Citations Affected: IC 6-3.6-6-2.7.

Synopsis: Local income tax rate. Increases the maximum portion of the local income tax expenditure rate that a county fiscal body may allocate for correctional and rehabilitation facilities from 0.2% to 0.4%. Extends the maximum time period for the allocation from 20 to 22 years.

Effective: July 1, 2019.

Cherry, Thompson

January 7, 2019, read first time and referred to Committee on Ways and Means.
HOUSE BILL No. 1102

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 6-3.6-6-2.7, AS ADDED BY P.L.184-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2.7. (a) A county fiscal body may adopt an ordinance to impose a tax rate for correctional facilities and rehabilitation facilities in the county. The tax rate must be in increments of one-hundredth of one percent (0.01%) and may not exceed two-tenths of one percent (0.2%). 

NEW four-tenths percent (0.4%). The tax rate may not be in effect for more than twenty (20) twenty-two (22) years.

(b) The revenue generated by a tax rate imposed under this section must be distributed directly to the county before the remainder of the expenditure rate revenue is distributed. The revenue shall be maintained in a separate dedicated county fund and used by the county only for paying for correctional facilities and rehabilitation facilities in the county.