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# HOUSE BILL No. 1188

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-2.5; IC 36-8-12-17.

**Synopsis:** Sales tax on fireworks. Requires the deposit of the sales tax on fireworks into a special volunteer fire department fireworks account within the state general fund. Establishes the volunteer fire department fireworks board and authorizes the board to make grants from the account to volunteer fire departments that do not have any firefighters who receive more than nominal consideration for their services. Provides that an eligible volunteer fire department must submit an application each year to be considered for a grant. Gives the board discretion to determine: (1) which volunteer fire departments will receive grants; and (2) the amount of each grant. Provides that money received by a volunteer fire department as a grant may be used only for firefighting equipment or firefighter training.

**Effective:** July 1, 2001.

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January 9, 2001, read first time and referred to Committee on Ways and Means.

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First Regular Session 112th General Assembly (2001)

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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

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# HOUSE BILL No. 1188



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

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

1 SECTION 1. IC 6-2.5-6-15 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2001]: **Sec. 15. Each retail merchant shall report to the**  
4 **department the amount of gross retail taxes collected on the gross**  
5 **retail income attributable to a firework (as defined in**  
6 **IC 22-11-14-1).**

7 SECTION 2. IC 6-2.5-10-1, AS AMENDED BY P.L.253-1999,  
8 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2001]: Sec. 1. (a) The department shall account for all state  
10 gross retail and use taxes that it collects.

11 (b) The department shall deposit those collections in the following  
12 manner:

13 (1) Forty percent (40%) of the collections shall be paid into the  
14 property tax replacement fund established under IC 6-1.1-21.

15 (2) **Except as provided in subsection (c),** fifty-nine and  
16 three-hundredths percent (59.03%) of the collections shall be paid  
17 into the state general fund.



1 (3) Seventy-six hundredths of one percent (0.76%) of the  
2 collections shall be paid into the public mass transportation fund  
3 established by IC 8-23-3-8.

4 (4) Four hundredths of one percent (0.04%) of the collections  
5 shall be deposited into the industrial rail service fund established  
6 under IC 8-3-1.7-2.

7 (5) Seventeen hundredths of one percent (0.17%) of the  
8 collections shall be deposited into the commuter rail service fund  
9 established under IC 8-3-1.5-20.5.

10 (c) **The department shall transfer fifty-nine and**  
11 **three-hundredths percent (59.03%) of state gross retail taxes that**  
12 **are attributable to a firework, as reported under IC 6-2.5-6-15, to**  
13 **a special account within the state general fund known as the**  
14 **volunteer fire department fireworks account. Money in the account**  
15 **shall be distributed as provided in IC 36-8-12-17.**

16 SECTION 3. IC 36-8-12-17 IS ADDED TO THE INDIANA CODE  
17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
18 1, 2001]: **Sec. 17. (a) As used in this section, "account" refers to the**  
19 **volunteer fire department fireworks account established by**  
20 **IC 6-2.5-10-1.**

21 (b) **As used in this section, "board" refers to the volunteer fire**  
22 **department fireworks board established by subsection (c).**

23 (c) **The volunteer fire department fireworks board is**  
24 **established. The board consists of the following nine (9) members:**

25 (1) **Two (2) members, from different political parties,**  
26 **appointed by the governor.**

27 (2) **Two (2) members, from different political parties,**  
28 **appointed by the governor with the advice of the speaker of**  
29 **the house of representatives.**

30 (3) **Two (2) members, from different political parties,**  
31 **appointed by the governor with the advice of president pro**  
32 **tempore of the senate.**

33 (4) **Two (2) members, from different political parties,**  
34 **appointed by the association representing the greatest number**  
35 **of volunteer firefighters in Indiana.**

36 (5) **The state fire marshal (appointed under IC 22-14-2-2).**

37 (d) **The appointments under subsection (c) must be made so**  
38 **that:**

39 (1) **diverse geographic areas of the state are represented; and**

40 (2) **two (2) members are not residents of the same county.**

41 (e) **Each year, a volunteer fire department may apply for a**  
42 **grant from the account by filing an application with the board**

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1 before February 15. The application must include a certification  
2 that the department did not have any firefighters who received  
3 more than nominal consideration for their services to the volunteer  
4 fire department during the preceding year.

5 (f) The board shall verify the accuracy of each application and  
6 determine:

7 (1) which volunteer fire departments will receive a grant; and

8 (2) the amount of the grant that each volunteer fire  
9 department will receive;

10 not later than March 15 of each year.

11 (g) Upon making the determinations required by subsection (f),  
12 the board shall immediately provide the auditor of state with a list  
13 containing the following information:

14 (1) The volunteer fire departments that will receive grants.

15 (2) The amount of each grant.

16 The grants must be distributed before April 1 of each year on  
17 warrants issued by the auditor of state. Money in the account is  
18 appropriated to make the distributions.

19 (h) Money received by a volunteer fire department under this  
20 section may be used only for firefighting equipment or firefighter  
21 training.

22 (i) Money in the account at the end of a state fiscal year does not  
23 revert to the state general fund.

24 SECTION 4. [EFFECTIVE JULY 1, 2001] IC 6-2.5-6-15, as added  
25 by this act, applies to state gross retail and use tax returns filed for  
26 reporting periods beginning after June 30, 2001.

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