the taxpayer as the taxpayer's residence.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

SECTION 57. IC 6-3.1-22-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. (a) The ~~division~~ **office** shall provide the certifications referred to in section 9(3) and 9(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office** and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division~~ **office** under this chapter to the ~~review board.~~ **tax court.**

SECTION 58. IC 6-3.1-22-11 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 11. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division~~ **office** required under section 9 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 59. IC 6-3.1-22-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 13. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division.~~ **office.**

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 60. IC 6-3.1-22-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 16. **(a)** The following may adopt rules under IC 4-22-2 to carry out this chapter:

(1) The department of state revenue.

(2) The ~~division.~~ **office.**

(b) The following apply to any rules adopted by the division of historic preservation and archaeology of the department of natural resources under this chapter before January 1, 2015:

(1) The rules are transferred to the office on January 1, 2015, and are considered, after December 31, 2014, to be rules of the office.

(2) After December 31, 2014, the rules are treated as if they had been adopted by the office.

SECTION 61. IC 6-3.5-7-13.1, AS AMENDED BY P.L.137-2012, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13.1. (a) The fiscal officer of each county, city, or town for a county in which the county economic development tax is imposed shall establish an economic development income tax fund. Except as provided in sections 23, 26, 27, 27.5, and 27.6 of this chapter, the revenue received by a county, city, or town under this chapter shall be deposited in the unit's economic development income

tax fund.

(b) As used in this subsection, "homestead" means a homestead that is eligible for a standard deduction under IC 6-1.1-12-37. Except as provided in sections 15, 23, 26, 27, 27.5, and 27.6 of this chapter, revenues from the county economic development income tax may be used as follows:

(1) By a county, city, or town for economic development projects, for paying, notwithstanding any other law, under a written agreement all or a part of the interest owed by a private developer or user on a loan extended by a financial institution or other lender to the developer or user if the proceeds of the loan are or are to be used to finance an economic development project, for the retirement of bonds under section 14 of this chapter for economic development projects, for leases under section 21 of this chapter, or for leases or bonds entered into or issued prior to the date the economic development income tax was imposed if the purpose of the lease or bonds would have qualified as a purpose under this chapter at the time the lease was entered into or the bonds were issued.

(2) By a county, city, or town for:

(A) the construction or acquisition of, or remedial action with respect to, a capital project for which the unit is empowered to issue general obligation bonds or establish a fund under any statute listed in IC 6-1.1-18.5-9.8;

(B) the retirement of bonds issued under any provision of Indiana law for a capital project;

(C) the payment of lease rentals under any statute for a capital project;

(D) contract payments to a nonprofit corporation whose primary corporate purpose is to assist government in planning and implementing economic development projects;

(E) operating expenses of a governmental entity that plans or implements economic development projects;

(F) to the extent not otherwise allowed under this chapter, funding substance removal or remedial action in a designated unit; or

(G) funding of a revolving fund established under IC 5-1-14-14.

(3) By a county, city, or town for any lawful purpose for which money in any of its other funds may be used.

(4) By a city or county described in IC 36-7.5-2-3(b) for making transfers required by IC 36-7.5-4-2. If the county economic

development income tax rate is increased after April 30, 2005, in Porter County, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be used by the county or by eligible municipalities (as defined in IC 36-7.5-1-11.3) in the county only to make the county's transfer required by IC 36-7.5-4-2. The first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. If Porter County ceases to be a member of the northwest Indiana regional development authority under IC 36-7.5 but two (2) or more municipalities in the county have become members of the northwest Indiana regional development authority as authorized by IC 36-7.5-2-3(i), the county treasurer shall continue to transfer the three million five hundred thousand dollars ($3,500,000) to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county. In Porter County, all of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under subdivision (5).

(5) This subdivision applies only in Porter County. All of the tax revenue that results each year from a tax rate increase described in subdivision (4) that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under this subdivision. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other

assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(6) This subdivision applies only in Lake County. The county or a city or town in the county may use county economic development income tax revenue to provide homestead credits in the county, city, or town. The following apply to homestead credits provided under this subdivision:

(A) The county, city, or town fiscal body must adopt an ordinance authorizing the homestead credits. The ordinance must specify the amount of county economic development income tax revenue that will be used to provide homestead credits in the following year.

(B) The county, city, or town fiscal body that adopts an ordinance under this subdivision must forward a copy of the ordinance to the county auditor and the department of local government finance not more than thirty (30) days after the ordinance is adopted.

(C) The homestead credits must be applied uniformly to increase the homestead credit under IC 6-1.1-20.9 (repealed) for homesteads in the county, city, or town (for property taxes first due and payable before January 1, 2009) or to provide a homestead credit for homesteads in the county, city, or town (for property taxes first due and payable after December 31, 2008).

(D) The homestead credits shall be treated for all purposes as property tax levies.

(E) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(F) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(7) For a regional venture capital fund established under section 13.5 of this chapter or a local venture capital fund established

under section 13.6 of this chapter.

(8) This subdivision applies only to LaPorte County, if:

(A) the county fiscal body has adopted an ordinance under IC 36-7.5-2-3(e) providing that the county is joining the northwest Indiana regional development authority; and

(B) the fiscal body of the city described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the city is joining the development authority.

Revenue from the county economic development income tax may be used by a county or a city described in this subdivision for making transfers required by IC 36-7.5-4-2. In addition, if the county economic development income tax rate is increased after June 30, 2006, in the county, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be used by the county only to make the county's transfer required by IC 36-7.5-4-2. The first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. All of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under subdivision (9).

(9) This subdivision applies only to LaPorte County. All of the tax revenue that results each year from a tax rate increase described in subdivision (8) that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under this subdivision. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property

taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(10) By a county as matching funds for a grant received under IC 4-4-39.

(c) As used in this section, an economic development project is any project that:

(1) the county, city, or town determines will:

(A) promote significant opportunities for the gainful employment of its citizens;

(B) attract a major new business enterprise to the unit; or

(C) retain or expand a significant business enterprise within the unit; and

(2) involves an expenditure for:

(A) the acquisition of land;

(B) interests in land;

(C) site improvements;

(D) infrastructure improvements;

(E) buildings;

(F) structures;

(G) rehabilitation, renovation, and enlargement of buildings and structures;

(H) machinery;

(I) equipment;

(J) furnishings;

(K) facilities;

(L) administrative expenses associated with such a project, including contract payments authorized under subsection (b)(2)(D);

(M) operating expenses authorized under subsection (b)(2)(E); or

(N) to the extent not otherwise allowed under this chapter, substance removal or remedial action in a designated unit;

or any combination of these.

(d) If there are bonds outstanding that have been issued under section 14 of this chapter or leases in effect under section 21 of this chapter, the county or a city or town may not expend money from its

economic development income tax fund for a purpose authorized under subsection (b)(3) in a manner that would adversely affect owners of the outstanding bonds or payment of any lease rentals due.

SECTION 62. IC 6-6-2.5-1, AS AMENDED BY P.L.277-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas, ~~liquid or compressed natural gas product, or a combination of liquefied petroleum gas and a compressed natural gas product,~~ not including a biodiesel fuel or biodiesel blend, used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane **or** propane. ~~or liquid or compressed natural gas.~~

SECTION 63. IC 6-6-2.5-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 16.5. As used in this chapter, "natural gas product" means:**

(1) a liquid or compressed natural gas product; or

(2) a combination of liquefied petroleum gas and a compressed natural gas product;

used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance.

SECTION 64. IC 6-6-2.5-22, AS AMENDED BY P.L.277-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 22. As used in this chapter, "special fuel" means all combustible gases and liquids that are:

(1) suitable for the generation of power in an internal combustion engine or motor; or

(2) used exclusively for heating, industrial, or farm purposes other than for the operation of a motor vehicle.

Special fuel includes biodiesel and blended biodiesel (as defined in IC 6-6-2.5-1.5) and ~~alternative fuels.~~ **natural gas products.** However, the term does not include **an alternative fuel,** gasoline (as defined in IC 6-6-1.1-103), ethanol produced, stored, or sold for the manufacture of or compounding or blending with gasoline, kerosene, and jet fuel (if the purchaser of the jet fuel has provided to the seller proof of the purchaser's federal jet fuel registration at or before the time of sale).

SECTION 65. IC 6-6-14 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]:

Chapter 14. Alternative Fuel Decals

Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane or propane.

Sec. 2. As used in this chapter, "department" means the department of state revenue.

Sec. 3. As used in this chapter, "special fuel" has the meaning set forth in IC 6-6-2.5-22.

Sec. 4. (a) The owner of one (1) of the following motor vehicles that is registered in Indiana and that is propelled by alternative fuel shall obtain an alternative fuel decal for the motor vehicle and pay an annual fee in accordance with the following schedule:

SCHEDULE

Motor Vehicle	Annual Fee
A passenger motor vehicle, truck, or bus, the declared gross weight of which is equal to or less than 9,000 pounds.	$100
A recreational vehicle.	$100
A truck or bus, the declared gross weight of which is greater than 9,000 pounds but equal to or less than 11,000 pounds.	$175
An alternative fuel delivery truck powered by alternative fuel that is a truck the declared gross weight of which is greater than 11,000 pounds.	$250
A truck or bus, the declared gross weight of which is greater than 11,000 pounds, except an alternative fuel delivery truck.	$300
A tractor designed to be used with a semitrailer.	$500

Only one (1) fee is required to be paid per motor vehicle per year.

(b) The annual fee may be prorated on a quarterly basis if:

(1) application is made after June 30 of a year; and

(2) the motor vehicle is newly:

(A) converted to alternative fuel;

(B) purchased; or

(C) registered in Indiana.

(c) The fees imposed under this section are subject to an annual adjustment under section 5 of this chapter.

Sec. 5. (a) As used in this section, "consumer price index" refers to the consumer price index for all urban users not seasonally

adjusted as published by the Bureau of Labor Statistics, United States Department of Labor, or its successor agency.

(b) Subject to subsection (c), the department shall before February 1 of each year adjust each fee imposed under section 4 of this chapter as follows:

STEP ONE: Determine the quotient of:

(A) the consumer price index for December of the immediately preceding calendar year; divided by

(B) the consumer price index for December of the calendar year immediately preceding the calendar year described in clause (A).

STEP TWO: Determine the product of:

(A) the amount of the fee imposed under section 4 of this chapter in the immediately preceding calendar year; multiplied by

(B) the STEP ONE result.

STEP THREE: Round the STEP TWO result to the nearest ten dollar ($10) increment.

(c) A fee imposed under section 4 of this chapter may not be increased under this section if the adjustment required by this section results in a fee increase of less than five dollars ($5). However, in the following calendar year the amount of the disregarded adjustment must be treated as if it had been added to the fee imposed under section 4 of this chapter for purposes of making the determination under subsection (b) STEP TWO.

Sec. 6. (a) The owner of a motor vehicle that is propelled by alternative fuel and is:

(1) registered outside Indiana; and

(2) operated on a public highway in Indiana;

shall obtain a temporary trip permit. An alternative fuel temporary trip permit may be purchased from a licensed propane dealer who sells alternative fuels.

(b) A temporary trip permit is valid for seventy-two (72) hours from the time of purchase. The fee for each permit is five dollars and fifty cents ($5.50). The fee for an alternative temporary trip permit must be collected from the purchaser by the licensed propane dealer and paid monthly to the administrator on forms prescribed by the department.

Sec. 7. (a) Before dispensing alternative fuel into a motor vehicle, a person desiring to make alternative fuel sales in Indiana must be licensed by the department as a propane dealer. A person may apply for a propane dealer license on a form prescribed by the

department. The department may make any reasonable investigation of an applicant before issuing a license to the applicant. The fee for a propane dealer license is fifty dollars ($50).

(b) The department shall issue a license card to each applicant approved for a propane dealer license. A licensed propane dealer shall display the license card in a conspicuous place at each location operated by the licensed propane dealer where alternative fuel is dispensed into motor vehicles in Indiana.

(c) The department may rescind a propane dealer license if the propane dealer fails to comply with any requirement of this chapter.

(d) Fees collected under this section must be deposited, allocated, and distributed in the same manner that special fuel taxes are deposited, allocated, and distributed under IC 6-6-2.5-67.

Sec. 8. (a) The administrator shall issue an alternative fuel decal to an owner of a motor vehicle propelled by alternative fuel who applies for a decal, pays to the administrator the fee, and provides the information that is required by the administrator.

(b) An alternative fuel decal is effective from April 1 of each year through March 31 of the next year. The administrator may extend the expiration date for not more than thirty (30) days. During the month of March, the owner shall display the valid decal through March 31 or the decal issued to the owner for the next twelve (12) months. If the administrator grants an extension of the expiration date, the owner shall continue to display the decal for which the extension was granted.

Sec. 9. (a) The owner of a motor vehicle propelled by alternative fuel shall affix the alternative fuel decal to the lower left side of the front windshield of the motor vehicle for which it was issued. The decal may be displayed only on the motor vehicle for which the decal was issued.

(b) Upon application of the owner and surrender of a decal, the administrator may issue a new decal or give credit toward the fee for a decal for another vehicle or for a subsequent twelve (12) months. Upon receipt of the new decal or a credit statement, the owner shall return to the administrator:

(1) the old decal; or

(2) a sworn statement indicating that the old decal has been destroyed.

(c) A credit under this section shall be computed by multiplying the fee paid for the old decal by a fraction. The denominator of the fraction is the number of whole and partial quarters for which the

old decal was issued. The numerator of the fraction is the number of remaining whole quarters that the old decal would have been valid.

(d) A credit under this section may not be given during the last three (3) months before the decal expires.

(e) No refunds may be allowed under this section.

Sec. 10. A person may place or cause to be placed alternative fuel into the fuel supply tank of a motor vehicle only under one (1) of the following conditions:

(1) The motor vehicle has a valid alternative fuel decal affixed to the front windshield.

(2) The operator has a copy of a completed application for a decal for the motor vehicle, which application was filed with the department not more than thirty (30) days before the sale of the fuel.

SECTION 66. IC 6-7-1-37 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 37. (a) All reports required to be filed under this chapter must be filed in an electronic format prescribed by the department.**

(b) All taxes required to be remitted under this chapter must be remitted in an electronic format prescribed by the department.

SECTION 67. IC 6-7-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 1.5. As used in this chapter, "delivery sale" means a sale of any tobacco product by a seller, whether located within or outside Indiana, to a purchaser located in Indiana when:**

(1) the purchaser submits the order for the sale for delivery in Indiana by any means, including by telephone communication, mail service, or the Internet; or

(2) the tobacco product is delivered in Indiana by any means, including delivery through the mail or any other delivery service.

The term does not include a sale to a distributor or retail dealer.

SECTION 68. IC 6-7-2-7, AS AMENDED BY P.L.205-2013, SECTION 129, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) A tax is imposed on the distribution of tobacco products in Indiana at the rate of:

(1) twenty-four percent (24%) of the wholesale price of tobacco products other than moist snuff; or

(2) for moist snuff, forty cents ($0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an

ounce. If the tax calculated for a fractional part of an ounce carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(b) The distributor of the tobacco products, including a person that sells tobacco products through an Internet web site, is liable for the tax imposed under subsection (a). The tax is imposed at the time the distributor:

(1) brings or causes tobacco products to be brought into Indiana for distribution;

(2) manufactures tobacco products in Indiana for distribution; ~~or~~

(3) transports tobacco products to retail dealers in Indiana for resale by those retail dealers; **or**

(4) accepts a purchase order for a delivery sale, including a delivery sale of cigars, pipe tobacco, or any other form of tobacco products. This subdivision does not apply to the extent the distributor has obtained proof (in the form of the presence of applicable tax stamps or otherwise) that the tax imposed under subsection (a) already has been paid in Indiana.

(c) A person who:

(1) possesses a tobacco product in Indiana upon which a distributor or any other person has not paid the tax imposed under subsection (a) to the department; and

(2) purchased the tobacco product for any purpose other than transportation of the product in interstate commerce or for temporary storage before distribution or retail sale,

is liable for remitting the tax imposed under subsection (a) to the department.

~~(c)~~ **(d)** The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.

SECTION 69. IC 6-7-2-12, AS AMENDED BY P.L.172-2011, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Before the fifteenth day of each month, each distributor liable for the tax imposed by this chapter shall:

(1) file a return with the department that includes all information required by the department including, but not limited to:

(A) name of distributor;

(B) address of distributor;

(C) license number of distributor;

(D) invoice date;

(E) invoice number;
(F) name and address of person from whom tobacco products were purchased or name and address of person to whom tobacco products were sold;
(G) the wholesale price for tobacco products other than moist snuff; and
(H) for moist snuff, the weight of the moist snuff; and
(2) pay the tax for which it is liable under this chapter for the preceding month minus the amount specified in section 13 of this chapter.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

SECTION 70. IC 6-9-2.5-7.5, AS AMENDED BY P.L.176-2009, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7.5. (a) The county treasurer shall establish a tourism capital improvement fund.

(b) The county treasurer shall deposit money in the tourism capital improvement fund as follows:

(1) Before January 1, ~~2015,~~ **2020,** the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a three and one-half percent (3.5%) rate.
(2) After December 31, ~~2014,~~ **2019,** the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a four and one-half percent (4.5%) rate.

(c) The commission may transfer money in the tourism capital improvement fund to:

(1) the county government, a city government, or a separate body corporate and politic in a county described in section 1 of this chapter; or
(2) any Indiana nonprofit corporation;

for the purpose of making capital improvements in the county that promote conventions, tourism, or recreation. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section.

SECTION 71. IC 6-9-2.5-7.7, AS AMENDED BY P.L.176-2009, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7.7. (a) The county treasurer shall establish a convention center operating fund.

(b) Before January 1, ~~2015,~~ **2020,** the county treasurer shall deposit

in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate. Money in the fund must be expended for the operating expenses of a convention center.

(c) After December 31, ~~2014,~~ **2019,** the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a one percent (1%) rate. Money in the fund must be expended for the operating expenses of a convention center with the unused balance transferred on January 1 of each year to the tourism capital improvement fund.

SECTION 72. IC 7.1-4-6-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. ~~Filing of Returns.~~ A person who is liable for the payment of an excise tax levied by this title shall file a monthly return with the department on or before the twentieth day of the month following the month in which the liability for the tax accrues by reason of the manufacture, sale, gift, or the withdrawal for sale or gift, of alcoholic beverages within this state. **The return must be filed in an electronic format as prescribed by the department.** Payment of the excise tax due shall accompany the return, **and shall be remitted electronically. Any other returns or forms required to be filed under this title must also be filed in an electronic format and on a date prescribed by the department.**

SECTION 73. IC 8-22-1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) "Aviation related property or facilities" means those properties or facilities that are utilized by a lessee, or a lessee's assigns, who provides services or accommodations:

(1) for scheduled or unscheduled air carriers and air taxis, and their passengers, air cargo operations, and related ground transportation facilities;

(2) for fixed based operations;

(3) for general aviation or military users; and

(4) as aviation **manufacturing, assembly, research and development, or** maintenance and repair facilities.

(b) The term includes any property leased to the United States, or its agencies or instrumentalities, and any leased property identified as clear zones, ~~avigation~~ **aviation** easements, safety and transition areas, as defined by the Federal Aviation Administration.

SECTION 74. IC 8-22-3-11, AS AMENDED BY P.L.139-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. **(a)** The board may do all acts necessary

or reasonably incident to carrying out the purposes of this chapter, including the following:

(1) As a municipal corporation, to sue and be sued in its own name.

(2) To have all the powers and duties conferred by statute upon boards of aviation commissioners. The board supersedes all boards of aviation commissioners within the district. The board has exclusive jurisdiction within the district.

(3) To protect all property owned or managed by the board.

(4) To adopt an annual budget and levy taxes in accordance with this chapter.

(A) The board may not levy taxes on property in excess of the ~~following, rate schedule,~~ **tax rate specified in subsection (b),** except as provided in sections 17 and 25 of this chapter.

~~Total Assessed Property Valuation~~	~~Rate Per $100 Of Assessed Valuation~~
~~$300 million or less~~	~~$0.10~~
~~More than $300 million but not more than $450 million~~	~~$0.0833~~
~~More than $450 million but not more than $600 million~~	~~$0.0667~~
~~More than $600 million but not more than $900 million~~	~~$0.05~~
~~More than $900 million~~	~~$0.0333~~

(B) Clause (A) ~~does~~ **and subsection (b) do** not apply to an authority that was established under IC 19-6-2 or IC 19-6-3 (before their repeal on April 1, 1980).

(C) The board of an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes on property not in excess of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation.

(5) To incur indebtedness in the name of the authority in accordance with this chapter.

(6) To adopt administrative procedures, rules, and regulations.

(7) To acquire property, real, personal, or mixed, by deed, purchase, lease, condemnation, or otherwise and dispose of it for use or in connection with or for administrative purposes of the airport; to receive gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying them and to bind the authority to carry them out; to receive and administer federal or state aid; and to erect buildings or structures that may be

needed to administer and carry out this chapter.
(8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.
(9) To adopt a schedule of reasonable charges and to collect them from all users of facilities and services within the district.
(10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with procedures adopted by the board.
(11) To employ personnel that are necessary to carry out the duties, functions, and powers of the board.
(12) To establish an employee pension plan. The board may, upon due investigation, authorize and begin a fair and reasonable pension or retirement plan and program for personnel, the cost to be borne by either the authority or by the employee or by both, as the board determines. If the authority was established under IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must be borne by the authority, and ordinances creating the plan or making changes in it must be approved by the mayor of the city. The plan may be administered and funded by a trust fund or by insurance purchased from an insurance company licensed to do business in Indiana or by a combination of them. The board may also include in the plan provisions for life insurance, disability insurance, or both.
(13) To sell surplus real or personal property in accordance with law. If the board negotiates an agreement to sell trees situated in woods or forest areas owned by the board, the trees are considered to be personal property of the board for severance or sale.
(14) To adopt and use a seal.
(15) To acquire, establish, construct, improve, equip, maintain, control, lease, and regulate municipal airports, landing fields, and other air navigation facilities, either inside or outside the district; to acquire by lease (with or without the option to purchase) airports, landing fields, or navigation facilities, and any structures, equipment, or related improvements; and to erect, install, construct, and maintain at the airport or airports facilities for the servicing of aircraft and for the comfort and accommodation of air travelers and the public. The Indiana department of transportation must grant its approval before land may be purchased for the establishment of an airport or landing field and before an airport or landing field may be established.
(16) To fix and determine exclusively the uses to which the airport lands may be put, including land use planning and zoning.

All uses must be necessary or desirable to the airport or the aviation industry and must be compatible with the uses of the surrounding lands as far as practicable. The jurisdiction granted under this subdivision is superior to that of any other local government unit or entity with respect to airport lands.

(17) To elect a secretary from its membership, or to employ a secretary, an airport director, superintendents, managers, a treasurer, engineers, surveyors, attorneys, clerks, guards, mechanics, laborers, and all employees the board considers expedient, and to prescribe and assign their respective duties and authorities and to fix and regulate the compensation to be paid to the persons employed by it in accordance with the authority's appropriations. All employees shall be selected irrespective of their political affiliations.

(18) To make all rules and regulations, consistent with laws regarding air commerce, for the management and control of its airports, landing fields, air navigation facilities, and other property under its control.

(19) To acquire by lease the use of an airport or landing field for aircraft pending the acquisition and improvement of an airport or landing field.

(20) To manage and operate airports, landing fields, and other air navigation facilities acquired or maintained by an authority; to lease all or part of an airport, landing field, or any buildings or other structures, and to fix, charge, and collect rentals, tolls, fees, and charges to be paid for the use of the whole or a part of the airports, landing fields, or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; to construct public recreational facilities that will not interfere with air operational facilities; to fix, charge, and collect fees for public admissions and privileges; and to make contracts for the operation and management of the airports, landing fields, and other air navigation facilities; and to provide for the use, management, and operation of the air navigation facilities through lessees, its own employees, or otherwise. Contracts for the maintenance, operation, or use of the airport or any part of it may be made for a term not exceeding fifteen (15) years and may be extended for similar terms of years. However, the airport, including all or part of its land, facilities, or structures, may be leased for any use connected with the operation and convenience of the airport for an initial term not exceeding forty (40) years and may be extended for a period not to exceed ten (10) years. If a person whose

character, experience, and financial responsibility have been determined satisfactory by the board offers to erect a permanent structure that facilitates and is consistent with the operation, use, and purpose of the airport on land belonging to the airport, a lease may be entered into for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease. The board may not grant an exclusive right for the use of a landing area under its jurisdiction. However, this does not prevent the making of leases in accordance with other provisions of this chapter. All contracts, and leases, are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities. For the airport authority established by the city of Gary, the board may approve a lease, management agreement, or other contract:

(A) with a person:

(i) who is selected by the board using the procedures under IC 36-1-9.5; and

(ii) whose character, experience, and financial responsibility have been determined satisfactory by the board; and

(B) to use, plan, design, acquire, construct, reconstruct, improve, extend, expand, lease, operate, repair, manage, maintain, or finance all or any part of the airport and its landing fields, air navigation facilities, and other buildings and structures for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease, management agreement, or other contract. All contracts, leases, and management agreements are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities. A lease, management agreement, or other contract entered into under this section or any other provision of this chapter may be entered into without complying with IC 5-23.

(21) To sell machinery, equipment, or material that is not required for aviation purposes. The proceeds shall be deposited with the treasurer of the authority.

(22) To negotiate and execute contracts for sale or purchase, lease, personal services, materials, supplies, equipment, or any other transaction or business relative to an airport under the

board's control and operation. However, whenever the board determines to sell part or all of aviation lands, buildings, or improvements owned by the authority, the sale must be in accordance with law.

(23) To vacate all or parts of roads, highways, streets, or alleys, whether inside or outside the district, in the manner provided by statute.

(24) To annex lands to itself if the lands are owned by the authority or are streets, roads, or other public ways.

(25) To approve any state, county, city, or other highway, road, street or other public way, railroad, power line, or other right-of-way to be laid out or opened across an airport or in such proximity as to affect the safe operation of the airport.

(26) To construct drainage and sanitary sewers with connections and outlets as are necessary for the proper drainage and maintenance of an airport or landing field acquired or maintained under this chapter, including the necessary buildings and improvements and for the public use of them in the same manner that the authority may construct sewers and drains. However, with respect to the construction of drains and sanitary sewers beyond the boundaries of the airport or landing field, the board shall proceed in the same manner as private owners of property and may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph, electric power, pipe, or conduit line upon, over, or through land under the control of the board or within a reasonable distance of land that is necessary for the safety of operation. The board must also consent before overhead electric power lines carrying a voltage of more than four thousand four hundred (4,400) volts and having poles, standards, or supports over thirty (30) feet in height within one-half (1/2) mile of a landing area acquired or maintained under this chapter may be installed.

(27) To contract with any other state agency or instrumentality or any political subdivision for the rendition of services, the rental or use of equipment or facilities, or the joint purchase and use of equipment or facilities that are necessary for the operation, maintenance, or construction of an airport operated under this chapter.

(28) To provide air transportation in furtherance of the duties and responsibilities of the board.

(29) To promote or encourage aviation-related trade or commerce at the airports that it operates.

(30) To provide aviation services to public use airports within or outside Indiana either directly or through an affiliate entity established by the board.

(b) Except as provided in sections 17 and 25 of this chapter, a board may impose a tax rate that does not exceed the following:

(1) If the total assessed valuation is three hundred million dollars ($300,000,000) or less, a tax rate of ten cents ($0.10) per one hundred dollars ($100) of assessed valuation.

(2) If the total assessed valuation is more than three hundred million dollars ($300,000,000) but not more than four hundred fifty million dollars ($450,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) three hundred thousand dollars ($300,000); plus

(B) the amount that would be raised by applying a tax rate of eight and thirty-three hundredths cents ($0.0833) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds three hundred million dollars ($300,000,000).

(3) If the total assessed valuation is more than four hundred fifty million dollars ($450,000,000) but not more than six hundred million dollars ($600,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) three hundred seventy-four thousand eight hundred fifty dollars ($374,850); plus

(B) the amount that would be raised by applying a tax rate of six and sixty-seven hundredths cents ($0.0667) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds four hundred fifty million dollars ($450,000,000).

(4) If the total assessed valuation is more than six hundred million dollars ($600,000,000) but not more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise

property tax revenue equal to the sum of:

(A) four hundred thousand two hundred dollars ($400,200); plus

(B) the amount that would be raised by applying a tax rate of five cents ($0.05) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds six hundred million dollars ($600,000,000).

(5) If the total assessed valuation is more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) four hundred fifty thousand dollars ($450,000); plus

(B) the amount that would be raised by applying a tax rate of three and thirty-three hundredths cents ($0.0333) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds nine hundred million dollars ($900,000,000).

SECTION 75. IC 8-22-3-25, AS AMENDED BY P.L.139-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) Subject to subsection (c), the board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the acquisition of real property, and the construction, enlarging, improving, remodeling, repairing, or equipping of buildings, structures, runways, or other facilities for use in connection with the airport needed to carry out this chapter and to facilitate and support commercial air transportation.

(b) The board may levy in compliance with IC 6-1.1-41 a tax not to exceed:

(1) thirty-three hundredths of one cent ($0.0033) on each one hundred dollars ($100) of assessed value of taxable property within the district, if an eligible entity other than a city established the district or if the district was established jointly with an eligible entity that is not a city;

(2) one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and

(3) for any other district not described in subdivision (1) or (2), the ~~following:~~ **tax rate specified in subsection (c).**

~~Total Assessed Property Valuation~~	~~Rate Per $100 Of Assessed Valuation~~
~~$300 million or less~~	~~$0.0167~~
~~More than $300 million~~	

~~but not more than $450 million~~	~~$0.0133~~
~~More than $450 million~~	
~~but not more than $600 million~~	~~$0.01~~
~~More than $600 million~~	
~~but not more than $900 million~~	~~$0.0067~~
~~More than $900 million~~	~~$0.0033~~

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in government obligations shall be deposited in accordance with IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter.

(c) For any district not described in subsection (b)(1) or (b)(2), the board may impose a tax rate that does not exceed the following:

(1) If the total assessed valuation is three hundred million dollars ($300,000,000) or less, a tax rate of one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation.

(2) If the total assessed valuation is more than three hundred million dollars ($300,000,000) but not more than four hundred fifty million dollars ($450,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) fifty thousand one hundred dollars ($50,100); plus

(B) the amount that would be raised by applying a tax rate of one and thirty-three hundredths cents ($0.0133) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds three hundred million dollars ($300,000,000).

(3) If the total assessed valuation is more than four hundred fifty million dollars ($450,000,000) but not more than six hundred million dollars ($600,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) fifty-nine thousand eight hundred fifty dollars ($59,850); plus

(B) the amount that would be raised by applying a tax rate of one cent ($0.01) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds four hundred fifty million dollars ($450,000,000).

(4) If the total assessed valuation is more than six hundred

million dollars ($600,000,000) but not more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) sixty thousand dollars ($60,000); plus

(B) the amount that would be raised by applying a tax rate of sixty-seven hundredths of a cent ($0.0067) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds six hundred million dollars ($600,000,000).

(5) If the total assessed valuation is more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) sixty thousand three hundred dollars ($60,300); plus

(B) the amount that would be raised by applying a tax rate of thirty-three hundredths of a cent ($0.0033) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds nine hundred million dollars ($900,000,000).

~~(c)~~ **(d)** Spending under subsection (a) to facilitate and support commercial intrastate air transportation is subject to a maximum of one million dollars ($1,000,000) cumulatively for all years in which money is spent under that subsection.

SECTION 76. IC 8-22-3-31, AS AMENDED BY P.L.182-2009(ss), SECTION 270, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) The authority, acting by and through its board under IC 8-21-8, may accept, receive, and receipt for federal, other public, or private monies for the acquisition, construction, enlargement, improvement, maintenance, equipment, or operation of airports, other air navigation facilities, and sites for them, and comply with federal laws made for the expenditure of federal monies upon airports and other air navigation facilities.

(b) Subject to IC 8-21-8, the board has exclusive power to submit to the proper state and federal agencies applications for grants of funds for airport development and to make or execute representations, assurances and contracts, to enter into covenants and agreements with state or federal agency or agencies relative to the development of an airport, and to comply with all federal and state laws pertaining to the acquisition, development, operation, and administration of airports and properties by the authority.

(c) This subsection applies only to the airport authority established by the city of Gary. The authority may assign the powers described in this section to a lessee or other operator with whom it enters into a

lease, management agreement, or other contract under ~~section 11(20)~~ **section 11(a)(20)** of this chapter if the board has determined that the lessee or other operator has the expertise and experience to operate the facilities of the authority in accordance with prudent airport operating standards.

SECTION 77. IC 22-9-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. **(a) Except as provided in subsection (b),** every contract to which the state or any of its political or civil subdivisions is a party, including franchises granted to public utilities, shall contain a provision requiring the contractor and ~~his~~ **any** subcontractors **of the contractor** not to discriminate against any employee or applicant for employment to be employed in the performance of ~~such~~ **the** contract, with respect to ~~his~~ **the individual's** hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of ~~his~~ **the individual's** race, religion, color, sex, disability, national origin, or ancestry. Breach of this covenant may be regarded as a material breach of the contract.

(b) A contract between the state or a political or civil subdivision of the state and an institution described in section 3(h)(2) of this chapter is not required to contain a covenant not to discriminate against an employee or applicant for employment to be employed in the performance of the contract, with respect to the individual's hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of the individual's religion.

SECTION 78. IC 36-4-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. Before the publication **(before January 1, 2016) and submission** of notice of budget estimates required by IC 6-1.1-17-3, each city shall formulate a budget estimate for the ensuing budget year in the following manner:

(1) Each department head shall prepare for ~~his~~ **the** department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure ~~he~~ **the department head** anticipates.

(2) The city fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.

(3) The city executive shall meet with the department heads and the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer

shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 79. IC 36-5-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. Before the publication **(before January 1, 2016) and submission** of notice of budget estimates required by IC 6-1.1-17-3, each town shall formulate a budget estimate for the ensuing budget year in the following manner, unless it provides by ordinance for a different manner:

(1) Each department head shall prepare for ~~his~~ **the** department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure ~~he~~ **the department head** anticipates.

(2) The town fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.

(3) The town executive shall meet with the department heads and the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 80. IC 36-6-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) When the executive prepares the annual report required by section 12 of this chapter, the executive shall also prepare, on forms prescribed by the state board of accounts, an abstract of receipts and expenditures:

(1) showing the sum of money in each fund of the township at the beginning of the year;

(2) showing the sum of money received in each fund of the township during the year;

(3) showing the sum of money paid from each fund of the township during the year;

(4) showing the sum of money remaining in each fund of the township at the end of the year;

(5) containing a statement of receipts, showing their source; and

(6) containing a statement of expenditures, showing the combined gross payment, according to classification of expense, to each person.

(b) Within four (4) weeks after the third Tuesday following the first Monday in ~~January,~~ **February,** the executive shall publish the abstract

prescribed by subsection (a) in accordance with IC 5-3-1. The abstract must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the township have been filed with the county auditor, and that the chairman of the township legislative body has a copy of the report that is available for inspection by any taxpayer of the township.

(c) An executive who fails to comply with this section commits a Class C infraction.

SECTION 81. IC 36-8-16.7-32.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 32.5. (a) This section applies only to Hendricks County for the period:**

(1) beginning January 1, 2015; and

(2) ending December 31, 2017.

(b) The legislative body may impose an emergency communications fee to fund a part of the county's emergency communications services system within the geographic boundaries of the county. To impose the fee, the legislative body must adopt an ordinance that meets the following requirements:

(1) The ordinance is adopted after the legislative body holds a public hearing to receive public comment on the proposed ordinance. The legislative body must give notice of the hearing under IC 5-3-1 that includes the following:

(A) A list of all PSAPs in the proposed district.

(B) The date, time, and location of the hearing.

(C) The location where the public can inspect the proposed ordinance.

(D) The name and contact information of a representative of each PSAP who may be contacted for further information.

(2) The ordinance must:

(A) take effect January 1, 2015; and

(B) expire December 31, 2017.

(c) The ordinance adopted under subsection (b) must include the following:

(1) The identity of all PSAPs within the county.

(2) A description of a proposed tiered fee schedule based on:

(A) a flat fee applicable to all parcels;

(B) a variable fee based on zoning classifications, the size of a parcel, and the number or type of improvements on a parcel.

(3) The effective date and expiration date of the ordinance.

(d) Upon the adoption of an ordinance under this section, the legislative body shall establish an emergency communications services fund. The fund consists of the following:

(1) Fees deposited under this section.

(2) Grants and gifts intended for deposit in the fund.

(3) Interest, premiums, gains, or other earnings on the fund.

(4) Money from any other source that is deposited in or transferred to the fund.

(e) Money in the fund may be used by the county for the purposes set forth in this chapter and other costs incurred in administering this section. The county treasurer shall administer the fund. The funds that remain in a fund or account established for the deposit of distributions received under section 37 of this chapter shall be transferred to the fund. Any funds transferred under this subsection shall be used as follows:

(1) To pay any obligations owed to any bondholders, third parties, or creditors under IC 36-8-16 (before its repeal) or IC 36-8-16.7 before July 1, 2014.

(2) To the extent any funds remain after meeting the obligations described in subdivision (1), for the purposes set forth in this section.

(f) The legislative body shall:

(1) determine an annual budget in the amount necessary to meet the expenses of operating and maintaining the emergency communications services system within the county, minus the statewide 911 fees otherwise received by the county under this chapter; and

(2) not later than September 1, submit the budget to the fiscal body for review and approval.

The legislative body shall base its initial budget on the expenses actually incurred by all PSAPs in the county in implementing IC 36-8-16.7 during the calendar year ending December 31, 2013.

(g) Based on a budget approved under subsection (f), the legislative body shall recommend to the fiscal body a schedule of fees to be imposed on parcels located within the geographic boundaries of the county. The fees:

(1) must comply with the authority granted under subsection (c); and

(2) must be adequate, when considering the statewide 911 fees, to provide for proper development, operation, and maintenance of the county's emergency communications services system.

(h) The fiscal body shall:

(1) review a schedule of recommended fees submitted under subsection (g);

(2) determine the fees imposed under this chapter in accordance with the authority granted under subsection (c);

(3) adopt an ordinance to impose the fees determined under subdivision (2); and

(4) certify the fees to the county auditor as a special assessment on each parcel of real property located within the county.

(i) The county auditor shall:

(1) place the total amount certified under subsection (b) on the tax duplicate for each affected property as a special assessment; and

(2) deposit money received as payment of a special assessment in the emergency communications services fund.

(j) Except as provided in IC 36-8-16.6 and this chapter, an additional fee relating to the provision of 911 service may not be levied upon CMRS, voice communications services, or interconnected VOIP services provided to a customer in Hendricks County by a state agency or local unit of government.

(k) The legislative body shall, after June 30 and before October 1 of 2015 and 2016, report to the regulatory flexibility committee established by IC 8-1-2.6-4 on the ability of the county to independently fund and operate an emergency communications service system. The regulatory flexibility committee shall consider:

(1) whether a pilot program established under this chapter should be extended for additional years in Hendricks County; and

(2) whether a pilot program established under this chapter should be extended to additional counties.

The regulatory flexibility committee shall submit any findings and recommendations made under this section to the legislative council in an electronic format under IC 5-14-6 before November 1, 2016.

(l) This section expires January 1, 2018.

SECTION 82. [EFFECTIVE JANUARY 1, 2015] **(a) IC 6-3.1-20-1, IC 6-3.1-20-4, and IC 6-3.1-20-5, all as amended by this act, apply to taxable years beginning after December 31, 2014.**

(b) This SECTION expires January 1, 2018.

SECTION 83. [EFFECTIVE UPON PASSAGE] **(a) IC 6-1.1-12-10.1, IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17, IC 6-1.1-12-17.5, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5,**

IC 6-1.1-12-38, IC 6-1.1-12-45, IC 6-1.1-12.6-3, and IC 6-1.1-12.8-4, all as amended by this act, apply to deductions claimed for assessment dates after February 28, 2014.

(b) This SECTION expires July 1, 2018.

SECTION 84. [EFFECTIVE JULY 1, 2014] **(a) IC 6-2.5-3-1, as amended by this act, applies only to the collection of use tax on remote sales occurring after June 30, 2014. A remote sale is considered as having occurred after June 30, 2014, to the extent that:**

(1) the agreement of the parties to the transaction was entered into after June 30, 2014;

(2) payment for the property furnished in the transaction is made after June 30, 2014; or

(3) delivery to the purchaser of the property furnished in the transaction occurs after June 30, 2014.

However, a transaction is considered as having occurred before July 1, 2014, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2014, and payment for the property furnished in the transaction is made before July 1, 2014, notwithstanding the delivery of the property after June 30, 2014.

(b) This SECTION expires January 1, 2016.

SECTION 85. [EFFECTIVE UPON PASSAGE] **(a) IC 8-22-3-11 and IC 8-22-3-25, both as amended by this act, apply to property taxes imposed for assessment dates that occur after February 28, 2014.**

(b) This SECTION expires July 1, 2018.

SECTION 86. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "office of the secretary" refers to the office of the secretary of family and social services established by IC 12-8-1.5-1.**

(b) As used in this SECTION, "government assistance income" means the sum of the value of all:

(1) cash;

(2) free services; or

(3) savings from reduced fees;

received by an Indiana resident whose income does not exceed two hundred percent (200%) of the federal income poverty level.

(c) Before November 1, 2014, the office of the secretary shall study the following:

(1) The tax relief available for Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level.

(2) The availability of programs that provide financial or medical assistance to Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level, including:

(A) Medicaid;

(B) Temporary Assistance for Needy Families;

(C) supplemental nutrition assistance; or

(D) any other federal, state, or local financial or medical assistance available to Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level.

(3) The maximum government assistance income an individual could receive by pursuing and obtaining the benefits described in subdivisions (1) and (2).

(d) The office of the secretary shall submit a report of its findings not later than November 1, 2014, to the governor and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6. The report must include a detailed explanation of the calculation assumptions and methodology.

(e) This SECTION expires January 1, 2015.

SECTION 87. [EFFECTIVE UPON PASSAGE] **(a) The legislative council is urged to assign to an appropriate interim study committee the task of studying all income tax credits using a schedule that provides for each income tax credit to be studied every four (4) years.**

(b) An interim study committee assigned the study described in subsection (a) shall:

(1) develop a method for evaluating the performance of each income tax credit; and

(2) annually submit a report to the legislative council in an electronic format under IC 5-14-6 before November 1 of each year.

(c) This SECTION expires January 1, 2018.

SECTION 88. [EFFECTIVE JULY 1, 2014] **(a) As used in this SECTION, "office" refers to the office of management and budget established by IC 4-3-22-3.**

(b) The office shall prepare a land use study that must include the following:

(1) A study of the feasibility of constructing a facility on land north of the state house to house the judiciary, provide additional legislative office space, and provide parking for

employees and visitors to the facility, including controlled access parking.

(2) A study of ways to enhance public access to the activities of the legislative and judicial branches of state government, including providing additional space for legislative hearings.

(3) A study of ways to enhance security while enhancing public access.

(c) The office may review and use an architectural study prepared for the budget agency under P.L.273-1999, SECTION 31 or any other study that the office considers relevant to the study required by subsection (b).

(d) The office shall submit the study required by subsection (b) to the legislative council in an electronic format under IC 5-14-6 before December 1, 2015.

(e) This SECTION expires January 1, 2016.

SECTION 89. **An emergency is declared for this act.**

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 367, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 27, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 21. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in subsections (c) and (d), a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

(1) The description of the real property was in error.

(2) The assessment was against the wrong person.

(3) Taxes on the same property were charged more than one (1) time in the same year.

(4) There was a mathematical error in computing the taxes or penalties on the taxes.

(5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.

(6) The taxes, as a matter of law, were illegal.

(7) There was a mathematical error in computing an assessment.

(8) Through an error of omission by any state or county officer, the taxpayer was not given:

(A) the proper credit under IC 6-1.1-20.6-7.5 for property taxes imposed for an assessment date after January 15, 2011;

(B) any other credit permitted by law;

(C) an exemption permitted by law; or

(D) a deduction permitted by law.

(b) The county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following

officials:

(1) The township assessor (if any).

(2) The county auditor.

(3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county board for determination. The county board shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county board to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor (if any).

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28 or an appeal under IC 6-1.1-8-30.

(i) IC 6-1.1-26-1 applies to a tax refund based on a correction of error under this section.".

Page 31, line 15, after "shall" insert "**, unless the department finds extenuating circumstances,**".

Page 31, line 30, delete "a" and insert "**an adopted**".

Page 31, line 31, after "shall" insert "**, unless the department finds extenuating circumstances,**".

Page 31, line 31, after "the" insert "**adopted**".

Page 31, after line 42, begin a new paragraph and insert:

"SECTION 23. IC 6-1.1-18.5-13.7, AS ADDED BY P.L.172-2011,

SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13.7. (a) Notwithstanding any other provision of this chapter, Fairfield Township in Tippecanoe County may request that the department of local government finance make an adjustment to the township's maximum permissible property tax levy. ~~The request by the township under this section must be filed before September 1, 2011.~~

(b) The amount of the requested adjustment may not exceed one hundred thirty thousand dollars ($130,000) for each year.

(c) ~~If the~~ **For a** township ~~makes~~ **that made** a request for an adjustment in an amount not exceeding the limit prescribed by subsection (b), the department of local government finance shall make the adjustment ~~each year (beginning with property taxes first due and payable in 2012)~~ **a permanent adjustment** to the township's maximum permissible ad valorem property tax levy. ~~for the number of years requested by the township (but not to exceed a total of four (4) years).~~

~~(d) This section expires July 1, 2016.~~ ".

Page 32, delete lines 1 through 18, begin a new paragraph and insert:

"SECTION 24. IC 6-1.1-20-3.5, AS AMENDED BY P.L.218-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, high school building, or other school building for academic instruction that:

(i) will be used for any combination of kindergarten through grade 12; and

(ii) will cost more than ten million dollars ($10,000,000).

(B) Any other controlled project that:

(i) is not a controlled project described in clause (A); and

(ii) ~~will~~ **the** cost **of which paid by** the political subdivision ~~more than~~ **from bond proceeds will not exceed** the lesser of twelve million dollars ($12,000,000) or an amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least one million dollars ($1,000,000)).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner

described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must make the following information available to the public at the public hearing on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(G).

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(H) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:

(A) one hundred (100) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least one hundred twenty-five (125) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least one hundred twenty-five (125) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of

property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least one hundred twenty-five (125) persons who signed the petition are registered voters or after receiving the statement from the county auditor under subdivision (8) (as applicable), shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of

the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting the referendum process. The certificate must state the number of petitioners who are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) If a sufficient petition requesting the local public question process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

(1) a copy of the notice required by subsection (b)(2); and

(2) any other information the county auditor requires to fulfill the county auditor's duties under section 3.6 of this chapter.".

Page 32, delete lines 41 through 42.

Page 33, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 26. IC 6-2.5-2-3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 3. (a) As used in this section, "motor vehicle" means a vehicle that would be subject to the annual license excise tax imposed under IC 6-6-5 if the vehicle were to be used in Indiana.**

(b) Notwithstanding section 2 of this chapter, the state gross retail tax rate on a motor vehicle that a purchaser intends to immediately register, license, and title in another state is the rate of that state as certified by the seller and purchaser in an affidavit containing the information prescribed by the department of state revenue.

SECTION 27. IC 6-2.5-5-46, AS AMENDED BY P.L.288-2013, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 46. (a) Transactions involving tangible personal property (including materials, parts, equipment, and engines) are exempt from the state gross retail tax, if the property is:

(1) used;

(2) consumed; or

(3) installed;

in furtherance of, or in, the repair, maintenance, refurbishment, remodeling, or remanufacturing of an aircraft or an avionics system of

an aircraft.

(b) The exemption provided by this section applies to a transaction only if:

(1) the retail merchant, at the time of the transaction, possesses a valid repair station certificate issued by the Federal Aviation Administration under 14 CFR 145 et seq. or other applicable law or regulation; **or**

(2) the:

(A) retail merchant has leased a facility at a public use airport for the maintenance of aircraft and meets the public use airport owner's minimum standards for an aircraft maintenance facility; and

(B) work is performed by a mechanic who is certified by the Federal Aviation Administration.

(c) The owner of a public use airport shall annually provide to the department the names of retail merchants that have a lease with the public use airport and that perform aircraft maintenance at the public use airport.

SECTION 28. IC 6-3-3-5.1, AS AMENDED BY P.L.2-2007, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.1. (a) At the election of the taxpayer, a credit against the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an amount (subject to the applicable limitations provided by this section) equal to fifty percent (50%) of the aggregate amount of contributions made by the taxpayer during the taxable year to the twenty-first century scholars program support fund established under IC 21-12-7-1.

(b) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year may not exceed:

(1) one hundred dollars ($100) in the case of a single return; or

(2) two hundred dollars ($200) in the case of a joint return.

(c) In the case of a taxpayer that is a corporation, the amount allowable as a credit under this section for any taxable year may not exceed the lesser of the following amounts:

(1) Ten percent (10%) of the corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for the taxable year (as determined without regard to any credits against that tax).

(2) One thousand dollars ($1,000).

(d) The credit permitted under this section may not exceed the amount of the 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.

(e) A taxpayer is not entitled to a credit under this section for a contribution made in a taxable year beginning after December 31, 2017.

(f) This section expires January 1, 2019.

SECTION 29. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The credit provided by this section shall be known as the unified tax credit for the elderly.

(b) As used in this section, unless the context clearly indicates otherwise:

(1) "Household federal adjusted gross income" means the total adjusted gross income, as defined in Section 62 of the Internal Revenue Code, of an individual, or of an individual and his **or her** spouse if they reside together for the taxable year for which the credit provided by this section is claimed.

(2) "Household" means a claimant or, if applicable, a claimant and his or her spouse if the spouse resides with the claimant and "household income" means the income of the claimant or, if applicable, the combined income of the claimant and his or her spouse if the spouse resides with the claimant.

(3) "Claimant" means an individual, other than an individual described in subsection (c) of this section, who:

(A) has filed a claim under this section;

(B) was a resident of this state for at least six (6) months during the taxable year for which he or she has filed a claim under this section; and

(C) was sixty-five (65) years of age during some portion of the taxable year for which ~~he~~ **the individual** has filed a claim under this section or whose spouse was either sixty-five (65) years of age or over during the taxable year.

(c) The credit provided under this section shall not apply to an individual who, for a period of at least one hundred eighty (180) days during the taxable year for which ~~he~~ **the individual** has filed a claim under this section, was incarcerated in a local, state, or federal correctional institution.

(d) The right to file a claim under this section shall be personal to the claimant and shall not survive ~~his~~ **the claimant's** death, except that a surviving spouse of a claimant is entitled to claim the credit provided by this section. For purposes of determining the amount of the credit a surviving spouse is entitled to claim under this section, the deceased spouse shall be treated as having been alive on the last day of the

taxable year in which the deceased spouse died. When a claimant dies after having filed a timely claim, the amount thereof shall be disbursed to another member of the household as determined by the commissioner. If the claimant was the only member of ~~his~~ **the claimant's** household, the claim may be paid to ~~his~~ **the claimant's** executor or administrator, but if neither is appointed and qualified within two (2) years of the filing of the claim, the amount of the claim shall escheat to the state.

(e) For each taxable year, subject to the limitations provided in this section, one (1) claimant per household may claim, as a credit against Indiana adjusted gross income taxes otherwise due, the credit provided by this section. If the allowable amount of the claim exceeds the income taxes otherwise due on the claimant's household income or if there are no Indiana income taxes due on such income, the amount of the claim not used as an offset against income taxes after audit by the department, at the taxpayer's option, shall be refunded to the claimant or taken as a credit against such taxpayer's income tax liability subsequently due.

(f) No claim filed pursuant to this section shall be allowed unless filed within six (6) months following the close of claimant's taxable year or within the extension period if an extension of time for filing the return has been granted under IC 6-8.1-6-1, whichever is later.

(g) The amount of any claim otherwise payable under this section may be applied by the department against any liability outstanding on the books of the department against the claimant, or against any other individual who was a member of ~~his~~ **the claimant's** household in the taxable year to which the claim relates.

(h) The amount of a claim filed pursuant to this section by a claimant that either (i) does not reside with ~~his~~ **the claimant's** spouse during the taxable year, or (ii) resides with ~~his~~ **the claimant's** spouse during the taxable year and only one (1) of them is sixty-five (65) years of age or older at the end of the taxable year, shall be determined in accordance with the following schedule:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
less than $1,000	$100
at least $1,000, but less than $3,000	$ 50
at least $3,000, but less than $10,000	$ 40

(i) The amount of a claim filed pursuant to this section by a claimant that resides with ~~his~~ **the claimant's** spouse during ~~his~~ **the claimant's** taxable year shall be determined in accordance with the following

schedule if both the claimant and spouse are sixty-five (65) years of age or older at the end of the taxable year:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
less than $1,000	$140
at least $1,000, but less than $3,000	$ 90
at least $3,000, but less than $10,000	$ 80

(j) The department may promulgate reasonable rules under IC 4-22-2 for the administration of this section.

(k) Every claimant under this section shall supply to the department on forms provided under IC 6-8.1-3-4, in support of ~~his~~ **the claimant's** claim, reasonable proof of household income and age.

(l) Whenever on the audit of any claim filed under this section the department finds that the amount of the claim has been incorrectly determined, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final.

(m) In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and, if the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be canceled and the amount paid shall be recovered by assessment as income taxes are assessed and such assessment shall bear interest from the date of payment or credit of the claim, until refunded or paid at the rate determined under IC 6-8.1-10-1. The claimant in such a case commits a Class A misdemeanor. In any case in which it is determined that a claim is or was excessive and was negligently prepared, ten percent (10%) of the corrected claim shall be disallowed and, if the claim has been paid or credited against income taxes otherwise payable, the credit shall be reduced or canceled, and the proper portion of any amount paid shall be similarly recovered by assessment as income taxes are assessed, and such assessment shall bear interest at the rate determined under IC 6-8.1-10-1 from the date of payment until refunded or paid.

(n) A taxpayer is not entitled to a credit under this section for a taxable year beginning after December 31, 2017.

(o) This section expires January 1, 2019.

SECTION 30. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss), SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: 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);

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.

(i) A taxpayer is not entitled to a credit under this chapter for:

(1) employment expenditures made; or

(2) qualified employees who are employed;

in a taxable year beginning after December 31, 2016.

(j) This chapter expires January 1, 2026.

SECTION 31. IC 6-3-3-12, AS AMENDED BY P.L.182-2009(ss), SECTION 198, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: 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 investment 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.

(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.

(h) 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.

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.

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

(1) an individual filing a single return; or

(2) a married couple filing a joint return.

(j) 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) Twenty percent (20%) of the amount of the total contributions made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year.

(2) One thousand dollars ($1,000).

(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.

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

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

(m) 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.

(n) 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.

(o) Any required repayment under subsection (o) 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.

(p) 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.

(q) 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 of a college choice 529 education savings plan for the taxable year; or

(2) account closings for the taxable year.

(r) A taxpayer is not entitled to a credit under this section for a contribution made in a taxable year beginning after December 31, 2017.

(s) This section expires January 1, 2019.

SECTION 32. IC 6-3.1-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a)** Subject to the limitation established in sections 4 and 5 of this chapter, a taxpayer that employs an eligible teacher in a qualified position during a school summer recess is entitled to a tax credit against ~~his~~ **the taxpayer's** state income tax liability as provided for under section 3 of this chapter.

(b) A taxpayer is not entitled to a credit under this chapter for employing an eligible teacher in a qualified position in a taxable year beginning after December 31, 2017.

(c) This chapter expires January 1, 2019.

SECTION 33. IC 6-3.1-4-3, AS ADDED BY P.L.197-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the sum of the taxes imposed by IC 6-3 for the taxable year 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. If the credit provided by this chapter exceeds that sum for the taxable year for which the credit is first claimed, then the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount which was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for ten (10) taxable years following the unused credit year.

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

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) A taxpayer is not entitled to a credit under this chapter for research expenses incurred in a taxable year beginning after December 31, 2017.

(e) This chapter expires January 1, 2025.

SECTION 34. IC 6-3.1-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A taxpayer who enters into an agreement is entitled to receive an income tax credit for a taxable year equal to:

(1) the taxpayer's state income tax liability for the taxable year;

(2) an amount equal to the sum of:

(A) fifty percent (50%) of any investment in qualified property made by the taxpayer during the taxable year as part of the agreement; plus

(B) twenty-five percent (25%) of the wages paid to inmates during the taxable year as part of the agreement; or

(3) one hundred thousand dollars ($100,000);

whichever is least.

(b) A tax credit shall be allowed under this chapter only for the taxable year of the taxpayer during which:

(1) the investment in qualified property is made in accordance with Section 38 of the Internal Revenue Code; or

(2) the wages are paid to inmates;

as part of an agreement.

(c) A taxpayer is not entitled to a credit under this chapter for investments made or wages paid in a taxable year after December 31, 2017.

(d) This chapter expires January 1, 2019.

SECTION 35. IC 6-3.1-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) If the amount determined under section 2(b) of this chapter for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. Except as provided in subsection (b), the credit carryover may not be used for any taxable year that begins more than ten (10) years after the date on which the qualified loan from which the credit results is made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) Notwithstanding subsection (a), if a loan is a qualified loan as the result of the use of the loan proceeds in a particular enterprise zone, and if the phase-out period of that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use credit carryover that results from that loan under subsection (a), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the phase-out period of the enterprise zone terminates.

(c) A taxpayer is not entitled to a credit under this chapter for qualified loan interest received in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 36. IC 6-3.1-9-1, AS AMENDED BY P.L.1-2007, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) As used in this chapter, "authority" means the Indiana housing and community development authority established by IC 5-20-1-3.

(b) As used in this chapter, "business firm" means any business entity authorized to do business in the state of Indiana that has state tax liability.

(c) As used in this chapter, "community services" means any type of:

(1) counseling and advice;
(2) emergency assistance;
(3) medical care;
(4) recreational facilities;
(5) housing facilities; or
(6) economic development assistance;

provided to individuals, economically disadvantaged households,

groups, or neighborhood organizations in an economically disadvantaged area **or provided to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.**

(d) As used in this chapter, "crime prevention" means any activity which aids in the reduction of crime in an economically disadvantaged area or an economically disadvantaged household.

(e) As used in this chapter, "economically disadvantaged area" means an enterprise zone, or any other federally or locally designated economically disadvantaged area in Indiana. The certification shall be made on the basis of current indices of social and economic conditions, which shall include but not be limited to the median per capita income of the area in relation to the median per capita income of the state or standard metropolitan statistical area in which the area is located.

(f) As used in this chapter, "economically disadvantaged household" means a household with an annual income that is at or below eighty percent (80%) of the area median income or any other federally designated target population.

(g) As used in this chapter, "education" means any type of scholastic instruction or scholarship assistance to an individual who:

(1) resides in an economically disadvantaged area; **or**

(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to prepare for better life opportunities.

(h) As used in this chapter, "enterprise zone" means an enterprise zone created under IC 5-28-15.

(i) As used in this chapter, "job training" means any type of instruction to an individual who:

(1) resides in:

~~(1)~~ **(A)** an economically disadvantaged area; or

~~(2)~~ **(B)** an economically disadvantaged household; **or**

(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to acquire vocational skills so that the individual can become employable or be able to seek a higher grade of employment.

(j) As used in this chapter, "neighborhood assistance" means either:

(1) furnishing financial assistance, labor, material, and technical advice to aid in the physical or economic improvement of any part or all of an economically disadvantaged area; or

(2) furnishing technical advice to promote higher employment in any neighborhood in Indiana.

(k) As used in this chapter, "neighborhood organization" means any organization, including but not limited to a nonprofit development corporation doing both of the following:

(1) Performing community services:

(A) in an economically disadvantaged area; ~~or~~

(B) for an economically disadvantaged household; **or**

(C) for individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.

(2) Holding a ruling:

(A) from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under the provisions of the Internal Revenue Code; and

(B) from the department of state revenue that the organization is exempt from income taxation under IC 6-2.5-5-21.

(l) As used in this chapter, "person" means any individual subject to Indiana gross or adjusted gross income tax.

(m) As used in this chapter, "state fiscal year" means a twelve (12) month period beginning on July 1 and ending on June 30.

(n) 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); and

(2) 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.

(o) As used in this chapter, "tax credit" means a deduction from any tax otherwise due and payable under IC 6-3 or IC 6-5.5.

SECTION 37. IC 6-3.1-9-2, AS AMENDED BY P.L.1-2007, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A business firm or a person who contributes to a neighborhood organization that engages in the activities of providing:

(1) neighborhood assistance, job training, or education for individuals not employed by the business firm or person; ~~or for~~

(2) community services or crime prevention in an economically disadvantaged area; **or**

(3) community services, education, or job training services to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole;

shall receive a tax credit as provided in section 3 of this chapter if the authority approves the proposal of the business firm or person, setting forth the program to be conducted, the area selected, the estimated amount to be invested in the program, and the plans for implementing the program.

(b) The authority, after consultation with the community services agency and the commissioner of revenue, may adopt rules for the approval or disapproval of these proposals.

SECTION 38. IC 6-3.1-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. **(a)** A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid or permanently set aside in a special account for the approved program or purpose.

(b) A taxpayer is not entitled to a credit under this chapter for contributions made or permanently set aside in a taxable year beginning after December 31, 2017.

(c) This chapter expires January 1, 2019.

SECTION 39. IC 6-3.1-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If the amount determined under section 6(b) of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for qualified investments made in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 40. IC 6-3.1-11-7.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 7.2. As used in this chapter, "pass through entity" has the meaning set forth in IC 6-3-1-35.**

SECTION 41. IC 6-3.1-11-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If the amount determined under section 16(b) of this chapter for a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the immediately following

taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for qualified investments made in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 42. IC 6-3.1-11-24 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 24. (a) If a pass through entity does not have state income tax liability against which the tax credit provided by this chapter may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:**

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

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

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter.

SECTION 43. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards under this chapter to foster job creation in Indiana or, as provided in section 15.5 of this chapter, job retention in Indiana.

(b) The credit shall be claimed for the taxable years specified in the taxpayer's tax credit agreement.

(c) The corporation may not, after December 31, 2016, approve a credit agreement specifying that a taxpayer may claim a credit under this chapter.

(d) This chapter expires January 1, 2026.

SECTION 44. IC 6-3.1-16-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 1. The definitions set forth in:~~

~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

~~(2) IC 14-21-1;~~

~~apply throughout this chapter.~~

SECTION 45. IC 6-3.1-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this

chapter, ~~"division"~~ **"office"** means the ~~division of historic preservation and archaeology of the department of natural resources.~~ **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 46. IC 6-3.1-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 8 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of historic property; and

(2) are approved by the ~~division.~~ **office.**

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 47. IC 6-3.1-16-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. A taxpayer qualifies for a credit under section 7 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 7(c) of this chapter, owned by the taxpayer.

(2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division.~~ **office.**

(4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is:

(A) actively used in a trade or business;

(B) held for the production of income; or

(C) held for the rental or other use in the ordinary course of the taxpayer's trade or business.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

SECTION 48. IC 6-3.1-16-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. (a) The ~~division~~ **office** shall provide the certifications referred to in section 8(3) and 8(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office** and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division~~ **office** under this chapter to the ~~review board.~~ **tax court.**

SECTION 49. IC 6-3.1-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division~~ **office** required under section 8 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 50. IC 6-3.1-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division.~~ **office.**

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 51. IC 6-3.1-16-13 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

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

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) A taxpayer may not claim a credit under this chapter for qualified expenditures approved in a taxable year beginning after December 31, 2017.

SECTION 52. IC 6-3.1-16-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 15. **(a)** The following may adopt rules under IC 4-22-2 to carry out this chapter:

(1) The department of state revenue.

(2) The ~~division.~~ **office.**

(b) The following apply to any rules adopted by the division of historic preservation and archaeology of the department of natural resources under this chapter before January 1, 2015:

(1) The rules are transferred to the office on January 1, 2015, and are considered, after December 31, 2014, to be rules of the office.

(2) After December 31, 2014, the rules are treated as if they had been adopted by the office.

SECTION 53. IC 6-3.1-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. **(a)** A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid.

(b) A taxpayer is not entitled to a credit under this chapter for a contribution made in a taxable year beginning after December 31, 2017.

(c) This chapter expires January 1, 2019.

SECTION 54. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011,

SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) Except as provided in section 5 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state and local tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by twenty-five percent (25%).

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of property redeveloped or rehabilitated under section 2 of this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department. The taxpayer may not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

(e) If a pass through entity is entitled to a credit under this chapter but does not have state and local tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

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

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

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

(f) A taxpayer that is otherwise entitled to a credit under this chapter for a taxable year may claim the credit regardless of whether any income tax incremental amount or gross retail incremental amount has been:

(1) deposited in the incremental tax financing fund established for the community revitalization enhancement district; or

(2) allocated to the district.

(g) A taxpayer is not entitled to a credit under this chapter for a qualified investment made in a taxable year beginning after December 31, 2016.

(h) This chapter expires January 1, 2026.

SECTION 55. IC 6-3.1-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. As used in this chapter, ~~"earned~~ **"Indiana** income" means the ~~sum of the:~~

~~(1) wages, salaries, tips, and other employee compensation; and~~

~~(2) net earnings from self-employment (as computed under Section 32(c)(2) of the Internal Revenue Code);~~

adjusted gross income of an individual taxpayer, and the individual's spouse, if the individual files a joint adjusted gross income tax return.

SECTION 56. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:

(1) the individual's ~~earned~~ **Indiana** income for the taxable year is less than eighteen thousand six hundred dollars ($18,600); and

(2) the individual pays property taxes in the taxable year on a homestead that:

(A) the individual:

(i) owns; or

(ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and

(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

(c) An individual is not entitled to a credit under this section for property taxes paid in a taxable year beginning after December 31, 2017.

(d) This section expires January 1, 2019.

SECTION 57. IC 6-3.1-20-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in the amount determined under this section.

(b) In the case of an individual with ~~earned~~ **Indiana** income of less than eighteen thousand dollars ($18,000) for the taxable year, the amount of the credit is equal to the lesser of:

(1) three hundred dollars ($300); or

(2) the amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(c) In the case of an individual with ~~earned~~ **Indiana** income that is at least eighteen thousand dollars ($18,000) but less than eighteen thousand six hundred dollars ($18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

(1) An amount determined under the following STEPS:

STEP ONE: Determine the result of:

(i) eighteen thousand six hundred dollars ($18,600); minus

(ii) the individual's ~~earned~~ **Indiana** income for the taxable year.

STEP TWO: Determine the result of:

(i) the STEP ONE amount; multiplied by

(ii) five-tenths (0.5).

(2) The amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be refunded to the taxpayer.

SECTION 58. IC 6-3.1-20-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) The department shall before July 1 of each year determine **the greater of:**

(1) eight million five hundred thousand dollars ($8,500,000); or

(2) the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(b) **Except as provided in subsection (d),** one-half (1/2) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable to the county under IC 4-33-12-6(d)(2); and

(2) paid instead to the state general fund.

(c) **Except as provided in subsection (d),** one-sixth (1/6) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable under IC 4-33-12-6(d)(1) to each of the following:

(A) The largest city by population located in the county.

(B) The second largest city by population located in the county.

(C) The third largest city by population located in the county;

and

(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection (a)(2) is less than eight million five hundred thousand dollars ($8,500,000), the difference of:

(1) eight million five hundred thousand dollars ($8,500,000); minus

(2) the amount determined by the department under subsection (a)(2);

shall be paid to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund.

SECTION 59. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. **(a)** To obtain a credit under this chapter, a taxpayer must claim the advance payment or credit in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

(b) A taxpayer may not claim a credit under this chapter after December 31, 2016.

(c) This chapter expires January 2, 2018.

SECTION 60. IC 6-3.1-22-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 1. The definitions set forth in:~~

~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

~~(2) IC 14-21-1;~~

~~apply throughout this chapter.~~

SECTION 61. IC 6-3.1-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this chapter, ~~"division"~~ **"office"** means the ~~division of historic preservation and archeology of the department of natural resources.~~ **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 62. IC 6-3.1-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 9 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of

historic property; and

(2) are approved by the ~~division.~~ **office.**

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 63. IC 6-3.1-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. A taxpayer qualifies for a credit under section 8 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 8(c) of this chapter, owned by the taxpayer.

(2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division.~~ **office.**

(4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is principally used and occupied by the taxpayer as the taxpayer's residence.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

SECTION 64. IC 6-3.1-22-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. (a) The ~~division~~ **office** shall provide the certifications referred to in section 9(3) and 9(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office**

and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division~~ **office** under this chapter to the ~~review board.~~ **tax court.**

SECTION 65. IC 6-3.1-22-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 11. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division~~ **office** required under section 9 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 66. IC 6-3.1-22-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 13. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division.~~ **office.**

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 67. IC 6-3.1-22-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

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

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) A taxpayer may not claim a credit under this chapter for qualified expenditures approved in a taxable year beginning after December 31, 2017.

SECTION 68. IC 6-3.1-22-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 16. **(a)** The following may adopt rules under IC 4-22-2 to carry out this chapter:

(1) The department of state revenue.

(2) The ~~division.~~ **office.**

(b) The following apply to any rules adopted by the division of historic preservation and archaeology of the department of natural resources under this chapter before January 1, 2015:

(1) The rules are transferred to the office on January 1, 2015, and are considered, after December 31, 2014, to be rules of the office.

(2) After December 31, 2014, the rules are treated as if they had been adopted by the office.

SECTION 69. IC 6-3.1-24-12, AS AMENDED BY P.L.193-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. **(a)** If the amount of the credit determined under section 10 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

(b) A taxpayer is not entitled to a credit under this chapter for qualified investment capital provided to a qualified Indiana business in a taxable year beginning after December 31, 2016.

(c) This chapter expires January 1, 2022.

SECTION 70. IC 6-3.1-29-21, AS ADDED BY P.L.191-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21. **(a)** To receive the credit awarded by this chapter, 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 a copy of the commission's determination required under section 19 of this chapter, a copy of the taxpayer's certificate of compliance issued under section 19 of this chapter, and all information that the department determines is

necessary for the calculation of the credit provided by this chapter.

(b) A taxpayer is not entitled to a credit under this section for a qualified investment made in a taxable year beginning after December 31, 2017.

(c) This section expires January 1, 2039.

SECTION 71. IC 6-3.1-30-11, AS ADDED BY P.L.193-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for relocation costs incurred in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 72. IC 6-3.1-30.5-9.5, AS ADDED BY P.L.211-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9.5. (a) This section applies to a taxpayer that is entitled to a tax credit under this chapter for a taxable year beginning after December 31, 2012.

(b) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time the credit is carried forward to a succeeding taxable year, the credit is reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(c) A taxpayer is not entitled to a carryback or refund of any unused credit.

(d) A taxpayer is not entitled to a credit under this section for a contribution made in a taxable year beginning after December 31, 2017.

(e) This section expires January 1, 2029.".

Page 42, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 30. IC 27-6-8-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Member insurers, which during any preceding calendar year shall have paid one (1) or more assessments levied pursuant to section 7 of this chapter, shall be allowed a credit against premium taxes, adjusted gross income taxes, or any combination thereof upon revenue or income of member insurers which may be imposed by the state, up to twenty percent (20%) of the assessment described in section 7 of this chapter for each calendar year following the year the assessment was paid until the aggregate of all assessments paid to the guaranty association shall have been offset by either credits against such taxes or refunds from the association. The provisions herein are applicable to all assessments levied after the passage of this article.

(b) To the extent a member insurer elects not to utilize the tax credits authorized by subsection (a), the member insurer may utilize the provisions of subsection (c) as a secondary method of recoupment.

(c) The rates and premiums charged for insurance policies to which this chapter applies shall include amounts sufficient to recoup a sum equal to the amounts paid to the association by the member insurer less any amounts returned to the member insurer by the association and the rates shall not be deemed excessive because they contain an amount reasonably calculated to recoup assessments paid by the member insurer.

(d) A member insurer is not entitled to a credit under this section for an assessment paid in a taxable year beginning after December 31, 2017.

(e) This section expires January 1, 2023.

SECTION 31. IC 27-8-8-16, AS AMENDED BY P.L.193-2006, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. **(a)** A member insurer may take as a credit against premium taxes, adjusted gross income taxes, or any combination of them imposed by the state upon the member insurer's revenue or income not more than twenty percent (20%) of the amount of each assessment described in section 6 of this chapter for each calendar year following the year in which the assessment was paid until the assessment has been offset by either credits against the taxes or refunds from the association. If the member insurer ceases doing business, all uncredited assessments may be credited against the member insurer's premium taxes, adjusted gross income taxes, or a combination of the premium taxes and adjusted gross income taxes of

the member insurer for the year the member insurer ceases doing business.

(b) A member insurer is not entitled to a credit under this section for an assessment paid in a taxable year beginning after December 31, 2017.

(c) This section expires January 1, 2023.

SECTION 29. IC 27-8-10-2.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.4. (a) Beginning January 1, 2005, a member that, before January 1, 2005, has:

(1) paid an assessment; and

(2) not taken a credit against taxes;

under section 2.1 of this chapter (as in effect December 31, 2004) is not entitled to claim or carry forward the unused tax credit except as provided in this section.

(b) A member described in subsection (a) may, for each taxable year beginning after December 31, 2006, take a credit of not more than ten percent (10%) of the amount of the assessments paid before January 1, 2005, against which a tax credit has not been taken before January 1, 2005. A credit under this subsection may be taken against premium taxes, adjusted gross income taxes, or any combination of these, or similar taxes upon revenues or income of the member that may be imposed by the state, up to the amount of the taxes due for each taxable year.

(c) If the maximum amount of a tax credit determined under subsection (b) for a taxable year exceeds a member's liability for the taxes described in subsection (b), the member may carry the unused portion of the tax credit forward to subsequent taxable years. Tax credits carried forward under this subsection are not subject to the ten percent (10%) limit set forth in subsection (b).

(d) The total amount of credits taken by a member under this section in all taxable years may not exceed the total amount of assessments paid by the member before January 1, 2005, minus the total amount of tax credits taken by the member under section 2.1 of this chapter (as in effect December 31, 2004) before January 1, 2005.

(e) This section expires January 1, 2017.".

Page 43, delete lines 23 through 42.

Delete pages 44 through 74.

Page 75, delete lines 1 through 13, begin a new paragraph and insert:

"SECTION 41. [EFFECTIVE JANUARY 1, 2015] **(a) IC 6-3.1-20-1, IC 6-3.1-20-4, and IC 6-3.1-20-5, all as amended by**

this act, apply to taxable years beginning after December 31, 2014.

(b) This SECTION expires January 1, 2018.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 367 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 10, Nays 1.

SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 2, reset in roman lines 39 through 42.

Page 2, line 42, after "chapter." insert "**This subsection expires January 1, 2016.**".

Page 3, reset in roman lines 1 through 6.

Page 3, line 6, after "hearing." insert "**This subsection expires January 1, 2016.**".

Page 3, line 9, reset in roman "(a)".

Page 3, reset in roman lines 17 through 30.

Page 3, line 30, after "subdivision." insert "**This subsection expires January 1, 2016.**".

Page 29, line 16, after "shall" insert "**(before January 1, 2016)**".

Page 29, line 16, reset in roman "by publication".

Page 29, line 25, after "shall" insert "**(before January 1, 2016)**".

Page 29, line 25, reset in roman "publish the notice twice in".

Page 29, reset in roman lines 26 through 29.

Page 29, line 30, reset in roman "the publishing of the notice.".

Page 29, line 30, after "notice." insert "**The political subdivision shall**".

Page 29, line 40, after "shall" insert "**also**".

Page 30, line 25, after "not" insert "**(before January 1, 2016) published and is not**".

Page 30, line 29, after "timely" insert "**publishes (before January 1, 2016) and timely**".

Page 30, line 34, after "gateway" delete "." and insert "**and (before January 1, 2016) to publish the amended information.**".

Page 33, line 7, after "site" delete ";" and insert "**and (before**

January 1, 2016) is published by the political subdivision according to a notice provided by the department;".

Page 78, line 8, reset in roman "publication".

Page 78, line 8, after "publication" insert "**(before January 1, 2016) and**".

Page 78, line 27, reset in roman "publication".

Page 78, line 27, after "publication" insert "**(before January 1, 2016) and**".

(Reference is to SB 367 as printed January 31, 2014.)

HERSHMAN

SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 60, line 39, delete "section expires January 1," and insert "**chapter expires June 30,**".

(Reference is to SB 367 as printed January 31, 2014.)

HERSHMAN

SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 67, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 74. IC 6-7-1-37 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 37. (a) All reports required to be filed under this chapter must be filed in an electronic format prescribed by the department.**

(b) All taxes required to be remitted under this chapter must be remitted in an electronic format prescribed by the department.

SECTION 75. IC 6-7-2-12, AS AMENDED BY P.L.172-2011, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Before the fifteenth day of each month, each distributor liable for the tax imposed by this chapter shall:

(1) file a return with the department that includes all information

required by the department including, but not limited to:

(A) name of distributor;

(B) address of distributor;

(C) license number of distributor;

(D) invoice date;

(E) invoice number;

(F) name and address of person from whom tobacco products were purchased or name and address of person to whom tobacco products were sold;

(G) the wholesale price for tobacco products other than moist snuff; and

(H) for moist snuff, the weight of the moist snuff; and

(2) pay the tax for which it is liable under this chapter for the preceding month minus the amount specified in section 13 of this chapter.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

SECTION 76. IC 7.1-4-6-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. ~~Filing of Returns.~~ A person who is liable for the payment of an excise tax levied by this title shall file a monthly return with the department on or before the twentieth day of the month following the month in which the liability for the tax accrues by reason of the manufacture, sale, gift, or the withdrawal for sale or gift, of alcoholic beverages within this state. **The return must be filed in an electronic format as prescribed by the department.** Payment of the excise tax due shall accompany the return, **and shall be remitted electronically. Any other returns or forms required to be filed under this title must also be filed in an electronic format and on a date prescribed by the department.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 367 as printed January 31, 2014.)

KENLEY

SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 40, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 29. IC 6-2.5-5-50 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 50. Sales of tangible personal property are exempt from the state gross retail tax if:**

(1) the property constitutes a label that will be affixed to or a sign that will be displayed with other tangible personal property being sold to a retail merchant that will be selling the other tangible personal property at retail; and

(2) the person acquiring the label or sign and selling the other tangible personal property to a retail merchant is required to affix the label to or provide the sign to display with the other tangible personal property for the purpose of complying with any state or federal statute, regulation, or standard.".

Renumber all SECTIONS consecutively.

(Reference is to SB 367 as printed January 31, 2014.)

KENLEY

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 367, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

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

"SECTION 1. IC 4-4-39 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 39. Rural Entrepreneurship Grant Program

Sec. 1. This chapter applies to an executive of a rural county or a person who submits a grant application after June 30, 2015.

Sec. 2. The purpose of this chapter is to:

(1) establish and fund programs to identify entrepreneurs with marketable ideas; and

(2) support the organization and development of new businesses in rural counties.

Sec. 3. The general assembly finds that establishing and supporting new businesses in rural counties serves a public purpose that benefits the general welfare of rural counties by encouraging investment, job creation and retention, economic growth, and more diverse economies.

Sec. 4. As used in this chapter, "incubator" means a facility in which space may be leased by a tenant and in which management provides access to business development services for use by tenants.

Sec. 5. As used in this chapter, "new business" refers to a business entity certified by the office as a new business under section 9 of this chapter.

Sec. 6. As used in this chapter, "office" refers to the office of community and rural affairs established by IC 4-4-9.7-4.

Sec. 7. As used in this chapter, "rural county" refers to a county having a population of less than fifty thousand (50,000).

Sec. 8. (a) The executive of a rural county may apply to the office for a grant that is renewable for up to three (3) years to promote entrepreneurship and new business development in the rural county. The application must:

(1) be in a form specified by the office;

(2) include a copy of an ordinance adopted by the county executive:

(A) committing up to two hundred fifty thousand dollars ($250,000) of local funds each state fiscal year for a dollar for dollar match to the grant received under this chapter; and

(B) specifying the source or sources of the funds committed; and

(3) include any information that the office determines necessary for evaluating the application.

(b) The local match required by subsection (a) may be funded from any of the following:

(1) The county economic development income tax under IC 6-3.5-7.

(2) Any public funds (other than property taxes) of the county or the county redevelopment commission.

(3) Any contributions, grants, donations, or bequests from an individual or a private entity.

Sec. 9. The office shall determine whether a business in a rural county is a new business and may certify the business as a new business if the office determines that the new business meets all the

following criteria:

(1) The business is established or organized to do business in Indiana less than one (1) year before the business locates business operations in the rural county.

(2) The business conducts business operations in the rural county to provide goods or services for profit.

(3) The business meets any other criteria specified by the office.

Sec. 10. The office shall do the following:

(1) Adopt guidelines to determine standards for awarding grants under this chapter.

(2) Prepare and supervise the issuance of public information concerning the grant program established under this chapter.

(3) Prescribe the form for and regulate the submission of applications for grants under this chapter.

(4) Determine an applicant's eligibility to receive or renew a grant under this chapter.

(5) Work with the office of small business and entrepreneurship for assistance and information regarding small businesses.

Sec. 11. The office shall determine the amount of each grant awarded under this chapter.

Sec. 12. (a) Each county that receives a grant under this chapter shall establish a rural entrepreneurship grant fund for the deposit of the grant money.

(b) Upon appropriation by the county fiscal body, money deposited in the rural entrepreneurship grant fund may be used for any of the following purposes, after recommendation by a local economic development organization in the county:

(1) Incubator development and operation.

(2) Accelerator development and operation.

(3) Obtaining small business support services provided by the office of small business and entrepreneurship or a similar entity.

(4) Assisting in the deployment of high speed Internet service (as defined by IC 5-28-33-2) to a new business located within the county if the service does not exist.

(5) Entrepreneurial internships established in the area that partner with high schools located within the county, or entrepreneurial classes established at local high schools that involve cooperation and collaboration with businesses in the area.

(c) Money in the fund may not be used to pay the administrative expenses of the fund.

Sec. 13. A county that receives a grant awarded under this chapter must comply with any guidelines developed by the office in connection with grants awarded under this chapter.

SECTION 2. IC 5-3-1-2, AS AMENDED BY P.L.141-2009, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This section applies only when notice of an event is required to be given by publication in accordance with this chapter.

(b) If the event is a public hearing or meeting concerning any matter not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h) notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.

(c) If the event is an election, notice shall be published one (1) time, at least ten (10) days before the date of the election.

(d) If the event is a sale of bonds, notes, or warrants, notice shall be published two (2) times, at least one (1) week apart, with:

(1) the first publication made at least fifteen (15) days before the date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) If the event is anything else, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the event.

(k) If any officer charged with the duty of publishing any notice required by law is unable to procure advertisement:

(1) at the price fixed by law;

(2) because the newspaper refuses to publish the advertisement; or

(3) because the newspaper refuses to post the advertisement on the newspaper's Internet web site (if required under section 1.5 of this chapter);

it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of publication of the notice in newspapers and on an Internet web site (if required under section 1.5 of this chapter).

~~(l) If a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and the published notice contains an error due to the fault of a newspaper, the notice as presented for publication is a valid notice under this chapter.~~

~~(m) Notwithstanding subsection (j), if a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and if the notice is not published at least ten (10) days before the date fixed for the public hearing on the budget estimate due to the fault of a newspaper, the notice is a valid notice under this chapter if it is published one (1) time at least three (3) days before the hearing.~~

SECTION 3. IC 5-3-1-2.3, AS AMENDED BY P.L.169-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.3. ~~(a)~~ A notice published in accordance with this chapter or any other Indiana statute is valid even though the notice contains errors or omissions, as long as:

(1) a reasonable person would not be misled by the error or omission; and

(2) the notice is in substantial compliance with the time and publication requirements applicable under this chapter or any other Indiana statute under which the notice is published.

~~(b) This subsection applies if:~~

~~(1) a county auditor publishes a notice concerning a tax rate, tax levy, or budget of a political subdivision in the county;~~

~~(2) the notice contains an error or omission that causes the notice to inaccurately reflect the tax rate, tax levy, or budget actually proposed or fixed by the political subdivision; and~~

~~(3) the county auditor is responsible for the error or omission~~

~~described in subdivision (2).~~
~~Notwithstanding any other law, the department of local government finance may correct an error or omission described in subdivision (2) at any time. If an error or omission described in subdivision (2) occurs, the county auditor must publish, at the county's expense, a notice containing the correct tax rate, tax levy, or budget as proposed or fixed by the political subdivision.~~

SECTION 4. IC 5-13-6-3, AS AMENDED BY P.L.89-2010, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) All taxes collected by the county treasurer shall be deposited as one (1) fund in the several depositories selected for the deposit of county funds and, except as provided in subsection (b), remain in the depositories until distributed at the following semiannual distribution made by the county auditor.

(b) Every county treasurer who, by virtue of the treasurer's office, is the collector of any taxes for any political subdivision wholly or partly within the county shall, not later than thirty (30) days after receipt of a written request for funds filed with the treasurer by a proper officer of any political subdivision within the county, **provide to the county auditor the amount available for distribution, as certified for each semiannual distribution under IC 6-1.1-27-2. The county auditor shall** advance to that political subdivision a portion of the taxes collected before the semiannual distribution. The amount advanced may not exceed the lesser of:

(1) ninety-five percent (95%) of the total amount collected at the time of the advance; or

(2) ninety-five percent (95%) of the amount to be distributed at the semiannual distribution.

(c) Upon notice from the county treasurer of the amount to be advanced, the county auditor shall draw a warrant upon the county treasurer for the amount. The amount of the advance must be available immediately for the use of the political subdivision.

(d) At the semiannual distribution all the advances made to any political subdivision under subsection (b) shall be deducted from the total amount due any political subdivision as shown by the distribution.

(e) If a county auditor fails to make a distribution of tax collections by the deadline for distribution under subsection (b), a political subdivision that was to receive a distribution may recover interest on the undistributed tax collections under IC 6-1.1-27-1.

SECTION 5. IC 6-1.1-8-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 19. **(a)** Each year a public utility company shall file a statement concerning the value and

description of the property which is either owned or used by the company on the assessment date of that year. The company shall file this statement with the department of local government finance ~~on the form~~ **in the manner** prescribed by the department. The department of local government finance may extend the due date for a statement. Unless the department of local government finance grants an extension, a public utility company shall file its statement for a year:

(1) on or before March 1st of that year unless the company is a railroad car company; or

(2) on or before ~~May~~ **July** 1st of that year if the company is a railroad car company.

(b) A public utility company may, not later than sixty (60) days after filing a valid and timely statement under subsection (a), file an amended statement:

(1) for distribution purposes;

(2) to correct errors; or

(3) for any other reason, except:

(A) obsolescence; or

(B) the credit for railroad car maintenance and improvements provided under IC 6-1.1-8.2.".

Delete pages 2 through 4.

Page 5, delete lines 1 through 21.

Page 15, line 41, delete "P.L.288-2013," and insert "SEA 24-2014, SECTION 19, IS".

Page 15, delete line 42.

Page 16, line 1, delete "CORRECTED AND".

Page 23, between lines 41 and 42, begin a new paragraph and insert:

"**(s) For assessment dates after 2013, the term "homestead" includes property that is owned by an individual who:**

(1) is serving on active duty in any branch of the armed forces of the United States;

(2) was ordered to transfer to a location outside Indiana;

(3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date specified in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided by this section, the individual described in subdivisions (1) through (3) must submit to the county auditor a copy of the individual's transfer orders or other information sufficient to show that the individual was ordered to transfer to a location outside Indiana. The property continues to qualify for the deduction

provided by this section until the individual ceases to be on active duty, the property is sold, or the individual's ownership interest is otherwise terminated, whichever occurs first. Notwithstanding subsection (a)(2), the property remains a homestead regardless of whether the property continues to be the individual's principal place of residence after the individual transfers to a location outside Indiana. However, the property ceases to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana. Property that qualifies as a homestead under this subsection shall also be construed as a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6.".

Page 28, line 7, delete "The" and insert "**Subject to subsection (i),** the".

Page 29, delete lines 9 through 42, begin a new paragraph and insert:

"**(i) A taxpayer is not entitled to relief under this section unless the taxpayer files a petition to correct an error:**

(1) with the auditor of the county in which the taxes were originally paid; and

(2) within three (3) years after the taxes were first due.

SECTION 21. IC 6-1.1-17-3, AS AMENDED BY P.L.137-2012, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision or appropriate fiscal body, if the political subdivision is subject to section 20 of this chapter, shall give notice ~~by publication~~ to taxpayers of:

(1) the estimated budget;

(2) the estimated maximum permissible levy;

(3) the current and proposed tax levies of each fund; and

(4) the amounts of excessive levy appeals to be requested.

The political subdivision or appropriate fiscal body shall also state the time and place at which the political subdivision or appropriate fiscal body will hold a public hearing on these items. **Each year** the political subdivision or appropriate fiscal body shall ~~publish the notice twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. The first publication must be before September 14, and the second publication must be before September 21 of the year. The political subdivision shall pay for~~

~~the publishing of the notice.~~ **submit this information to the department's computer gateway before September 14 and at least ten (10) days before the public hearing required by this subsection in the manner prescribed by the department. The department shall make this information available to taxpayers through its computer gateway at least ten (10) days before the public hearing required by this subsection and provide a telephone number through which taxpayers may request mailed copies of a political subdivision's information under this subsection. The department's computer gateway must allow a taxpayer to search for the information under this subsection by the taxpayer's address.**

(b) For taxes due and payable in 2015 and 2016, each county shall publish a notice in accordance with IC 5-3-1 in two (2) newspapers published in the county stating the Internet address at which the information under subsection (a) is available and the telephone number through which taxpayers may request copies of a political subdivision's information under subsection (a). If only one (1) newspaper is published in the county, publication in that newspaper is sufficient. The department of local government finance shall prescribe the notice. Notice under this subsection shall be published before September 14. Counties may seek reimbursement from the political subdivisions within their legal boundaries for the cost of the notice required under this subsection. The actions under this subsection shall be completed in the manner prescribed by the department.

~~(b)~~ **(c)** The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and

(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

~~(c)~~ **(d)** The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(e) A political subdivision for which any of the information under subsection (a) is not submitted to the department's computer gateway in the manner prescribed by the department shall have its most recent annual appropriations and annual tax levy continued

for the ensuing budget year.

(f) If a political subdivision or appropriate fiscal body timely submits the information under subsection (a) but subsequently discovers the information contains a typographical error, the political subdivision or appropriate fiscal body may request permission from the department to submit amended information to the department's computer gateway. However, such a request must occur not later than seven (7) days before the public hearing held under subsection (a). Acknowledgment of the correction of an error shall be posted on the department's computer gateway and communicated by the political subdivision or appropriate fiscal body to the fiscal body of the county in which the political subdivision and appropriate fiscal body are located.

SECTION 22. IC 6-1.1-17-16, AS AMENDED BY P.L.218-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in section 16.1 of this chapter, the department of local government finance is not required to hold a public hearing before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section.

(d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. However, if the department of local government finance determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in IC 5-3-1-2.3(b). The department of local government finance shall give

the political subdivision notification electronically in the manner prescribed by the department of local government finance specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a response electronically in the manner prescribed by the department of local government finance. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

(1) no bonds of the building corporation are outstanding; or

(2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

(1) the county auditor;

(2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;

(3) the taxpayer that initiated an appeal under section 13 of this chapter, or, if the appeal was initiated by multiple taxpayers, the first ten (10) taxpayers whose names appear on the statement filed to initiate the appeal; and

(4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

(1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.

(2) If the department:

(A) acts under an appeal initiated by one (1) or more taxpayers under section 13 of this chapter; or

(B) fails to act on the appeal before the department certifies its action under subsection (f);

a taxpayer who signed the statement filed to initiate the appeal.

(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.

(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15 of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance ~~may~~ **shall** increase a political subdivision's tax levy to an amount that exceeds the amount originally ~~fixed~~ **advertised or adopted** by the political subdivision if:

(1) the increase is ~~(1)~~ requested in writing by the officers of the political subdivision;

(2) ~~either:~~ **the requested increase is published on the department's advertising Internet web site; and**

~~(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or~~

~~(B) results from an inadvertent mathematical error made in determining the levy; and~~

(3) ~~published by the political subdivision according to a notice provided by the department.~~ **notice is given to the county fiscal body of the error and the department's correction.**

If the department increases a levy beyond what was advertised or adopted under this subsection, it shall reduce the levy affected below the maximum allowable levy by the lesser of five percent (5%) of the difference between the advertised or adopted levy and the increased levy, or one hundred thousand dollars ($100,000).

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.".

Delete pages 30 through 32.

Page 33, delete lines 1 through 37.

Page 34, delete lines 14 through 42.

Delete pages 35 through 38.

Page 39, delete lines 1 through 12, begin a new paragraph and insert:

"SECTION 26. IC 6-1.1-20.3-6.5, AS AMENDED BY P.L.257-2013, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) After the board receives a petition concerning a political subdivision under section 6(a) or 6(b)(2) of this chapter, the board may designate the political subdivision as a distressed political subdivision if at least one (1) of the following conditions applies to the political subdivision:

(1) The political subdivision has defaulted in payment of principal or interest on any of its bonds or notes.

(2) The political subdivision has failed to make required payments to payroll employees for thirty (30) days or two (2) consecutive payrolls.

(3) The political subdivision has failed to make required payments to judgment creditors for sixty (60) days beyond the date of the recording of the judgment.

(4) The political subdivision, for at least thirty (30) days beyond the due date, has failed to do any of the following:

(A) Forward taxes withheld on the incomes of employees.

(B) Transfer employer or employee contributions due under the Federal Insurance Contributions Act (FICA).

(C) Deposit the political subdivision's minimum obligation payment to a pension fund.

(5) The political subdivision has accumulated a deficit equal to eight percent (8%) or more of the political subdivision's revenues. For purposes of this subdivision, "deficit" means a negative fund balance calculated as a percentage of revenues at the end of a budget year for any governmental or proprietary fund. The calculation must be presented on an accrual basis according to generally accepted accounting principles.

(6) The political subdivision has sought to negotiate a resolution or an adjustment of claims that in the aggregate:

(A) exceed thirty percent (30%) of the political subdivision's anticipated annual revenues; and

(B) are ninety (90) days or more past due.

(7) The political subdivision has carried over interfund loans for the benefit of the same fund at the end of two (2) successive years.

(8) The political subdivision has been severely affected, as determined by the board, as a result of granting the property tax credits under IC 6-1.1-20.6.

(9) In addition to the conditions listed in subdivisions (1) through (8), and in the case of a school corporation, the board may also designate a school corporation as a distressed political subdivision if at least one (1) of the following conditions applies:

(A) The school corporation has:

(i) issued refunding bonds under IC 5-1-5-2.5; or

(ii) adopted a resolution under IC 5-1-5-2.5 making the determinations and including the information specified in IC 5-1-5-2.5(g).

(B) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's 2011 ADM ranks in the highest ten (10) among all school corporations.

(C) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's total assessed valuation for calendar year 2011 ranks in the highest ten (10) among all school corporations.

(D) The amount of homestead assessed valuation in the school corporation for calendar year 2011 was at least sixty percent (60%) of the total amount of assessed valuation in the school corporation for calendar year 2011.

(10) In addition to the conditions listed in subdivisions (1) through (9), and in the case of a school corporation, the board shall also designate a school corporation as a distressed political subdivision if the school corporation's petition for a loan from the counter-cyclical revenue and economic stabilization fund was denied in October 2013.

The board may consider whether a political subdivision has fully exercised all the local options available to the political subdivision, such as a local option income tax or a local option income tax rate increase or, in the case of a school corporation, an operating referendum.

(b) If the board designates a political subdivision as distressed under subsection (a), the board shall review the designation annually to determine if the distressed political subdivision meets at least one (1) of the conditions listed in subsection (a).

(c) If the board designates a political subdivision as a distressed political subdivision under subsection (a), the board shall immediately notify:

(1) the treasurer of state; and

(2) the county auditor and county treasurer of each county in which the distressed political subdivision is wholly or partially located;

that the board has designated the political subdivision as a distressed political subdivision.

SECTION 27. IC 6-1.1-20.3-7.5, AS AMENDED BY SEA 24-2014, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) This section does not apply to:

(1) a school corporation designated before July 1, 2013, as a distressed political subdivision; **or**

(2) a school corporation designated as a distressed political subdivision under section 6.5(a)(10) of this chapter, regardless of the date of the designation.

(b) If the board designates a political subdivision as a distressed political subdivision under section 6.5 or 6.7 of this chapter, the board shall appoint an emergency manager for the distressed political subdivision. An emergency manager serves at the pleasure of the board.

(c) The chairperson of the board shall oversee the activities of an emergency manager.

(d) The distressed political subdivision shall pay the emergency manager's compensation and reimburse the emergency manager for actual and necessary expenses.

SECTION 28. IC 6-1.1-20.3-8.3, AS AMENDED BY P.L.257-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.3. **(a)** After the board receives a petition concerning a school corporation under section 6(b)(1) of this chapter, the board shall review the school corporation's request for a loan from the counter-cyclical revenue and economic stabilization fund under IC 6-1.1-21.4-3(b). **Subject to subsection (b),** the board shall make a recommendation to the state board of finance regarding the loan request. The board may consider whether a school corporation has attempted to secure temporary cash flow loans from the Indiana bond bank or a financial institution in making its recommendation.

(b) The board shall recommend that the state board of finance approve a loan request submitted by a school corporation designated as a distressed political subdivision under section 6.5(a)(10) of this chapter.

SECTION 29. IC 6-1.1-21.4-2, AS AMENDED BY P.L.145-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "eligible school

corporation" refers to ~~either~~ **any** of the following:

(1) A school corporation located in a county in which distributions of property tax revenue for 2007 or 2008 to the taxing units (as defined in IC 6-1.1-1-21) of the county:

(A) have not been made; or

(B) were delayed by more than sixty (60) days after either due date specified in IC 6-1.1-22-9.

(2) A school corporation that is:

(A) designated by the distressed unit appeal board as a distressed political subdivision under IC 6-1.1-20.3; or

(B) approved for a loan by the distressed unit appeal board under IC 6-1.1-20.3-8.3.

(3) A school corporation approved for a loan by the distressed unit appeal board under IC 6-1.1-20.3-8.3(b).

SECTION 30. IC 6-1.1-21.4-3, AS AMENDED BY P.L.145-2012, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An eligible school corporation may apply to the board for a loan from the counter-cyclical revenue and economic stabilization fund.

(b) Subject to subsections (c) and (d) and section 3.5 of this chapter, an eligible school corporation described in section 2(2) of this chapter may apply to the board for a loan. The maximum amount of a loan that the board may approve for the eligible school corporation is the lesser of the following:

(1) Five million dollars ($5,000,000).

(2) The product of:

(A) one thousand dollars ($1,000); multiplied by

(B) the school corporation's 2012 ADM.

(c) At the time the distressed unit appeal board designates a school corporation as a distressed political subdivision under IC 6-1.1-20.3 or recommends under IC 6-1.1-20.3-8.3 that a loan from the fund be approved for a school corporation, the distressed unit appeal board may also recommend to the state board of finance that a loan from the fund to the school corporation be contingent upon any of the following:

(1) The sale of specified unused property by the school board.

(2) The school corporation modifying one (1) or more specified contracts entered into by the school corporation.

(d) In making a loan from the fund to a school corporation, the state board of finance may make the loan contingent upon any condition recommended by the distressed unit appeal board under subsection (c).

(e) This subsection applies only to an eligible school corporation approved for a loan by the distressed unit appeal board under

IC 6-1.1-20.3-8.3(b). The board shall make the loan approved by the distressed unit appeal board as requested by the eligible school corporation. The following apply to a loan made under this subsection:

(1) The maximum amount of a loan set forth in subsection (b).

(2) Sections 3.5 through 7 of this chapter.

In addition, an eligible school corporation receiving a loan under this subsection shall sell any unimproved land owned by the eligible school corporation that on April 1, 2014, is not contiguous to the grounds of any school.".

Page 39, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 27. IC 6-1.1-24-1, AS AMENDED BY P.L.203-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer (or county executive, in the case of property described in subdivision (2)) shall certify to the county auditor a list of real property on which any of the following exist:

(1) In the case of real property other than real property described in subdivision (2), any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10 and the delinquent property ~~tax or~~ **taxes,** special assessments, **penalties, fees, or interest** due exceed twenty-five dollars ($25).

(2) In the case of real property for which a county executive has certified to the county auditor that the real property is:

(A) vacant; or

(B) abandoned;

any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10. The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made. The executive of a city or town may provide to the county executive of the county in which the city or town is located a list of real property that the city or town has determined to be vacant or abandoned. The county executive shall include real property included on the list provided by a city or town executive on the list certified by the county executive to the county auditor under this subsection.

(3) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Except as provided in section 1.2 or another provision of this chapter, the taxpayer's property shall remain on the list. The list must:

(1) describe the real property by parcel number and common address, if any;

(2) for a tract or item of real property with a single owner, indicate the name of the owner; and

(3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

SECTION 28. IC 6-1.1-24-1.2, AS AMENDED BY P.L.48-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.2. (a) Except as provided in subsection (c), a tract or an item of real property may not be removed from the list certified under section 1 of this chapter before the tax sale unless all:

(1) delinquent taxes and special assessments due before the date the list on which the property appears was certified under section 1 of this chapter; and

(2) penalties due on the delinquency, interest, and costs directly attributable to the tax sale;

have been paid in full.

(b) A county treasurer may accept partial payments of delinquent property taxes, assessments, penalties, interest, or costs under subsection (a) after the list of real property is certified under section 1 of this chapter. However, a partial payment does not remove a tract or an item from the list certified under section 1 of this chapter unless the taxpayer complies with subsection (a) or (c) before the date of the tax sale.

(c) A county auditor shall remove a tract or an item of real property from the list certified under section 1 of this chapter before the tax sale if the county treasurer and the taxpayer agree to a mutually satisfactory arrangement for the payment of the delinquent taxes.

(d) The county auditor shall remove the tract or item from the list certified under section 1 of this chapter if:

(1) the arrangement described in subsection (c):

(A) is in writing;

(B) is signed by the taxpayer; and

(C) requires the taxpayer to pay the delinquent taxes in full not later than the last business day before ~~July 1 of the year after~~ **the first anniversary of** the date the agreement is signed; and

(2) the county treasurer has provided a copy of the written agreement to the county auditor.

(e) If the taxpayer fails to make a payment under the arrangement described in subsection (c):

(1) the arrangement is void; and

(2) the county auditor shall immediately place the tract or item of real property on the list of real property eligible for sale at a tax sale.

(f) If the county auditor acts under subsection (e) with respect to a tract or item subject to an arrangement described in subsection (c), the taxpayer may ~~not~~ enter into another arrangement under subsection (c) with respect to that tract or item after the due date of the payment referred to in subsection (d) ~~and~~ **only if the new payment arrangement requires that the taxpayer:**

(1) pay at least one-third (1/3) of the taxes due and payable when the new payment arrangement is entered into; and

(2) pay the balance of the taxes due and payable that remains after application of the payment described in subdivision (1) before the first anniversary of the date on which the new payment arrangement is entered into.

If the county auditor acts under subsection (e) with respect to a tract or item subject to an arrangement described in subsection (c) and the county auditor and the taxpayer do not make a new arrangement under subsection (c) with respect to that tract or item that conforms with subdivisions (1) and (2) , the taxpayer may not enter into another arrangement with respect to that tract or item before the ~~date that succeeds by five (5) years~~ **fifth anniversary of** the date on which the original arrangement would have expired if the arrangement had not become void under subsection (e). **If the county auditor and the taxpayer make a new arrangement under subsection (c) with respect to that tract or item that conforms with subdivisions (1) and (2) and the county auditor again acts under subsection (e) with respect to the tract or item subject to the new arrangement, the taxpayer may not enter into another**

arrangement with respect to that tract or item before the fifth anniversary of the date on which the new arrangement would have expired if the new arrangement had not become void under subsection (e).

SECTION 29. IC 6-2.5-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) An excise tax, known as the state gross retail tax, is imposed on retail transactions made in Indiana.

(b) The person who acquires property in a retail transaction is liable for the tax on the transaction and, except as otherwise provided in this chapter, shall pay the tax to the retail merchant as a separate added amount to the consideration in the transaction. ~~The~~ **A** retail merchant **engaged in business in Indiana (as defined in IC 6-2.5-3-1(c)) or who has permission from the department to collect the tax** shall collect the tax as agent for the state.".

Page 39, line 41, delete "to" and insert "**to:**

(1) transport to a destination outside Indiana within thirty (30) days after delivery; and

(2) title or register for use in another state or country;

is the rate of that state or country (excluding any locally imposed tax rates) as certified by the seller and purchaser in an affidavit satisfying the requirements of subsection (c).

(c) The department of state revenue shall prescribe the form of the affidavit required by subsection (b). In addition to the certification required by subsection (b), the affidavit must include the following:

(1) The name of the state or country in which the motor vehicle will be titled or registered.

(2) An affirmation by the purchaser under the penalties for perjury that the information contained in the affidavit is true.

(3) Any other information required by the department of state revenue for the purpose of verifying the information contained in the affidavit.

(d) The department may audit affidavits submitted under this section and make a proposed assessment of the amount of unpaid tax due with respect to any incorrect information submitted in an affidavit required by this section.".

Page 39, delete line 42.

Page 40, delete lines 1 through 3, begin a new paragraph and insert:

"SECTION 29. IC 6-2.5-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. For purposes of this chapter:

(a) "Use" means the exercise of any right or power of ownership over tangible personal property.

(b) "Storage" means the keeping or retention of tangible personal property in Indiana for any purpose except the subsequent use of that property solely outside Indiana.

(c) "A retail merchant engaged in business in Indiana" includes any retail merchant who makes retail transactions in which a person acquires personal property or services for use, storage, or consumption in Indiana and who:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, ~~or~~ subsidiary, **or affiliate;**

(2) maintains a representative, agent, salesman, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary **or an affiliate** of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana;

(3) enters into an arrangement with any person, other than a common carrier, to facilitate the retail merchant's delivery of property to customers in Indiana by allowing the retail merchant's customers to pick up property sold by the retail merchant at an office, distribution facility, warehouse, storage place, or similar place of business maintained by the person in Indiana;

~~(3)~~ **(4)** is otherwise required to register as a retail merchant under IC 6-2.5-8-1; or

~~(4)~~ **(5)** may be required by the state to collect tax under this article to the extent allowed under the Constitution of the United States and federal law.

(d) Notwithstanding any other law, a person may be required to collect and remit gross retail tax or use tax as a retail merchant engaged in business in Indiana under subsection (c) if the activities conducted by the person in Indiana on behalf of a retail merchant are significantly associated with the retail merchant's ability to establish and maintain a market in Indiana.

~~(d)~~ **(e)** Notwithstanding any other provision of this section, tangible

or intangible property that is:

(1) owned or leased by a person that has contracted with a commercial printer for printing; and

(2) located at the premises of the commercial printer;

shall not be considered to be, or to create, an office, a place of distribution, a sales location, a sample location, a warehouse, a storage place, or other place of business maintained, occupied, or used in any way by the person. A commercial printer with which a person has contracted for printing shall not be considered to be in any way a representative, an agent, a salesman, a canvasser, or a solicitor for the person.

(f) A retail merchant is presumed to be engaged in business in Indiana if an affiliate of the retail merchant has substantial nexus in Indiana, and:

(1) the retail merchant sells a line of products similar to a line of products sold by the affiliate, and the retail merchant does so under a business name that is the same as or is similar to the affiliate's business name;

(2) the affiliate uses its Indiana employees or its Indiana facilities to advertise, promote, or facilitate sales by the retail merchant to customers; or

(3) the affiliate uses trademarks, service marks, or trade names in Indiana that are the same as or substantially similar to those used by the retail merchant.

(g) The presumption under subsection (f) may be rebutted by demonstrating that the affiliate's activities in Indiana are not significantly associated with the retail merchant's ability to establish or maintain a market in Indiana for the retail merchant's sales.

(h) A retail merchant is presumed to be engaged in business in Indiana if the retail merchant enters into an agreement with one (1) or more residents of Indiana under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on an Internet web site, an in person oral presentation, or otherwise, to the retail merchant, if the cumulative gross receipts from the sales by the retail merchant to customers in Indiana who are referred to the retail merchant by all residents with this type of an agreement with the retail merchant are greater than ten thousand dollars ($10,000) during the preceding twelve (12) months.

(i) The presumption under subsection (h) may be rebutted by submitting proof that the residents of Indiana with whom the retail

merchant has an agreement did not engage in any activity within Indiana that was significantly associated with the retail merchant's ability to establish or maintain the retail merchant's market in Indiana during the preceding twelve (12) months. This proof may consist of sworn written statements that:

(1) are from all the Indiana residents with whom the retail merchant has an agreement described in subsection (h);

(2) are provided and obtained in good faith; and

(3) state that the Indiana residents did not engage in any solicitation in Indiana on behalf of the retail merchant during the preceding twelve (12) months.

(j) For purposes of this section, "affiliate" means any:

(1) person that is a member of the same controlled group of corporations (as defined in 26 U.S.C. 1563(a)) as the retail merchant; or

(2) other entity that, notwithstanding its form of organization, bears the same ownership relationship to the retail merchant as a corporation that is a member of the same controlled group of corporations (as defined in 26 U.S.C. 1563(a)).".

Page 40, delete lines 32 through 42, begin a new paragraph and insert:

"SECTION 30. IC 6-3-1-3.5, AS AMENDED BY P.L.205-2013, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars ($1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars ($1,000).

(4) Subtract one thousand dollars ($1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) one thousand five hundred dollars ($1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004); and

(B) five hundred dollars ($500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars ($40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars ($2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

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

taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(12) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(13) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(14) Subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(15) Subtract an amount equal to the lesser of:

(A) two thousand five hundred dollars ($2,500); or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(16) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(18) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in

service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(20) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(21) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.

(22) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the individual's federal adjusted gross income under the Internal Revenue Code.

(23) Subtract any amount of a credit (including an advance refund of the credit) that is provided to an individual under 26 U.S.C. 6428 (federal Economic Stimulus Act of 2008) and included in the individual's federal adjusted gross income.

(24) Add any amount of unemployment compensation excluded from federal gross income, as defined in Section 61 of the Internal Revenue Code, under Section 85(c) of the Internal Revenue Code.

(25) Add the amount excluded from gross income under Section 108(a)(1)(e) of the Internal Revenue Code for the discharge of debt on a qualified principal residence.

(26) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract the amount necessary from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(27) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross

income that would have been computed had the special allowance not been claimed for the property.

(28) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(29) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(30) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(31) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(32) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the

period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(33) For a taxable year beginning after December 31, 2013, subtract the amount of Indiana investment interest payments that a taxpayer claimed as a deduction for the taxable year under Section 163 of the Internal Revenue Code in determining the taxpayer's taxable income under Section 63 of the Internal Revenue Code for federal income tax purposes.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand

dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related intangible interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.

(10) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).

(11) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the corporation's taxable income under the Internal Revenue Code.

(12) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income

that would have been computed had an election for federal income tax purposes not been made for the year.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(16) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(17) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(18) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.
(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.
(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.
(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.
(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).
(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.
(9) Subtract income that is:
(A) exempt from taxation under IC 6-3-2-21.7; and
(B) included in the insurance company's taxable income under the Internal Revenue Code.
(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after

December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(15) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(16) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(17) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in

service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section

179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(15) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(16) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(17) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political

subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(7) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the taxpayer's taxable income under the Internal Revenue Code.

(8) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business

indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(9) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(10) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been

treated as an ordinary loss.

(13) Add the amount excluded from gross income under Section 108(a)(1)(e) of the Internal Revenue Code for the discharge of debt on a qualified principal residence.

(14) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(15) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

SECTION 31. IC 6-3-1-36 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 36. "Indiana investment interest payment" means a payment of investment interest (as defined in Section 163(d) of the Internal Revenue Code) made with respect to tangible property held for investment in Indiana.**".

Delete pages 41 through 54.

Page 55, delete lines 1 through 35.

Page 56, delete lines 9 through 19.

Page 58, delete lines 26 through 42.

Page 59, delete lines 1 through 4.

Page 59, delete lines 18 through 42.

Page 60, delete lines 1 through 27.

Page 61, delete lines 15 through 18.

Page 62, line 38, after "fund." insert "**Any amount paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass transportation systems in Lake County.**".

Page 62, delete lines 39 through 42.

Page 63, delete lines 1 through 7.

Page 65, delete lines 11 through 31.

Page 66, delete lines 3 through 42.

Page 67, delete lines 1 through 27, begin a new paragraph and insert:

"SECTION 76. IC 6-3.5-7-13.1, AS AMENDED BY P.L.137-2012, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13.1. (a) The fiscal officer of each county, city, or town for a county in which the county economic development tax is imposed shall establish an economic development income tax fund. Except as provided in sections 23, 26, 27, 27.5, and 27.6 of this chapter, the revenue received by a county, city, or town under this chapter shall be deposited in the unit's economic development income tax fund.

(b) As used in this subsection, "homestead" means a homestead that is eligible for a standard deduction under IC 6-1.1-12-37. Except as provided in sections 15, 23, 26, 27, 27.5, and 27.6 of this chapter, revenues from the county economic development income tax may be used as follows:

(1) By a county, city, or town for economic development projects, for paying, notwithstanding any other law, under a written agreement all or a part of the interest owed by a private developer or user on a loan extended by a financial institution or other lender to the developer or user if the proceeds of the loan are or are to be used to finance an economic development project, for the retirement of bonds under section 14 of this chapter for economic development projects, for leases under section 21 of this chapter, or for leases or bonds entered into or issued prior to the date the economic development income tax was imposed if the purpose of the lease or bonds would have qualified as a purpose under this chapter at the time the lease was entered into or the bonds were issued.

(2) By a county, city, or town for:

(A) the construction or acquisition of, or remedial action with respect to, a capital project for which the unit is empowered to issue general obligation bonds or establish a fund under any statute listed in IC 6-1.1-18.5-9.8;

(B) the retirement of bonds issued under any provision of Indiana law for a capital project;

(C) the payment of lease rentals under any statute for a capital project;

(D) contract payments to a nonprofit corporation whose primary corporate purpose is to assist government in planning and implementing economic development projects;

(E) operating expenses of a governmental entity that plans or

implements economic development projects;

(F) to the extent not otherwise allowed under this chapter, funding substance removal or remedial action in a designated unit; or

(G) funding of a revolving fund established under IC 5-1-14-14.

(3) By a county, city, or town for any lawful purpose for which money in any of its other funds may be used.

(4) By a city or county described in IC 36-7.5-2-3(b) for making transfers required by IC 36-7.5-4-2. If the county economic development income tax rate is increased after April 30, 2005, in Porter County, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be used by the county or by eligible municipalities (as defined in IC 36-7.5-1-11.3) in the county only to make the county's transfer required by IC 36-7.5-4-2. The first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. If Porter County ceases to be a member of the northwest Indiana regional development authority under IC 36-7.5 but two (2) or more municipalities in the county have become members of the northwest Indiana regional development authority as authorized by IC 36-7.5-2-3(i), the county treasurer shall continue to transfer the three million five hundred thousand dollars ($3,500,000) to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county. In Porter County, all of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under subdivision (5).

(5) This subdivision applies only in Porter County. All of the tax revenue that results each year from a tax rate increase described in subdivision (4) that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and

towns in the county for homestead credits under this subdivision. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(6) This subdivision applies only in Lake County. The county or a city or town in the county may use county economic development income tax revenue to provide homestead credits in the county, city, or town. The following apply to homestead credits provided under this subdivision:

(A) The county, city, or town fiscal body must adopt an ordinance authorizing the homestead credits. The ordinance must specify the amount of county economic development income tax revenue that will be used to provide homestead credits in the following year.

(B) The county, city, or town fiscal body that adopts an ordinance under this subdivision must forward a copy of the ordinance to the county auditor and the department of local government finance not more than thirty (30) days after the ordinance is adopted.

(C) The homestead credits must be applied uniformly to increase the homestead credit under IC 6-1.1-20.9 (repealed) for homesteads in the county, city, or town (for property taxes first due and payable before January 1, 2009) or to provide a homestead credit for homesteads in the county, city, or town (for property taxes first due and payable after December 31, 2008).

(D) The homestead credits shall be treated for all purposes as property tax levies.

(E) The homestead credits shall be applied to the net property

taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(F) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(7) For a regional venture capital fund established under section 13.5 of this chapter or a local venture capital fund established under section 13.6 of this chapter.

(8) This subdivision applies only to LaPorte County, if:

(A) the county fiscal body has adopted an ordinance under IC 36-7.5-2-3(e) providing that the county is joining the northwest Indiana regional development authority; and

(B) the fiscal body of the city described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the city is joining the development authority.

Revenue from the county economic development income tax may be used by a county or a city described in this subdivision for making transfers required by IC 36-7.5-4-2. In addition, if the county economic development income tax rate is increased after June 30, 2006, in the county, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be used by the county only to make the county's transfer required by IC 36-7.5-4-2. The first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. All of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under subdivision (9).

(9) This subdivision applies only to LaPorte County. All of the tax revenue that results each year from a tax rate increase described in subdivision (8) that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from

the tax rate increase must be used by the county and cities and towns in the county for homestead credits under this subdivision. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(10) By a county as matching funds for a grant received under IC 4-4-39.

(c) As used in this section, an economic development project is any project that:

(1) the county, city, or town determines will:

(A) promote significant opportunities for the gainful employment of its citizens;

(B) attract a major new business enterprise to the unit; or

(C) retain or expand a significant business enterprise within the unit; and

(2) involves an expenditure for:

(A) the acquisition of land;

(B) interests in land;

(C) site improvements;

(D) infrastructure improvements;

(E) buildings;

(F) structures;

(G) rehabilitation, renovation, and enlargement of buildings and structures;

(H) machinery;

(I) equipment;

(J) furnishings;

(K) facilities;

(L) administrative expenses associated with such a project,

including contract payments authorized under subsection (b)(2)(D);

(M) operating expenses authorized under subsection (b)(2)(E); or

(N) to the extent not otherwise allowed under this chapter, substance removal or remedial action in a designated unit;

or any combination of these.

(d) If there are bonds outstanding that have been issued under section 14 of this chapter or leases in effect under section 21 of this chapter, the county or a city or town may not expend money from its economic development income tax fund for a purpose authorized under subsection (b)(3) in a manner that would adversely affect owners of the outstanding bonds or payment of any lease rentals due.

SECTION 77. IC 6-6-2.5-1, AS AMENDED BY P.L.277-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas, ~~liquid or compressed natural gas product, or a combination of liquefied petroleum gas and a compressed natural gas product,~~ not including a biodiesel fuel or biodiesel blend, used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane **or** propane. ~~or liquid or compressed natural gas.~~

SECTION 78. IC 6-6-2.5-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 16.5. As used in this chapter, "natural gas product" means:**

(1) a liquid or compressed natural gas product; or

(2) a combination of liquefied petroleum gas and a compressed natural gas product;

used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance.

SECTION 79. IC 6-6-2.5-22, AS AMENDED BY P.L.277-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 22. As used in this chapter, "special fuel" means all combustible gases and liquids that are:

(1) suitable for the generation of power in an internal combustion engine or motor; or

(2) used exclusively for heating, industrial, or farm purposes other than for the operation of a motor vehicle.

Special fuel includes biodiesel and blended biodiesel (as defined in

IC 6-6-2.5-1.5) and ~~alternative fuels.~~ **natural gas products.** However, the term does not include **an alternative fuel,** gasoline (as defined in IC 6-6-1.1-103), ethanol produced, stored, or sold for the manufacture of or compounding or blending with gasoline, kerosene, and jet fuel (if the purchaser of the jet fuel has provided to the seller proof of the purchaser's federal jet fuel registration at or before the time of sale).

SECTION 80. IC 6-6-14 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]:

Chapter 14. Alternative Fuel Decals

Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane or propane.

Sec. 2. As used in this chapter, "department" means the department of state revenue.

Sec. 3. As used in this chapter, "special fuel" has the meaning set forth in IC 6-6-2.5-22.

Sec. 4. (a) The owner of one (1) of the following motor vehicles that is registered in Indiana and that is propelled by alternative fuel shall obtain an alternative fuel decal for the motor vehicle and pay an annual fee in accordance with the following schedule:

SCHEDULE

Motor Vehicle	Annual Fee
A passenger motor vehicle, truck, or bus, the declared gross weight of which is equal to or less than 9,000 pounds.	$100
A recreational vehicle.	$100
A truck or bus, the declared gross weight of which is greater than 9,000 pounds but equal to or less than 11,000 pounds.	$175
An alternative fuel delivery truck powered by alternative fuel that is a truck the declared gross weight of which is greater than 11,000 pounds.	$250
A truck or bus, the declared gross weight of which is greater than 11,000 pounds, except an alternative fuel delivery truck.	$300
A tractor designed to be used with a semitrailer.	$500

Only one (1) fee is required to be paid per motor vehicle per year.

(b) The annual fee may be prorated on a quarterly basis if:

(1) application is made after June 30 of a year; and

(2) the motor vehicle is newly:

(A) converted to alternative fuel;

(B) purchased; or

(C) registered in Indiana.

(c) The fees imposed under this section are subject to an annual adjustment under section 5 of this chapter.

Sec. 5. (a) As used in this section, "consumer price index" refers to the consumer price index for all urban users not seasonally adjusted as published by the Bureau of Labor Statistics, United States Department of Labor, or its successor agency.

(b) Subject to subsection (c), the department shall before February 1 of each year adjust each fee imposed under section 4 of this chapter as follows:

STEP ONE: Determine the quotient of:

(A) the consumer price index for December of the immediately preceding calendar year; divided by

(B) the consumer price index for December of the calendar year immediately preceding the calendar year described in clause (A).

STEP TWO: Determine the product of:

(A) the amount of the fee imposed under section 4 of this chapter in the immediately preceding calendar year; multiplied by

(B) the STEP ONE result.

STEP THREE: Round the STEP TWO result to the nearest ten dollar ($10) increment.

(c) A fee imposed under section 4 of this chapter may not be increased under this section if the adjustment required by this section results in a fee increase of less than five dollars ($5). However, in the following calendar year the amount of the disregarded adjustment must be treated as if it had been added to the fee imposed under section 4 of this chapter for purposes of making the determination under subsection (b) STEP TWO.

Sec. 6. (a) The owner of a motor vehicle that is propelled by alternative fuel and is:

(1) registered outside Indiana; and

(2) operated on a public highway in Indiana;

shall obtain a temporary trip permit. An alternative fuel temporary trip permit may be purchased from a licensed propane

dealer who sells alternative fuels.

(b) A temporary trip permit is valid for seventy-two (72) hours from the time of purchase. The fee for each permit is five dollars and fifty cents ($5.50). The fee for an alternative temporary trip permit must be collected from the purchaser by the licensed propane dealer and paid monthly to the administrator on forms prescribed by the department.

Sec. 7. (a) Before dispensing alternative fuel into a motor vehicle, a person desiring to make alternative fuel sales in Indiana must be licensed by the department as a propane dealer. A person may apply for a propane dealer license on a form prescribed by the department. The department may make any reasonable investigation of an applicant before issuing a license to the applicant. The fee for a propane dealer license is fifty dollars ($50).

(b) The department shall issue a license card to each applicant approved for a propane dealer license. A licensed propane dealer shall display the license card in a conspicuous place at each location operated by the licensed propane dealer where alternative fuel is dispensed into motor vehicles in Indiana.

(c) The department may rescind a propane dealer license if the propane dealer fails to comply with any requirement of this chapter.

(d) Fees collected under this section must be deposited, allocated, and distributed in the same manner that special fuel taxes are deposited, allocated, and distributed under IC 6-6-2.5-67.

Sec. 8. (a) The administrator shall issue an alternative fuel decal to an owner of a motor vehicle propelled by alternative fuel who applies for a decal, pays to the administrator the fee, and provides the information that is required by the administrator.

(b) An alternative fuel decal is effective from April 1 of each year through March 31 of the next year. The administrator may extend the expiration date for not more than thirty (30) days. During the month of March, the owner shall display the valid decal through March 31 or the decal issued to the owner for the next twelve (12) months. If the administrator grants an extension of the expiration date, the owner shall continue to display the decal for which the extension was granted.

Sec. 9. (a) The owner of a motor vehicle propelled by alternative fuel shall affix the alternative fuel decal to the lower left side of the front windshield of the motor vehicle for which it was issued. The decal may be displayed only on the motor vehicle for which the decal was issued.

(b) Upon application of the owner and surrender of a decal, the administrator may issue a new decal or give credit toward the fee for a decal for another vehicle or for a subsequent twelve (12) months. Upon receipt of the new decal or a credit statement, the owner shall return to the administrator:

(1) the old decal; or

(2) a sworn statement indicating that the old decal has been destroyed.

(c) A credit under this section shall be computed by multiplying the fee paid for the old decal by a fraction. The denominator of the fraction is the number of whole and partial quarters for which the old decal was issued. The numerator of the fraction is the number of remaining whole quarters that the old decal would have been valid.

(d) A credit under this section may not be given during the last three (3) months before the decal expires.

(e) No refunds may be allowed under this section.

Sec. 10. A person may place or cause to be placed alternative fuel into the fuel supply tank of a motor vehicle only under one (1) of the following conditions:

(1) The motor vehicle has a valid alternative fuel decal affixed to the front windshield.

(2) The operator has a copy of a completed application for a decal for the motor vehicle, which application was filed with the department not more than thirty (30) days before the sale of the fuel.".

Page 67, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 76. IC 6-7-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 1.5. As used in this chapter, "delivery sale" means a sale of any tobacco product by a seller, whether located within or outside Indiana, to a purchaser located in Indiana when:**

(1) the purchaser submits the order for the sale for delivery in Indiana by any means, including by telephone communication, mail service, or the Internet; or

(2) the tobacco product is delivered in Indiana by any means, including delivery through the mail or any other delivery service.

The term does not include a sale to a distributor or retail dealer.

SECTION 77. IC 6-7-2-7, AS AMENDED BY P.L.205-2013, SECTION 129, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) A tax is imposed on the

distribution of tobacco products in Indiana at the rate of:

(1) twenty-four percent (24%) of the wholesale price of tobacco products other than moist snuff; or

(2) for moist snuff, forty cents ($0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce. If the tax calculated for a fractional part of an ounce carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(b) The distributor of the tobacco products, including a person that sells tobacco products through an Internet web site, is liable for the tax imposed under subsection (a). The tax is imposed at the time the distributor:

(1) brings or causes tobacco products to be brought into Indiana for distribution;

(2) manufactures tobacco products in Indiana for distribution; ~~or~~

(3) transports tobacco products to retail dealers in Indiana for resale by those retail dealers; **or**

(4) accepts a purchase order for a delivery sale, including a delivery sale of cigars, pipe tobacco, or any other form of tobacco products. This subdivision does not apply to the extent the distributor has obtained proof (in the form of the presence of applicable tax stamps or otherwise) that the tax imposed under subsection (a) already has been paid in Indiana.

(c) A person who:

(1) possesses a tobacco product in Indiana upon which a distributor or any other person has not paid the tax imposed under subsection (a) to the department; and

(2) purchased the tobacco product for any purpose other than transportation of the product in interstate commerce or for temporary storage before distribution or retail sale,

is liable for remitting the tax imposed under subsection (a) to the department.

~~(c)~~ **(d)** The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.".

Page 68, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 77. IC 6-9-2.5-7.5, AS AMENDED BY P.L.176-2009, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7.5. (a) The county treasurer shall establish a tourism capital improvement fund.

(b) The county treasurer shall deposit money in the tourism capital improvement fund as follows:

(1) Before January 1, ~~2015,~~ **2020,** the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a three and one-half percent (3.5%) rate.

(2) After December 31, ~~2014,~~ **2019,** the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a four and one-half percent (4.5%) rate.

(c) The commission may transfer money in the tourism capital improvement fund to:

(1) the county government, a city government, or a separate body corporate and politic in a county described in section 1 of this chapter; or

(2) any Indiana nonprofit corporation;

for the purpose of making capital improvements in the county that promote conventions, tourism, or recreation. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section.

SECTION 78. IC 6-9-2.5-7.7, AS AMENDED BY P.L.176-2009, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7.7. (a) The county treasurer shall establish a convention center operating fund.

(b) Before January 1, ~~2015,~~ **2020,** the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate. Money in the fund must be expended for the operating expenses of a convention center.

(c) After December 31, ~~2014,~~ **2019,** the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a one percent (1%) rate. Money in the fund must be expended for the operating expenses of a convention center with the unused balance transferred on January 1 of each year to the tourism capital improvement fund.".

Page 68, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 80. IC 8-22-1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) "Aviation related property or facilities" means those properties or facilities that are utilized by a lessee, or a lessee's assigns, who provides services or accommodations:

(1) for scheduled or unscheduled air carriers and air taxis, and their passengers, air cargo operations, and related ground transportation facilities;

(2) for fixed based operations;

(3) for general aviation or military users; and

(4) as aviation **manufacturing, assembly, research and development, or** maintenance and repair facilities.

(b) The term includes any property leased to the United States, or its agencies or instrumentalities, and any leased property identified as clear zones, ~~avigation~~ **aviation** easements, safety and transition areas, as defined by the Federal Aviation Administration.".

Page 77, between lines 35 and 36, begin a new paragraph and insert:

"SECTION 81. IC 22-9-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. **(a) Except as provided in subsection (b),** every contract to which the state or any of its political or civil subdivisions is a party, including franchises granted to public utilities, shall contain a provision requiring the contractor and ~~his~~ **any** subcontractors **of the contractor** not to discriminate against any employee or applicant for employment to be employed in the performance of ~~such~~ **the** contract, with respect to ~~his~~ **the individual's** hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of ~~his~~ **the individual's** race, religion, color, sex, disability, national origin, or ancestry. Breach of this covenant may be regarded as a material breach of the contract.

(b) A contract between the state or a political or civil subdivision of the state and an institution described in section 3(h)(2) of this chapter is not required to contain a covenant not to discriminate against an employee or applicant for employment to be employed in the performance of the contract, with respect to the individual's hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of the individual's religion.".

Page 77, delete lines 36 through 42.

Delete page 78.

Page 79, delete lines 1 through 26.

Page 80, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 86. IC 36-6-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) When the executive prepares the annual report required by section 12 of this chapter, the executive shall also prepare, on forms prescribed by the state board of accounts, an abstract of receipts and expenditures:

(1) showing the sum of money in each fund of the township at the beginning of the year;
(2) showing the sum of money received in each fund of the township during the year;
(3) showing the sum of money paid from each fund of the township during the year;
(4) showing the sum of money remaining in each fund of the township at the end of the year;
(5) containing a statement of receipts, showing their source; and
(6) containing a statement of expenditures, showing the combined gross payment, according to classification of expense, to each person.

(b) Within four (4) weeks after the third Tuesday following the first Monday in ~~January,~~ **February,** the executive shall publish the abstract prescribed by subsection (a) in accordance with IC 5-3-1. The abstract must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the township have been filed with the county auditor, and that the chairman of the township legislative body has a copy of the report that is available for inspection by any taxpayer of the township.

(c) An executive who fails to comply with this section commits a Class C infraction.

SECTION 87. IC 36-8-16.7-32.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 32.5. (a) This section applies only to Hendricks County for the period:**

(1) beginning January 1, 2015; and
(2) ending December 31, 2017.

(b) The legislative body may impose an emergency communications fee to fund a part of the county's emergency communications services system within the geographic boundaries of the county. To impose the fee, the legislative body must adopt an ordinance that meets the following requirements:

(1) The ordinance is adopted after the legislative body holds a public hearing to receive public comment on the proposed ordinance. The legislative body must give notice of the hearing under IC 5-3-1 that includes the following:
(A) A list of all PSAPs in the proposed district.
(B) The date, time, and location of the hearing.
(C) The location where the public can inspect the proposed ordinance.
(D) The name and contact information of a representative

of each PSAP who may be contacted for further information.

(2) The ordinance must:

(A) take effect January 1, 2015; and

(B) expire December 31, 2017.

(c) The ordinance adopted under subsection (b) must include the following:

(1) The identity of all PSAPs within the county.

(2) A description of a proposed tiered fee schedule based on:

(A) a flat fee applicable to all parcels;

(B) a variable fee based on zoning classifications, the size of a parcel, and the number or type of improvements on a parcel.

(3) The effective date and expiration date of the ordinance.

(d) Upon the adoption of an ordinance under this section, the legislative body shall establish an emergency communications services fund. The fund consists of the following:

(1) Fees deposited under this section.

(2) Grants and gifts intended for deposit in the fund.

(3) Interest, premiums, gains, or other earnings on the fund.

(4) Money from any other source that is deposited in or transferred to the fund.

(e) Money in the fund may be used by the county for the purposes set forth in this chapter and other costs incurred in administering this section. The county treasurer shall administer the fund. The funds that remain in a fund or account established for the deposit of distributions received under section 37 of this chapter shall be transferred to the fund. Any funds transferred under this subsection shall be used as follows:

(1) To pay any obligations owed to any bondholders, third parties, or creditors under IC 36-8-16 (before its repeal) or IC 36-8-16.7 before July 1, 2014.

(2) To the extent any funds remain after meeting the obligations described in subdivision (1), for the purposes set forth in this section.

(f) The legislative body shall:

(1) determine an annual budget in the amount necessary to meet the expenses of operating and maintaining the emergency communications services system within the county, minus the statewide 911 fees otherwise received by the county under this chapter; and

(2) not later than September 1, submit the budget to the fiscal

body for review and approval.

The legislative body shall base its initial budget on the expenses actually incurred by all PSAPs in the county in implementing IC 36-8-16.7 during the calendar year ending December 31, 2013.

(g) Based on a budget approved under subsection (f), the legislative body shall recommend to the fiscal body a schedule of fees to be imposed on parcels located within the geographic boundaries of the county. The fees:

(1) must comply with the authority granted under subsection (c); and

(2) must be adequate, when considering the statewide 911 fees, to provide for proper development, operation, and maintenance of the county's emergency communications services system.

(h) The fiscal body shall:

(1) review a schedule of recommended fees submitted under subsection (g);

(2) determine the fees imposed under this chapter in accordance with the authority granted under subsection (c);

(3) adopt an ordinance to impose the fees determined under subdivision (2); and

(4) certify the fees to the county auditor as a special assessment on each parcel of real property located within the county.

(i) The county auditor shall:

(1) place the total amount certified under subsection (b) on the tax duplicate for each affected property as a special assessment; and

(2) deposit money received as payment of a special assessment in the emergency communications services fund.

(j) Except as provided in IC 36-8-16.6 and this chapter, an additional fee relating to the provision of 911 service may not be levied upon CMRS, voice communications services, or interconnected VOIP services provided to a customer in Hendricks County by a state agency or local unit of government.

(k) The legislative body shall, after June 30 and before October 1 of 2015 and 2016, report to the regulatory flexibility committee established by IC 8-1-2.6-4 on the ability of the county to independently fund and operate an emergency communications service system. The regulatory flexibility committee shall consider:

(1) whether a pilot program established under this chapter should be extended for additional years in Hendricks County;

and

(2) whether a pilot program established under this chapter should be extended to additional counties.

The regulatory flexibility committee shall submit any findings and recommendations made under this section to the legislative council in an electronic format under IC 5-14-6 before November 1, 2016.

(l) This section expires January 1, 2018.".

Page 80, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 90. [EFFECTIVE JULY 1, 2014] **(a) IC 6-2.5-3-1, as amended by this act, applies only to the collection of use tax on remote sales occurring after June 30, 2014. A remote sale is considered as having occurred after June 30, 2014, to the extent that:**

(1) the agreement of the parties to the transaction was entered into after June 30, 2014;

(2) payment for the property furnished in the transaction is made after June 30, 2014; or

(3) delivery to the purchaser of the property furnished in the transaction occurs after June 30, 2014.

However, a transaction is considered as having occurred before July 1, 2014, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2014, and payment for the property furnished in the transaction is made before July 1, 2014, notwithstanding the delivery of the property after June 30, 2014.

(b) This SECTION expires January 1, 2016.".

Page 80, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 89. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "office of the secretary" refers to the office of the secretary of family and social services established by IC 12-8-1.5-1.**

(b) As used in this SECTION, "government assistance income" means the sum of the value of all:

(1) cash;

(2) free services; or

(3) savings from reduced fees;

received by an Indiana resident whose income does not exceed two hundred percent (200%) of the federal income poverty level.

(c) Before November 1, 2014, the office of the secretary shall study the following:

(1) The tax relief available for Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level.

(2) The availability of programs that provide financial or medical assistance to Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level, including:

(A) Medicaid;

(B) Temporary Assistance for Needy Families;

(C) supplemental nutrition assistance; or

(D) any other federal, state, or local financial or medical assistance available to Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level.

(3) The maximum government assistance income an individual could receive by pursuing and obtaining the benefits described in subdivisions (1) and (2).

(d) The office of the secretary shall submit a report of its findings not later than November 1, 2014, to the governor and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6. The report must include a detailed explanation of the calculation assumptions and methodology.

(e) This SECTION expires January 1, 2015.

SECTION 90. [EFFECTIVE UPON PASSAGE] **(a) The legislative council is urged to assign to an appropriate interim study committee the task of studying all income tax credits using a schedule that provides for each income tax credit to be studied every four (4) years.**

(b) An interim study committee assigned the study described in subsection (a) shall:

(1) develop a method for evaluating the performance of each income tax credit; and

(2) annually submit a report to the legislative council in an electronic format under IC 5-14-6 before November 1 of each year.

(c) This SECTION expires January 1, 2018.

SECTION 91. [EFFECTIVE JULY 1, 2014] **(a) As used in this SECTION, "office" refers to the office of management and budget established by IC 4-3-22-3.**

(b) The office shall prepare a land use study that must include the following:

(1) A study of the feasibility of constructing a facility on land north of the state house to house the judiciary, provide additional legislative office space, and provide parking for

employees and visitors to the facility, including controlled access parking.

(2) A study of ways to enhance public access to the activities of the legislative and judicial branches of state government, including providing additional space for legislative hearings.

(3) A study of ways to enhance security while enhancing public access.

(c) The office may review and use an architectural study prepared for the budget agency under P.L.273-1999, SECTION 31 or any other study that the office considers relevant to the study required by subsection (b).

(d) The office shall submit the study required by subsection (b) to the legislative council in an electronic format under IC 5-14-6 before December 1, 2015.

(e) This SECTION expires January 1, 2016.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 367 as reprinted February 4, 2014.)

BROWN T, Chair

Committee Vote: yeas 12, nays 7.