

Adopted	Rejected
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# COMMITTEE REPORT

<b>YES:</b>	<b>17</b>
<b>NO:</b>	<b>5</b>

**MR. SPEAKER:**

*Your Committee on Ways and Means, to which was referred Senate Bill 500, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 economic matters.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 5-1-14-15 IS ADDED TO THE INDIANA CODE
- 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 8 1, 2007]: **Sec. 15. (a) The fiscal body of a county may adopt an**
- 9 **ordinance to require:**
- 10 **(1) any political subdivision in the county that is identified in**
- 11 **the ordinance; or**
- 12 **(2) any entity:**
- 13 **(A) affiliated with; or**

1                   **(B) controlled by;**  
 2                   **any political subdivision that is identified in the ordinance and**  
 3                   **issues the types of obligations that are identified in the**  
 4                   **ordinance;**  
 5                   **to recover, after the effective date of the ordinance, on the**  
 6                   **obligation issued by the political subdivision or entity an amount**  
 7                   **that may not exceed five-tenths of one percent (0.5%) of the**  
 8                   **amount of the obligation issued.**

9                   **(b) An amount recovered under an ordinance adopted under**  
 10                   **subsection (a) is considered a cost of issuance.**

11                   **(c) In the case of a county that does not contain a consolidated**  
 12                   **city, sixty percent (60%) of the amounts recovered under this**  
 13                   **section in the county shall be distributed to the units in the county**  
 14                   **that have established an affordable housing fund under**  
 15                   **IC 5-20-5-15.5 for deposit in the appropriate fund. The amount to**  
 16                   **be distributed to a unit is the amount available for distribution**  
 17                   **multiplied by a fraction. The numerator of the fraction is the**  
 18                   **population of the unit. The denominator of the fraction is the**  
 19                   **population of all units in the county that have established an**  
 20                   **affordable housing fund. The population to be used for a county**  
 21                   **that establishes an affordable housing fund is the population of the**  
 22                   **county outside any city or town that has established an affordable**  
 23                   **housing fund.**

24                   **(d) In the case of a county that contains a consolidated city, sixty**  
 25                   **percent (60%) of the amounts recovered under this section in the**  
 26                   **county shall be deposited in the housing trust fund established**  
 27                   **under IC 36-7-15.1-35.5(e) for the purposes of the fund.**

28                   **(e) In any county, forty percent (40%) of the amounts recovered**  
 29                   **under this section in the county shall be transferred to the**  
 30                   **treasurer of state for deposit in the affordable housing and**  
 31                   **community development fund established under IC 5-20-4-7 for the**  
 32                   **purposes of the fund.**

33                   SECTION 2. IC 5-13-12-4 IS AMENDED TO READ AS  
 34                   FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) The  
 35                   secretary-investment manager shall administer, manage, and direct the  
 36                   affairs and activities of the board under the policies and under the  
 37                   control and direction of the board. In carrying out these duties, the  
 38                   secretary-investment manager has the power to do the following:

- 1 (1) Approve all accounts for salaries and allowable expenses of  
 2 the board, including, but not limited to:
- 3 (A) the employment of general or special attorneys,  
 4 consultants, and employees and agents as may be necessary to  
 5 assist the secretary-investment manager in carrying out the  
 6 duties of that office and to assist the board in its consideration  
 7 of applications for a guarantee of an industrial development  
 8 obligation or credit enhancement obligation guarantee; and  
 9 (B) the setting of compensation of persons employed under  
 10 ~~subdivision clause~~ (A).
- 11 (2) Approve all expenses incidental to the operation of the public  
 12 deposit insurance fund.
- 13 (3) Perform other duties and functions that may be delegated to  
 14 the secretary-investment manager by the board or that are  
 15 necessary to carry out the duties of the secretary-investment  
 16 manager under this chapter.
- 17 (b) The secretary-investment manager shall keep a record of the  
 18 proceedings of the board, and shall maintain and be custodian of all  
 19 books, documents, and papers filed with the board, and its official seal.  
 20 The secretary-investment manager may make copies of all minutes and  
 21 other records and documents of the board, and may give certificates  
 22 under seal of the board to the effect that the copies are true copies. All  
 23 persons dealing with the board may rely upon the certificates.
- 24 (c) Each year, beginning in 2001, ~~and ending in 2011~~, after the  
 25 treasurer of state prepares the annual report required by IC 4-8.1-2-14,  
 26 the secretary-investment manager shall determine:
- 27 (1) the amount of interest earned by the public deposit insurance  
 28 fund during the state fiscal year ending on the preceding June 30,  
 29 after deducting:
- 30 (A) all expenses and other costs of the board for depositories  
 31 that were not paid from other sources during that state fiscal  
 32 year; and  
 33 (B) all expenses and other costs associated with the Indiana  
 34 education savings authority that were not paid from other  
 35 sources during that state fiscal year; and  
 36 (2) the amount of interest earned during the state fiscal year  
 37 ending on the preceding June 30 by the pension distribution fund  
 38 established by subsection ~~(g)~~ (i).

1 (d) On or before November 1 of each year, beginning in 2001 and  
 2 ending in 2011, the public employees' retirement fund shall provide a  
 3 report to the secretary-investment manager concerning the individual  
 4 and aggregate payments made by all units of local government (as  
 5 defined in IC 5-10.3-11-3) during the preceding calendar year for  
 6 benefits under the police and firefighter pension funds established by  
 7 IC 36-8-6, IC 36-8-7, and IC 36-8-7.5.

8 (e) On or before the last business day of November of each year,  
 9 beginning in 2001 and ending in 2011, the secretary-investment  
 10 manager shall compute the amount of earned interest to be distributed  
 11 under this section to each unit of local government (as defined in  
 12 IC 5-10.3-11-3) in accordance with subsection ~~(h)~~ (j) according to the  
 13 following formula:

14 STEP ONE: Add the amount determined under subsection (c)(1)  
 15 to the amount determined under subsection (c)(2).

16 STEP TWO: Divide the STEP ONE sum by the aggregate amount  
 17 of payments made by all units of local government during the  
 18 preceding calendar year for benefits under the police and  
 19 firefighter pension funds established by IC 36-8-6, IC 36-8-7, and  
 20 IC 36-8-7.5, as reported under subsection (d).

21 STEP THREE: Multiply the STEP TWO quotient by the amount  
 22 of payments made by each unit of local government during the  
 23 preceding calendar year for benefits under the police and  
 24 firefighter pension funds established by IC 36-8-6, IC 36-8-7, and  
 25 IC 36-8-7.5, as reported under subsection (d).

26 **(f) On or before the last business day of November of each year,**  
 27 **beginning in 2012, the secretary-investment manager shall**  
 28 **compute the amount of earned interest to be distributed under this**  
 29 **section to the treasurer of state for deposit in the affordable**  
 30 **housing and community development fund established under**  
 31 **IC 5-20-4-7 in an amount equal to the amount determined under**  
 32 **subsection (c)(1).**

33 ~~(f)~~ (g) Subject to subsection ~~(f)~~; (I), on or before the last business  
 34 day of December of each year, beginning in 2001 and ending in 2011,  
 35 the secretary-investment manager shall provide to the auditor of state:

36 (1) a report setting forth the amounts to be distributed to units of  
 37 local government, as determined under subsection (e); and

38 (2) a check payable from the public deposit insurance fund to the

1 pension distribution fund established by subsection ~~(g)~~ (i) in a  
2 amount equal to the amount determined under subsection (c)(1).

3 **(h) Subject to subsection (l), on or before the last business day**  
4 **of December of each year, beginning in 2012, the**  
5 **secretary-investment manager shall provide to the auditor of state**  
6 **a report setting forth the amounts to be distributed to the**  
7 **affordable housing and community development fund, as**  
8 **determined under subsection (f).**

9 ~~(g)~~ (i) The pension distribution fund is established. The pension  
10 distribution fund shall be administered by the treasurer of state. The  
11 treasurer of state shall invest money in the pension distribution fund  
12 not currently needed to meet the obligations of the pension distribution  
13 fund in the same manner as other public money may be invested.  
14 Interest that accrues from these investments shall be deposited in the  
15 pension distribution fund. Money in the pension distribution fund at the  
16 end of a state fiscal year does not revert to the state general fund.

17 ~~(h)~~ (j) Subject to subsection ~~(j)~~; (l), on June 30 and October 1 of  
18 each year, beginning in 2002 and ending in 2012, the auditor of state  
19 shall distribute in two (2) equal installments from the pension  
20 distribution fund to the fiscal officer of each unit of local government  
21 identified under subsection (d) the amount computed for that unit under  
22 subsection (e) in November of the preceding year.

23 ~~(i)~~ (k) Each unit of local government shall deposit distributions  
24 received under subsection ~~(h)~~ (j) in the pension fund or funds identified  
25 by the secretary-investment manager and shall use those distributions  
26 to pay a portion of the obligations with respect to the pension fund or  
27 funds.

28 ~~(j)~~ (l) Before providing a check to the auditor of state under  
29 subsection ~~(f)(2)~~ (g)(2) in December of any year; **year ending before**  
30 **January 1, 2012, or reporting a distribution under subsection (h)**  
31 **in December of any year beginning after December 31, 2011,** the  
32 secretary-investment manager shall determine:

33 (1) the total amount of payments made from the public deposit  
34 insurance fund under IC 5-13-13-3 after June 30, ~~2001~~; **2001, in**  
35 **the case of a determination made under this subsection for a**  
36 **year ending before January 1, 2012, or after June 30, 2012, in**  
37 **the case of a determination made under this subsection for a**  
38 **year beginning after December 31, 2011;**

- 1 (2) the total amount of payments received by the board for  
 2 depositories and deposited in the public deposit insurance fund  
 3 under IC 5-13-13-3 after June 30, ~~2001~~; **2001, in the case of a**  
 4 **determination made under this subsection for a year ending**  
 5 **before January 1, 2012, or after June 30, 2012, in the case of**  
 6 **a determination made under this subsection for a year**  
 7 **beginning after December 31, 2011; and**  
 8 (3) the total amount of interest earned by the public deposit  
 9 insurance fund after the first of the payments described in  
 10 subdivision (1).

11 If the total amount of payments determined under subdivision (1) less  
 12 the total amount of payments determined under subdivision (2)  
 13 (referred to in this subsection as the "net draw on the fund") exceeds  
 14 ten million dollars (\$10,000,000) and also exceeds the total amount of  
 15 interest determined under subdivision (3), the secretary-investment  
 16 manager may not provide a check to the auditor of state under  
 17 subsection ~~(f)(2)~~ **(g)(2) or make a distribution under subsection (h),**  
 18 **as the case may be,** and a distribution may not be made from the  
 19 pension distribution fund under subsection ~~(f)~~ **(j)** in the following  
 20 calendar year until the total amount of interest earned by the public  
 21 deposit insurance fund equals the net draw on the fund. A check may  
 22 not be provided under subsection ~~(f)(2)~~ **(g)(2)** and a distribution may  
 23 not be made under subsection ~~(f)~~ **(g) or (h)** in any subsequent calendar  
 24 year if a study conducted by the board under section 7(b) of this  
 25 chapter demonstrates that payment of the distribution would reduce the  
 26 balance of the public deposit insurance fund to a level insufficient to  
 27 ensure the safekeeping and prompt payment of public funds to the  
 28 extent they are not covered by insurance of any federal deposit  
 29 insurance agency.

30 SECTION 3. IC 5-20-4-7, AS AMENDED BY P.L.1-2006,  
 31 SECTION 114, AND AS AMENDED BY P.L.181-2006, SECTION  
 32 31, IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) There is established the  
 34 *affordable housing ~~trust~~ and community development* fund. The fund  
 35 shall be administered by the *Indiana housing and community*  
 36 *development* authority under the direction of the *Indiana housing and*  
 37 *community development* authority's board.

38 (b) The fund consists of the following resources:

- 1 (1) Appropriations from the general assembly.
- 2 (2) Gifts, ~~and~~ grants, ~~to the fund:~~ and donations of any tangible
- 3 or intangible property from public or private sources.
- 4 (3) Investment income earned on the fund's assets.
- 5 (4) Repayments of loans from the fund.
- 6 (5) Funds borrowed from the board for depositories insurance
- 7 fund (IC 5-13-12-7).
- 8 **(6) Money deposited in the fund under IC 36-2-7-10.**
- 9 **(7) Money deposited in the fund under IC 5-1-14-15.**
- 10 **(8) Money deposited in the fund under IC 5-13-12-4.**
- 11 **(9) Money deposited in the fund under IC 6-2.5-10-1(a).**
- 12 **(10) Money transferred to the fund under IC 32-34-1-34(g).**
- 13 (c) The treasurer of state shall invest the money in the fund not
- 14 currently needed to meet the obligations of the fund in the same
- 15 manner as other public funds may be invested.
- 16 (d) The money remaining in the fund at the end of a fiscal year does
- 17 not revert to the state general fund.
- 18 (e) Interest earned on the fund may be used by the *Indiana housing*
- 19 *and community development* authority to pay expenses incurred in the
- 20 administration of the fund.
- 21 SECTION 4. IC 5-20-5-15.5 IS AMENDED TO READ AS
- 22 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15.5. (a) The governing
- 23 body of an eligible entity that receives a grant under this chapter shall,
- 24 by resolution, establish an affordable housing fund to be administered,
- 25 subject to the terms of the resolution, by a department, a division, or an
- 26 agency designated by the governing body.
- 27 (b) The affordable housing fund consists of:
- 28 (1) payments in lieu of taxes deposited in the fund under
- 29 IC 36-1-8-14.2;
- 30 (2) gifts and grants to the fund;
- 31 (3) investment income earned on the fund's assets; ~~and~~
- 32 **(4) money deposited in the fund under IC 36-2-7-10;**
- 33 **(5) money deposited in the fund under IC 5-1-14-15(c); and**
- 34 ~~(4) (6)~~ **(6) other funds from sources approved by the commission.**
- 35 (c) The governing body shall, by resolution, establish uses for the
- 36 affordable housing fund. However, the uses must be limited to:
- 37 (1) providing financial assistance to those individuals and
- 38 families whose income is at or below eighty percent (80%) of the

- 1 county's median income for individuals and families, respectively,  
 2 to enable those individuals and families to purchase or lease  
 3 residential units within the county;  
 4 (2) paying expenses of administering the fund;  
 5 (3) making grants, loans, and loan guarantees for the  
 6 development, rehabilitation, or financing of affordable housing  
 7 for individuals and families whose income is at or below eighty  
 8 percent (80%) of the county's median income for individuals and  
 9 families, respectively, including the elderly, persons with  
 10 disabilities, and homeless individuals and families; and  
 11 (4) providing technical assistance to nonprofit developers of  
 12 affordable housing.

13 (d) The county treasurer shall invest the money in the fund not  
 14 currently needed to meet the obligations of the fund in the same  
 15 manner as other public funds may be invested."

16 Page 2, between lines 5 and 6, begin a new paragraph and insert:

17 "SECTION 6. IC 5-28-15-5, AS ADDED BY P.L.214-2005,  
 18 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 19 JULY 1, 2007]: Sec. 5. (a) The board has the following powers, in  
 20 addition to other powers that are contained in this chapter:

- 21 (1) To review and approve or reject all applicants for enterprise  
 22 zone designation, according to the criteria for designation that this  
 23 chapter provides.  
 24 (2) To waive or modify rules as provided in this chapter.  
 25 (3) To provide a procedure by which enterprise zones may be  
 26 monitored and evaluated on an annual basis.  
 27 (4) To adopt rules for the disqualification of a zone business from  
 28 eligibility for any or all incentives available to zone businesses,  
 29 if that zone business does not do one (1) of the following:  
 30 (A) If all its incentives, as contained in the summary required  
 31 under section 7 of this chapter, exceed one thousand dollars  
 32 (\$1,000) in any year, pay a registration fee to the board in an  
 33 amount equal to one percent (1%) of all its incentives.  
 34 (B) Use all its incentives, except for the amount of the  
 35 registration fee, for its property or employees in the zone.  
 36 (C) Remain open and operating as a zone business for twelve  
 37 (12) months of the assessment year for which the incentive is  
 38 claimed.



- 1 (5) To disqualify a zone business from eligibility for any or all  
 2 incentives available to zone businesses in accordance with the  
 3 procedures set forth in the board's rules.
- 4 (6) After a recommendation from a U.E.A., to modify an  
 5 enterprise zone boundary if the board determines that the  
 6 modification:
- 7 (A) is in the best interests of the zone; and  
 8 (B) meets the threshold criteria and factors set forth in section  
 9 9 of this chapter.
- 10 (7) To employ staff and contract for services.
- 11 (8) To receive funds from any source and expend the funds for the  
 12 administration and promotion of the enterprise zone program.
- 13 (9) To make determinations under IC 6-3.1-11 concerning the  
 14 designation of locations as industrial recovery sites and the  
 15 availability of the credit provided by IC 6-1.1-20.7 to persons  
 16 owning inventory located on an industrial recovery site.
- 17 (10) To make determinations under IC 6-1.1-20.7 and IC 6-3.1-11  
 18 concerning the disqualification of persons from claiming credits  
 19 provided by those chapters in appropriate cases.
- 20 (11) To make determinations under IC 6-3.1-11.5 concerning the  
 21 designation of locations as military base recovery sites and the  
 22 availability of the credit provided by IC 6-3.1-11.5 to persons  
 23 making qualified investments in military base recovery sites.
- 24 (12) To make determinations under IC 6-3.1-11.5 concerning the  
 25 disqualification of persons from claiming the credit provided by  
 26 IC 6-3.1-11.5 in appropriate cases.
- 27 (b) In addition to a registration fee paid under subsection (a)(4)(A),  
 28 each zone business that receives an incentive described in section 3 of  
 29 this chapter shall assist the zone U.E.A. in an amount determined by  
 30 the legislative body of the municipality in which the zone is located. If  
 31 a zone business does not assist a U.E.A., the legislative body of the  
 32 municipality in which the zone is located may pass an ordinance  
 33 disqualifying a zone business from eligibility for all credits or  
 34 incentives available to zone businesses. If a legislative body  
 35 disqualifies a zone business under this subsection, the legislative body  
 36 shall notify the board, the department of local government finance, and  
 37 the department of state revenue in writing not more than thirty (30)  
 38 days after the passage of the ordinance disqualifying the zone business.

1 Disqualification of a zone business under this section is effective  
2 beginning with the taxable year in which the ordinance disqualifying  
3 the zone business is adopted.

4 **(c) The legislative body of the municipality in which a zone is**  
5 **located may adopt an ordinance requiring each zone business that**  
6 **receives an incentive described in section 3 of this chapter to**  
7 **provide assistance to a nonprofit corporation that:**

8 (1) **served the zone as a U.E.A. before incorporating as a**  
9 **nonprofit corporation; and**

10 (2) **continues to operate after the expiration of the zone as**  
11 **permitted under section 14(b)(3) of this chapter.**

12 **With the approval of the legislative body, a nonprofit corporation**  
13 **receiving assistance under this subsection may assign any amount**  
14 **of the assistance to another nonprofit corporation.**

15 SECTION 7. IC 6-1.1-12.1-1, AS AMENDED BY P.L.154-2006,  
16 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JANUARY 1, 2007 (RETROACTIVE)]: Sec. 1. For purposes of this  
18 chapter:

19 (1) "Economic revitalization area" means an area which is within  
20 the corporate limits of a city, town, or county which has become  
21 undesirable for, or impossible of, normal development and  
22 occupancy because of a lack of development, cessation of growth,  
23 deterioration of improvements or character of occupancy, age,  
24 obsolescence, substandard buildings, or other factors which have  
25 impaired values or prevent a normal development of property or  
26 use of property. The term "economic revitalization area" also  
27 includes:

28 (A) any area where a facility or a group of facilities that are  
29 technologically, economically, or energy obsolete are located  
30 and where the obsolescence may lead to a decline in  
31 employment and tax revenues; and

32 (B) a residentially distressed area, except as otherwise  
33 provided in this chapter.

34 (2) "City" means any city in this state, and "town" means any town  
35 incorporated under IC 36-5-1.

36 (3) "New manufacturing equipment" means tangible personal  
37 property that a deduction applicant:

38 (A) installs after February 28, 1983, and on or before the

- 1 approval deadline determined under section 9 of this chapter,  
 2 in an area that is declared an economic revitalization area after  
 3 February 28, 1983, in which a deduction for tangible personal  
 4 property is allowed;
- 5 (B) uses in the direct production, manufacture, fabrication,  
 6 assembly, extraction, mining, processing, refining, or finishing  
 7 of other tangible personal property, including but not limited  
 8 to use to dispose of solid waste or hazardous waste by  
 9 converting the solid waste or hazardous waste into energy or  
 10 other useful products;
- 11 (C) acquires **for use as described in clause (B):**
- 12 (i) in an arms length transaction from an entity that is not an  
 13 affiliate of the deduction applicant ~~for use as described in~~  
 14 ~~clause (B); and if the tangible personal property has been~~  
 15 **previously used in Indiana before the installation**  
 16 **described in clause (A); or**
- 17 (ii) **in any other manner if the tangible personal property**  
 18 **has never been previously used in Indiana before the**  
 19 **installation described in clause (A); and**
- 20 (D) **has** never used for any purpose in Indiana before the  
 21 installation described in clause (A).
- 22 However, notwithstanding any other law, the term includes  
 23 tangible personal property that is used to dispose of solid waste or  
 24 hazardous waste by converting the solid waste or hazardous waste  
 25 into energy or other useful products and was installed after March  
 26 1, 1993, and before March 2, 1996, even if the property was  
 27 installed before the area where the property is located was  
 28 designated as an economic revitalization area or the statement of  
 29 benefits for the property was approved by the designating body.
- 30 (4) "Property" means a building or structure, but does not include  
 31 land.
- 32 (5) "Redevelopment" means the construction of new structures,  
 33 in economic revitalization areas, either:
- 34 (A) on unimproved real estate; or  
 35 (B) on real estate upon which a prior existing structure is  
 36 demolished to allow for a new construction.
- 37 (6) "Rehabilitation" means the remodeling, repair, or betterment  
 38 of property in any manner or any enlargement or extension of

- 1 property.
- 2 (7) "Designating body" means the following:
- 3 (A) For a county that does not contain a consolidated city, the
- 4 fiscal body of the county, city, or town.
- 5 (B) For a county containing a consolidated city, the
- 6 metropolitan development commission.
- 7 (8) "Deduction application" means:
- 8 (A) the application filed in accordance with section 5 of this
- 9 chapter by a property owner who desires to obtain the
- 10 deduction provided by section 3 of this chapter;
- 11 (B) the application filed in accordance with section 5.4 of this
- 12 chapter by a person who desires to obtain the deduction
- 13 provided by section 4.5 of this chapter; or
- 14 (C) the application filed in accordance with section 5.3 of this
- 15 chapter by a property owner that desires to obtain the
- 16 deduction provided by section 4.8 of this chapter.
- 17 (9) "Designation application" means an application that is filed
- 18 with a designating body to assist that body in making a
- 19 determination about whether a particular area should be
- 20 designated as an economic revitalization area.
- 21 (10) "Hazardous waste" has the meaning set forth in
- 22 IC 13-11-2-99(a). The term includes waste determined to be a
- 23 hazardous waste under IC 13-22-2-3(b).
- 24 (11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a).
- 25 However, the term does not include dead animals or any animal
- 26 solid or semisolid wastes.
- 27 (12) "New research and development equipment" means tangible
- 28 personal property that:
- 29 (A) a deduction applicant installs after June 30, 2000, and on
- 30 or before the approval deadline determined under section 9 of
- 31 this chapter, in an economic revitalization area in which a
- 32 deduction for tangible personal property is allowed;
- 33 (B) consists of:
- 34 (i) laboratory equipment;
- 35 (ii) research and development equipment;
- 36 (iii) computers and computer software;
- 37 (iv) telecommunications equipment; or
- 38 (v) testing equipment;

1 (C) the deduction applicant uses in research and development  
 2 activities devoted directly and exclusively to experimental or  
 3 laboratory research and development for new products, new  
 4 uses of existing products, or improving or testing existing  
 5 products;

6 (D) the deduction applicant acquires **for purposes described**  
 7 **in this subdivision:**

8 (i) in an arms length transaction from an entity that is not an  
 9 affiliate of the deduction applicant ~~for purposes described in~~  
 10 ~~this subdivision;~~ **and if the tangible personal property has**  
 11 **been previously used in Indiana before the installation**  
 12 **described in clause (A); or**

13 **(ii) in any other manner if the tangible personal property**  
 14 **has never been previously used in Indiana before the**  
 15 **installation described in clause (A); and**

16 (E) the deduction applicant **has** never used for any purpose in  
 17 Indiana before the installation described in clause (A).

18 The term does not include equipment installed in facilities used  
 19 for or in connection with efficiency surveys, management studies,  
 20 consumer surveys, economic surveys, advertising or promotion,  
 21 or research in connection with literacy, history, or similar  
 22 projects.

23 (13) "New logistical distribution equipment" means tangible  
 24 personal property that:

25 (A) a deduction applicant installs after June 30, 2004, and on  
 26 or before the approval deadline determined under section 9 of  
 27 this chapter, in an economic revitalization area in which a  
 28 deduction for tangible personal property is allowed;

29 (B) consists of:

30 (i) racking equipment;

31 (ii) scanning or coding equipment;

32 (iii) separators;

33 (iv) conveyors;

34 (v) fork lifts or lifting equipment (including "walk  
 35 behinds");

36 (vi) transitional moving equipment;

37 (vii) packaging equipment;

38 (viii) sorting and picking equipment; or

- 1 (ix) software for technology used in logistical distribution;
- 2 (C) the deduction applicant acquires **for the storage or**
- 3 **distribution of goods, services, or information:**
- 4 (i) in an arms length transaction from an entity that is not an
- 5 affiliate of the deduction applicant ~~and uses for the storage~~
- 6 ~~or distribution of goods, services, or information;~~ **and if the**
- 7 **tangible personal property has been previously used in**
- 8 **Indiana before the installation described in clause (A);**
- 9 **and**
- 10 **(ii) in any other manner if the tangible personal property**
- 11 **has never been previously used in Indiana before the**
- 12 **installation described in clause (A); and**
- 13 (D) the deduction applicant **has** never used for any purpose in
- 14 Indiana before the installation described in clause (A).
- 15 (14) "New information technology equipment" means tangible
- 16 personal property that:
- 17 (A) a deduction applicant installs after June 30, 2004, and on
- 18 or before the approval deadline determined under section 9 of
- 19 this chapter, in an economic revitalization area in which a
- 20 deduction for tangible personal property is allowed;
- 21 (B) consists of equipment, including software, used in the
- 22 fields of:
- 23 (i) information processing;
- 24 (ii) office automation;
- 25 (iii) telecommunication facilities and networks;
- 26 (iv) informatics;
- 27 (v) network administration;
- 28 (vi) software development; and
- 29 (vii) fiber optics;
- 30 (C) the deduction applicant acquires in an arms length
- 31 transaction from an entity that is not an affiliate of the
- 32 deduction applicant; and
- 33 (D) the deduction applicant never used for any purpose in
- 34 Indiana before the installation described in clause (A).
- 35 (15) "Deduction applicant" means an owner of tangible personal
- 36 property who makes a deduction application.
- 37 (16) "Affiliate" means an entity that effectively controls or is
- 38 controlled by a deduction applicant or is associated with a

1 deduction applicant under common ownership or control, whether  
2 by shareholdings or other means.

3 (17) "Eligible vacant building" means a building that:

- 4 (A) is zoned for commercial or industrial purposes; and
- 5 (B) is unoccupied for at least one (1) year before the owner of  
6 the building or a tenant of the owner occupies the building, as  
7 evidenced by a valid certificate of occupancy, paid utility  
8 receipts, executed lease agreements, or any other evidence of  
9 occupation that the department of local government finance  
10 requires.

11 SECTION 8. IC 6-1.1-36-12, AS AMENDED BY P.L.154-2006,  
12 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2007]: Sec. 12. (a) A board of county commissioners, a county  
14 assessor, or an elected township assessor may enter into a contract for  
15 the discovery of property that has been undervalued or omitted from  
16 assessment. The contract must prohibit payment to the contractor for  
17 discovery of undervaluation or omission with respect to a parcel or  
18 personal property return before all appeals of the assessment of the  
19 parcel or the assessment under the return have been finalized. The  
20 contract may require the contractor to:

- 21 (1) examine and verify the accuracy of personal property returns  
22 filed by taxpayers with a township assessor of a township in the  
23 county **or with the county assessor**; and
- 24 (2) compare a return with the books **and records** of the taxpayer  
25 and with personal property owned, held, possessed, controlled, or  
26 occupied by the taxpayer.

27 **(b) The actions of a contractor under subsection (a)(1) or (a)(2)**  
28 **must be limited in scope to the three (3) assessment years ending**  
29 **before January 1 of the calendar year in which the taxpayer**  
30 **receives notice of the contractor's actions. Notice provided under**  
31 **this section must be in writing and must list each year for which**  
32 **returns and other records may be reviewed under subsection (a).**  
33 **For purposes of this subsection, notice is considered to have been**  
34 **received by the taxpayer as of the date of the notice.**

35 **(c) IC 6-1.1-9-3 does not apply to a contractor's actions under**  
36 **subsection (a).**

37 ~~(b)~~ **(d)** This subsection applies if funds are not appropriated for  
38 payment of services performed under a contract described in subsection

1 (a). The county auditor may create a special nonreverting fund in which  
 2 the county treasurer shall deposit the amount of taxes, including  
 3 penalties and interest, that result from additional assessments on  
 4 undervalued or omitted property collected from all taxing jurisdictions  
 5 in the county after deducting the amount of any property tax credits that  
 6 reduce the owner's property tax liability for the undervalued or omitted  
 7 property. The fund remains in existence during the term of the contract.  
 8 Distributions shall be made from the fund without appropriation only  
 9 for the following purposes **and in the following order:**

10 (1) **First, for** all contract fees and other costs related to the  
 11 contract.

12 **(2) Second, for deposit in the county's reassessment fund. The**  
 13 **amount deposited in the county's reassessment fund under**  
 14 **this subdivision may not exceed twenty percent (20%) of the**  
 15 **remaining money collected as a result of a contract entered**  
 16 **into under this section.**

17 ~~(2)~~ **(e)** After the payments required by ~~subdivision (1)~~ **subsection**  
 18 **(d)** have been made and the contract has expired, the county auditor  
 19 shall distribute all money remaining in the fund to the appropriate  
 20 taxing units in the county using the property tax rates of each taxing  
 21 unit in effect at the time of the distribution.

22 **(f) If the money in the fund established under subsection (d) is**  
 23 **insufficient to pay the fees and costs related to a contract described**  
 24 **in subsection (a), the county may pay the remaining fees and costs**  
 25 **from the county's reassessment fund.**

26 ~~(e)~~ **(g)** A board of county commissioners, a county assessor, or an  
 27 elected township assessor may not contract for services under  
 28 subsection (a) on a percentage basis.

29 **(h) The department shall adopt rules under IC 4-22-2 to govern**  
 30 **the certification of persons who wish to obtain a contract under**  
 31 **this section.**

32 **(i) IC 6-1.1-9-10 applies to this section.**

33 SECTION 9. IC 6-1.1-45-9, AS AMENDED BY P.L.154-2006,  
 34 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2007]: Sec. 9. (a) Subject to subsection (c), a taxpayer that  
 36 makes a qualified investment is entitled to a deduction from the  
 37 assessed value of the taxpayer's enterprise zone property located at the  
 38 enterprise zone location for which the taxpayer made the qualified



1 investment. The amount of the deduction is equal to the remainder of:

- 2 (1) the total amount of the assessed value of the taxpayer's  
 3 enterprise zone property assessed at the enterprise zone location  
 4 on a particular assessment date; minus  
 5 (2) the total amount of the base year assessed value for the  
 6 enterprise zone location.

7 (b) To receive the deduction allowed under subsection (a) for a  
 8 particular year, a taxpayer must comply with the conditions set forth in  
 9 this chapter.

10 (c) A taxpayer that makes a qualified investment in an enterprise  
 11 zone established under IC 5-28-15-11 that is under the jurisdiction of  
 12 a military base reuse authority board created under IC 36-7-14.5 or  
 13 IC 36-7-30-3 is entitled to a deduction under this section only if the  
 14 deduction is approved by the military base reuse authority board.

15 **(d) Except as provided in subsection (c), a taxpayer that makes**  
 16 **a qualified investment at an enterprise zone location that is located**  
 17 **within an allocation area, as defined by IC 12-19-1.5-1, is entitled**  
 18 **to a deduction under this section only if the deduction is approved**  
 19 **by the governing body of the allocation area.**

20 SECTION 10. IC 6-1.1-45-10, AS ADDED BY P.L.214-2005,  
 21 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2007]: Sec. 10. (a) A taxpayer that desires to claim the  
 23 deduction provided by section 9 of this chapter for a particular year  
 24 shall file a certified application, on forms prescribed by the department  
 25 of local government finance, with the auditor of the county where the  
 26 property for which the deduction is claimed was located on the  
 27 assessment date. The application may be filed in person or by mail. If  
 28 mailed, the mailing must be postmarked on or before the last day for  
 29 filing. **Except as provided in subsections (c) and (d),** the application  
 30 must be filed before May ~~10~~ **15** of the assessment year to obtain the  
 31 deduction.

32 (b) A taxpayer shall include on an application filed under this  
 33 section all information that the department of local government finance  
 34 and the corporation require to determine eligibility for the deduction  
 35 provided under this chapter.

36 **(c) The county auditor may grant a taxpayer an extension of not**  
 37 **more than thirty (30) days to file the taxpayer's application if:**

38 **(1) the taxpayer submits a written application for an extension**

1           **before May 15 of the assessment year; and**  
2           **(2) the taxpayer is prevented from filing a timely application**  
3           **because of sickness, absence from the county, or any other**  
4           **good and sufficient reason.**

5           **(d) An urban enterprise association created under IC 5-28-15-13**  
6           **may by resolution waive failure to file a:**

7                 **(1) timely; or**

8                 **(2) complete;**

9           **deduction application under this section. Before adopting a waiver**  
10           **under this section, the urban enterprise association shall conduct**  
11           **a public hearing on the waiver.**

12           SECTION 11. IC 6-1.1-45-12, AS ADDED BY P.L.214-2005,  
13           SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
14           MARCH 1, 2007 (RETROACTIVE)]: Sec. 12. **(a) Subject to**  
15           **subsection (b), a taxpayer may claim a deduction under this**  
16           **chapter for property other than property located in a consolidated**  
17           **city for an assessment date that occurs after the expiration of the**  
18           **enterprise zone in which the enterprise zone property for which the**  
19           **taxpayer made the qualified investment is located.**

20           **(b) A taxpayer may not claim a deduction under this chapter for**  
21           **more than ten (10) years."**

22                 Page 5, delete lines 37 through 42.

23                 Page 6, delete lines 1 through 34.

24                 Page 9, delete lines 29 through 42.

25                 Page 10, delete lines 1 through 7.

26                 Page 12, delete lines 10 through 40, begin a new paragraph and  
27           insert:

28                 "SECTION 15. IC 6-2.5-6-9, AS AMENDED BY P.L.162-2006,  
29           SECTION 23, AND AS AMENDED BY P.L.184-2006, SECTION 2,  
30           IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
31           [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 9. (a) In  
32           determining the amount of state gross retail and use taxes which a retail  
33           merchant must remit under section 7 of this chapter, the retail merchant  
34           shall, subject to subsections (c) and (d), deduct from the retail  
35           merchant's gross retail income from retail transactions made during a  
36           particular reporting period, an amount equal to the retail merchant's  
37           receivables which:

38                 (1) resulted from retail transactions in which the retail merchant

1 did not collect the state gross retail or use tax from the purchaser;  
 2 (2) resulted from retail transactions on which the retail merchant  
 3 has previously paid the state gross retail or use tax liability to the  
 4 department; and  
 5 (3) were written off as an uncollectible debt for federal tax  
 6 purposes under Section 166 of the Internal Revenue Code during  
 7 the particular reporting period.

8 (b) If a retail merchant deducts a receivable under subsection (a)  
 9 and subsequently collects all or part of that receivable, then the retail  
 10 merchant shall, subject to subsection (d)(6), include the amount  
 11 collected as part of the retail merchant's gross retail income from retail  
 12 transactions for the particular reporting period in which the retail  
 13 merchant makes the collection.

14 (c) This subsection applies only to retail transactions occurring after  
 15 *December 31, 2006. ~~June 30, 2007.~~* As used in this subsection,  
 16 "affiliated group" means any combination of the following:

17 (1) An affiliated group within the meaning provided in Section  
 18 1504 of the Internal Revenue Code (except that the ownership  
 19 percentage in Section 1504(a)(2) of the Internal Revenue Code  
 20 shall be determined using fifty percent (50%) instead of eighty  
 21 percent (80%)). ~~or~~

22 ~~(2) A relationship described in Section 267(b)(11) of the Internal~~  
 23 ~~Revenue Code.~~

24 ~~(2) (3)~~ (3) Two (2) or more partnerships (as defined in IC 6-3-1-19),  
 25 including limited liability companies and limited liability  
 26 partnerships, that have the same degree of mutual ownership as  
 27 an affiliated group described in subdivision (1), as determined  
 28 under the rules adopted by the department.

29 **(4) A controlled corporate group (as defined in Section 267(f)**  
 30 **of the Internal Revenue Code).**

31 The right to a deduction under this section is not assignable to an  
 32 individual or entity that is not part of the same affiliated group as the  
 33 assignor.

34 (d) The following provisions apply to a deduction for a receivable  
 35 treated as uncollectible debt under subsection (a):

36 (1) The deduction does not include interest.

37 (2) The amount of the deduction shall be determined in the  
 38 manner provided by Section 166 of the Internal Revenue Code for

1 bad debts but shall be adjusted to:

2 (A) exclude:

3 ~~(A)~~ (i) financing charges or interest;

4 ~~(B)~~ (ii) sales or use taxes charged on the purchase price;

5 ~~(C)~~ (iii) uncollectible amounts on property that remain in the  
6 possession of the seller until the full purchase price is paid;

7 ~~(D)~~ (iv) expenses incurred in attempting to collect any debt;

8 and

9 ~~(E)~~ (v) repossessed property; and

10 **(B) include amounts previously deducted for federal**  
11 **income tax purposes under Section 165 of the Internal**  
12 **Revenue Code by a retail merchant or a member of a retail**  
13 **merchant's affiliated group (as defined in subsection (c))**  
14 **and not previously allowed as a deduction under this**  
15 **section.**

16 (3) The deduction shall be claimed on the return for the period  
17 during which the receivable is written off as uncollectible in the  
18 claimant's books and records and is eligible to be deducted for  
19 federal income tax purposes. For purposes of this subdivision, a  
20 claimant who is not required to file federal income tax returns  
21 may deduct an uncollectible receivable on a return filed for the  
22 period in which the receivable is written off as uncollectible in the  
23 claimant's books and records and would be eligible for a bad debt  
24 deduction for federal income tax purposes if the claimant were  
25 required to file a federal income tax return.

26 (4) If the amount of uncollectible receivables claimed as a  
27 deduction by a retail merchant for a particular reporting period  
28 exceeds the amount of the retail merchant's taxable sales for that  
29 reporting period, the retail merchant may file a refund claim  
30 under IC 6-8.1-9. However, the deadline for the refund claim shall  
31 be measured from the due date of the return for the reporting  
32 period on which the deduction for the uncollectible receivables  
33 could first be claimed.

34 (5) If a retail merchant's filing responsibilities have been assumed  
35 by a certified service provider (as defined in IC 6-2.5-11-2), the  
36 certified service provider may claim, on behalf of the retail  
37 merchant, any deduction or refund for uncollectible receivables  
38 provided by this section. The certified service provider must

1 credit or refund the full amount of any deduction or refund  
2 received to the retail merchant.

3 (6) For purposes of reporting a payment received on a previously  
4 claimed uncollectible receivable, any payments made on a debt or  
5 account shall be applied first proportionally to the taxable price  
6 of the property and the state gross retail tax or use tax thereon,  
7 and secondly to interest, service charges, and any other charges.

8 (7) A retail merchant claiming a deduction for an uncollectible  
9 receivable may allocate that receivable among the states that are  
10 members of the streamlined sales and use tax agreement if the  
11 books and records of the retail merchant support that allocation.

12 SECTION 16. IC 6-2.5-6-10 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) In order to  
14 compensate retail merchants for collecting and timely remitting the  
15 state gross retail tax and the state use tax, every retail merchant, except  
16 a retail merchant referred to in subsection (c), is entitled to deduct and  
17 retain from the amount of those taxes otherwise required to be remitted  
18 under IC 6-2.5-7-5 or under this chapter, if timely remitted, a retail  
19 merchant's collection allowance.

20 (b) The allowance equals ~~eighty-three hundredths percent (0.83%)~~  
21 **a percentage** of the retail merchant's state gross retail and use tax  
22 liability accrued during a reporting period, **specified as follows:**

23 **(1) Eighty-three hundredths percent (0.83%), until the retail**  
24 **merchant's state gross retail and use tax liability accrued**  
25 **during the calendar year of the reporting period reaches**  
26 **seven hundred fifty thousand dollars (\$750,000).**

27 **(2) Thirteen-hundredths percent (0.13%) after the retail**  
28 **merchant's state gross retail and use tax liability accrued**  
29 **during the calendar year of the reporting period exceeds**  
30 **seven hundred fifty thousand dollars (\$750,000).**

31 (c) A retail merchant described in IC 6-2.5-4-5 or IC 6-2.5-4-6 is not  
32 entitled to the allowance provided by this section.

33 SECTION 17. IC 6-2.5-10-1 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The department  
35 shall account for all state gross retail and use taxes that it collects. **For**  
36 **each periodic remittance collected from a retail merchant under**  
37 **IC 6-2.5-6-1, the department shall calculate an amount equal to the**  
38 **difference between:**

- 1           **(1) an amount equal to:**  
 2               **(A) the retail merchant's state gross retail and use tax**  
 3               **liability for the reporting period, before applying the**  
 4               **allowance permitted under IC 6-2.5-6-10; multiplied by**  
 5               **(B) eighty-three hundredths percent (0.83%); minus**  
 6           **(2) an amount equal to:**  
 7               **(A) the retail merchant's state gross retail and use tax**  
 8               **liability for the reporting period, before applying the**  
 9               **allowance permitted under IC 6-2.5-6-10; multiplied by**  
 10              **(B) the percentage allowance to which the retail merchant**  
 11              **is entitled under IC 6-2.5-6-10 for the particular reporting**  
 12              **period.**

13           **From the amount remitted by the retail merchant under**  
 14           **IC 6-2.5-6-1 for the reporting period, the department shall, before**  
 15           **making the deposits required under subsection (b), deposit an**  
 16           **amount equal to the amount determined under this subsection in**  
 17           **the affordable housing and community development fund**  
 18           **established by IC 5-20-4-7.**

19           **(b) After making any deposit in the affordable housing and**  
 20           **community development fund required under subsection (a), the**  
 21           **department shall deposit ~~those collections~~ the state gross retail and**  
 22           **use taxes collected in the following manner:**

- 23               (1) Fifty percent (50%) of the collections shall be paid into the  
 24               property tax replacement fund established under IC 6-1.1-21.  
 25               (2) Forty-nine and one hundred ninety-two thousandths percent  
 26               (49.192%) of the collections shall be paid into the state general  
 27               fund.  
 28               (3) Six hundred thirty-five thousandths of one percent (0.635%)  
 29               of the collections shall be paid into the public mass transportation  
 30               fund established by IC 8-23-3-8.  
 31               (4) Thirty-three thousandths of one percent (0.033%) of the  
 32               collections shall be deposited into the industrial rail service fund  
 33               established under IC 8-3-1.7-2.  
 34               (5) Fourteen-hundredths of one percent (0.14%) of the collections  
 35               shall be deposited into the commuter rail service fund established  
 36               under IC 8-3-1.5-20.5.

37           **SECTION 17. IC 6-3-1-3.5, AS AMENDED BY P.L.184-2006,**  
 38           **SECTION 3, AND AS AMENDED BY P.L.162-2006, SECTION 24,**

1 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JANUARY 1, 2008]: Sec. 3.5. When used in this article,  
 3 the term "adjusted gross income" shall mean the following:

4 (a) In the case of all individuals, "adjusted gross income" (as  
 5 defined in Section 62 of the Internal Revenue Code), modified as  
 6 follows:

7 (1) Subtract income that is exempt from taxation under this article  
 8 by the Constitution and statutes of the United States.

9 (2) Add an amount equal to any deduction or deductions allowed  
 10 or allowable pursuant to Section 62 of the Internal Revenue Code  
 11 for taxes based on or measured by income and levied at the state  
 12 level by any state of the United States.

13 (3) Subtract one thousand dollars (\$1,000), or in the case of a  
 14 joint return filed by a husband and wife, subtract for each spouse  
 15 one thousand dollars (\$1,000).

16 (4) Subtract one thousand dollars (\$1,000) for:

17 (A) each of the exemptions provided by Section 151(c) of the  
 18 Internal Revenue Code;

19 (B) each additional amount allowable under Section 63(f) of  
 20 the Internal Revenue Code; and

21 (C) the spouse of the taxpayer if a separate return is made by  
 22 the taxpayer and if the spouse, for the calendar year in which  
 23 the taxable year of the taxpayer begins, has no gross income  
 24 and is not the dependent of another taxpayer.

25 (5) Subtract:

26 (A) *for taxable years beginning after December 31, 2004*, one  
 27 thousand five hundred dollars (\$1,500) for each of the  
 28 exemptions allowed under Section 151(c)(1)(B) of the Internal  
 29 Revenue Code *for taxable years beginning after December 31,*  
 30 ~~1996~~ *(as effective January 1, 2004)*; and

31 (B) five hundred dollars (\$500) for each additional amount  
 32 allowable under Section 63(f)(1) of the Internal Revenue Code  
 33 if the adjusted gross income of the taxpayer, or the taxpayer  
 34 and the taxpayer's spouse in the case of a joint return, is less  
 35 than forty thousand dollars (\$40,000).

36 This amount is in addition to the amount subtracted under  
 37 subdivision (4).

38 (6) Subtract an amount equal to the lesser of:

- 1 (A) that part of the individual's adjusted gross income (as  
2 defined in Section 62 of the Internal Revenue Code) for that  
3 taxable year that is subject to a tax that is imposed by a  
4 political subdivision of another state and that is imposed on or  
5 measured by income; or  
6 (B) two thousand dollars (\$2,000).
- 7 (7) Add an amount equal to the total capital gain portion of a  
8 lump sum distribution (as defined in Section 402(e)(4)(D) of the  
9 Internal Revenue Code) if the lump sum distribution is received  
10 by the individual during the taxable year and if the capital gain  
11 portion of the distribution is taxed in the manner provided in  
12 Section 402 of the Internal Revenue Code.
- 13 (8) Subtract any amounts included in federal adjusted gross  
14 income under Section 111 of the Internal Revenue Code as a  
15 recovery of items previously deducted as an itemized deduction  
16 from adjusted gross income.
- 17 (9) Subtract any amounts included in federal adjusted gross  
18 income under the Internal Revenue Code which amounts were  
19 received by the individual as supplemental railroad retirement  
20 annuities under 45 U.S.C. 231 and which are not deductible under  
21 subdivision (1).
- 22 (10) Add an amount equal to the deduction allowed under Section  
23 221 of the Internal Revenue Code for married couples filing joint  
24 returns if the taxable year began before January 1, 1987.
- 25 (11) Add an amount equal to the interest excluded from federal  
26 gross income by the individual for the taxable year under Section  
27 128 of the Internal Revenue Code if the taxable year began before  
28 January 1, 1985.
- 29 (12) Subtract an amount equal to the amount of federal Social  
30 Security and Railroad Retirement benefits included in a taxpayer's  
31 federal gross income by Section 86 of the Internal Revenue Code.
- 32 (13) In the case of a nonresident taxpayer or a resident taxpayer  
33 residing in Indiana for a period of less than the taxpayer's entire  
34 taxable year, the total amount of the deductions allowed pursuant  
35 to subdivisions (3), (4), (5), and (6) shall be reduced to an amount  
36 which bears the same ratio to the total as the taxpayer's income  
37 taxable in Indiana bears to the taxpayer's total income.
- 38 (14) In the case of an individual who is a recipient of assistance



1 under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7,  
2 subtract an amount equal to that portion of the individual's  
3 adjusted gross income with respect to which the individual is not  
4 allowed under federal law to retain an amount to pay state and  
5 local income taxes.

6 (15) In the case of an eligible individual, subtract the amount of  
7 a Holocaust victim's settlement payment included in the  
8 individual's federal adjusted gross income.

9 (16) For taxable years beginning after December 31, 1999,  
10 subtract an amount equal to the portion of any premiums paid  
11 during the taxable year by the taxpayer for a qualified long term  
12 care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the  
13 taxpayer's spouse, or both.

14 (17) Subtract an amount equal to the lesser of:

15 (A) for a taxable year:

16 (i) including any part of 2004, the amount determined under  
17 subsection (f); and

18 (ii) beginning after December 31, 2004, two thousand five  
19 hundred dollars (\$2,500); or

20 (B) the amount of property taxes that are paid during the  
21 taxable year in Indiana by the individual on the individual's  
22 principal place of residence.

23 (18) Subtract an amount equal to the amount of a September 11  
24 terrorist attack settlement payment included in the individual's  
25 federal adjusted gross income.

26 (19) Add or subtract the amount necessary to make the adjusted  
27 gross income of any taxpayer that owns property for which bonus  
28 depreciation was allowed in the current taxable year or in an  
29 earlier taxable year equal to the amount of adjusted gross income  
30 that would have been computed had an election not been made  
31 under Section 168(k) of the Internal Revenue Code to apply bonus  
32 depreciation to the property in the year that it was placed in  
33 service.

34 (20) Add an amount equal to any deduction allowed under  
35 Section 172 of the Internal Revenue Code.

36 (21) Add or subtract the amount necessary to make the adjusted  
37 gross income of any taxpayer that placed Section 179 property (as  
38 defined in Section 179 of the Internal Revenue Code) in service

1 in the current taxable year or in an earlier taxable year equal to  
2 the amount of adjusted gross income that would have been  
3 computed had an election for federal income tax purposes not  
4 been made for the year in which the property was placed in  
5 service to take deductions under Section 179 of the Internal  
6 Revenue Code in a total amount exceeding twenty-five thousand  
7 dollars (\$25,000).

8 (22) Add an amount equal to the amount that a taxpayer claimed  
9 as a deduction for domestic production activities for the taxable  
10 year under Section 199 of the Internal Revenue Code for federal  
11 income tax purposes.

12 (b) In the case of corporations, the same as "taxable income" (as  
13 defined in Section 63 of the Internal Revenue Code) adjusted as  
14 follows:

15 (1) Subtract income that is exempt from taxation under this article  
16 by the Constitution and statutes of the United States.

17 (2) Add an amount equal to any deduction or deductions allowed  
18 or allowable pursuant to Section 170 of the Internal Revenue  
19 Code.

20 (3) Add an amount equal to any deduction or deductions allowed  
21 or allowable pursuant to Section 63 of the Internal Revenue Code  
22 for taxes based on or measured by income and levied at the state  
23 level by any state of the United States.

24 (4) Subtract an amount equal to the amount included in the  
25 corporation's taxable income under Section 78 of the Internal  
26 Revenue Code.

27 (5) Add or subtract the amount necessary to make the adjusted  
28 gross income of any taxpayer that owns property for which bonus  
29 depreciation was allowed in the current taxable year or in an  
30 earlier taxable year equal to the amount of adjusted gross income  
31 that would have been computed had an election not been made  
32 under Section 168(k) of the Internal Revenue Code to apply bonus  
33 depreciation to the property in the year that it was placed in  
34 service.

35 (6) Add an amount equal to any deduction allowed under Section  
36 172 of the Internal Revenue Code.

37 (7) Add or subtract the amount necessary to make the adjusted  
38 gross income of any taxpayer that placed Section 179 property (as

1 defined in Section 179 of the Internal Revenue Code) in service  
 2 in the current taxable year or in an earlier taxable year equal to  
 3 the amount of adjusted gross income that would have been  
 4 computed had an election for federal income tax purposes not  
 5 been made for the year in which the property was placed in  
 6 service to take deductions under Section 179 of the Internal  
 7 Revenue Code in a total amount exceeding twenty-five thousand  
 8 dollars (\$25,000).

9 (8) Add an amount equal to the amount that a taxpayer claimed as  
 10 a deduction for domestic production activities for the taxable year  
 11 under Section 199 of the Internal Revenue Code for federal  
 12 income tax purposes.

13 *(9) Add to the extent required by IC 6-3-2-20 the amount of*  
 14 *intangible expenses (as defined in IC 6-3-2-20) and any directly*  
 15 *related intangible interest expenses (as defined in IC 6-3-2-20)*  
 16 *for the taxable year that reduced the corporation's taxable*  
 17 *income (as defined in Section 63 of the Internal Revenue Code)*  
 18 *for federal income tax purposes.*

19 **(10) Add an amount equal to any deduction for dividends paid**  
 20 **(as defined in Section 561 of the Internal Revenue Code) to**  
 21 **shareholders of a captive real estate investment trust (as**  
 22 **defined in section 34 of this chapter).**

23 (c) In the case of life insurance companies (as defined in Section  
 24 816(a) of the Internal Revenue Code) that are organized under Indiana  
 25 law, the same as "life insurance company taxable income" (as defined  
 26 in Section 801 of the Internal Revenue Code), adjusted as follows:

27 (1) Subtract income that is exempt from taxation under this article  
 28 by the Constitution and statutes of the United States.

29 (2) Add an amount equal to any deduction allowed or allowable  
 30 under Section 170 of the Internal Revenue Code.

31 (3) Add an amount equal to a deduction allowed or allowable  
 32 under Section 805 or Section 831(c) of the Internal Revenue Code  
 33 for taxes based on or measured by income and levied at the state  
 34 level by any state.

35 (4) Subtract an amount equal to the amount included in the  
 36 company's taxable income under Section 78 of the Internal  
 37 Revenue Code.

38 (5) Add or subtract the amount necessary to make the adjusted

1 gross income of any taxpayer that owns property for which bonus  
 2 depreciation was allowed in the current taxable year or in an  
 3 earlier taxable year equal to the amount of adjusted gross income  
 4 that would have been computed had an election not been made  
 5 under Section 168(k) of the Internal Revenue Code to apply bonus  
 6 depreciation to the property in the year that it was placed in  
 7 service.

8 (6) Add an amount equal to any deduction allowed under Section  
 9 172 or Section 810 of the Internal Revenue Code.

10 (7) Add or subtract the amount necessary to make the adjusted  
 11 gross income of any taxpayer that placed Section 179 property (as  
 12 defined in Section 179 of the Internal Revenue Code) in service  
 13 in the current taxable year or in an earlier taxable year equal to  
 14 the amount of adjusted gross income that would have been  
 15 computed had an election for federal income tax purposes not  
 16 been made for the year in which the property was placed in  
 17 service to take deductions under Section 179 of the Internal  
 18 Revenue Code in a total amount exceeding twenty-five thousand  
 19 dollars (\$25,000).

20 (8) Add an amount equal to the amount that a taxpayer claimed as  
 21 a deduction for domestic production activities for the taxable year  
 22 under Section 199 of the Internal Revenue Code for federal  
 23 income tax purposes.

24 (d) In the case of insurance companies subject to tax under Section  
 25 831 of the Internal Revenue Code and organized under Indiana law, the  
 26 same as "taxable income" (as defined in Section 832 of the Internal  
 27 Revenue Code), adjusted as follows:

28 (1) Subtract income that is exempt from taxation under this article  
 29 by the Constitution and statutes of the United States.

30 (2) Add an amount equal to any deduction allowed or allowable  
 31 under Section 170 of the Internal Revenue Code.

32 (3) Add an amount equal to a deduction allowed or allowable  
 33 under Section 805 or Section 831(c) of the Internal Revenue Code  
 34 for taxes based on or measured by income and levied at the state  
 35 level by any state.

36 (4) Subtract an amount equal to the amount included in the  
 37 company's taxable income under Section 78 of the Internal  
 38 Revenue Code.

- 1 (5) Add or subtract the amount necessary to make the adjusted  
2 gross income of any taxpayer that owns property for which bonus  
3 depreciation was allowed in the current taxable year or in a  
4 earlier taxable year equal to the amount of adjusted gross income  
5 that would have been computed had an election not been made  
6 under Section 168(k) of the Internal Revenue Code to apply bonus  
7 depreciation to the property in the year that it was placed in  
8 service.
- 9 (6) Add an amount equal to any deduction allowed under Section  
10 172 of the Internal Revenue Code.
- 11 (7) Add or subtract the amount necessary to make the adjusted  
12 gross income of any taxpayer that placed Section 179 property (as  
13 defined in Section 179 of the Internal Revenue Code) in service  
14 in the current taxable year or in an earlier taxable year equal to  
15 the amount of adjusted gross income that would have been  
16 computed had an election for federal income tax purposes not  
17 been made for the year in which the property was placed in  
18 service to take deductions under Section 179 of the Internal  
19 Revenue Code in a total amount exceeding twenty-five thousand  
20 dollars (\$25,000).
- 21 (8) Add an amount equal to the amount that a taxpayer claimed as  
22 a deduction for domestic production activities for the taxable year  
23 under Section 199 of the Internal Revenue Code for federal  
24 income tax purposes.
- 25 (e) In the case of trusts and estates, "taxable income" (as defined for  
26 trusts and estates in Section 641(b) of the Internal Revenue Code)  
27 adjusted as follows:
- 28 (1) Subtract income that is exempt from taxation under this article  
29 by the Constitution and statutes of the United States.
- 30 (2) Subtract an amount equal to the amount of a September 11  
31 terrorist attack settlement payment included in the federal  
32 adjusted gross income of the estate of a victim of the September  
33 11 terrorist attack or a trust to the extent the trust benefits a victim  
34 of the September 11 terrorist attack.
- 35 (3) Add or subtract the amount necessary to make the adjusted  
36 gross income of any taxpayer that owns property for which bonus  
37 depreciation was allowed in the current taxable year or in an  
38 earlier taxable year equal to the amount of adjusted gross income

1 that would have been computed had an election not been made  
 2 under Section 168(k) of the Internal Revenue Code to apply bonus  
 3 depreciation to the property in the year that it was placed in  
 4 service.

5 (4) Add an amount equal to any deduction allowed under Section  
 6 172 of the Internal Revenue Code.

7 (5) Add or subtract the amount necessary to make the adjusted  
 8 gross income of any taxpayer that placed Section 179 property (as  
 9 defined in Section 179 of the Internal Revenue Code) in service  
 10 in the current taxable year or in an earlier taxable year equal to  
 11 the amount of adjusted gross income that would have been  
 12 computed had an election for federal income tax purposes not  
 13 been made for the year in which the property was placed in  
 14 service to take deductions under Section 179 of the Internal  
 15 Revenue Code in a total amount exceeding twenty-five thousand  
 16 dollars (\$25,000).

17 (6) Add an amount equal to the amount that a taxpayer claimed as  
 18 a deduction for domestic production activities for the taxable year  
 19 under Section 199 of the Internal Revenue Code for federal  
 20 income tax purposes.

21 (f) This subsection applies only to the extent that an individual paid  
 22 property taxes in 2004 that were imposed for the March 1, 2002,  
 23 assessment date or the January 15, 2003, assessment date. The  
 24 maximum amount of the deduction under subsection (a)(17) is equal  
 25 to the amount determined under STEP FIVE of the following formula:

26 STEP ONE: Determine the amount of property taxes that the  
 27 taxpayer paid after December 31, 2003, in the taxable year for  
 28 property taxes imposed for the March 1, 2002, assessment date  
 29 and the January 15, 2003, assessment date.

30 STEP TWO: Determine the amount of property taxes that the  
 31 taxpayer paid in the taxable year for the March 1, 2003,  
 32 assessment date and the January 15, 2004, assessment date.

33 STEP THREE: Determine the result of the STEP ONE amount  
 34 divided by the STEP TWO amount.

35 STEP FOUR: Multiply the STEP THREE amount by two  
 36 thousand five hundred dollars (\$2,500).

37 STEP FIVE: Determine the sum of the STEP FOUR amount and  
 38 two thousand five hundred dollars (\$2,500).

1 SECTION 18. IC 6-3-1-34 IS ADDED TO THE INDIANA CODE  
 2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 3 JANUARY 1, 2008]: **Sec. 34. (a) Except as provided in subsection**  
 4 **(b), "captive real estate investment trust" means a corporation, a**  
 5 **trust, or an association:**

6 (1) that is considered a real estate investment trust for the  
 7 taxable year under Section 856 of the Internal Revenue Code;

8 (2) that is not regularly traded on an established securities  
 9 market; and

10 (3) in which more than fifty percent (50%) of the:

11 (A) voting power;

12 (B) beneficial interests; or

13 (C) shares;

14 are owned or controlled, directly or constructively, by a single  
 15 entity that is subject to Subchapter C of Chapter 1 of the  
 16 Internal Revenue Code.

17 (b) The term does not include a corporation, a trust, or an  
 18 association in which more than fifty percent (50%) of the entity's  
 19 voting power, beneficial interests, or shares are owned by a single  
 20 entity described in subsection (a)(3) that is owned or controlled,  
 21 directly or constructively, by:

22 (1) a corporation, a trust, or an association that is considered  
 23 a real estate investment trust under Section 856 of the  
 24 Internal Revenue Code;

25 (2) a person exempt from taxation under Section 501 of the  
 26 Internal Revenue Code; or

27 (3) a real estate investment trust that:

28 (A) is intended to become regularly traded on an  
 29 established securities market; and

30 (B) satisfies the requirements of Section 856(a)(5) and  
 31 Section 856(a)(6) of the Internal Revenue Code under  
 32 Section 856(h) of the Internal Revenue Code.

33 (c) For purposes of this section, the constructive ownership rules  
 34 of Section 318 of the Internal Revenue Code, as modified by  
 35 Section 856(d)(5) of the Internal Revenue Code, apply to the  
 36 determination of the ownership of stock, assets, or net profits of  
 37 any person."

38 Page 19, delete lines 28 through 42.

1 Delete page 20.

2 Page 21, delete lines 1 through 17, begin a new paragraph and  
3 insert:

4 "SECTION 17. IC 6-3-4-4.1 IS AMENDED TO READ AS  
5 FOLLOWS [EFFECTIVE DECEMBER 16, 2007]: Sec. 4.1. (a) This  
6 section applies to taxable years beginning after December 31, 1993.

7 (b) Any individual required by the Internal Revenue Code to file  
8 estimated tax returns and to make payments on account of such  
9 estimated tax shall file estimated tax returns and make payments of the  
10 tax imposed by this article to the department at the time or times and  
11 in the installments as provided by Section 6654 of the Internal Revenue  
12 Code. However, in applying Section 6654 of the Internal Revenue Code  
13 for the purposes of this article, "estimated tax" means the amount  
14 which the individual estimates as the amount of the adjusted gross  
15 income tax imposed by this article for the taxable year, minus the  
16 amount which the individual estimates as the sum of any credits against  
17 the tax provided by IC 6-3-3.

18 (c) Every individual who has adjusted gross income subject to the  
19 tax imposed by this article and from which tax is not withheld under  
20 the requirements of section 8 of this chapter shall make a declaration  
21 of estimated tax for the taxable year. However, no such declaration  
22 shall be required if the estimated tax can reasonably be expected to be  
23 less than four hundred dollars (\$400). In the case of an underpayment  
24 of the estimated tax as provided in Section 6654 of the Internal  
25 Revenue Code, there shall be added to the tax a penalty in an amount  
26 prescribed by IC 6-8.1-10-2.1(b).

27 (d) Every corporation subject to the adjusted gross income tax  
28 liability imposed by this article shall be required to report and pay an  
29 estimated tax equal to **the lesser of:**

30 (1) twenty-five percent (25%) of such corporation's estimated  
31 adjusted gross income tax liability for the taxable year; **or**

32 (2) **the annualized income installment calculated in the**  
33 **manner provided by Section 6655(e) of the Internal Revenue**  
34 **Code as applied to the corporation's liability for adjusted**  
35 **gross income tax.**

36 A taxpayer who uses a taxable year that ends on December 31 shall file  
37 the taxpayer's estimated adjusted gross income tax returns and pay the  
38 tax to the department on or before April 20, June 20, September 20,



1 and December 20 of the taxable year. If a taxpayer uses a taxable year  
 2 that does not end on December 31, the due dates for filing estimated  
 3 adjusted gross income tax returns and paying the tax are on or before  
 4 the twentieth day of the fourth, sixth, ninth, and twelfth months of the  
 5 taxpayer's taxable year. The department shall prescribe the manner and  
 6 forms for such reporting and payment.

7 (e) The penalty prescribed by IC 6-8.1-10-2.1(b) shall be assessed  
 8 by the department on corporations failing to make payments as required  
 9 in subsection (d) or (g). However, no penalty shall be assessed as to  
 10 any estimated payments of adjusted gross income tax which equal or  
 11 exceed:

12 (1) ~~twenty percent (20%) of the final tax liability for such taxable~~  
 13 ~~year; the annualized income installment calculated under~~  
 14 ~~subsection (d);~~ or

15 (2) twenty-five percent (25%) of the final tax liability for the  
 16 taxpayer's previous taxable year.

17 In addition, the penalty as to any underpayment of tax on an estimated  
 18 return shall only be assessed on the difference between the actual  
 19 amount paid by the corporation on such estimated return and  
 20 twenty-five percent (25%) of the corporation's final adjusted gross  
 21 income tax liability for such taxable year.

22 (f) The provisions of subsection (d) requiring the reporting and  
 23 estimated payment of adjusted gross income tax shall be applicable  
 24 only to corporations having an adjusted gross income tax liability  
 25 which, after application of the credit allowed by IC 6-3-3-2 (repealed),  
 26 shall exceed one thousand dollars (\$1,000) for its taxable year.

27 (g) If the department determines that a corporation's:

28 (1) estimated quarterly adjusted gross income tax liability for the  
 29 current year; or

30 (2) average estimated quarterly adjusted gross income tax liability  
 31 for the preceding year;

32 exceeds ~~before January 1, 1998, twenty thousand dollars (\$20,000);~~  
 33 ~~and, after December 31, 1997, ten five thousand dollars (\$10,000);~~  
 34 **(\$5,000)**, after the credit allowed by IC 6-3-3-2 (repealed), the  
 35 corporation shall pay the estimated adjusted gross income taxes due by  
 36 electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering  
 37 in person or overnight by courier a payment by cashier's check,  
 38 certified check, or money order to the department. The transfer or

1 payment shall be made on or before the date the tax is due.

2 (h) If a corporation's adjusted gross income tax payment is made by  
3 electronic funds transfer, the corporation is not required to file an  
4 estimated adjusted gross income tax return."

5 Page 26, line 27, delete "and five hundred twenty-three thousandths"

6 Page 26, line 28, delete "(2.523%)" and insert "**(2%)**".

7 Page 27, between lines 3 and 4, begin a new paragraph and insert:

8 "SECTION 25. IC 6-7-1-28.1 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 28.1. The taxes,  
10 registration fees, fines, or penalties collected under this chapter shall  
11 be deposited in the following manner:

12 (1) Six and six-tenths percent (6.6%) of the money shall be  
13 deposited in a fund to be known as the cigarette tax fund.

14 (2) Ninety-four hundredths percent (0.94%) of the money shall be  
15 deposited in a fund to be known as the mental health centers fund.

16 (3) Eighty-three and ~~ninety-seven hundredths~~ **four hundred**  
17 **forty-seven thousandths** percent (~~83.97%~~) (**83.447%**) of the  
18 money shall be deposited in the state general fund.

19 (4) Eight and forty-nine hundredths percent (8.49%) of the money  
20 shall be deposited into the pension relief fund established in  
21 IC 5-10.3-11.

22 **(5) Five hundred twenty-three thousandths percent (0.523%)**  
23 **of the money shall be transferred as follows:**

24 **(A) Sixty percent (60%) of money shall be distributed to**  
25 **the county treasurer of each county that has at least one**  
26 **unit that has established an affordable housing fund under**  
27 **IC 5-20-5-15.5 or a housing trust fund under**  
28 **IC 36-7-15.1-35.5(e) according to the ratio the population**  
29 **of each adopting county bears to the total population of the**  
30 **adopting counties. A county treasurer shall allocate money**  
31 **received under this clause as follows:**

32 **(i) In the case of a county that does not contain a**  
33 **consolidated city, to the units in the county that have**  
34 **established an affordable housing fund under**  
35 **IC 5-20-5-15.5 for deposit in the appropriate fund. The**  
36 **amount to be distributed to a unit is the amount**  
37 **available for distribution multiplied by a fraction. The**  
38 **numerator of the fraction is the population of the unit.**

1           **The denominator of the fraction is the population of all**  
 2           **units in the county that have established an affordable**  
 3           **housing fund. The population to be used for a county**  
 4           **that establishes an affordable housing fund is the**  
 5           **population of the county outside any city or town that**  
 6           **has established an affordable housing fund.**

7           **(ii) In the case of a county that contains a consolidated**  
 8           **city, amounts recovered under this clause shall be**  
 9           **deposited in the housing trust fund established under**  
 10           **IC 36-7-15.1-35.5(e) for the purposes of the fund.**

11           **(B) Forty percent (40%) of money shall be transferred to**  
 12           **the treasurer of state for deposit in the affordable housing**  
 13           **and community development fund established under**  
 14           **IC 5-20-4-7 for the purposes of the fund.**

15           The money in the cigarette tax fund, the mental health centers fund, or  
 16           the pension relief fund, a **local affordable housing fund, a housing**  
 17           **trust fund established under IC 36-7-15.1-35.5(e), and the**  
 18           **affordable housing and community development fund established**  
 19           **under IC 5-20-4-7, at the end of a fiscal year does not revert to the**  
 20           state general fund. However, if in any fiscal year, the amount allocated  
 21           to a fund under subdivision (1) or (2) is less than the amount received  
 22           in fiscal year 1977, then that fund shall be credited with the difference  
 23           between the amount allocated and the amount received in fiscal year  
 24           1977, and the allocation for the fiscal year to the fund under  
 25           subdivision (3) shall be reduced by the amount of that difference.

26           SECTION 26. IC 6-8-12 IS ADDED TO THE INDIANA CODE AS  
 27           A **NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON**  
 28           **PASSAGE]:**

29           **Chapter 12. Eligible Event; Exemption from Taxation**

30           **Sec. 1. As used in this chapter, "eligible entity" means the**  
 31           **following:**

32           **(1) A not-for-profit trade association under Section 501(c)(6)**  
 33           **of the Internal Revenue Code known as the National Football**  
 34           **League.**

35           **(2) Any corporation, partnership, limited liability company,**  
 36           **or other entity owned or controlled by the entity described in**  
 37           **subdivision (1).**

38           **(3) Any member club of the entity described in subdivision (1).**

1           **(4) Any not-for-profit charitable organization affiliated with**  
 2           **the entity described in subdivision (1).**

3           **Sec. 2. As used in this chapter, "eligible event" means an event**  
 4           **known as the Super Bowl that is conducted by the entity described**  
 5           **in section 1(1) of this chapter.**

6           **Sec. 3. All property owned by an eligible entity, revenues of an**  
 7           **eligible entity, and expenditures and transactions of an eligible**  
 8           **entity:**

- 9           **(1) in connection with an eligible event; and**  
 10           **(2) resulting from holding an eligible event in Indiana or**  
 11           **making preparatory advance visits to Indiana in connection**  
 12           **with an eligible event;**

13           **are exempt from taxation in Indiana for all purposes.**

14           **Sec. 4. The excise tax under IC 6-9-13 does not apply to an**  
 15           **eligible event.**

16           **Sec. 5. The general assembly finds that this chapter has been**  
 17           **enacted as a requirement to host an eligible event in Indiana and**  
 18           **that an eligible event would not be held in Indiana without the**  
 19           **exemptions provided in this chapter. Notwithstanding the**  
 20           **exemptions provided in this chapter, an eligible event held in**  
 21           **Indiana would generate significant economic impact for the state**  
 22           **and additional revenues from the taxes affected by this chapter.**  
 23           **Therefore, the exemptions from taxation provided in this chapter**  
 24           **will not reduce or adversely affect the levy and collection of taxes**  
 25           **pledged to the payment of bonds, notes, leases, or subleases,**  
 26           **payable from such taxes."**

27           Page 30, between lines 21 and 22, begin a new paragraph and insert:

28           "SECTION 29. IC 6-9-2-2, AS AMENDED BY P.L.168-2005,  
 29           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30           JANUARY 1, 2008]: Sec. 2. (a) The revenue received by the county  
 31           treasurer under this chapter shall be allocated to the Lake County  
 32           convention and visitor bureau, Indiana University-Northwest, Purdue  
 33           University-Calumet, municipal public safety departments, municipal  
 34           physical and economic development divisions, and the cities and towns  
 35           in the county as provided in this section. Subsections (b) through (g) do  
 36           not apply to the distribution of revenue received under section 1 of this  
 37           chapter from hotels, motels, inns, tourist camps, tourist cabins, and  
 38           other lodgings or accommodations built or refurbished after June 30,

1 1993, that are located in the largest city of the county.

2 (b) The Lake County convention and visitor bureau shall establish  
3 a convention, tourism, and visitor promotion fund (referred to in this  
4 chapter as the "promotion fund"). The county treasurer shall transfer to  
5 the Lake County convention and visitor bureau for deposit in the  
6 promotion fund ~~thirty-five~~ **thirty-six** percent (~~35%~~) (**36%**) of the first  
7 one million two hundred **fifty** thousand dollars (~~\$1,200,000~~)  
8 (**\$1,250,000**) of revenue received from the tax imposed under this  
9 chapter in each year. The promotion fund consists of:

- 10 (1) money in the promotion fund on June 30, 2005;  
11 (2) revenue deposited in the promotion fund under this subsection  
12 after June 30, 2005; and  
13 (3) investment income earned on the promotion fund's assets.

14 Money in the promotion fund may be expended only to promote and  
15 encourage conventions, trade shows, special events, recreation, and  
16 visitors within the county. Money may be paid from the promotion fund  
17 by claim in the same manner as municipalities may pay claims under  
18 IC 5-11-10-1.6.

19 (c) This subsection applies to the first one million two hundred **fifty**  
20 thousand dollars (~~\$1,200,000~~) (**\$1,250,000**) of revenue received from  
21 the tax imposed under this chapter in each year. During each year, the  
22 county treasurer shall transfer to Indiana University-Northwest  
23 ~~forty-four~~ **forty-two** and ~~thirty-three~~ **seventy-seven** hundredths percent  
24 (~~44.33%~~) (**42.77%**) of the revenue received under this chapter for that  
25 year to be used as follows:

- 26 (1) Seventy-five percent (75%) of the revenue received under this  
27 subsection may be used only for the university's medical  
28 education programs.  
29 (2) Twenty-five percent (25%) of the revenue received under this  
30 subsection may be used only for the university's allied health  
31 education programs.

32 The amount for each year shall be transferred in four (4) approximately  
33 equal quarterly installments.

34 (d) This subsection applies to the first one million two hundred **fifty**  
35 thousand dollars (~~\$1,200,000~~) (**\$1,250,000**) of revenue received from  
36 the tax imposed under this chapter in each year. During each year, the  
37 county treasurer shall allocate among the cities and towns throughout  
38 the county nine **and sixty-eight hundredths** percent (~~9%~~) (**9.68%**) of

1 the revenue received under this chapter for that year. The amount of  
2 each city's or town's allocation is as follows:

3 (1) ~~Ten Nine percent (10%)~~ **(9%)** of the revenue covered by this  
4 subsection shall be transferred to cities having a population of  
5 more than ninety thousand (90,000) but less than one hundred  
6 five thousand (105,000).

7 (2) ~~Ten Nine percent (10%)~~ **(9%)** of the revenue covered by this  
8 subsection shall be transferred to cities having a population of  
9 more than seventy-five thousand (75,000) but less than ninety  
10 thousand (90,000).

11 (3) ~~Ten Nine percent (10%)~~ **(9%)** of the revenue covered by this  
12 subsection shall be transferred to cities having a population of  
13 more than thirty-two thousand (32,000) but less than thirty-two  
14 thousand eight hundred (32,800).

15 (4) ~~Five percent (5%)~~ of The **remaining** revenue covered by that  
16 **must be allocated among the cities and towns located in the**  
17 **county under** this subsection shall be transferred **in equal**  
18 **amounts** to each town and each city not receiving a transfer under  
19 subdivisions (1) through (3).

20 The money transferred under this subsection may be used only for  
21 economic development projects. The county treasurer shall make the  
22 transfers on or before December 1 of each year.

23 (e) This subsection applies to the first one million two hundred **fifty**  
24 thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)** of revenue received from  
25 the tax imposed under this chapter in each year. During each year, the  
26 county treasurer shall transfer to Purdue University-Calumet ~~nine eight~~  
27 **and eighty-eight hundredths** percent ~~(9%)~~ **(8.88%)** of the revenue  
28 received under this chapter for that year. The money received by  
29 Purdue University-Calumet may be used by the university only for  
30 nursing education programs.

31 (f) This subsection applies to the first one million two hundred **fifty**  
32 thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)** of revenue received from  
33 the tax imposed under this chapter in each year. During each year, the  
34 county treasurer shall transfer two and sixty-seven hundredths percent  
35 (2.67%) of the revenue received under this chapter for that year to the  
36 following cities:

37 (1) Fifty percent (50%) of the revenue covered by this subsection  
38 shall be transferred to cities having a population of more than

1           ninety thousand (90,000) but less than one hundred five thousand  
2           (105,000).

3           (2) Fifty percent (50%) of the revenue covered by this subsection  
4           shall be transferred to cities having a population of more than  
5           seventy-five thousand (75,000) but less than ninety thousand  
6           (90,000).

7           Money transferred under this subsection may be used only for  
8           convention facilities located within the city. In addition, the money may  
9           be used only for facility marketing, sales, and public relations  
10          programs. Money transferred under this subsection may not be used for  
11          salaries, facility operating costs, or capital expenditures related to the  
12          convention facilities. The county treasurer shall make the transfers on  
13          or before December 1 of each year.

14          (g) This subsection applies to the revenue received from the tax  
15          imposed under this chapter in each year that exceeds one million two  
16          hundred **fifty** thousand dollars (~~\$1,200,000~~)- (**\$1,250,000**). During each  
17          year, the county treasurer shall distribute money in the promotion fund  
18          as follows:

19               (1) Eighty-five percent (85%) of the revenue covered by this  
20               subsection shall be deposited in the convention, tourism, and  
21               visitor promotion fund. The money deposited in the fund under  
22               this subdivision may be used only for the purposes for which  
23               other money in the fund may be used.

24               (2) Five percent (5%) of the revenue covered by this subsection  
25               shall be transferred to Purdue University-Calumet. The money  
26               received by Purdue University-Calumet under this subdivision  
27               may be used by the university only for nursing education  
28               programs.

29               (3) Five percent (5%) of the revenue covered by this subsection  
30               shall be transferred to Indiana University-Northwest. The money  
31               received by Indiana University-Northwest under this subdivision  
32               may be used only for the university's medical education programs.

33               (4) Five percent (5%) of the revenue covered by this subsection  
34               shall be transferred to Indiana University-Northwest. The money  
35               received by Indiana University-Northwest under this subdivision  
36               may be used only for the university's allied health education  
37               programs.

38          (h) The county treasurer may estimate the amount that will be

1 received under this chapter for the year to determine the amount to be  
2 transferred under this section.

3 (i) This subsection applies only to the distribution of revenue  
4 received from the tax imposed under section 1 of this chapter from  
5 hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or  
6 accommodations built or refurbished after June 30, 1993, that are  
7 located in the largest city of the county. During each year, the county  
8 treasurer shall transfer:

9 (1) seventy-five percent (75%) of the revenues under this  
10 subsection to the department of public safety; and

11 (2) twenty-five percent (25%) of the revenues under this  
12 subsection to the division of physical and economic development;  
13 of the largest city of the county.

14 (j) The Lake County convention and visitor bureau shall assist the  
15 county treasurer, as needed, with the calculation of the amounts that  
16 must be deposited and transferred under this section.

17 SECTION 30. IC 32-34-1-34, AS AMENDED BY P.L.246-2005,  
18 SECTION 217, IS AMENDED TO READ AS FOLLOWS  
19 [EFFECTIVE JULY 1, 2007]: Sec. 34. (a) Except as provided in  
20 section 42(d) of this chapter, the treasurer of state shall, on order of the  
21 attorney general, pay the necessary costs of the following:

22 (1) Selling abandoned property.

23 (2) Mailing notices.

24 (3) Making publications required by this chapter.

25 (4) Paying other operating expenses and administrative expenses,  
26 including:

27 (A) salaries and wages reasonably incurred by the attorney  
28 general in the administration and enforcement of this chapter;  
29 and

30 (B) costs incurred in examining records of the holders of  
31 property and in collecting the property from the holders.

32 (b) If the balance of the principal of the abandoned property fund  
33 established by section 33 of this chapter exceeds five hundred thousand  
34 dollars (\$500,000), the treasurer of state may, and at least once each  
35 fiscal year shall, transfer to the state general fund the balance of the  
36 principal of the abandoned property fund that exceeds five hundred  
37 thousand dollars (\$500,000).

38 (c) If a claim is allowed or a refund is ordered under this chapter



1 that is more than five hundred thousand dollars (\$500,000), the  
 2 treasurer of state shall transfer from the state general fund sufficient  
 3 money to make prompt payment of the claim. There is annually  
 4 appropriated to the treasurer of state from the state general fund the  
 5 amount of money sufficient to implement this subsection.

6 (d) Before making a deposit into the abandoned property fund, the  
 7 attorney general shall record the following:

8 (1) The name and last known address of each person appearing  
 9 from the holder's reports to be entitled to the abandoned property.

10 (2) The name and last known address of each insured person or  
 11 annuitant.

12 (3) The number, the name of the corporation, and the amount due  
 13 concerning any policy or contract listed in the report of a life  
 14 insurance company.

15 (e) Except as provided in ~~subsection~~ **subsections (f) and (g)**,  
 16 earnings on the property custody fund and the abandoned property fund  
 17 shall be credited to each fund.

18 (f) **This subsection applies before July 1, 2007.** On July 1 of each  
 19 year, the interest balance in the property custody fund established by  
 20 section 32 of this chapter and the interest balance in the abandoned  
 21 property fund shall be transferred to the state general fund.

22 (g) **This subsection applies after June 30, 2007. On July 1 of**  
 23 **each year, the interest balance in the property custody fund**  
 24 **established by section 32 of this chapter and the interest balance in**  
 25 **the abandoned property fund shall be transferred to the affordable**  
 26 **housing and community development fund established by**  
 27 **IC 5-20-4-7.**

28 SECTION 31. IC 36-2-7-10, AS AMENDED BY P.L.169-2006,  
 29 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2007]: Sec. 10. (a) The county recorder shall tax and collect  
 31 the fees prescribed by this section for recording, filing, copying, and  
 32 other services the recorder renders, and shall pay them into the county  
 33 treasury at the end of each calendar month. The fees prescribed and  
 34 collected under this section supersede all other recording fees required  
 35 by law to be charged for services rendered by the county recorder.

36 (b) The county recorder shall charge the following:

37 (1) Six dollars (\$6) for the first page and two dollars (\$2) for each  
 38 additional page of any document the recorder records if the pages

- 1 are not larger than eight and one-half (8 1/2) inches by fourteen  
2 (14) inches.
- 3 (2) Fifteen dollars (\$15) for the first page and five dollars (\$5) for  
4 each additional page of any document the recorder records, if the  
5 pages are larger than eight and one-half (8 1/2) inches by fourteen  
6 (14) inches.
- 7 (3) For attesting to the release, partial release, or assignment of  
8 any mortgage, judgment, lien, or oil and gas lease contained on a  
9 multiple transaction document, the fee for each transaction after  
10 the first is the amount provided in subdivision (1) plus the amount  
11 provided in subdivision (4) and one dollar (\$1) for marginal  
12 mortgage assignments or marginal mortgage releases.
- 13 (4) One dollar (\$1) for each cross-reference of a recorded  
14 document.
- 15 (5) One dollar (\$1) per page not larger than eight and one-half (8  
16 1/2) inches by fourteen (14) inches for furnishing copies of  
17 records and two dollars (\$2) per page that is larger than eight and  
18 one-half (8 1/2) inches by fourteen (14) inches.
- 19 (6) Five dollars (\$5) for acknowledging or certifying to a  
20 document.
- 21 (7) Five dollars (\$5) for each deed the recorder records, in  
22 addition to other fees for deeds, for the county surveyor's corner  
23 perpetuation fund for use as provided in IC 32-19-4-3 or  
24 IC 36-2-12-11(e).
- 25 (8) A fee in an amount authorized under IC 5-14-3-8 for  
26 transmitting a copy of a document by facsimile machine.
- 27 (9) A fee in an amount authorized by an ordinance adopted by the  
28 county legislative body for duplicating a computer tape, a  
29 computer disk, an optical disk, microfilm, or similar media. This  
30 fee may not cover making a handwritten copy or a photocopy or  
31 using xerography or a duplicating machine.
- 32 (10) A supplemental fee of three dollars (\$3) for recording a  
33 document that is paid at the time of recording. The fee under this  
34 subdivision is in addition to other fees provided by law for  
35 recording a document.
- 36 (11) Three dollars (\$3) for each mortgage on real estate recorded,  
37 in addition to other fees required by this section, distributed as  
38 follows:

1 (A) Fifty cents (\$0.50) is to be deposited in the recorder's  
2 record perpetuation fund.

3 (B) Two dollars and fifty cents (\$2.50) is to be distributed to  
4 the auditor of state on or before June 20 and December 20 of  
5 each year as provided in IC 24-9-9-3.

6 **(12) This subdivision applies in a county only if at least one (1)**  
7 **unit in the county has established an affordable housing fund**  
8 **under IC 5-20-5-15.5 and the county fiscal body adopts an**  
9 **ordinance authorizing the fee described in this subdivision. An**  
10 **ordinance adopted under this subdivision may authorize the**  
11 **county recorder to charge a fee of:**

12 (A) five dollars (\$5) for the first page; and  
13 (B) one dollar (\$1) for each additional page;  
14 of each document the recorder records.

15 (13) This subdivision applies in a county containing a  
16 consolidated city that has established a housing trust fund  
17 under IC 36-7-15.1-35.5(e). The county fiscal body may adopt  
18 an ordinance authorizing the fee described in this subdivision.  
19 An ordinance adopted under this subdivision may authorize  
20 the county recorder to charge a fee of:

21 (A) five dollars (\$5) for the first page; and  
22 (B) one dollar (\$1) for each additional page;  
23 of each document the recorder records.

24 (c) The county recorder shall charge a two dollar (\$2) county  
25 identification security protection fee for recording or filing a document.  
26 This fee shall be deposited under IC 36-2-7.5-6.

27 (d) The county treasurer shall establish a recorder's records  
28 perpetuation fund. All revenue received under subsection (b)(5), (b)(8),  
29 (b)(9), and (b)(10), and fifty cents (\$0.50) from revenue received under  
30 subsection (b)(11), shall be deposited in this fund. The county recorder  
31 may use any money in this fund without appropriation for the  
32 preservation of records and the improvement of record keeping systems  
33 and equipment.

34 (e) As used in this section, "record" or "recording" includes the  
35 functions of recording, filing, and filing for record.

36 (f) The county recorder shall post the fees set forth in subsection (b)  
37 in a prominent place within the county recorder's office where the fee  
38 schedule will be readily accessible to the public.

- 1 (g) The county recorder may not tax or collect any fee for:
- 2 (1) recording an official bond of a public officer, a deputy, an
- 3 appointee, or an employee; or
- 4 (2) performing any service under any of the following:
- 5 (A) IC 6-1.1-22-2(c).
- 6 (B) IC 8-23-7.
- 7 (C) IC 8-23-23.
- 8 (D) IC 10-17-2-3.
- 9 (E) IC 10-17-3-2.
- 10 (F) IC 12-14-13.
- 11 (G) IC 12-14-16.
- 12 (h) The state and its agencies and instrumentalities are required to
- 13 pay the recording fees and charges that this section prescribes.
- 14 (i) **This subsection applies to a county other than a county**
- 15 **containing a consolidated city. The county treasurer shall**
- 16 **distribute money collected by the county recorder under subsection**
- 17 **(b)(12) as follows:**
- 18 (1) **Sixty percent (60%) of the money collected by the county**
- 19 **recorder under subsection (b)(12) shall be distributed to the**
- 20 **units in the county that have established an affordable**
- 21 **housing fund under IC 5-20-5-15.5 for deposit in the fund. The**
- 22 **amount to be distributed to a unit is the amount available for**
- 23 **distribution multiplied by a fraction. The numerator of the**
- 24 **fraction is the population of the unit. The denominator of the**
- 25 **fraction is the population of all units in the county that have**
- 26 **established an affordable housing fund. The population to be**
- 27 **used for a county that establishes an affordable housing fund**
- 28 **is the population of the county outside any city or town that**
- 29 **has established an affordable housing fund.**
- 30 (2) **Forty percent (40%) of the money collected by the county**
- 31 **recorder under subsection (b)(12) shall be distributed to the**
- 32 **treasurer of state for deposit in the affordable housing and**
- 33 **community development fund established under IC 5-20-4-7**
- 34 **for the purposes of the fund.**
- 35 **Money shall be distributed under this subsection before the**
- 36 **sixteenth day of the month following the month in which the money**
- 37 **is collected from the county recorder.**
- 38 (j) **This subsection applies to a county described in subsection**

1 **(b)(13). The county treasurer shall distribute money collected by**  
 2 **the county recorder under subsection (b)(13) as follows:**

3 **(1) Sixty percent (60%) of the money collected by the county**  
 4 **recorder under subsection (b)(13) shall be deposited in the**  
 5 **housing trust fund established under IC 36-7-15.1-35.5(e) for**  
 6 **the purposes of the fund.**

7 **(2) Forty percent (40%) of the money collected by the county**  
 8 **recorder under subsection (b)(13) shall be distributed to the**  
 9 **treasurer of state for deposit in the affordable housing and**  
 10 **community development fund established under IC 5-20-4-7**  
 11 **for the purposes of the fund.**

12 **Money shall be distributed under this subsection before the**  
 13 **sixteenth day of the month following the month in which the money**  
 14 **is collected from the county recorder.**

15 SECTION 32. IC 36-7-15.1-35.5 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 35.5. (a) The general  
 17 assembly finds the following:

18 (1) Federal law permits the sale of a multiple family housing  
 19 project that is or has been covered, in whole or in part, by a  
 20 contract for project based assistance from the United States  
 21 Department of Housing and Urban Development without  
 22 requiring the continuation of that project based assistance.

23 (2) Such a sale displaces the former residents of a multiple family  
 24 housing project described in subdivision (1) and increases the  
 25 shortage of safe and affordable housing for persons of low and  
 26 moderate income within the county.

27 (3) The displacement of families and individuals from affordable  
 28 housing requires increased expenditures of public funds for crime  
 29 prevention, public health and safety, fire and accident prevention,  
 30 and other public services and facilities.

31 (4) The establishment of a supplemental housing program under  
 32 this section will do the following:

33 (A) Benefit the health, safety, morals, and welfare of the  
 34 county and the state.

35 (B) Serve to protect and increase property values in the county  
 36 and the state.

37 (C) Benefit persons of low and moderate income by making  
 38 affordable housing available to them.

1 (5) The establishment of a supplemental housing program under  
2 this section and sections 32 through 35 of this chapter is:

- 3 (A) necessary in the public interest; and  
4 (B) a public use and purpose for which public money may be  
5 spent and private property may be acquired.

6 (b) In addition to its other powers with respect to a housing program  
7 under sections 32 through 35 of this chapter, the commission may  
8 establish a supplemental housing program. Except as provided by this  
9 section, the commission has the same powers and duties with respect  
10 to the supplemental housing program that the commission has under  
11 sections 32 through 35 of this chapter with respect to the housing  
12 program.

13 (c) One (1) allocation area may be established for the supplemental  
14 housing program. The commission is not required to make the findings  
15 required under section 34(5) through 34(8) of this chapter with respect  
16 to the allocation area. However, the commission must find that the  
17 property contained within the boundaries of the allocation area consists  
18 solely of one (1) or more multiple family housing projects that are or  
19 have been covered, in whole or in part, by a contract for project based  
20 assistance from the United States Department of Housing and Urban  
21 Development or have been owned at one time by a public housing  
22 agency. The allocation area need not be contiguous. The definition of  
23 "base assessed value" set forth in section 35(a) of this chapter applies  
24 to the special fund established under section 26(b) of this chapter for  
25 the allocation area.

26 (d) The special fund established under section 26(b) of this chapter  
27 for the allocation area established under this section may be used only  
28 for the following purposes:

29 (1) Subject to subdivision (2), on January 1 and July 1 of each  
30 year the balance of the special fund shall be transferred to the  
31 housing trust fund established under subsection (e).

32 (2) The commission may provide each taxpayer in the allocation  
33 area a credit for property tax replacement in the manner provided  
34 by section 35(b)(7) of this chapter. Transfers made under  
35 subdivision (1) shall be reduced by the amount necessary to  
36 provide the credit.

37 (e) The commission shall, by resolution, establish a housing trust  
38 fund to be administered, subject to the terms of the resolution, by:

- 1 (1) the housing division of the consolidated city; or  
 2 (2) the department, division, or agency that has been designated  
 3 to perform the public housing function by an ordinance adopted  
 4 under IC 36-7-18-1.
- 5 (f) The housing trust fund consists of:  
 6 (1) amounts transferred to the fund under subsection (d);  
 7 (2) payments in lieu of taxes deposited in the fund under  
 8 IC 36-3-2-11;  
 9 (3) gifts and grants to the fund;  
 10 (4) investment income earned on the fund's assets; ~~and~~  
 11 **(5) money deposited in the fund under IC 36-2-7-10(j);**  
 12 **(6) money deposited in the fund under IC 5-1-14-15(d); and**  
 13 ~~(7)~~ (7) other funds from sources approved by the commission.
- 14 (g) The commission shall, by resolution, establish uses for the  
 15 housing trust fund. However, the uses must be limited to:  
 16 (1) providing financial assistance to those individuals and  
 17 families whose income is at or below eighty percent (80%) of the  
 18 county's median income for individuals and families, respectively,  
 19 to enable those individuals and families to purchase or lease  
 20 residential units within the county;  
 21 (2) paying expenses of administering the fund;  
 22 (3) making grants, loans, and loan guarantees for the  
 23 development, rehabilitation, or financing of affordable housing  
 24 for individuals and families whose income is at or below eighty  
 25 percent (80%) of the county's median income for individuals and  
 26 families, respectively, including the elderly, persons with  
 27 disabilities, and homeless individuals and families; and  
 28 (4) providing technical assistance to nonprofit developers of  
 29 affordable housing.
- 30 (h) At least fifty percent (50%) of the dollars allocated for  
 31 production, rehabilitation, or purchase of housing must be used for  
 32 units to be occupied by individuals and families whose income is at or  
 33 below fifty percent (50%) of the county's area median income for  
 34 individuals and families respectively.
- 35 (i) The low income housing trust fund advisory committee is  
 36 established. The low-income housing trust fund advisory committee  
 37 consists of eleven (11) members. The membership of the low income  
 38 housing trust fund advisory committee is comprised of:

- 1 (1) one (1) member appointed by the mayor, to represent the  
 2 interests of low income families;
- 3 (2) one (1) member appointed by the mayor, to represent the  
 4 interests of owners of subsidized, multifamily housing  
 5 communities;
- 6 (3) one (1) member appointed by the mayor, to represent the  
 7 interests of banks and other financial institutions;
- 8 (4) one (1) member appointed by the mayor, of the department of  
 9 metropolitan development;
- 10 (5) three (3) members representing the community at large  
 11 appointed by the commission, from nominations submitted to the  
 12 commission as a result of a general call for nominations from  
 13 neighborhood associations, community based organizations, and  
 14 other social services agencies;
- 15 (6) one (1) member appointed by and representing the Coalition  
 16 for Homeless Intervention and Prevention of Greater Indianapolis;
- 17 (7) one (1) member appointed by and representing the Local  
 18 Initiatives Support Corporation;
- 19 (8) one (1) member appointed by and representing the  
 20 Indianapolis Coalition for Neighborhood Development; and
- 21 (9) one (1) member appointed by and representing the  
 22 Indianapolis Neighborhood Housing Partnership.
- 23 Members of the low income housing trust fund advisory committee  
 24 serve for a term of four (4) years, and are eligible for reappointment. If  
 25 a vacancy exists on the committee, the appointing authority who  
 26 appointed the former member whose position has become vacant shall  
 27 appoint an individual to fill the vacancy. A committee member may be  
 28 removed at any time by the appointing authority who appointed the  
 29 committee member.
- 30 (j) The low income housing trust fund advisory committee shall  
 31 make recommendations to the commission regarding:
- 32 (1) the development of policies and procedures for the uses of the  
 33 low income housing trust fund; and
- 34 (2) long term sources of capital for the low income housing trust  
 35 fund, including:
- 36 (A) revenue from:
- 37 (i) development ordinances;
- 38 (ii) fees; or



- 1 (iii) taxes;  
 2 (B) financial market based income;  
 3 (C) revenue derived from private sources; and  
 4 (D) revenue generated from grants, gifts, donations or income  
 5 in any other form, from a:  
 6 (i) government program;  
 7 (ii) foundation; or  
 8 (iii) corporation.

9 (k) The county treasurer shall invest the money in the fund not  
 10 currently needed to meet the obligations of the fund in the same  
 11 manner as other public funds may be invested."

12 Page 30, between lines 23 and 24, begin a new paragraph and insert:  
 13 "SECTION 34. [EFFECTIVE JANUARY 1, 2007  
 14 (RETROACTIVE)] **IC 6-1.1-12.1-1, as amended by this act, applies  
 15 to assessment dates occurring after February 28, 2007, for  
 16 property taxes first due and payable after December 31, 2007.**

17 SECTION 35. [EFFECTIVE JANUARY 1, 2007  
 18 (RETROACTIVE)] **IC 6-1.1-45-12, as amended by this act, applies  
 19 to assessment dates occurring after February 28, 2007, for  
 20 property taxes first due and payable after December 31, 2007.**

21 SECTION 36. [EFFECTIVE JANUARY 1, 2008] **IC 6-3.5-1-3, as  
 22 amended by this act, applies to taxable years beginning after  
 23 December 31, 2007.**

24 SECTION 37 [EFFECTIVE UPON PASSAGE] **(a) The definitions  
 25 used in IC 6-7-1 and IC 6-7-2 apply to this SECTION.**

26 **(b) Not later than December 31, 2007, the department shall  
 27 submit a report to the budget committee of the budget agency  
 28 regarding the collection of the cigarette tax and the tobacco  
 29 products tax. The report prepared under this SECTION shall be  
 30 transmitted in an electronic format as provided under IC 5-14-6.**

31 **(c) The report must include the following:**

32 **(1) The number of distributors who purchase cigarette tax  
 33 stamps.**

34 **(2) The amount of cigarette tax stamps purchased by  
 35 distributors for state fiscal years ending June 30, 2006, and  
 36 June 30, 2007.**

37 **(3) The amount of tobacco products tax collected from  
 38 distributors for state fiscal years ending June 30, 2006, and**

- 1           **June 30, 2007.**
- 2           **(4) The total amount of cigarette tax discounted to**
- 3           **distributors for state fiscal years ending June 30, 2006, and**
- 4           **June 30, 2007.**
- 5           **(5) A breakdown of the amount of cigarette tax discounted to**
- 6           **each distributor for state fiscal years ending June 30, 2006,**
- 7           **and June 30, 2007.**
- 8           **(6) The total number of registration certificates issued by the**
- 9           **department for state fiscal years ending June 30, 2006, and**
- 10           **June 30, 2007.**
- 11           **(7) The total amount of tobacco products tax licence fees**
- 12           **received by the department from distributors for state fiscal**
- 13           **years ending June 30, 2006, and June 30, 2007.**
- 14           **(8) The total amount of tobacco products tax discounted to**
- 15           **distributors for state fiscal years ending June 30, 2006, and**
- 16           **June 30, 2007.**
- 17           **(9) A breakdown of the amount of tobacco products tax**
- 18           **discounted to each distributor for state fiscal years ending**
- 19           **June 30, 2006, and June 30, 2007.**
- 20           **(d) The department may include any other relevant information**
- 21           **pertaining to collection of the cigarette tax and the tobacco**
- 22           **products tax.**
- 23           **(e) This SECTION expires on January 1, 2008."**
- 24           Renumber all SECTIONS consecutively.
- (Reference is to SB 500 as reprinted February 20, 2007.)

**and when so amended that said bill do pass.**

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Representative Crawford