



February 14, 2003

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## HOUSE BILL No. 1708

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DIGEST OF HB 1708 (Updated February 11, 2003 3:28 PM - DI 92)

**Citations Affected:** IC 6-2.5.

**Synopsis:** Sales tax on certain motor vehicles. Provides that certain transactions involving a new motor vehicle are exempt from the state gross retail tax.

**Effective:** July 1, 2003.

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**Klinker, Wolkins, Buell, Austin**

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January 21, 2003, read first time and referred to Committee on Ways and Means.  
February 13, 2003, reported — Do Pass.

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HB 1708—LS 7549/DI 103+



February 14, 2003

First Regular Session 113th General Assembly (2003)

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 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1708

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 6-2.5-5-8 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 8. **(a) As used in this**  
3 **section, "new motor vehicle" has the meaning set forth in**  
4 **IC 9-13-2-111.**

5 **(b) Transactions involving tangible personal property other than a**  
6 **new motor vehicle** are exempt from the state gross retail tax if the  
7 person acquiring the property acquires it for resale, rental, or leasing in  
8 the ordinary course of ~~his~~ **the person's** business without changing the  
9 form of the property. ~~However,~~

10 **(c) The following transactions involving a new motor vehicle are**  
11 **exempt from the state gross retail tax:**

12 **(1) A transaction in which a person that has a franchise in**  
13 **effect at the time of the transaction for the vehicle trade name,**  
14 **trade or service mark, or related characteristics acquires a**  
15 **new motor vehicle for resale, rental, or leasing in the ordinary**  
16 **course of the person's business.**

17 **(2) A transaction in which a person that is a franchisee**

HB 1708—LS 7549/DI 103+



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1           **appointed by a manufacturer or converter manufacturer**  
2           **licensed under IC 9-23 acquires a new motor vehicle that has**  
3           **at least one (1) trade name, service mark, or related**  
4           **characteristic as a result of modification or further**  
5           **manufacture by the manufacturer or converter manufacturer**  
6           **for resale, rental, or leasing in the ordinary course of the**  
7           **person's business.**  
8           **(3) A transaction in which a person acquires a new motor**  
9           **vehicle for rental or leasing in the ordinary course of the**  
10           **person's business.**  
11           **(d) The rental or leasing of accommodations to a promoter by a**  
12           **political subdivision (including a capital improvement board) or the**  
13           **state fair commission is not exempt from the state gross retail tax, if the**  
14           **rental or leasing of the property by the promoter is exempt under**  
15           **IC 6-2.5-4-4.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1708, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

CRAWFORD, Chair

Committee Vote: yeas 24, nays 1.

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