

---

---

# HOUSE BILL No. 1337

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-11; IC 5-14-3.8-7; IC 5-22-15-20.9; IC 6-1.1; IC 6-2.5-8-10.1; IC 6-4.1; IC 34-24-1-1; IC 35-43-5-4.4; IC 36-1-12.

**Synopsis:** Tax administration. Requires for the electronic transmission of certain governmental information instead of transmitting paper documents. Provides that the local Indiana business preference applies to a contract for a purchase made by a political subdivision only if the political subdivision provides that the preference is applicable to the purchase. Repeals the local Indiana business preference for public works projects. Permits a county, city, or town to authorize a 100% property tax deduction for all personal property or, alternatively, to grant a tax credit for all property taxes imposed on all personal property in the county, city, or town. Specifies that personal swimming pools associated with a homestead qualify for a standard deduction. Defines the term "common areas" for purposes of the circuit breaker credit law. Requires out-of-state businesses that have an affiliate or a closely related business located in Indiana to collect gross retail use taxes on Indiana sales. Provides for a phase-out of the inheritance tax. Imposes a Class C felony for sale, purchase, installation, transfer, or possession of an automated sales suppression device ("zapper") or phantom-ware. Makes technical changes.

**Effective:** Upon passage; March 1, 2011 (retroactive); July 1, 2012.

---

---

## Turner, Welch, Thompson

---

---

January 11, 2012, read first time and referred to Committee on Ways and Means.

---

---

C  
o  
p  
y



Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

C  
o  
p  
y

# HOUSE BILL No. 1337



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1 SECTION 1. IC 5-11-1-4, AS AMENDED BY P.L.172-2011,  
2 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 4. (a) The state examiner shall require from  
4 every municipality and every state or local governmental unit, entity,  
5 or instrumentality financial reports covering the full period of each  
6 fiscal year. These reports shall be prepared, verified, and filed with the  
7 state examiner not later than sixty (60) days after the close of each  
8 fiscal year. The reports must be filed electronically, in a manner  
9 prescribed by the state examiner that is compatible with the technology  
10 employed by the political subdivision. **under IC 5-14-3.8-7.**

11 (b) The department of local government finance may not approve  
12 the budget of a political subdivision or a supplemental appropriation  
13 for a political subdivision until the political subdivision files an annual  
14 report under subsection (a) for the preceding calendar year.

15 SECTION 2. IC 5-11-13-1, AS AMENDED BY P.L.172-2011,  
16 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 UPON PASSAGE]: Sec. 1. (a) Every state, county, city, town,



1 township, or school official, elective or appointive, who is the head of  
 2 or in charge of any office, department, board, or commission of the  
 3 state or of any county, city, town, or township, and every state, county,  
 4 city, town, or township employee or agent who is the head of, or in  
 5 charge of, or the executive officer of any department, bureau, board, or  
 6 commission of the state, county, city, town, or township, and every  
 7 executive officer by whatever title designated, who is in charge of any  
 8 state educational institution or of any other state, county, or city  
 9 institution, shall during the month of January of each year prepare,  
 10 make, and sign a ~~written or printed~~ certified report, correctly and  
 11 completely showing the names and business addresses of each and all  
 12 officers, employees, and agents in their respective offices, departments,  
 13 boards, commissions, and institutions, and the respective duties and  
 14 compensation of each, and shall forthwith file said report in the office  
 15 of the state examiner of the state board of accounts. **The report must**  
 16 **also indicate whether the political subdivision offers a health plan,**  
 17 **a pension, and other benefits to full-time and part-time employees.**  
 18 However, no more than one (1) report covering the same officers,  
 19 employees, and agents need be made from the state or any county, city,  
 20 town, township, or school unit in any one year. **The certification must**  
 21 **be filed electronically, in the manner prescribed under**  
 22 **IC 5-14-3.8-7.**

23 (b) The department of local government finance may not approve  
 24 the budget of a county, city, town, or township or a supplemental  
 25 appropriation for a county, city, town, or township until the county,  
 26 city, town, or township files an annual report under subsection (a) for  
 27 the preceding calendar year.

28 SECTION 3. IC 5-14-3.8-7, AS ADDED BY P.L.172-2011,  
 29 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 UPON PASSAGE]: Sec. 7. The department may require that prescribed  
 31 forms be submitted in an electronic format. **The department, working**  
 32 **with the office of technology established by IC 4-13.1-2-1 or**  
 33 **another organization that is part of a state educational institution,**  
 34 **shall develop and maintain a secured, web-based system that**  
 35 **facilitates electronic submission of the forms under this section.**  
 36 **Political subdivisions shall submit forms under this section through**  
 37 **the web-based system as prescribed by the department.**

38 SECTION 4. IC 5-22-15-20.9, AS ADDED BY P.L.172-2011,  
 39 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2012]: Sec. 20.9. (a) ~~This section applies only to a contract~~  
 41 ~~awarded by a political subdivision.~~

42 (b) As used in this section, "affected county" refers to a county:

C  
o  
p  
y



- 1 (1) in which the political subdivision awarding a contract under
- 2 this article is located; or
- 3 (2) that is adjacent to the county described in subdivision (1).
- 4 ~~(c)~~ **(b)** As used in this section, "local Indiana business" refers to any
- 5 of the following:
- 6 (1) A business whose principal place of business is located in an
- 7 affected county.
- 8 (2) A business that pays a majority of its payroll (in dollar
- 9 volume) to residents of affected counties.
- 10 (3) A business that employs residents of affected counties as a
- 11 majority of its employees.
- 12 (4) A business that makes significant capital investments in the
- 13 affected counties as defined in rules adopted by the political
- 14 subdivision.
- 15 (5) A business that has a substantial positive economic impact on
- 16 the affected counties as defined by criteria in rules adopted by the
- 17 political subdivision.
- 18 ~~(d)~~ **(c)** **There are A political subdivision may apply** the following
- 19 price preferences for supplies purchased from a local Indiana business:
- 20 (1) Five percent (5%) for a purchase expected by the purchasing
- 21 agency to be less than fifty thousand dollars (\$50,000).
- 22 (2) Three percent (3%) for a purchase expected by the purchasing
- 23 agency to be at least fifty thousand dollars (\$50,000) but less than
- 24 one hundred thousand dollars (\$100,000).
- 25 (3) One percent (1%) for a purchase expected by the purchasing
- 26 agency to be at least one hundred thousand dollars (\$100,000).
- 27 **However, to apply a price preference authorized by this subsection**
- 28 **to a purchase of supplies, the political subdivision must state in the**
- 29 **solicitation for supplies that the political subdivision will apply this**
- 30 **section.**
- 31 ~~(e)~~ **(d)** Notwithstanding subsection ~~(d)~~; **(c)**, a purchasing agency
- 32 may award a contract to the lowest responsive and responsible offeror,
- 33 regardless of the preference provided in this section, if the lowest
- 34 responsive and responsible offeror is a local Indiana business.
- 35 ~~(f)~~ **(e)** A business that wants to claim a preference provided under
- 36 this section must do all the following:
- 37 (1) State in the business's bid that the business claims the
- 38 preference provided by this section.
- 39 (2) Provide the following information to the purchasing agency:
- 40 (A) The location of the business's principal place of business.
- 41 If the business claims the preference as a local Indiana
- 42 business described in subsection ~~(c)~~~~(1)~~; **(b)(1)**, a statement

COPY



1 explaining the reasons the business considers the location  
2 named as the business's principal place of business.

3 (B) The amount of the business's total payroll and the amount  
4 of the business's payroll paid to residents of affected counties.

5 (C) The number of the business's employees and the number  
6 of the business's employees who are residents of affected  
7 counties.

8 (D) If the business claims the preference as a local Indiana  
9 business described in subsection ~~(c)(4)~~, **(b)(4)**, a description  
10 of the capital investments made in the affected counties and a  
11 statement of the amount of those capital investments.

12 (E) If the business claims the preference as a local Indiana  
13 business described in subsection ~~(c)(5)~~, **(b)(5)**, a description  
14 of the substantial positive economic impact the business has  
15 on the affected counties.

16 SECTION 5. IC 6-1.1-12-37, AS AMENDED BY P.L.172-2011,  
17 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 MARCH 1, 2011 (RETROACTIVE)]: Sec. 37. (a) The following  
19 definitions apply throughout this section:

20 (1) "Dwelling" means any of the following:

21 (A) Residential real property improvements that an individual  
22 uses as the individual's residence, including a house or garage.

23 (B) A mobile home that is not assessed as real property that an  
24 individual uses as the individual's residence.

25 (C) A manufactured home that is not assessed as real property  
26 that an individual uses as the individual's residence.

27 (2) "Homestead" means an individual's principal place of  
28 residence:

29 (A) that is located in Indiana;

30 (B) that:

31 (i) the individual owns;

32 (ii) the individual is buying under a contract; recorded in the  
33 county recorder's office, that provides that the individual is  
34 to pay the property taxes on the residence;

35 (iii) the individual is entitled to occupy as a  
36 tenant-stockholder (as defined in 26 U.S.C. 216) of a  
37 cooperative housing corporation (as defined in 26 U.S.C.  
38 216); or

39 (iv) is a residence described in section 17.9 of this chapter  
40 that is owned by a trust if the individual is an individual  
41 described in section 17.9 of this chapter; and

42 (C) that consists of a dwelling and the real estate, not

C  
O  
P  
Y



1           exceeding one (1) acre, that immediately surrounds that  
2           dwelling.

3           Except as provided in subsection (k), the term does not include  
4           property owned by a corporation, partnership, limited liability  
5           company, or other entity not described in this subdivision.

6           (b) Each year a homestead is eligible for a standard deduction from  
7           the assessed value of the homestead for an assessment date. The  
8           deduction provided by this section applies to property taxes first due  
9           and payable for an assessment date only if an individual has an interest  
10          in the homestead described in subsection (a)(2)(B) on:

- 11           (1) the assessment date; or  
12           (2) any date in the same year after an assessment date that a  
13           statement is filed under subsection (e) or section 44 of this  
14           chapter, if the property consists of real property.

15          Subject to subsection (c), the auditor of the county shall record and  
16          make the deduction for the individual or entity qualifying for the  
17          deduction.

18          (c) Except as provided in section 40.5 of this chapter, the total  
19          amount of the deduction that a person may receive under this section  
20          for a particular year is the lesser of:

- 21           (1) sixty percent (60%) of the assessed value of the real property,  
22           mobile home not assessed as real property, or manufactured home  
23           not assessed as real property; or  
24           (2) forty-five thousand dollars (\$45,000).

25          (d) A person who has sold real property, a mobile home not assessed  
26          as real property, or a manufactured home not assessed as real property  
27          to another person under a contract that provides that the contract buyer  
28          is to pay the property taxes on the real property, mobile home, or  
29          manufactured home may not claim the deduction provided under this  
30          section with respect to that real property, mobile home, or  
31          manufactured home.

32          (e) Except as provided in sections 17.8 and 44 of this chapter and  
33          subject to section 45 of this chapter, an individual who desires to claim  
34          the deduction provided by this section must file a certified statement in  
35          duplicate, on forms prescribed by the department of local government  
36          finance, with the auditor of the county in which the homestead is  
37          located. The statement must include:

- 38           (1) the parcel number or key number of the property and the name  
39           of the city, town, or township in which the property is located;  
40           (2) the name of any other location in which the applicant or the  
41           applicant's spouse owns, is buying, or has a beneficial interest in  
42           residential real property;

C  
o  
p  
y



- 1 (3) the names of:  
 2 (A) the applicant and the applicant's spouse (if any):  
 3 (i) as the names appear in the records of the United States  
 4 Social Security Administration for the purposes of the  
 5 issuance of a Social Security card and Social Security  
 6 number; or  
 7 (ii) that they use as their legal names when they sign their  
 8 names on legal documents;  
 9 if the applicant is an individual; or  
 10 (B) each individual who qualifies property as a homestead  
 11 under subsection (a)(2)(B) and the individual's spouse (if any):  
 12 (i) as the names appear in the records of the United States  
 13 Social Security Administration for the purposes of the  
 14 issuance of a Social Security card and Social Security  
 15 number; or  
 16 (ii) that they use as their legal names when they sign their  
 17 names on legal documents;  
 18 if the applicant is not an individual; and  
 19 (4) either:  
 20 (A) the last five (5) digits of the applicant's Social Security  
 21 number and the last five (5) digits of the Social Security  
 22 number of the applicant's spouse (if any); or  
 23 (B) if the applicant or the applicant's spouse (if any) do not  
 24 have a Social Security number, any of the following for that  
 25 individual:  
 26 (i) The last five (5) digits of the individual's driver's license  
 27 number.  
 28 (ii) The last five (5) digits of the individual's state  
 29 identification card number.  
 30 (iii) If the individual does not have a driver's license or a  
 31 state identification card, the last five (5) digits of a control  
 32 number that is on a document issued to the individual by the  
 33 federal government and determined by the department of  
 34 local government finance to be acceptable.
- 35 If a form or statement provided to the county auditor under this section,  
 36 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or  
 37 part or all of the Social Security number of a party or other number  
 38 described in subdivision (4)(B) of a party, the telephone number and  
 39 the Social Security number or other number described in subdivision  
 40 (4)(B) included are confidential. The statement may be filed in person  
 41 or by mail. If the statement is mailed, the mailing must be postmarked  
 42 on or before the last day for filing. The statement applies for that first

C  
O  
P  
Y

1 year and any succeeding year for which the deduction is allowed. With  
 2 respect to real property, the statement must be completed and dated in  
 3 the calendar year for which the person desires to obtain the deduction  
 4 and filed with the county auditor on or before January 5 of the  
 5 immediately succeeding calendar year. With respect to a mobile home  
 6 that is not assessed as real property, the person must file the statement  
 7 during the twelve (12) months before March 31 of the year for which  
 8 the person desires to obtain the deduction.

9 (f) If an individual who is receiving the deduction provided by this  
 10 section or who otherwise qualifies property for a deduction under this  
 11 section:

12 (1) changes the use of the individual's property so that part or all  
 13 of the property no longer qualifies for the deduction under this  
 14 section; or

15 (2) is no longer eligible for a deduction under this section on  
 16 another parcel of property because:

17 (A) the individual would otherwise receive the benefit of more  
 18 than one (1) deduction under this chapter; or

19 (B) the individual maintains the individual's principal place of  
 20 residence with another individual who receives a deduction  
 21 under this section;

22 the individual must file a certified statement with the auditor of the  
 23 county, notifying the auditor of the change of use, not more than sixty  
 24 (60) days after the date of that change. An individual who fails to file  
 25 the statement required by this subsection is liable for any additional  
 26 taxes that would have been due on the property if the individual had  
 27 filed the statement as required by this subsection plus a civil penalty  
 28 equal to ten percent (10%) of the additional taxes due. The civil penalty  
 29 imposed under this subsection is in addition to any interest and  
 30 penalties for a delinquent payment that might otherwise be due. One  
 31 percent (1%) of the total civil penalty collected under this subsection  
 32 shall be transferred by the county to the department of local  
 33 government finance for use by the department in establishing and  
 34 maintaining the homestead property data base under subsection (i) and,  
 35 to the extent there is money remaining, for any other purposes of the  
 36 department. This amount becomes part of the property tax liability for  
 37 purposes of this article.

38 (g) The department of local government finance shall adopt rules or  
 39 guidelines concerning the application for a deduction under this  
 40 section.

41 (h) This subsection does not apply to property in the first year for  
 42 which a deduction is claimed under this section if the sole reason that

C  
o  
p  
y



1 a deduction is claimed on other property is that the individual or  
 2 married couple maintained a principal residence at the other property  
 3 on March 1 in the same year in which an application for a deduction is  
 4 filed under this section or, if the application is for a homestead that is  
 5 assessed as personal property, on March 1 in the immediately  
 6 preceding year and the individual or married couple is moving the  
 7 individual's or married couple's principal residence to the property that  
 8 is the subject of the application. Except as provided in subsection (n),  
 9 the county auditor may not grant an individual or a married couple a  
 10 deduction under this section if:

11 (1) the individual or married couple, for the same year, claims the  
 12 deduction on two (2) or more different applications for the  
 13 deduction; and

14 (2) the applications claim the deduction for different property.

15 (i) The department of local government finance shall provide secure  
 16 access to county auditors to a homestead property data base that  
 17 includes access to the homestead owner's name and the numbers  
 18 required from the homestead owner under subsection (e)(4) for the sole  
 19 purpose of verifying whether an owner is wrongly claiming a deduction  
 20 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or  
 21 IC 6-3.5.

22 (j) The department of local government finance shall work with  
 23 county auditors to develop procedures to determine whether a property  
 24 owner that is claiming a standard deduction or homestead credit is not  
 25 eligible for the standard deduction or homestead credit because the  
 26 property owner's principal place of residence is outside Indiana.

27 (k) As used in this section, "homestead" includes property that  
 28 satisfies each of the following requirements:

29 (1) The property is located in Indiana and consists of a dwelling  
 30 and the real estate, not exceeding one (1) acre, that immediately  
 31 surrounds that dwelling.

32 (2) The property is the principal place of residence of an  
 33 individual.

34 (3) The property is owned by an entity that is not described in  
 35 subsection (a)(2)(B).

36 (4) The individual residing on the property is a shareholder,  
 37 partner, or member of the entity that owns the property.

38 (5) The property was eligible for the standard deduction under  
 39 this section on March 1, 2009.

40 (l) If a county auditor terminates a deduction for property described  
 41 in subsection (k) with respect to property taxes that are:

42 (1) imposed for an assessment date in 2009; and

C  
o  
p  
y



1 (2) first due and payable in 2010;  
 2 on the grounds that the property is not owned by an entity described in  
 3 subsection (a)(2)(B), the county auditor shall reinstate the deduction if  
 4 the taxpayer provides proof that the property is eligible for the  
 5 deduction in accordance with subsection (k) and that the individual  
 6 residing on the property is not claiming the deduction for any other  
 7 property.

8 (m) For assessments dates after 2009, the term "homestead"  
 9 includes:

- 10 (1) a deck or patio;  
 11 (2) a gazebo; or  
 12 (3) another residential yard structure, as defined in rules adopted  
 13 by the department of local government finance; ~~(other than a~~  
 14 ~~swimming pool);~~

15 that is assessed as real property and attached to the dwelling.

16 (n) A county auditor shall grant an individual a deduction under this  
 17 section regardless of whether the individual and the individual's spouse  
 18 claim a deduction on two (2) different applications and each  
 19 application claims a deduction for different property if the property  
 20 owned by the individual's spouse is located outside Indiana and the  
 21 individual files an affidavit with the county auditor containing the  
 22 following information:

23 (1) The names of the county and state in which the individual's  
 24 spouse claims a deduction substantially similar to the deduction  
 25 allowed by this section.

26 (2) A statement made under penalty of perjury that the following  
 27 are true:

28 (A) That the individual and the individual's spouse maintain  
 29 separate principal places of residence.

30 (B) That neither the individual nor the individual's spouse has  
 31 an ownership interest in the other's principal place of  
 32 residence.

33 (C) That neither the individual nor the individual's spouse has,  
 34 for that same year, claimed a standard or substantially similar  
 35 deduction for any property other than the property maintained  
 36 as a principal place of residence by the respective individuals.

37 A county auditor may require an individual or an individual's spouse to  
 38 provide evidence of the accuracy of the information contained in an  
 39 affidavit submitted under this subsection. The evidence required of the  
 40 individual or the individual's spouse may include state income tax  
 41 returns, excise tax payment information, property tax payment  
 42 information, driver license information, and voter registration

C  
O  
P  
Y



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

information.

(o) If:

(1) a property owner files a statement under subsection (e) to claim the deduction provided by this section for a particular property; and

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction; the county auditor shall inform the property owner of the county auditor's determination in writing.

SECTION 6.IC 6-1.1-12-47 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 47. (a) This section does not apply to any year in which an ordinance adopted under IC 6-1.1-46 is in effect for the same personal property.**

**(b) As used in this section, "assessed value of personal property" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of personal property, other than the deduction allowed under subsection (d).**

**(c) As used in this section, "designating body" refers to the fiscal body (as defined in IC 36-1-2-6) for a county, city, or town.**

**(d) After conducting a public hearing on the proposed ordinance, a designating body may adopt an ordinance to grant a deduction against the assessed value of personal property located in:**

- (1) the county (if the ordinance is adopted by the county designating body); and**
- (2) the city or town (if the ordinance is adopted by a city or town designating body).**

**The deduction is equal to one hundred percent (100%) of the assessed value of personal property for the appropriate year of assessment.**

**(e) After a public hearing on the proposed ordinance, a designating body may rescind an ordinance adopted under subsection (d). A designating body may rescind an ordinance under this section in the same year an ordinance granting a credit for personal property is adopted under IC 6-1.1-46.**

**(f) Before adopting an ordinance under this section, a designating body shall conduct a public hearing on the proposed ordinance. The designating body shall:**

- (1) publish notice of the public hearing in accordance with IC 5-3-1; and**

C  
o  
p  
y



- 1           (2) not later than ten (10) days before the public hearing, file
- 2           the notice with each taxing unit in the geographic area served
- 3           by the designating body.
- 4           (g) An ordinance adopted under this section in a particular year
- 5           applies:
- 6           (1) if adopted before October 1 in a year, to each subsequent
- 7           assessment year; and
- 8           (2) if adopted after September 30 in a year, to the assessment
- 9           year that follows the year of adoption by two (2) and each
- 10          subsequent assessment year.
- 11          (h) The designating body shall provide a certified copy of an
- 12          adopted ordinance to the department of local government finance
- 13          and the county auditor.
- 14          (i) A taxpayer is not required to file an application to qualify for
- 15          the deduction permitted under this section.
- 16          (j) The department of local government finance shall
- 17          incorporate the deduction established in this section in the personal
- 18          property return form to be used each year for filing under this
- 19          article to permit the taxpayer to enter the deduction on the form.
- 20          If a taxpayer fails to enter the deduction on the form, the township
- 21          assessor, the county assessor, if there is no township assessor for
- 22          the township, or the department of local government finance, if the
- 23          department of local government finance assesses the personal
- 24          property, shall:
- 25           (1) determine the amount of the deduction; and
- 26           (2) within the period established in IC 6-1.1-16-1, issue a
- 27           notice of assessment to the taxpayer that reflects the
- 28           application of the deduction to the personal property.
- 29          (k) The deduction established in this section must be applied to
- 30          any personal property assessment made by:
- 31           (1) an assessing official;
- 32           (2) a county property tax board of appeals; or
- 33           (3) the department of local government finance.
- 34          SECTION 7. IC 6-1.1-20.6-1.2 IS ADDED TO THE INDIANA
- 35          CODE AS A NEW SECTION TO READ AS FOLLOWS
- 36          [EFFECTIVE MARCH 1, 2011 (RETROACTIVE)]: **Sec. 1.2. As used**
- 37          **in this chapter, "common areas" means any of the following:**
- 38           (1) Residential property improvements on real property on
- 39           which a building that includes two (2) or more dwelling units,
- 40           a mobile home, or a manufactured home is located, including
- 41           all roads, swimming pools, tennis courts, basketball courts,
- 42           playgrounds, carports, garages, other parking areas, gazebos,

COPY



1           decks, and patios.  
2           (2) The land and all appurtenances to the land used in  
3           connection with a building or structure described in  
4           subdivision (1), including land that is outside the footprint of  
5           the building, mobile home, manufactured home, or  
6           improvement.  
7           SECTION 8. IC 6-1.1-46 IS ADDED TO THE INDIANA CODE  
8           AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
9           UPON PASSAGE]:  
10          **Chapter 46. Personal Property Credit**  
11          **Sec. 1. As used in this chapter, "credit" refers to a credit**  
12          **granted under this chapter.**  
13          **Sec. 2. As used in this chapter, "debt service obligations of a**  
14          **political subdivision" refers to:**  
15                (1) the principal and interest payable during a calendar year  
16                on bonds; and  
17                (2) lease rental payments payable during a calendar year on  
18                leases;  
19          of a political subdivision payable from ad valorem property taxes.  
20          **Sec. 3. As used in this chapter, "designating body" refers to the**  
21          **fiscal body (as defined in IC 36-1-2-6) for a county, city, or town.**  
22          **Sec. 4. As used in this chapter, "ordinance" refers to an**  
23          **ordinance under this chapter.**  
24          **Sec. 5. As used in this chapter, "property tax liability" means**  
25          **the ad valorem property tax imposed on personal property under**  
26          **this article determined after application of all credits and**  
27          **deductions under this article or IC 6-3.5, except the credit under**  
28          **this chapter. The term does not include any interest or penalty**  
29          **imposed under this article.**  
30          **Sec. 6. After conducting a public hearing under section 10 of this**  
31          **chapter, a designating body may adopt an ordinance to establish a**  
32          **credit against the property tax liability that a taxpayer would**  
33          **otherwise be obligated to pay for personal property.**  
34          **Sec. 7. An ordinance adopted by the fiscal body of a county**  
35          **applies to all property tax liability imposed on personal property**  
36          **located in the county, including personal property located in a city**  
37          **or town.**  
38          **Sec. 8. An ordinance adopted by the fiscal body of a city or town**  
39          **applies to all property tax liability imposed on personal property**  
40          **located in the city or town.**  
41          **Sec. 9. After conducting a public hearing under section 10 of this**  
42          **chapter, a designating body may adopt an ordinance to rescind an**

COPY



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

ordinance adopted under section 6 of this chapter.

**Sec. 10.** Before adopting an ordinance, a designating body shall conduct a public hearing on the proposed ordinance. The designating body shall:

- (1) publish notice of the public hearing in accordance with IC 5-3-1; and
- (2) not later than ten (10) days before the public hearing, file the notice with each taxing unit in the geographic area served by the designating body.

**Sec. 11.** An ordinance adopted before October 1 in a year initially applies to property taxes first due and payable in the immediately following year.

**Sec. 12.** An ordinance adopted after September 30 in a year initially applies to property taxes first due and payable in the year that follows the year of adoption by two (2).

**Sec. 13.** A designating body shall certify an ordinance adopted under this chapter to the county auditor and the department of local government finance.

**Sec. 14.** A taxpayer is not required to file an application for the credit under this chapter. The county auditor shall:

- (1) identify the property in the county eligible for the credit under this chapter; and
- (2) apply the credit under this chapter to property tax liability on the identified property.

**Sec. 15.** The county auditor of each county shall certify to the department of local government finance:

- (1) the total amount of credits that are allowed under this chapter in the county for the calendar year; and
- (2) the amount that each taxing unit's distribution of property taxes will be reduced as a result of the granting of the credits.

If the amount of credits granted changes after the date the certification is made, the county auditor shall submit an amended certification to the department of local government finance. The initial certification and the amended certifications shall be submitted to the department of local government finance on the schedule prescribed by the department of local government finance.

**Sec. 16.** For purposes of computing and distributing any excise taxes or local option income taxes for which the distribution is based on the amount of a taxing unit's property tax levy, the computation and distribution of the excise tax or local option income tax shall be based on the taxing unit's property tax levy as

C  
O  
P  
Y



1       **calculated before any reduction due to credits provided to**  
 2       **taxpayers under this chapter.**

3       SECTION 9. IC 6-2.5-8-10.1 IS ADDED TO THE INDIANA  
 4       CODE AS A NEW SECTION TO READ AS FOLLOWS  
 5       [EFFECTIVE JULY 1, 2012]: **Sec. 10.1. (a) A person that:**

6               **(1) makes retail transactions from outside Indiana to a**  
 7               **destination in Indiana;**

8               **(2) does not maintain a place of business in Indiana; and**

9               **(3) either:**

10               **(A) engages in the regular or systematic soliciting of retail**  
 11               **transactions from potential customers in Indiana; or**

12               **(B) is closely related to another person that maintains a**  
 13               **place of business in Indiana or is described in clause (A);**

14       **shall file an application for a retail merchant's certificate under**  
 15       **this chapter and collect and remit tax as provided in this article.**

16       **(b) A person is rebuttably presumed to be engaging in the**  
 17       **regular or systematic soliciting of retail transactions from potential**  
 18       **customers in Indiana if the person does any of the following:**

19               **(1) Distributes catalogs, periodicals, advertising flyers, or**  
 20               **other written solicitations of business to potential customers**  
 21               **in Indiana, regardless of whether the distribution is by mail**  
 22               **or otherwise and without regard to the place from which the**  
 23               **distribution originated or in which the materials were**  
 24               **prepared.**

25               **(2) Displays advertisements on billboards or displays other**  
 26               **outdoor advertisements in Indiana.**

27               **(3) Advertises in newspapers published in Indiana.**

28               **(4) Advertises in trade journals or other periodicals that**  
 29               **circulate primarily in Indiana.**

30               **(5) Advertises in Indiana editions of a national or regional**  
 31               **publication or a limited regional edition in which Indiana is**  
 32               **included as part of a broader regional or national publication**  
 33               **if the advertisements are not placed in other geographically**  
 34               **defined editions of the same issue of the same publication.**

35               **(6) Advertises in editions of regional or national publications**  
 36               **that are not by the contents of the editions geographically**  
 37               **targeted to Indiana but that are sold over the counter in**  
 38               **Indiana or by subscription to Indiana residents.**

39               **(7) Broadcasts on a radio or television station located in**  
 40               **Indiana.**

41               **(8) Makes any other solicitation by telegraphy, telephone,**  
 42               **computer data base, cable, optic, microwave, or other**

C  
o  
p  
y



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

- communication system.
- (c) A person not maintaining a place of business in Indiana is considered to be engaged in the regular or systematic soliciting of retail transactions from potential customers in Indiana if the person engages in any of the activities described in subsection (b) and:
  - (1) makes at least one hundred (100) retail transactions from outside Indiana to destinations in Indiana during a period of twelve (12) consecutive months; or
  - (2) makes at least ten (10) retail transactions totaling more than one hundred thousand dollars (\$100,000) from outside Indiana to destinations in Indiana during a period of twelve (12) consecutive months.
- (d) Subject to subsection (e), the location in or outside Indiana of vendors that:
  - (1) are independent of a person that is soliciting customers in Indiana; and
  - (2) provide products or services to the person in connection with the person's solicitation of customers in Indiana:
    - (A) including products and services such as creation of copy, printing, distribution, and recording; but
    - (B) excluding:
      - (i) delivery of goods;
      - (ii) billing or invoicing for the sale of goods;
      - (iii) providing repairs of goods;
      - (iv) assembling or setting up goods for use by the purchaser; or
      - (v) accepting returns of unwanted or damaged goods;
- is not to be taken into account in the determination of whether the person is required to collect use tax under this section.
- (e) Subsection (d) does not apply if the person soliciting orders is closely related to the vendor.
- (f) For purposes of subsections (a) and (e), a person is closely related to another person if:
  - (1) the two (2) persons:
    - (A) use an identical or a substantially similar name, trademark, or good will to develop, promote, or maintain sales;
    - (B) pay for each other's services in whole or in part contingent on the volume or value of sales; or
    - (C) share a common business plan or substantially coordinate their business plans; and

C  
O  
P  
Y



**(2) either:****(A) one (1) or both of the persons are corporations and:****(i) one (1) person; and****(ii) any other person related to the person in a manner that would require an attribution of stock from the corporation to the person or from the person to the corporation under the attribution rules of Section 318 of the Internal Revenue Code;****own directly, indirectly, beneficially, or constructively at least fifty percent (50%) of the value of the corporation's outstanding stock;****(B) both entities are corporations and an individual stockholder and the members of the stockholder's family (as defined in Section 318 of the Internal Revenue Code) own directly, indirectly, beneficially, or constructively a total of at least fifty percent (50%) of the value of both entities' outstanding stock; or****(C) one (1) or both persons are limited liability companies, partnerships, limited liability partnerships, estates, or trusts, and their members, partners, or beneficiaries own directly, indirectly, beneficially, or constructively a total of at least fifty percent (50%) of the profits, capital, stock, or value of one (1) or both persons.**

SECTION 10. IC 6-4.1-1-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after June 30, 2023.**

SECTION 11. IC 6-4.1-2-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after June 30, 2023.**

SECTION 12. IC 6-4.1-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: **Sec. 1. (a) An inheritance tax is imposed at the time of a decedent's death on certain property interest transfers made by ~~him~~: the decedent.** The transfer of a property interest is subject to the tax if:

**(1) the property transferred is described in:****(i) (A) section 2 of this chapter, if the property is transferred by a resident decedent; or****(ii) (B) section 3 of this chapter, if the property is transferred**C  
o  
p  
y

- 1 by a nonresident decedent;  
 2 (2) the transfer is described in section 4 of this chapter; and  
 3 (3) neither the transfer nor the property is exempt from the  
 4 inheritance tax under IC 6-4.1-3.

5 (b) For purposes of this article, a transfer described in section 4 of  
 6 this chapter is considered a transfer made by the deceased transferor  
 7 regardless of when the transferee acquires the property interest.

8 SECTION 13. IC 6-4.1-3-0.5 IS ADDED TO THE INDIANA  
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 11 **to a property interest transferred by a decedent whose death**  
 12 **occurs after June 30, 2023.**

13 SECTION 14. IC 6-4.1-4-0.2 IS ADDED TO THE INDIANA  
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2012]: **Sec. 0.2. This chapter does not apply**  
 16 **to a property interest transferred by a decedent whose death**  
 17 **occurs after June 30, 2023.**

18 SECTION 15. IC 6-4.1-5-0.5 IS ADDED TO THE INDIANA  
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 21 **to a property interest transferred by a decedent whose death**  
 22 **occurs after June 30, 2023.**

23 SECTION 16. IC 6-4.1-5-1.1 IS ADDED TO THE INDIANA  
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 25 [EFFECTIVE JULY 1, 2012]: **Sec. 1.1. (a) This section applies to a**  
 26 **property interest transferred by a decedent whose death occurs**  
 27 **after June 30, 2023.**

28 (b) For purposes of determining the amount of inheritance tax  
 29 imposed under this article, a credit is allowed against the tax  
 30 imposed under section 1 of this chapter on a decedent's transfer of  
 31 property interests. The amount of the credit equals the inheritance  
 32 tax imposed under section 1 of this chapter multiplied by the  
 33 percentage prescribed in the following table:

34 DATE OF	PERCENTAGE
35 INDIVIDUAL'S DEATH	OF CREDIT
36 After June 30, 2013, and	
37 before July 1, 2014	9%
38 After June 30, 2014, and	
39 before July 1, 2015	18%
40 After June 30, 2015, and	
41 before July 1, 2016	27%
42 After June 30, 2016, and	



C  
o  
p  
y

1	before July 1, 2017	36%
2	After June 30, 2017, and	
3	before July 1, 2018	45%
4	After June 30, 2018, and	
5	before July 1, 2019	55%
6	After June 30, 2019, and	
7	before July 1, 2020	64%
8	After June 30, 2020, and	
9	before July 1, 2021	73%
10	After June 30, 2021, and	
11	before July 1, 2022	82%
12	After June 30, 2022, and	
13	before July 1, 2023	91%

14 (c) A person who is liable for inheritance tax imposed under this  
 15 article may claim the credit allowed under this section at the time  
 16 the person pays the tax. When the payment is made, the person  
 17 collecting the tax shall reduce the inheritance tax due by the  
 18 amount of the credit specified in subsection (b).

19 SECTION 17. IC 6-4.1-6-0.5 IS ADDED TO THE INDIANA  
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 21 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 22 **to a property interest transferred by a decedent whose death**  
 23 **occurs after June 30, 2023.**

24 SECTION 18. IC 6-4.1-7-0.5 IS ADDED TO THE INDIANA  
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 27 **to a property interest transferred by a decedent whose death**  
 28 **occurs after June 30, 2023.**

29 SECTION 19. IC 6-4.1-8-0.5 IS ADDED TO THE INDIANA  
 30 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 31 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 32 **to a property interest transferred by a decedent whose death**  
 33 **occurs after June 30, 2023.**

34 SECTION 20. IC 6-4.1-9-0.5 IS ADDED TO THE INDIANA  
 35 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 36 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 37 **to a property interest transferred by a decedent whose death**  
 38 **occurs after June 30, 2023.**

39 SECTION 21. IC 6-4.1-11-0.5 IS ADDED TO THE INDIANA  
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 41 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 42 **to the estate of an individual whose death occurs after June 30,**

C  
o  
p  
y



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

**2023.**

SECTION 22. IC 6-4.1-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 6. (a) The department of state revenue shall collect the Indiana estate tax and the interest charges imposed under this chapter. The department shall remit the money which it collects under this chapter to the state treasurer, and the state treasurer shall deposit the money in the state general fund.

(b) ~~Before August 15 of each year~~ **Except as provided in subsection (e),** the treasurer of state shall **annually** distribute to each county the amount determined under subsection (c) ~~or (d)~~ for the county. **The distribution for a particular state fiscal year must be made before August 15 of the following state fiscal year.** There is appropriated from the state general fund the amount necessary to make the distributions under this ~~section~~: **subsection.**

(c) **For a state fiscal year ending before July 1, 2013,** the department of state revenue shall determine the inheritance tax replacement amount for each county using the following formula:

STEP ONE: Determine the amount of inheritance tax revenue retained by each county in each state fiscal year beginning with the state fiscal year that began July 1, 1990, and ending with the state fiscal year that ends June 30, 1997.

STEP TWO: Determine the average annual amount of inheritance tax revenue retained by each county using five (5) of the seven (7) state fiscal years described in STEP ONE after excluding the two (2) years in which each county retained its highest and lowest totals of inheritance tax revenue.

STEP THREE: Determine the remainder of the STEP TWO amount minus the amount of inheritance taxes retained by the county during the immediately preceding state fiscal year.

(d) **For a state fiscal year beginning after June 30, 2013, and ending before July 1, 2023,** the department of state revenue shall determine the inheritance tax replacement amount for each county using the following formula:

**STEP ONE: Determine the inheritance tax replacement amount distributed to the county for the state fiscal year beginning after June 30, 2012, and ending before July 1, 2013.**

**STEP TWO: Multiply the amount determined under STEP ONE by the appropriate percentage as follows:**

**(A) Ninety-one percent (91%) for a state fiscal year beginning after June 30, 2013, and ending before July 1, 2014.**

**(B) Eighty-two percent (82%) for a state fiscal year**

C  
o  
p  
y



- 1 beginning after June 30, 2014, and ending before July 1,
- 2 2015.
- 3 (C) Seventy-three percent (73%) for a state fiscal year
- 4 beginning after June 30, 2015, and ending before July 1,
- 5 2016.
- 6 (D) Sixty-four percent (64%) for a state fiscal year
- 7 beginning after June 30, 2016, and ending before July 1,
- 8 2017.
- 9 (E) Fifty-five percent (55%) for a state fiscal year
- 10 beginning after June 30, 2017, and ending before July 1,
- 11 2018.
- 12 (F) Forty-five percent (45%) for a state fiscal year
- 13 beginning after June 30, 2018, and ending before July 1,
- 14 2019.
- 15 (G) Thirty-six percent (36%) for a state fiscal year
- 16 beginning after June 30, 2019, and ending before July 1,
- 17 2020.
- 18 (H) Twenty-seven percent (27%) for a state fiscal year
- 19 beginning after June 30, 2020, and ending before July 1,
- 20 2021.
- 21 (I) Eighteen percent (18%) for a state fiscal year beginning
- 22 after June 30, 2021, and ending before July 1, 2022.
- 23 (J) Nine percent (9%) for a state fiscal year beginning after
- 24 June 30, 2022, and ending before July 1, 2023.

25 (e) A county is not entitled to a distribution under subsection (b)  
 26 for a state fiscal year beginning after June 30, 2023.

27 SECTION 23. IC 6-4.1-11.5-0.5 IS ADDED TO THE INDIANA  
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 29 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. This chapter does not apply**  
 30 **to a property interest transferred by a decedent whose death**  
 31 **occurs after June 30, 2023.**

32 SECTION 24. IC 6-4.1-12-0.5 IS ADDED TO THE INDIANA  
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 34 [EFFECTIVE JULY 1, 2012]: **Sec. 0.5. (a) For an individual who**  
 35 **dies after June 30, 2023, there is no inheritance tax imposed on the**  
 36 **decedent's transfer of property interests.**

37 (b) Sections 1 through 12 of this chapter do not apply to a  
 38 property interest transferred by a decedent whose death occurs  
 39 after June 30, 2023.

40 SECTION 25. IC 34-24-1-1, AS AMENDED BY P.L.182-2011,  
 41 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2012]: Sec. 1. (a) The following may be seized:

C  
o  
p  
y



1 (1) All vehicles (as defined by IC 35-41-1), if they are used or are  
 2 intended for use by the person or persons in possession of them to  
 3 transport or in any manner to facilitate the transportation of the  
 4 following:

5 (A) A controlled substance for the purpose of committing,  
 6 attempting to commit, or conspiring to commit any of the  
 7 following:

8 (i) Dealing in or manufacturing cocaine or a narcotic drug  
 9 (IC 35-48-4-1).

10 (ii) Dealing in methamphetamine (IC 35-48-4-1.1).

11 (iii) Dealing in a schedule I, II, or III controlled substance  
 12 (IC 35-48-4-2).

13 (iv) Dealing in a schedule IV controlled substance  
 14 (IC 35-48-4-3).

15 (v) Dealing in a schedule V controlled substance  
 16 (IC 35-48-4-4).

17 (vi) Dealing in a counterfeit substance (IC 35-48-4-5).

18 (vii) Possession of cocaine or a narcotic drug (IC 35-48-4-6).

19 (viii) Possession of methamphetamine (IC 35-48-4-6.1).

20 (ix) Dealing in paraphernalia (IC 35-48-4-8.5).

21 (x) Dealing in marijuana, hash oil, hashish, salvia, or a  
 22 synthetic cannabinoid (IC 35-48-4-10).

23 (B) Any stolen (IC 35-43-4-2) or converted property  
 24 (IC 35-43-4-3) if the retail or repurchase value of that property  
 25 is one hundred dollars (\$100) or more.

26 (C) Any hazardous waste in violation of IC 13-30-10-1.5.

27 (D) A bomb (as defined in IC 35-41-1-4.3) or weapon of mass  
 28 destruction (as defined in IC 35-41-1-29.4) used to commit,  
 29 used in an attempt to commit, or used in a conspiracy to  
 30 commit an offense under IC 35-47 as part of or in furtherance  
 31 of an act of terrorism (as defined by IC 35-41-1-26.5).

32 (2) All money, negotiable instruments, securities, weapons,  
 33 communications devices, or any property used to commit, used in  
 34 an attempt to commit, or used in a conspiracy to commit an  
 35 offense under IC 35-47 as part of or in furtherance of an act of  
 36 terrorism or commonly used as consideration for a violation of  
 37 IC 35-48-4 (other than items subject to forfeiture under  
 38 IC 16-42-20-5 or IC 16-6-8.5-5.1 before its repeal):

39 (A) furnished or intended to be furnished by any person in  
 40 exchange for an act that is in violation of a criminal statute;

41 (B) used to facilitate any violation of a criminal statute; or

42 (C) traceable as proceeds of the violation of a criminal statute.

C  
o  
p  
y



- 1 (3) Any portion of real or personal property purchased with  
 2 money that is traceable as a proceed of a violation of a criminal  
 3 statute.
- 4 (4) A vehicle that is used by a person to:  
 5 (A) commit, attempt to commit, or conspire to commit;  
 6 (B) facilitate the commission of; or  
 7 (C) escape from the commission of;  
 8 murder (IC 35-42-1-1), kidnapping (IC 35-42-3-2), criminal  
 9 confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting  
 10 (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense  
 11 under IC 35-47 as part of or in furtherance of an act of terrorism.
- 12 (5) Real property owned by a person who uses it to commit any of  
 13 the following as a Class A felony, a Class B felony, or a Class C  
 14 felony:  
 15 (A) Dealing in or manufacturing cocaine or a narcotic drug  
 16 (IC 35-48-4-1).  
 17 (B) Dealing in methamphetamine (IC 35-48-4-1.1).  
 18 (C) Dealing in a schedule I, II, or III controlled substance  
 19 (IC 35-48-4-2).  
 20 (D) Dealing in a schedule IV controlled substance  
 21 (IC 35-48-4-3).  
 22 (E) Dealing in marijuana, hash oil, hashish, salvia, or a  
 23 synthetic cannabinoid (IC 35-48-4-10).
- 24 (6) Equipment and recordings used by a person to commit fraud  
 25 under IC 35-43-5-4(10).
- 26 (7) Recordings sold, rented, transported, or possessed by a person  
 27 in violation of IC 24-4-10.
- 28 (8) Property (as defined by IC 35-41-1-23) or an enterprise (as  
 29 defined by IC 35-45-6-1) that is the object of a corrupt business  
 30 influence violation (IC 35-45-6-2).
- 31 (9) Unlawful telecommunications devices (as defined in  
 32 IC 35-45-13-6) and plans, instructions, or publications used to  
 33 commit an offense under IC 35-45-13.
- 34 (10) Any equipment, including computer equipment and cellular  
 35 telephones, used for or intended for use in preparing,  
 36 photographing, recording, videotaping, digitizing, printing,  
 37 copying, or disseminating matter in violation of IC 35-42-4.
- 38 (11) Destructive devices used, possessed, transported, or sold in  
 39 violation of IC 35-47.5.
- 40 (12) Tobacco products that are sold in violation of IC 24-3-5,  
 41 tobacco products that a person attempts to sell in violation of  
 42 IC 24-3-5, and other personal property owned and used by a

C  
 o  
 p  
 y



1 person to facilitate a violation of IC 24-3-5.

2 (13) Property used by a person to commit counterfeiting or  
3 forgery in violation of IC 35-43-5-2.

4 (14) After December 31, 2005, if a person is convicted of an  
5 offense specified in IC 25-26-14-26(b) or IC 35-43-10, the  
6 following real or personal property:

7 (A) Property used or intended to be used to commit, facilitate,  
8 or promote the commission of the offense.

9 (B) Property constituting, derived from, or traceable to the  
10 gross proceeds that the person obtained directly or indirectly  
11 as a result of the offense.

12 (15) Except as provided in subsection (e), a motor vehicle used by  
13 a person who operates the motor vehicle:

14 (A) while intoxicated, in violation of IC 9-30-5-1 through  
15 IC 9-30-5-5, if in the previous five (5) years the person has two  
16 (2) or more prior unrelated convictions:

17 (i) for operating a motor vehicle while intoxicated in  
18 violation of IC 9-30-5-1 through IC 9-30-5-5; or

19 (ii) for an offense that is substantially similar to IC 9-30-5-1  
20 through IC 9-30-5-5 in another jurisdiction; or

21 (B) on a highway while the person's driver's license is  
22 suspended in violation of IC 9-24-19-2 through IC 9-24-19-4,  
23 if in the previous five (5) years the person has two (2) or more  
24 prior unrelated convictions:

25 (i) for operating a motor vehicle while intoxicated in  
26 violation of IC 9-30-5-1 through IC 9-30-5-5; or

27 (ii) for an offense that is substantially similar to IC 9-30-5-1  
28 through IC 9-30-5-5 in another jurisdiction.

29 If a court orders the seizure of a motor vehicle under this  
30 subdivision, the court shall transmit an order to the bureau of  
31 motor vehicles recommending that the bureau not permit a motor  
32 vehicle to be registered in the name of the person whose motor  
33 vehicle was seized until the person possesses a current driving  
34 license (as defined in IC 9-13-2-41).

35 (16) The following real or personal property:

36 (A) Property used or intended to be used to commit, facilitate,  
37 or promote the commission of an offense specified in  
38 IC 23-14-48-9, IC 30-2-9-7(b), IC 30-2-10-9(b), or  
39 IC 30-2-13-38(f).

40 (B) Property constituting, derived from, or traceable to the  
41 gross proceeds that a person obtains directly or indirectly as a  
42 result of an offense specified in IC 23-14-48-9, IC 30-2-9-7(b),

C  
O  
P  
Y



1 IC 30-2-10-9(b), or IC 30-2-13-38(f).

2 **(17) An automated sales suppression device or phantom-ware.**

3 (b) A vehicle used by any person as a common or contract carrier in  
4 the transaction of business as a common or contract carrier is not  
5 subject to seizure under this section, unless it can be proven by a  
6 preponderance of the evidence that the owner of the vehicle knowingly  
7 permitted the vehicle to be used to engage in conduct that subjects it to  
8 seizure under subsection (a).

9 (c) Equipment under subsection (a)(10) may not be seized unless it  
10 can be proven by a preponderance of the evidence that the owner of the  
11 equipment knowingly permitted the equipment to be used to engage in  
12 conduct that subjects it to seizure under subsection (a)(10).

13 (d) Money, negotiable instruments, securities, weapons,  
14 communications devices, or any property commonly used as  
15 consideration for a violation of IC 35-48-4 found near or on a person  
16 who is committing, attempting to commit, or conspiring to commit any  
17 of the following offenses shall be admitted into evidence in an action  
18 under this chapter as prima facie evidence that the money, negotiable  
19 instrument, security, or other thing of value is property that has been  
20 used or was to have been used to facilitate the violation of a criminal  
21 statute or is the proceeds of the violation of a criminal statute:

22 (1) IC 35-48-4-1 (dealing in or manufacturing cocaine or a  
23 narcotic drug).

24 (2) IC 35-48-4-1.1 (dealing in methamphetamine).

25 (3) IC 35-48-4-2 (dealing in a schedule I, II, or III controlled  
26 substance).

27 (4) IC 35-48-4-3 (dealing in a schedule IV controlled substance).

28 (5) IC 35-48-4-4 (dealing in a schedule V controlled substance)  
29 as a Class B felony.

30 (6) IC 35-48-4-6 (possession of cocaine or a narcotic drug) as a  
31 Class A felony, Class B felony, or Class C felony.

32 (7) IC 35-48-4-6.1 (possession of methamphetamine) as a Class  
33 A felony, Class B felony, or Class C felony.

34 (8) IC 35-48-4-10 (dealing in marijuana, hashish, salvia,  
35 or a synthetic cannabinoid) as a Class C felony.

36 (e) A motor vehicle operated by a person who is not:

37 (1) an owner of the motor vehicle; or

38 (2) the spouse of the person who owns the motor vehicle;

39 is not subject to seizure under subsection (a)(15) unless it can be  
40 proven by a preponderance of the evidence that the owner of the  
41 vehicle knowingly permitted the vehicle to be used to engage in  
42 conduct that subjects it to seizure under subsection (a)(15).

C  
o  
p  
y



1 SECTION 26. IC 35-43-5-4.4 IS ADDED TO THE INDIANA  
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2012]: **Sec. 4.4. (a) The following definitions**  
 4 **apply throughout this section:**

5 (1) "Automated sales suppression device" means a software  
 6 program:

7 (A) carried on a memory stick or removable compact disc;

8 (B) accessed through an Internet link; or

9 (C) accessed through any other means;

10 that falsifies the electronic records of electronic cash registers  
 11 and other point-of-sale systems, including transaction data  
 12 and transaction reports.

13 (2) "Electronic cash register" means a device that keeps a  
 14 register or supporting documents through the means of an  
 15 electronic device or a computer system designed to record  
 16 transaction data for the purpose of computing, compiling, or  
 17 processing retail sales transaction data in any manner.

18 (3) "Phantom-ware" means a hidden, a pre-installed, or an  
 19 installed at a later time programming option embedded in the  
 20 operating system of an electronic cash register or hardwired  
 21 into the electronic cash register that:

22 (A) can be used to create a virtual second till; or

23 (B) may eliminate or manipulate transaction records that  
 24 may or may not be preserved in digital formats to  
 25 represent the true or manipulated record of transactions  
 26 in the electronic cash register.

27 (4) "Transaction data" includes information regarding:

28 (A) items purchased by a customer;

29 (B) the price for each item;

30 (C) a taxability determination for each item;

31 (D) a segregated tax amount for each of the taxed items;

32 (E) the amount of cash or credit tendered;

33 (F) the net amount returned to the customer in change;

34 (G) the date and time of the purchase;

35 (H) the name, address, and identification number of the  
 36 vendor; and

37 (I) the receipt or invoice number of the transaction.

38 (5) "Transaction report" means:

39 (A) a report that includes:

40 (i) the sales;

41 (ii) taxes collected;

42 (iii) media totals; and

C  
O  
P  
Y



- 1 (iv) discount voids;
- 2 at an electronic cash register that is printed on cash
- 3 register tape at the end of a day or shift; or
- 4 (B) a report documenting every action at an electronic cash
- 5 register that is stored electronically.
- 6 (6) "Zapper" refers to an automated sales suppression device.
- 7 (b) A person who knowingly or intentionally sells, purchases,
- 8 installs, transfers, or possesses:
- 9 (1) an automated sales suppression device or a zapper; or
- 10 (2) phantom-ware;
- 11 after June 30, 2012, commits unlawful sale or possession of a
- 12 transaction manipulation device, a Class C felony.
- 13 SECTION 27. IC 36-1-12-4, AS AMENDED BY P.L.139-2011,
- 14 SECTION 6, AND AS AMENDED BY P.L.172-2011, SECTION 139,
- 15 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
- 16 [EFFECTIVE JULY 1, 2012]: Sec. 4. (a) This section applies whenever
- 17 the cost of a public work project will be:
- 18 *(1) at least seventy-five thousand dollars (\$75,000) in:*
- 19 *(A) a consolidated city or second class city;*
- 20 *(B) a county containing a consolidated city or second class*
- 21 *city; or*
- 22 *(C) a regional water or sewage district established under*
- 23 *IC 13-26; or*
- 24 *(2) at least fifty thousand dollars (\$50,000) in a political*
- 25 *subdivision or an agency not described in subdivision (1):*
- 26 *(1) except as provided in subdivision (2), at least one hundred*
- 27 *fifty thousand dollars (\$150,000); or*
- 28 *(2) in the case of a board of aviation commissioners or an airport*
- 29 *authority board, at least one hundred thousand dollars*
- 30 *(\$100,000).*
- 31 (b) The board must comply with the following procedure:
- 32 (1) The board shall prepare general plans and specifications
- 33 describing the kind of public work required, but shall avoid
- 34 specifications which might unduly limit competition. If the
- 35 project involves the resurfacing (as defined by IC 8-14-2-1) of a
- 36 road, street, or bridge, the specifications must show how the
- 37 weight or volume of the materials will be accurately measured
- 38 and verified.
- 39 (2) The board shall file the plans and specifications in a place
- 40 reasonably accessible to the public, which shall be specified in the
- 41 notice required by subdivision (3).
- 42 (3) Upon the filing of the plans and specifications, the board shall

COPY



1 publish notice in accordance with IC 5-3-1 calling for sealed  
2 proposals for the public work needed.

3 (4) The notice must specify the place where the plans and  
4 specifications are on file and the date fixed for receiving bids.

5 (5) The period of time between the date of the first publication  
6 and the date of receiving bids shall be governed by the size of the  
7 contemplated project in the discretion of the board. The period of  
8 time between the date of the first publication and receiving bids  
9 may not be more than:

10 (A) six (6) weeks if the estimated cost of the public works  
11 project is less than twenty-five million dollars (\$25,000,000);  
12 and

13 (B) ten (10) weeks if the estimated cost of the public works  
14 project is at least twenty-five million dollars (\$25,000,000).

15 (6) *If the cost of a project is one hundred thousand dollars*  
16 *(\$100,000) or more*; The board shall require the bidder to submit  
17 a financial statement, a statement of experience, a proposed plan  
18 or plans for performing the public work, and the equipment that  
19 the bidder has available for the performance of the public work.  
20 The statement shall be submitted on forms prescribed by the state  
21 board of accounts.

22 (7) The board may not require a bidder to submit a bid before the  
23 meeting at which bids are to be received. The meeting for  
24 receiving bids must be open to the public. All bids received shall  
25 be opened publicly and read aloud at the time and place  
26 designated and not before. *Notwithstanding any other law, bids*  
27 *may be opened after the time designated if both of the following*  
28 *apply:*

29 (A) *The board makes a written determination that it is in the*  
30 *best interest of the board to delay the opening.*

31 (B) *The day, time, and place of the rescheduled opening are*  
32 *announced at the day, time, and place of the originally*  
33 *scheduled opening.*

34 (8) Except as provided in subsection (c), *or (after June 30, 2011)*  
35 *section 22 of this chapter*, the board shall:

36 (A) award the contract for public work or improvements to the  
37 lowest responsible and responsive bidder; or

38 (B) reject all bids submitted.

39 (9) If the board awards the contract to a bidder other than the  
40 lowest bidder, the board must state in the minutes or memoranda,  
41 at the time the award is made, the factors used to determine which  
42 bidder is the lowest responsible and responsive bidder and to

C  
o  
p  
y



- 1 justify the award. The board shall keep a copy of the minutes or
- 2 memoranda available for public inspection.
- 3 (10) In determining whether a bidder is responsive, the board may
- 4 consider the following factors:
  - 5 (A) Whether the bidder has submitted a bid or quote that
  - 6 conforms in all material respects to the specifications.
  - 7 (B) Whether the bidder has submitted a bid that complies
  - 8 specifically with the invitation to bid and the instructions to
  - 9 bidders.
  - 10 (C) Whether the bidder has complied with all applicable
  - 11 statutes, ordinances, resolutions, or rules pertaining to the
  - 12 award of a public contract.
- 13 (11) In determining whether a bidder is a responsible bidder, the
- 14 board may consider the following factors:
  - 15 (A) The ability and capacity of the bidder to perform the work.
  - 16 (B) The integrity, character, and reputation of the bidder.
  - 17 (C) The competence and experience of the bidder.
- 18 (12) The board shall require the bidder to submit an affidavit:
  - 19 (A) that the bidder has not entered into a combination or
  - 20 agreement:
    - 21 (i) relative to the price to be bid by a person;
    - 22 (ii) to prevent a person from bidding; or
    - 23 (iii) to induce a person to refrain from bidding; and
  - 24 (B) that the bidder's bid is made without reference to any other
  - 25 bid.
- 26 (c) Notwithstanding subsection (b)(8), a county may award sand,
- 27 gravel, asphalt paving materials, or crushed stone contracts to more
- 28 than one (1) responsible and responsive bidder if the specifications
- 29 allow for bids to be based upon service to specific geographic areas and
- 30 the contracts are awarded by geographic area. The geographic areas do
- 31 not need to be described in the specifications.
- 32 SECTION 28. IC 36-1-12-4.7, AS AMENDED BY P.L.172-2011,
- 33 SECTION 140, IS AMENDED TO READ AS FOLLOWS
- 34 [EFFECTIVE JULY 1, 2012]: Sec. 4.7. (a) This section applies
- 35 whenever a public work project is estimated to cost:
  - 36 (1) except as provided in subdivision (2), at least fifty thousand
  - 37 dollars (\$50,000) and less than one hundred fifty thousand dollars
  - 38 (\$150,000); or
  - 39 (2) in the case of a board of aviation commissioners or an airport
  - 40 authority board, at least fifty thousand dollars (\$50,000) and less
  - 41 than one hundred thousand dollars (\$100,000).
  - 42 (b) The board must proceed under the following provisions:

COPY



- 1 (1) The board shall invite quotes from at least three (3) persons
- 2 known to deal in the class of work proposed to be done by mailing
- 3 them a notice stating that plans and specifications are on file in a
- 4 specified office. The notice must be mailed not less than seven (7)
- 5 days before the time fixed for receiving quotes.
- 6 (2) The board may not require a person to submit a quote before
- 7 the meeting at which quotes are to be received. The meeting for
- 8 receiving quotes must be open to the public. All quotes received
- 9 shall be opened publicly and read aloud at the time and place
- 10 designated and not before.
- 11 (3) ~~Except as permitted in section 22 of this chapter after June 30,~~
- 12 ~~2011,~~ The board shall award the contract for the public work to
- 13 the lowest responsible and responsive quoter.
- 14 (4) The board may reject all quotes submitted.
- 15 SECTION 29. IC 36-1-12-5, AS AMENDED BY P.L.172-2011,
- 16 SECTION 141, IS AMENDED TO READ AS FOLLOWS
- 17 [EFFECTIVE JULY 1, 2012]: Sec. 5. (a) This section applies whenever
- 18 a public work project is estimated to cost less than fifty thousand
- 19 dollars (\$50,000). Except as provided in subsection (g) for local boards
- 20 of aviation commissioners and local airport authorities, if a contract is
- 21 to be awarded, the board may proceed under section 4 of this chapter
- 22 or under subsection (b) or (c).
- 23 (b) The board must proceed under the following provisions:
- 24 (1) The board shall invite quotes from at least three (3) persons
- 25 known to deal in the class of work proposed to be done by mailing
- 26 them a notice stating that plans and specifications are on file in a
- 27 specified office. The notice must be mailed not less than seven (7)
- 28 days before the time fixed for receiving quotes.
- 29 (2) The board may not require a person to submit a quote before
- 30 the meeting at which quotes are to be received. The meeting for
- 31 receiving quotes must be open to the public. All quotes received
- 32 shall be opened publicly and read aloud at the time and place
- 33 designated and not before.
- 34 (3) ~~Except as permitted in section 22 of this chapter,~~ The board
- 35 shall award the contract for the public work to the lowest
- 36 responsible and responsive quoter.
- 37 (4) The board may reject all quotes submitted.
- 38 (5) If the board rejects all quotes under subdivision (4), the board
- 39 may negotiate and enter into agreements for the work in the open
- 40 market without inviting or receiving quotes if the board
- 41 establishes in writing the reasons for rejecting the quotes.
- 42 (c) The board may not proceed under subsection (b) for the

COPY



- 1 resurfacing (as defined in IC 8-14-2-1) of a road, street, or bridge,  
 2 unless:
- 3 (1) the weight or volume of the materials in the project is capable  
 4 of accurate measurement and verification; and
- 5 (2) the specifications define the geographic points at which the  
 6 project begins and ends.
- 7 (d) For the purposes of this section, if contiguous sections of a road,  
 8 street, or bridge are to be resurfaced in a calendar year, all of the work  
 9 shall be considered to comprise a single public work project.
- 10 (e) The board may purchase or lease supplies in the manner  
 11 provided in IC 5-22 and perform the public work by means of its own  
 12 workforce without awarding a public work contract.
- 13 (f) Before the board may perform any work under this section by  
 14 means of its own workforce, the political subdivision or agency must  
 15 have a group of employees on its staff who are capable of performing  
 16 the construction, maintenance, and repair applicable to that work.
- 17 (g) This subsection applies to local boards of aviation  
 18 commissioners operating under IC 8-22-2 and local airport authorities  
 19 operating under IC 8-22-3. If the contract is to be awarded by a board  
 20 to which this subsection applies, or to a designee of the board under  
 21 subsection (h), the board or its designee may proceed under section 4  
 22 of this chapter or under the following provisions. The board or its  
 23 designee may invite quotes from at least three (3) persons known to  
 24 deal in the class of work proposed to be done by mailing the persons a  
 25 copy of the plans and specifications for the work not less than seven (7)  
 26 days before the time fixed for receiving quotes. If the board or its  
 27 designee receives a satisfactory quote, the board or its designee shall  
 28 award the contract to the lowest responsible and responsive quoter for  
 29 the class of work required. ~~except as permitted in section 22 of this~~  
 30 ~~chapter.~~ The board or its designee may reject all quotes submitted and,  
 31 if no valid quotes are received for the class of work, contract for the  
 32 work without further invitations for quotes.
- 33 (h) The board may delegate its authority to award a contract for a  
 34 public works project that is estimated to cost less than fifty thousand  
 35 dollars (\$50,000) to the airport personnel in charge of airport public  
 36 works projects.
- 37 (i) Quotes for public works projects costing less than twenty-five  
 38 thousand dollars (\$25,000) may be obtained by soliciting at least three  
 39 (3) quotes by telephone or facsimile transmission. The seven (7) day  
 40 waiting period required by subsection (b)(1) does not apply to quotes  
 41 solicited under this subsection.
- 42 SECTION 30. IC 36-1-12-22 IS REPEALED [EFFECTIVE JULY

C  
o  
p  
y

1 1, 2012]. Sec. 22: (a) The definitions in IC 5-22-15, including the  
2 definitions in IC 5-22-15-20.9, apply in this section:

3 (b) The procedures described in IC 5-22-15 for determining adjusted  
4 offers; price preference percentage; and total adjusted offers apply in  
5 this section:

6 (c) The price preferences stated in IC 5-22-15-20.9 apply in this  
7 section:

8 (d) Notwithstanding provisions of this chapter that require the award  
9 of a contract to the lowest responsive and responsible bidder or the  
10 lowest responsive and responsible quoter; but subject to subsection (e);  
11 a contract shall be awarded to the lowest responsive and responsible  
12 local Indiana business that claims the preference provided by this  
13 section:

14 (e) Notwithstanding subsection (d); a contract shall be awarded to  
15 the lowest responsive and responsible bidder or quoter; regardless of  
16 the preference provided in this section; if the lowest responsive and  
17 responsible bidder or quoter is a local Indiana business:

18 (f) A bidder or quoter that wants to claim the preference under this  
19 section must claim the preference in the same manner that a business  
20 claims the preference under IC 5-22-15-20.9(f):

21 SECTION 31. An emergency is declared for this act.

C  
o  
p  
y

