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# HOUSE BILL No. 1617

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-2-6.2; IC 6-2.5-14; IC 6-8.1-1-1; IC 9-30-5-16.

**Synopsis:** Ignition interlock device and sales tax. Establishes the ignition interlock fund. Imposes an additional 1% sales and use tax on a passenger vehicle that gets less than 15 mpg. Provides that the additional revenue will be distributed to the ignition interlock fund and the public mass transportation fund. Provides that a court order granting probationary driving privileges to a person must prohibit the person from operating a motor vehicle unless the vehicle is equipped with an ignition interlock device if the person: (1) does not have a previous conviction for operating a vehicle or motorboat while intoxicated; or (2) has a previous conviction that occurred at least ten years before the conviction under consideration by the court. (Current law does not require a court order granting probationary driving privileges to a person who does not have a previous conviction for operating a vehicle or motorboat while intoxicated to prohibit the person from operating a motor vehicle unless the vehicle is equipped with an ignition interlock device.)

**Effective:** July 1, 2007.

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January 23, 2007, read first time and referred to Committee on Judiciary.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

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## HOUSE BILL No. 1617



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

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

1 SECTION 1. IC 5-2-6.2 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2007]:

4 **Chapter 6.2. Ignition Interlock Fund**  
5 **Sec. 1. As used in this chapter, "ignition interlock device" has**  
6 **the meaning set forth under IC 9-13-2-76.**

7 **Sec. 2. As used in this chapter, "institute" means the Indiana**  
8 **criminal justice institute established by IC 5-2-6-3.**

9 **Sec. 3. As used in this chapter, "local governmental entities" has**  
10 **the meaning set forth under IC 5-2-6-1.**

11 **Sec. 4. (a) The ignition interlock fund is established to provide**  
12 **local governmental entities with funds to assist with the**  
13 **administration costs associated with ignition interlock devices and**  
14 **costs associated with providing an ignition interlock device to an**  
15 **indigent person. The fund shall be administered by the institute**  
16 **and consists of:**

17 **(1) revenues received under IC 6-2.5-14; and**



1 (2) any appropriations to the fund.

2 (b) The expenses of administering the fund shall be paid from  
3 money in the fund.

4 (c) Money in the fund at the end of a state fiscal year does not  
5 revert to the state general fund.

6 Sec. 5. The institute shall distribute money in the fund to local  
7 governmental entities in Indiana for the purpose of assisting local  
8 governmental entities with:

9 (1) administration costs associated with ignition interlock  
10 devices; and

11 (2) the costs associated with providing an ignition interlock  
12 device to an indigent person.

13 Sec. 6. The institute may adopt rules under IC 4-22-2 and  
14 guidelines to implement this chapter.

15 SECTION 2. IC 6-2.5-14 IS ADDED TO THE INDIANA CODE  
16 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2007]:

18 Chapter 14. Motor Vehicle Supplemental Sales and Use Tax

19 Sec. 1. (a) As used in this chapter, "fuel economy" means the  
20 number of miles traveled by a qualified passenger vehicle per  
21 gasoline or special fuel consumed, as determined in subsection (b).

22 (b) The number of miles traveled by a qualified passenger  
23 vehicle with a:

24 (1) model year 2007 or earlier, is the average between the  
25 average city miles per gallon and the average highway miles  
26 per gallon; or

27 (2) model year 2008 and thereafter, is the combined fuel  
28 economy;

29 as determined in the Fuel Economy Guide published by the United  
30 States Environmental Protection Agency and the United States  
31 Department of Energy.

32 Sec. 2. As used in this chapter, "gasoline" has the meaning set  
33 forth in IC 6-6-1.1-103.

34 Sec. 3. As used in this chapter, "motor vehicle" has the meaning  
35 set forth in IC 9-13-2-105.

36 Sec. 4. (a) As used in this chapter, "passenger vehicle" means  
37 any motor vehicle:

38 (1) designed and used for carrying not more than fifteen (15)  
39 individuals;

40 (2) that has a gross weight of less than ten thousand (10,000)  
41 pounds; and

42 (3) not used for business purposes.

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- (b) The term does not include:**
  - (1) pickup trucks;**
  - (2) recreational vehicles; or**
  - (3) vehicles used to provide public transportation for people or property.**

**Sec. 5. As used in this chapter, "pickup truck" means a motor vehicle with an enclosed forward passenger compartment and an open rearward compartment used for the transportation of property.**

**Sec. 6. As used in this chapter, "qualified passenger vehicle" means a passenger vehicle that has a fuel economy of fifteen (15) miles per gallon or less.**

**Sec. 7. As used in this chapter, "recreational vehicle" has the meaning set forth in IC 9-13-2-150.**

**Sec. 8. As used in this chapter, "special fuel" has the meaning set forth in IC 6-6-2.5-22.**

**Sec. 9. This chapter applies to qualified passenger vehicles sold at retail as new vehicles after June 30, 2007.**

**Sec. 10. In addition to the state gross retail tax imposed under IC 6-2.5-2-1 or the use tax imposed under IC 6-2.5-3-2, a motor vehicle supplemental sales and use tax is imposed on a transaction involving a qualified passenger vehicle. A qualified passenger vehicle is subject to the tax imposed by this chapter if the qualified motor vehicle is subject to tax imposed under IC 6-2.5-2-1 or IC 6-2.5-3-2.**

**Sec. 11. The motor vehicle supplemental sales and use tax is measured by the gross retail income received in a retail unitary transaction at a rate of one percent (1%).**

**Sec. 12. The motor vehicle supplemental sales and use tax shall be imposed, exempted, credited, paid, and collected in the same manner that the state gross retail tax is imposed, exempted, credited, paid, and collected. However, the return to be filed for the payment of the tax under this chapter may be made separately or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department.**

**Sec. 13. (a) The department shall account for all motor vehicle supplemental sales and use tax that the department collects.**

**(b) The department shall deposit collections under subsection (a) in the following manner:**

- (1) Eighty-five percent (85%) of the collections shall be paid into the ignition interlock fund established by IC 5-2-6.2-3.**
- (2) Fifteen percent (15%) of the collections shall be paid into**

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1           **the public mass transportation fund established by**  
 2           **IC 8-23-3-8.**

3           SECTION 3. IC 6-8.1-1-1, AS AMENDED BY P.L.162-2006,  
 4           SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5           JULY 1, 2007]: Sec. 1. "Listed taxes" or "taxes" includes only the  
 6           pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the river boat  
 7           admissions tax (IC 4-33-12); the river boat wagering tax (IC 4-33-13);  
 8           the gross income tax (IC 6-2.1) (repealed); the utility receipts and  
 9           utility services use taxes (IC 6-2.3); the state gross retail and use taxes  
 10          (IC 6-2.5); **the motor vehicle supplemental sales and use tax**  
 11          **(IC 6-2.5-14)**; the adjusted gross income tax (IC 6-3); the supplemental  
 12          net income tax (IC 6-3-8) (repealed); the county adjusted gross income  
 13          tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the  
 14          county economic development income tax (IC 6-3.5-7); the municipal  
 15          option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9);  
 16          the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1);  
 17          the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax  
 18          (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax  
 19          collected under a reciprocal agreement under IC 6-8.1-3; the motor  
 20          vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax  
 21          (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the  
 22          cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor  
 23          excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider  
 24          excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the  
 25          petroleum severance tax (IC 6-8-1); the various innkeeper's taxes  
 26          (IC 6-9); the various food and beverage taxes (IC 6-9); the county  
 27          admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee  
 28          (IC 16-44-2); the emergency and hazardous chemical inventory form  
 29          fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3  
 30          and IC 9-30); the fees and penalties assessed for overweight vehicles  
 31          (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23);  
 32          the solid waste management fee (IC 13-20-22); and any other tax or fee  
 33          that the department is required to collect or administer.

34          SECTION 4. IC 9-30-5-16, AS AMENDED BY P.L.172-2006,  
 35          SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36          JULY 1, 2007]: Sec. 16. (a) Except as provided in subsections (b) and  
 37          (c) and section 10 of this chapter, the court may, in granting  
 38          probationary driving privileges under this chapter, also order that the  
 39          probationary driving privileges include the requirement that a person  
 40          may not operate a motor vehicle unless the vehicle is equipped with a  
 41          functioning certified ignition interlock device under IC 9-30-8.

42          (b) An order granting probationary driving privileges:

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1 (1) under:  
 2 (A) section 12(a) of this chapter; if the person has a previous  
 3 conviction that occurred at least ten (10) years before the  
 4 conviction under consideration by the court; or  
 5 (B) section 12(c) of this chapter; or  
 6 (2) to a person who has a prior unrelated conviction for an offense  
 7 under this chapter of which the consumption of alcohol is an  
 8 element;  
 9 must prohibit the person from operating a motor vehicle unless the  
 10 vehicle is equipped with a functioning certified ignition interlock  
 11 device under IC 9-30-8. However, a court is not required to order the  
 12 installation of an ignition interlock device for a person described in  
 13 subdivision (1) or (2) if the person is successfully participating in a  
 14 court supervised alcohol treatment program in which the person is  
 15 taking disulfiram or a similar substance that the court determines is  
 16 effective in treating alcohol abuse.  
 17 (c) A court may not order the installation of an ignition interlock  
 18 device on a vehicle operated by an employee to whom any of the  
 19 following apply:  
 20 (1) Has been convicted of violating section 1 or 2 of this chapter.  
 21 (2) Is employed as the operator of a vehicle owned, leased, or  
 22 provided by the employee's employer.  
 23 (3) Is subject to a labor agreement that prohibits an employee who  
 24 is convicted of an alcohol related offense from operating the  
 25 employer's vehicle.  
 26 SECTION 5. [EFFECTIVE JULY 1, 2007] IC 6-8.1-1-1, as  
 27 amended by this act, and IC 6-2.5-14, as added by this act, apply to  
 28 retail transactions that occur after June 30, 2007.

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