

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 69, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete everything after the enacting clause and insert the
2 following:
3 SECTION 1. IC 36-7-31.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2012]:
6 **Chapter 31.5. Professional Motorsports Development**
7 **Area**
8 **Sec. 1. This chapter applies only to the town of**
9 **Speedway.**
10 **Sec. 2. As used in this chapter, "budget agency" means**
11 **the budget agency established by IC 4-12-1.**
12 **Sec. 3. As used in this chapter, "budget committee" has**
13 **the meaning set forth in IC 4-12-1-3.**
14 **Sec. 4. As used in this chapter, "covered taxes" means**
15 **the part of the following taxes attributable to the operation**
16 **of facilities located in a tax area designated under this**
17 **chapter:**
18 **(1) The state gross retail tax imposed under**
19 **IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.**
20 **(2) An adjusted gross income tax imposed under**
21 **IC 6-3-2-1 on an individual.**
22 **(3) A county option income tax imposed under**
23 **IC 6-3.5.**

1 **(4) An admissions tax imposed under IC 6-9.**

2 **Sec. 5. As used in this chapter, "department" refers to**
3 **the department of state revenue.**

4 **Sec. 6. As used in this chapter, "designating body"**
5 **means the town legislative body that may establish a tax**
6 **area under this chapter.**

7 **Sec. 7. As used in this chapter, "tax area" means a**
8 **geographic area established as a professional motorsports**
9 **development area under this chapter.**

10 **Sec. 8. As used in this chapter, "taxpayer" means a**
11 **person that is liable for a covered tax.**

12 **Sec. 9. (a) A designating body may designate as part of**
13 **a professional motorsports development area any area in**
14 **the town in which there is located or is to be located a**
15 **facility used for professional motorsports racing events. The**
16 **area may also include parts of the town that will serve as a**
17 **commercial gateway to such a facility.**

18 **(b) A tax area must include at least one (1) facility**
19 **described in subsection (a).**

20 **Sec. 10. (a) A tax area must be initially established by**
21 **resolution of the town legislative body following a public**
22 **hearing. Notice of the public hearing must be provided in**
23 **accordance with IC 5-3-1.**

24 **(b) In establishing the tax area, the designating body**
25 **must make the following findings:**

26 **(1) There are capital improvements that will be**
27 **undertaken or have been undertaken in the tax area**
28 **that:**

29 **(A) will have a positive synergistic effect on the**
30 **activities of a facility described in section 9(a) of**
31 **this chapter; or**

32 **(B) will promote or enhance the development of a**
33 **commercial gateway to a facility described in**
34 **section 9(a) of this chapter.**

35 **(2) The capital improvements that will be undertaken**
36 **or that have been undertaken in the tax area will**
37 **benefit the public health and welfare and will be of**
38 **public utility and benefit.**

39 **(3) The capital improvements that will be undertaken**
40 **or that have been undertaken in the tax area will**
41 **protect or increase state and local tax bases and tax**
42 **revenues.**

43 **(c) The tax area established under this chapter is a**
44 **special taxing district authorized by the general assembly to**

1 enable the designating body to provide special benefits to
 2 taxpayers in the tax area by promoting economic
 3 development that is of public use and benefit.

4 (d) A tax area may be expanded by following the same
 5 procedures described in subsections (a) and (b).

6 Sec. 11. (a) A resolution establishing or expanding a tax
 7 area must provide for the allocation of covered taxes
 8 attributable to a taxable event or covered taxes earned in
 9 the tax area to the professional motorsports development
 10 area fund established for the town. The allocation provision
 11 must apply to the entire tax area. The resolution must state
 12 an expiration date for the tax area, which must be not later
 13 than thirty (30) years from the date of the adoption of the
 14 resolution.

15 (b) The department may adopt rules under IC 4-22-2
 16 and guidelines to govern the allocation of covered taxes to
 17 a tax area.

18 Sec. 12. (a) Upon adoption of a resolution establishing
 19 or expanding a tax area under this chapter, the designating
 20 body shall submit the resolution to the budget committee
 21 for review and recommendation to the budget agency.

22 (b) The budget committee shall meet not later than sixty
 23 (60) days after receipt of a resolution under subsection (a)
 24 and shall make a recommendation on the resolution to the
 25 budget agency.

26 Sec. 13. (a) The budget agency must approve the
 27 resolution adopted under section 12(a) of this chapter
 28 before covered taxes may be allocated under section 11 of
 29 this chapter.

30 (b) When considering a resolution, the budget
 31 committee and the budget agency must make the following
 32 findings:

33 (1) The facility specified under the resolution hosts or
 34 will host at least one (1) major motorsports racing
 35 event each year that will attract at least one hundred
 36 thousand (100,000) paid spectators to the event.

37 (2) The capital improvements specified under the
 38 resolution are economically sound and will benefit the
 39 people of Indiana by protecting or increasing state and
 40 local tax bases and tax revenues for at least the
 41 duration of the tax area established under this
 42 chapter.

43 (3) The political subdivisions affected by the capital
 44 improvements specified under the resolution have

1 committed significant resources toward completion of
2 the improvement.

3 (c) In approving the resolution, the budget agency may:
4 (1) determine and impose a base amount for each of
5 the covered taxes that will not be allocated to the
6 professional motorsports development area fund; and
7 (2) determine and impose a maximum amount of
8 covered taxes described in section 4(1) and 4(2) of this
9 chapter that may be captured from the professional
10 motorsports development area and allocated to the
11 professional motorsports development area fund.

12 (d) Revenues from the tax area may not be allocated
13 until the budget agency approves the resolution adopted
14 under section 12(a) of this chapter.

15 Sec. 14. When the designating body adopts an allocation
16 provision, the county auditor shall notify the department by
17 certified mail of the adoption of the provision and shall
18 include with the notification a complete list of the following:

- 19 (1) Employers in the tax area.
20 (2) Street names and the range of street numbers of
21 each street in the tax area.

22 The county auditor shall update the list before July 1 of
23 each year.

24 Sec. 15. If a tax area is established under this chapter,
25 a state fund known as the professional motorsports
26 development area fund is established for that tax area. The
27 fund shall be administered by the department. Money in the
28 fund does not revert to the state general fund at the end of
29 a state fiscal year.

30 Sec. 16. Subject to section 13(c)(1) of this chapter,
31 covered taxes attributable to a taxing area under section 11
32 of this chapter shall be deposited in the professional
33 motorsports development area fund.

34 Sec. 17. On or before the twentieth day of each month,
35 all amounts held in the professional motorsports
36 development area fund shall be distributed to the town
37 clerk-treasurer.

38 Sec. 18. The department shall notify the town
39 clerk-treasurer of the amount of taxes to be distributed to
40 the town clerk-treasurer. The town legislative body, by
41 notice to the department, may decline the receipt of all or
42 any part of the covered taxes, if that action will not impair
43 the ability to pay outstanding obligations payable from
44 those covered taxes. The notice by the town legislative body

1 must specify which covered taxes are being declined and the
 2 amount that the town has elected not to receive. The
 3 department shall distribute the covered taxes declined by
 4 the town proportionately to the funds and the political
 5 subdivisions that would have received the covered taxes if
 6 the covered taxes had not been allocated to a tax area under
 7 this chapter.

8 **Sec. 19.** All distributions from the professional
 9 motorsports development area fund for the town shall be
 10 made by warrants issued by the auditor of state to the
 11 treasurer of state ordering those payments to the town
 12 clerk-treasurer.

13 **Sec. 20.** The resolution establishing the tax area under
 14 section 12(a) of this chapter must designate the use of the
 15 funds. The funds are to be used, as directed by the town
 16 redevelopment commission, only for the following:

17 (1) Capital improvements that are located in or
 18 directly serve and benefit the tax area.

19 (2) Financing or refinancing capital improvements
 20 described in subdivision (1) or the payment of bonds
 21 or leases for capital improvements described in
 22 subdivision (1).

23 (3) Providing financial assistance, in the manner that
 24 best serves the purposes of this chapter, including
 25 grants and loans, to enable private enterprise to
 26 improve, develop, or redevelop property in or directly
 27 serving or benefiting the tax area or otherwise
 28 providing social and economic benefit to the town.

29 **Sec. 21.** The designating body shall repay to the
 30 professional motorsports development area fund any
 31 amount that is distributed to the designating body and used
 32 for a purpose that is not described in this chapter. The
 33 department shall distribute the covered taxes repaid to the
 34 professional motorsports development area fund under this
 35 section proportionately to the funds and the political
 36 subdivisions that would have received the covered taxes if
 37 the covered taxes had not been allocated to the tax area
 38 under this chapter.

39 **Sec. 22.** The general assembly finds that the town of
 40 Speedway is subject to special circumstances that justify
 41 special legislation allowing the town of Speedway to
 42 establish a tax area under this chapter.

(Reference is to SB 69 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Appropriations.

LONG, Chairperson