

HOUSE BILL No. 1491

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.5-1.1-2.8; IC 6-8.1-8-16.5.

Synopsis: County adjusted gross income tax. Provides that, when construction of jail facilities are complete and bonds and leases are fully paid, the county adjusted gross income tax rate in Marshall County shall be established at a rate such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities. Provides that the department of state revenue shall notify a taxpayer by registered or certified mail at least sixty (60) days before the department may report a taxpayer's unpaid tax assessment to a credit reporting agency.

Effective: Upon passage; July 1, 2015.

Harman, Miller D

January 14, 2015, read first time and referred to Committee on Ways and Means.



First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1491



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

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

1 SECTION 1. IC 6-3.5-1.1-2.8, AS AMENDED BY P.L.119-2012,
2 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 2.8. (a) This section applies to the following
4 counties:
5 (1) Elkhart County.
6 (2) Marshall County.
7 (b) The county council may, by ordinance, determine that additional
8 county adjusted gross income tax revenue is needed in the county to:
9 (1) finance, construct, acquire, improve, renovate, or equip:
10 (A) jail facilities;
11 (B) juvenile court, detention, and probation facilities;
12 (C) other criminal justice facilities; and
13 (D) related buildings and parking facilities;
14 located in the county, including costs related to the demolition of
15 existing buildings and the acquisition of land; and



- 1 (2) repay bonds issued or leases entered into for the purposes
2 described in subdivision (1).
- 3 (c) The county council may, by ordinance, determine that additional
4 county adjusted gross income tax revenue is needed in the county to
5 operate or maintain:
- 6 (1) jail facilities;
7 (2) juvenile court, detention, and probation facilities;
8 (3) other criminal justice facilities; and
9 (4) related buildings and parking facilities;
- 10 located in the county. A county council of a county named in
11 subsection (a)(1) or (a)(2) may make a determination under both this
12 subsection and subsection (b).
- 13 (d) In addition to the rates permitted by section 2 of this chapter, the
14 county council may impose the county adjusted gross income tax at a
15 rate of:
- 16 (1) fifteen-hundredths percent (0.15%);
17 (2) two-tenths percent (0.2%); or
18 (3) twenty-five hundredths percent (0.25%);
- 19 on the adjusted gross income of county taxpayers if the county council
20 makes a finding and determination set forth in subsection (b) or (c).
21 The tax rate may not be imposed at a rate greater than is necessary to
22 carry out the purposes described in subsections (b) and (c), as
23 applicable.
- 24 (e) ~~This subsection applies only to Elkhart County.~~ If the county
25 council imposes the tax under this section to pay for the purposes
26 described in both subsections (b) and (c), when:
- 27 (1) the financing, construction, acquisition, improvement,
28 renovation, and equipping described in subsection (b) are
29 completed; and
30 (2) all bonds issued (including any refunding bonds) or leases
31 entered into to finance the construction, acquisition,
32 improvement, renovation, and equipping described in subsection
33 (b) are fully paid;
- 34 the county council shall, subject to subsection (d), establish a tax rate
35 under this section by ordinance such that the revenue from the tax does
36 not exceed the costs of operating and maintaining the jail facilities
37 referred to in subsection (b)(1)(A).
- 38 (f) The tax imposed under this section may be imposed only until
39 the last of the following dates:
- 40 (1) The date on which the financing, construction, acquisition,
41 improvement, renovation, and equipping described in subsection
42 (b) are completed.



1 (2) The date on which the last of any bonds issued (including any
 2 refunding bonds) or leases entered into to finance the
 3 construction, acquisition, improvement, renovation, and
 4 equipping described in subsection (b) are fully paid.

5 (3) ~~If the county imposing the tax under this section is Elkhart~~
 6 ~~County~~; The date on which an ordinance adopted under
 7 subsection (c) is rescinded.

8 (g) The term of the bonds issued (including any refunding bonds) or
 9 a lease entered into under subsection (b)(2) may not exceed twenty (20)
 10 years.

11 (h) The county treasurer shall establish a criminal justice facilities
 12 revenue fund to be used only for purposes described in this section.
 13 County adjusted gross income tax revenues derived from the tax rate
 14 imposed under this section shall be deposited in the criminal justice
 15 facilities revenue fund before making a certified distribution under
 16 section 11 of this chapter.

17 (i) County adjusted gross income tax revenues derived from the tax
 18 rate imposed under this section:

- 19 (1) may be used only for the purposes described in this section;
 20 (2) may not be considered by the department of local government
 21 finance in determining the county's maximum permissible
 22 property tax levy limit under IC 6-1.1-18.5; and
 23 (3) may be pledged to the repayment of bonds issued or leases
 24 entered into for any or all the purposes described in subsection
 25 (b).

26 (j) Notwithstanding any other law, money remaining in the criminal
 27 justice facilities revenue fund established under subsection (h) after the
 28 tax imposed by this section is terminated under subsection (f) shall be
 29 transferred to the county highway fund to be used for construction,
 30 resurfacing, restoration, and rehabilitation of county highways, roads,
 31 and bridges.

32 SECTION 2. IC 6-8.1-8-16.5 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2015]: **Sec. 16.5. (a) This section applies**
 35 **beginning July 1, 2015.**

36 (b) **The department shall notify a taxpayer by registered or**
 37 **certified mail at least sixty (60) days before the department may**
 38 **report a taxpayer's unpaid tax assessment to a credit reporting**
 39 **agency.**

40 (c) **The notice required under this section is in addition to any**
 41 **other notice required under this chapter.**

42 SECTION 3. **An emergency is declared for this act.**

