

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 378 be amended to read as follows:

- 1 Page 12, between lines 20 and 21, begin a new paragraph and insert:
- 2 "SECTION 16. IC 6-3.1-30 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 JANUARY 1, 2006]:
- 5 **Chapter 30. Ethanol Powered Motor Vehicle Tax Credit**
- 6 **Sec. 1. As used in this chapter, "ethanol" means agriculturally**
- 7 **derived ethyl alcohol.**
- 8 **Sec. 2. As used in this chapter, "E85 ethanol powered motor**
- 9 **vehicle" means a motor vehicle that is powered by E85 blend fuel**
- 10 **that consists of at least eighty-five percent (85%) ethanol and not**
- 11 **more than fifteen percent (15%) gasoline.**
- 12 **Sec. 3. As used in this chapter, "motor vehicle" has the meaning**
- 13 **set forth in IC 6-6-1.1-103.**
- 14 **Sec. 4. As used in this chapter, "pass through entity" means:**
- 15 **(1) a corporation that is exempt from the adjusted gross**
- 16 **income tax under IC 6-3-2-2.8(2);**
- 17 **(2) a partnership;**
- 18 **(3) a limited liability company; or**
- 19 **(4) a limited liability partnership.**
- 20 **Sec. 5. As used in this chapter, "state tax liability" means a**
- 21 **taxpayer's total tax liability that is incurred under:**
- 22 **(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);**
- 23 **(2) IC 6-5.5 (the financial institutions tax); and**
- 24 **(3) IC 27-1-18-2 (the insurance premiums tax);**
- 25 **as computed after the application of the credits that under**

1 IC 6-3.1-1-2 are to be applied before the credit provided by this
2 chapter.

3 Sec. 6. As used in this chapter, "taxpayer" means an individual
4 or entity that has any state tax liability.

5 Sec. 7. A taxpayer who purchases an E85 powered motor vehicle
6 is entitled to a credit against the taxpayer's state tax liability in the
7 taxable year of the purchase equal to five hundred dollars (\$500).

8 Sec. 8. If a pass through entity is entitled to a credit under this
9 chapter but does not have state tax liability against which the tax
10 credit may be applied, a shareholder, partner, or member of the
11 pass through entity is entitled to a tax credit equal to:

- 12 (1) the tax credit determined for the pass through entity for
13 the taxable year; multiplied by
14 (2) the percentage of the pass through entity's distributive
15 income to which the shareholder, partner, or member is
16 entitled.

17 Sec. 9. (a) If the amount of the credit determined under section
18 7 of this chapter for a taxpayer in a taxable year exceeds the
19 taxpayer's state tax liability for that taxable year, the taxpayer may
20 carry over the excess to the following taxable years. The amount of
21 the credit carryover from a taxable year shall be reduced to the
22 extent that the carryover is used by the taxpayer to obtain a credit
23 under this chapter for any subsequent taxable year.

24 (b) A taxpayer is not entitled to a carryback or refund of any
25 unused credit.

26 Sec. 10. To receive the credit provided by this chapter, a
27 taxpayer must claim the credit on the taxpayer's annual state tax
28 return or returns in the manner prescribed by the department. The
29 taxpayer shall submit to the department proof of the taxpayer's
30 purchase of an E85 powered motor vehicle and any other
31 information required by the department.

32 SECTION 17. IC 6-3.1-31 IS ADDED TO THE INDIANA CODE
33 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
34 JANUARY 1, 2006]:

35 **Chapter 31. Tax Credit for the Installation of an E85 Fuel Pump**

36 Sec. 1. As used in this chapter, "ethanol" means agriculturally
37 derived ethyl alcohol.

38 Sec. 2. As used in this chapter, "E85 ethanol fuel dispensing
39 pump" means a fuel dispensing pump that dispenses E85 blend fuel
40 that consists of at least eighty-five percent (85%) ethanol and not
41 more than fifteen percent (15%) gasoline.

42 Sec. 3. As used in this chapter, "pass through entity" means:

- 43 (1) a corporation that is exempt from the adjusted gross
44 income tax under IC 6-3-2-2.8(2);
45 (2) a partnership;
46 (3) a limited liability company; or

- 1 **(4) a limited liability partnership.**
- 2 **Sec. 4. As used in this chapter, "state tax liability" means a**
3 **taxpayer's total tax liability that is incurred under:**
- 4 **(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);**
5 **(2) IC 6-5.5 (the financial institutions tax); and**
6 **(3) IC 27-1-18-2 (the insurance premiums tax);**
7 **as computed after the application of the credits that under**
8 **IC 6-3.1-1-2 are to be applied before the credit provided by this**
9 **chapter.**
- 10 **Sec. 5. As used in this chapter, "taxpayer" means an individual**
11 **or entity that:**
- 12 **(1) has any state tax liability; and**
13 **(2) is engaged in the business of selling motor fuel at retail.**
- 14 **Sec. 6. A taxpayer who installs an E85 ethanol fuel dispensing**
15 **pump is entitled to a credit against the taxpayer's state tax liability**
16 **in the taxable year that the taxpayer installs the E85 ethanol fuel**
17 **dispensing pump equal to the lesser of:**
- 18 **(1) ten thousand dollars (\$10,000); or**
19 **(2) the taxpayer's state tax liability for the taxable year.**
- 20 **Sec. 7. If a pass through entity is entitled to a credit under this**
21 **chapter but does not have state tax liability against which the tax**
22 **credit may be applied, a shareholder, partner, or member of the**
23 **pass through entity is entitled to a tax credit equal to:**
- 24 **(1) the tax credit determined for the pass through entity for**
25 **the taxable year; multiplied by**
26 **(2) the percentage of the pass through entity's distributive**
27 **income to which the shareholder, partner, or member is**
28 **entitled.**
- 29 **Sec. 8. A taxpayer is not entitled to a carryover, carryback or**
30 **refund of any unused credit.**
- 31 **Sec. 9. To receive the credit provided by this chapter, a taxpayer**
32 **must claim the credit on the taxpayer's annual state tax return or**
33 **returns in the manner prescribed by the department. The taxpayer**
34 **shall submit to the department proof of the taxpayer's installation**

1 **of an E85 ethanol fuel dispensing pump and any other information**
2 **required by the department."**

3 Renumber all SECTIONS consecutively.
(Reference is to ESB 378 as printed March 18, 2005.)

Representative Crooks