2010

ANNUAL REPORT

INDIANA DEPARTMENT OF REVENUE

QUALITY THAT COUNTS

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2010

Oct. 1, 2010

The Honorable Mitchell E. Daniels, Jr.
Governor, State of Indiana
State House, Room 206
Indianapolis, Indiana 46204-2797

Dear Governor Daniels:

The following document represents the Indiana Department of Revenue's annual report, covering Fiscal Year 2010 (July 1, 2009 – June 30, 2010), as required by Indiana law (IC 6-8.1-14).

FY 2010 presented a number of challenges, which the Department sought to embrace as opportunities. Working collectively with that mindset, the Department has continued to keep costs restricted spending approximately 9 percent less than it was spending in FY 2008, and 14 percent less than in FY 2005. Government efficiency, while providing core services effectively, has continued to be our central operating mantra – identified among our employees as *Quality That Counts*. In short, we have remained true to what is most important in operating our agency on behalf of the state.

As a result of diligent focus, the Department has increased delinquent trust-tax collections in FY 2010 to 57 percent higher than they were in FY 2005.In addition, the Department is providing improved returns-processing efficiency through new imaging technology, and public education encouraging more taxpayers to file electronically. Due to these improvements in FY 2010, the need for and cost of outside keypunch services has been greatly reduced, along with the risk of human error in data input, and the need for physical warehouse requirements to store paper returns. Additionally, electronic filing now makes up more than two-thirds of the Department's filings each year (compared to about one-fourth in FY 2005), allowing the Department to process a higher volume of taxpayer information instantaneously and to issue refunds in an average range of four to seven days for taxpayers with direct deposit.

Positive taxpayer feedback has continued to encourage our employees as well. I-File again received top marks in our annual satisfaction survey, with more than 2,800 taxpayers participating. Survey results showed that 97 percent of I-File users were satisfied or very satisfied with the tool, as well as 97 percent indicating they would use the tool again in the future. Another 97 percent indicated they would recommend it to a friend or family member.

The Department also has continued to keep customer service at the helm of all operational decisions. The individual tax season is, of course, our busiest time of the year, and yet in FY 2010, the Department handled more than 140,000 phone calls during that time, compared with 114,000 in the previous year. At the same time, the agency's hold time dropped from more than four minutes on average to less than three minutes. Deflected calls, those callers not able to get through the first time, were down 42 percent in this year as well, compared with the 2009 tax season.

We attribute our improved customer service to a focused internal culture of delivering *Quality That Counts*, and continued employee training. As of FY 2010, more than 80 percent of the Department's frontline jobs have formalized, customized training in place. These actions produce defined and measurable processes and clear expectations of employees' performance – giving them individual ownership in their own success, and the Department's on the whole.

Through these efforts and others, the Department has made gains in overall operational efficiencies and improved customer responsiveness, and all at overall lower budget spend than in previous years. The actions and achievements further outlined in the following pages are a testament to the Department's continued commitment to *Quality That Counts*, on behalf of the state of Indiana and the taxpayers we serve.

Sincerely,

John Eckart

John Eckart
Commissioner
Indiana Department of Revenue

TAXPAYER BILL OF RIGHTS

Public Law 332-1989

All Indiana taxpayers have certain rights and responsibilities that correspond to the Indiana tax laws. The Taxpayer Bill of Rights sets forth these rights and responsibilities for Indiana taxpayers:

- **I** Quality taxpayer service
- **II** Taxpayer advocate to help taxpayers in the preservation of their rights
- **III** Taxpayer education and information
- **IV** A fair collection process
- **V** Appointed hearing time and representation
- **VI** Demand notices
- **VII** Warrants for collection of tax
- **VIII** Judgment liens against property
- **IX** Annual public hearing
- **X** Taxpayer responsibilities

Since 2006, the Indiana Department of Revenue has remained committed to its pledge to provide *Quality That Counts*—which we define as highly efficient and effective operation and decisions. This is the framework in which the Department carries out its efforts to achieve its vision, live its mission, operate within its value set, and remain focused on a group of integrated strategies. The Department's efforts have been guided by the following key components. In staying committed to this course, the Department has achieved a number of valuable accomplishments in fiscal year 2010 (see p. 6).

Our VISION – What we want to become:
The citizens of Indiana will look upon the Department of Revenue with respect and confidence that it is achieving with distinction its charged obligations.

Our MISSION – How we will realize the vision:
Administering tax laws in a fair, consistent and efficient manner that supports the State and local budgets, which allow Indiana to be a highly desirable place to live, work and do business.

Our VALUES – How we will conduct ourselves:

- **Pride -** Presenting the best of ourselves and our work
- **Respect -** Treating each other, taxpayers and vendors with respect
- **Highest standards -** Setting the bar in customer service and ethical behavior
- **Trust -** Doing what we say we will do, and doing it right
- **Teamwork -** Working in alignment with pride, respect and trust to achieve the highest standards

Our STRATEGIES – What we will do to achieve our mission:

- **Customer focused -** Considering how our actions and decisions affect the taxpayers and the State of Indiana
- **Efficient -** Ensuring we work smart and at the least cost to taxpayers
- **Effective -** Striving to offer the best service and the most beneficial results possible - consistently
- **Right people in the right jobs -** Ensuring Department employees are people who have the best skills and talents for the job

What Indiana Taxpayers Have To Say

"We wanted to commend an associate of the Indiana Department of Revenue. Her name is **Kelly Owens**. Kelly has been helping us all over the last few years with various taxpayer issues. She is always at her best! Kelly always responds in a kind, friendly and positive attitude. She handles every issue with speed, efficiency and accuracy, and we never have to follow up to see if it is being resolved. This is the type of employee that the Department needs to congratulate and appreciate!!! She is a tremendous asset to your firm, and we wish there were more people like her!!!"
– **Winters CPA Group**

The Department of Revenue continues to strive for improvements across the board of its operations. From training to customer service to electronic filing to revenue collections, the Department has continually sought out new and better ways to provide *Quality That Counts* in all it does. Below is a snapshot of some of the key Department accomplishments from FY 2010:

- **Collections** – In FY 2009 and 2010, the Department continued to make strides in collecting delinquent taxes, particularly trust taxes. A systematic combination of collection practice changes, a commitment to optimal collection staffing levels and new legislative tools have contributed to this more effective and efficient means of collecting on delinquent tax debts. Between fiscal years 2005 and 2010, trust-tax collections have increased by 57 percent. In FY 2005, the Department collected more than $90 million in delinquent trust taxes. In FY 2010, the Department collected more than $157 million for the same.

- **Imaging implementation** – Though electronic filing is the most efficient and effective means of processing tax returns, the Department nonetheless still processes more than one million paper returns each year – for individual income tax returns alone. To make processing of paper returns more efficient, the Department successfully implemented new imaging technology in FY 2009 to optically capture and digitize paper-return data. As a result, the Department has reduced the need for and cost of outside keypunch services, reduced the risk of human data-input error and reduced physical warehouse requirements to store paper returns. Now paper returns are digitally imaged into the Department's returns-processing computer system, allowing for improved quality of data and instant access to taxpayer returns for more timely customer service.

- **Electronic filing** – Concerted and strategic marketing efforts have provided a continual trend of at least 5 percent or greater increase annually in overall electronic filing (a combination of the state's I-File program and the IRS's e-File programs) year to year. In FY 2005, overall electronic filing was about 46 percent of all filing types. Today it makes up approximately 65 percent of all filing types. The Department estimates that it costs the state about $2 million/year operationally to process approximately one million paper returns, but only about $150,000 operationally to process more than two million electronic returns. In addition, taxpayers who are set up for direct deposit and file their returns electronically usually see their refunds deposited in an average of four to seven days, compared with an average of four to 10 weeks for paper-filed returns.

    - **I-File** – Marketing efforts, satisfaction surveys and technology improvements continue to drive growth uptake of the state's I-File electronic-filing tool. In FY 2009 and FY 2010, I-File usage increased by more than 10 percent each year. These increases are marked by high satisfaction statistics from taxpayers. In the FY 2010 annual satisfaction survey, more than 2,800 taxpayers participated, indicating that 97 percent were satisfied or very satisfied with I-File, 97 percent would use it again and 97 percent would recommend it to a friend or family member.
    - **WH-1s & WH-3s** – The Department has worked diligently to accommodate WH-1 and WH-3 electronic filing, which enables the Department to electronically cross-check employer withholding statement data with individual income tax return data. Effective Jan. 1, 2010, all business taxpayers must file their WH-1s electronically, and beginning Jan. 1, 2011, all business taxpayers must file their WH-3s electronically.

- **Online self-serve taxpayer tools/products** – Based on taxpayer feedback, the Department has made several improvements in its INtax business-tax filing and payment tool, increasing usage by more than 12 percent in the last part of FY 2010 alone. Also, the Department has continued to receive high satisfaction ratings from taxpayers who use I-File. In fact, on average, more than 90 percent of taxpayers say they are satisfied or very satisfied with I-File, would use it again and would recommend it to a friend or family member. The Department also launched a New and Small Business Education Center in late 2008, which has attracted the attention of more than 50,000 users and more than 1,000 subscribers – as well as kudos from the Federation of Tax Administrators and the Midwest Association of Tax Administrators as an innovative tool. In addition, the Department also launched a new online payment plan tool that allows taxpayers to set up their own payment plans (prior to a warrant stage) 24/7. This new tool recently earned the "Cool Idea" recognition from the Federation of Tax Administrators.

- **Customer service –** In FY 2010, the Department handled more than 140,000 phone calls during the tax season, compared with 114,000 for the same time period last year. Yet the agency's hold times went down from over four minutes on average in 2009 to less than three minutes on average this year. In addition, deflected calls, those callers not able to get through the first time, were down 42 percent this year, compared with the 2009 tax season.

- **Training** – In FY 2010, approximately 104 employees representing six different divisions received basic job-application training to uniformly and consistently perform their jobs. As of FY 2010, over 80 percent of Department frontline employee jobs have formalized training modules in place. These training modules will also be used for new-hires and remedial training in those sections. At the end of FY 2010, 67 percent of Department employees had defined, measureable, customized, customer-focused processes in place in their areas. Online computer-based training was also expanded in FY 2010 as virtually all supervisory and manager-level courses were converted to this efficient, self-study method of learning.

What Indiana Taxpayers Have To Say

"I am writing to you today to tell you about my interaction with **Ms. Mary McNutt.** Let me tell you, I could not talk more highly of my interaction with Mary. From the onset, Mary treated me with respect...I made it clear to Mary what my issue was...and she worked to help me fix my problem. From my point of view, Mary acted in an exemplary fashion. Please take the time to recognize her on my behalf for what she is; an all-star performer." – **T. Weldy**

Jim Poe, John Eckart, Jeff Coulter,
Bill Bahler (inset), Darrel Anderson, Stephanie McFarland

Commissioner John Eckart comes to Indiana government with more than 30 years of private-sector management experience. John has served in several positions of progressively responsible executive roles. He held positions as controller, vice president of finance and executive vice president in subsidiaries of Avatar Utilities and was responsible for the start-up of its service company, Consolidated Water Services. In 1993, John was named vice president of finance for Indiana American Water Company, and in 1997 was named president. American Water also elected him in 1999 as president of Ohio American Water and Michigan American Water. John holds his bachelor's degree in finance from the University of Evansville and his master's in business administration from the University of Indianapolis.

Special Tax and Support Administration Deputy Commissioner Jim Poe came to the Indiana Department of Revenue in 1976. Prior to taking on the responsibility of deputy commissioner of Special Tax and Support Administration, Jim served as the administrator of the Department's Motor Carrier Services division. In February 2006, Jim also was honored with one of the first Governor's Public Service Achievement Awards by Indiana Governor Mitch Daniels. Jim graduated from Indiana State University with his bachelor's in business in 1972.

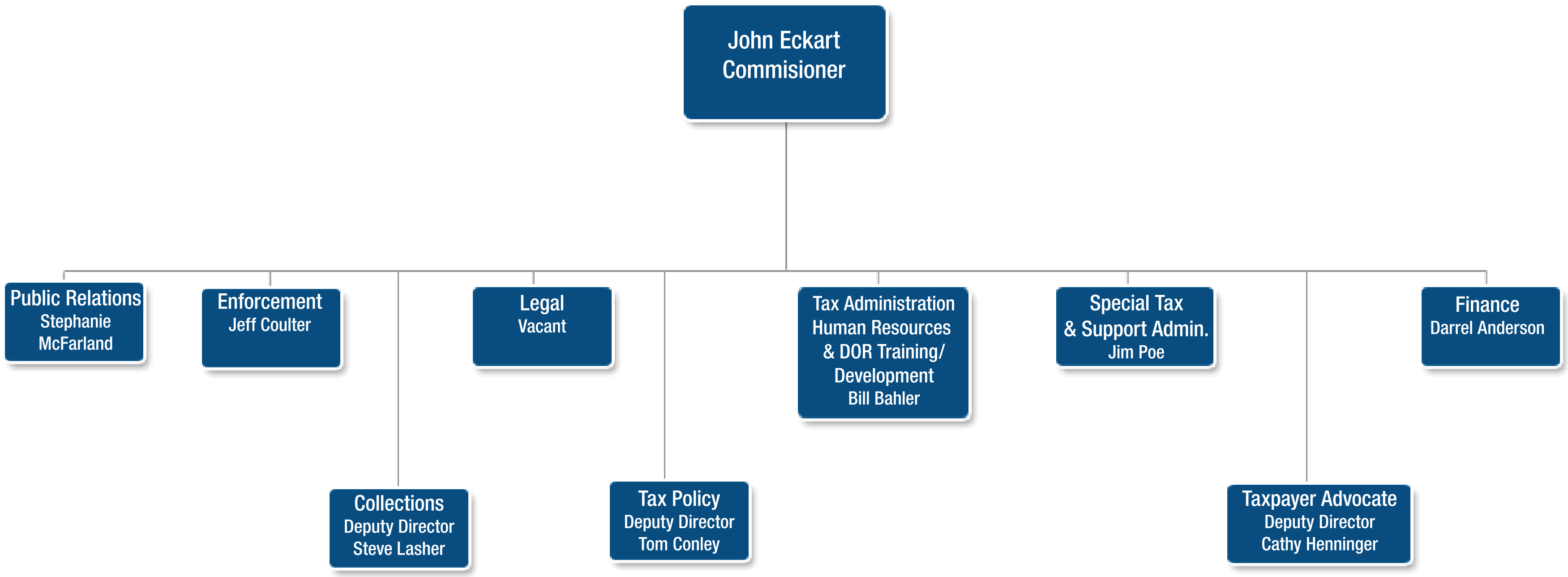
Enforcement Deputy Commissioner Jeff Coulter has more than 30 years of experience as a certified public accountant, specializing in audit, litigation support, forensic accounting, bankruptcy services and public-company accounting and reporting. His experience includes serving as a partner and audit and accounting director for the accounting firm of BGBC Partners of Indianapolis. Jeff holds an undergraduate degree in accounting and business administration from Ball State University and his CPA license.

Chief Financial Officer Darrel Anderson brings more than 25 years of business experience to the Department, specifically cost/general accounting, strategic planning, research and analysis. Before coming to the Department, Darrel served as vice president of finance for Union City Body Company and the Commercial Marketing Group of Work Horse Custom Chassis in Union City, Ind., and as managerial consultant for RHI Management Resources in Cleveland, Ohio. Darrel holds a master of accountancy from the University of Missouri and a bachelor of arts in business administration from MidAmerica Nazarene University.

Public Relations Director Stephanie McFarland is a 20-year veteran of the public relations profession. Stephanie has honed her skills and judgment throughout the years at mid-size and Fortune 500 corporations like Indianapolis Power and Light Company, Eli Lilly and Company and Sallie Mae. Stephanie is an accredited public relations professional through the Public Relations Society of America and a certified crisis-communication consultant. She holds a bachelor's degree in English from Indiana University, as well as a master's of science in communication management from Syracuse University in New York.

Tax Administration Deputy Commissioner Bill Bahler brings to the Department more than two decades of broad human resource experience in both public and private-sector companies. After 27 years with Sears Roebuck in executive human resource and store management, Bill branched out to hold vice president and senior-level HR positions at organizations such as American Water Company; Primetech, Inc.; H.H. Gregg Appliance, Inc.; and Sun TV and Appliances. Bill holds a bachelor's degree in industrial management from Purdue University.

DEPARTMENT ORGANIZATIONAL STRUCTURE



As part of the Department's ongoing commitment to providing *Quality That Counts*, it recognizes employees throughout the year who exemplify quality performance, whether through saving taxpayers money, finding more efficient and effective ways to do the day-to-day work of the Department or going above and beyond in assisting taxpayers in resolving tax issues.

In FY 2010, the Department recognized the following individuals with the *Quality That Counts* award:

Inheritance Tax Accountant **Diane Richards**

Data Processing Supervisor **Russie Abell**

Supervisor of Batch and Edit **Dana Alsup**

Supervisor of Open & Sort **Mike Grider**

Supervisor of Data Entry **Pat Parker**

Supervisor of Finance & Check Processing **Katrina Purdy Roth**

Manager of Return Storage **Roger Sharritt**

Application Developer **Rick Roach**

Tax Analyst **Deelee Northern**

Supervisor of Individual Customer Contact **Kimberly Sharp**

Supervisor of Individual Customer Contact **Kevin Mark**

Collection Analyst **Monique Burks**

Program Coordinator **Susie Evans**

Individual Income Tax Specialist **Diane Blankenship**

Supervisor of Audit Review **Davetta Ploughe**

Bankruptcy Supervisor **Todd Nichols**

Tax Analyst **Sandra Brassard**

Assistant Taxpayer Assistance Supervisor **Julie Neal**

Accounts Payable Manager **Christine Altherr**

Tax Analyst **Lori Aldred**

Quality That Counts **Spotlight**

Interactive Voice Response (IVR) Project—A Cross-Divisional Effort
Know those recordings you get when you call in to the Department's telephone center? A lot of effort and cross-divisional teamwork went into implementing that new system. Revenue employees **Diane Blankenship** (Public Relations), **Susie Evans** (Tax Administration), **Kevin Mark** (Tax Administration), **Pat Moore** (Information Technology) and **Kim Sharp** (Tax Administration) pulled together to implement the new system in record time.

Through the team's efforts, they saved the Department 53 percent off the total cost of the original vendor quote and provided improved customer service – such as enabling taxpayers to pay by telephone via the Department's new IVR system.

Supervisors from across divisions used phrases like "willingly worked long hours… including nights and weekends" and "provided excellent internal and external customer service through the duration of the IVR project" to describe the work of these employees.

Desk Audit Division

The Department's newly (2009) created desk audit discovery division is expected to play an increasingly important role in the Department's tax compliance and enforcement programs. This function is crucial to ensuring that Indiana-based businesses have a level playing field for doing business and that all businesses operating in Indiana pay their fair share of state taxes. Additionally, this function will also pursue various ways to help educate taxpayers in matters where known confusion and/or noncompliance exist.

Both desk and field audit will continue to enhance the audit selection methodology by utilizing 'decision analytics." Desk audit is serving critical functions as part of the Department's overall objectives. Due to budget pressure, a phase-in approach has been utilized. This implementation has expanded desk audit from one staff during 2009 to five as of this fiscal year end.

Selection analysts can now be leveraged though the assignments and selections that replace less-productive selections in other audit areas. For example, with vendor-supported analytics and the data warehouse, low-yield tax audits can be replaced with higher-yield tax audits.

During this fiscal year, desk audit had approximately $7.4 million in assessments with three Full Time Equivalents (FTEs). This number includes receipts of $5.9 million from the Voluntary Compliance Agreement (VCA) project.

In conjunction with the data warehouse and other technologies, the Department will continue to define and develop desk audit to increase taxpayer compliance and additional revenue opportunities for the State of Indiana.

Improvements in Audit Selection

Through developing and implementing a selection-modeling plan, the Department has switched to a more precise method that can be reviewed and analyzed for effectiveness. Improvements in audit selection will continue to increase effectiveness in the audit process by allowing the Department's resources to work on the most viable audits while maximizing revenues for the State of Indiana.

On average, the Department had 165 fewer audits than FY 2009, but had an additional $53 million in assessments due to improvements in selection as well as improvements in efficiency and case management. Total assessments resulted in an average yield of 14 times the annual auditor salary plus benefits.

Automated or Computerized Method of Audit Selection

The Department will continue to use automated or computerized methods for audit selection. This allows for computerized monitoring of results, and gives the Department an evaluation tool to determine if the Department is using its resources effectively. For example, compliance risk assessment scores averaged 18.6 on a scale of 40. This is a score increase of approximately 5 points, compared with approximately 13 points in years prior to 2009. Large company scores averaged 23.6, with many being more than 30.

Customer Service and Audit Enforcement

The end product of tax audit programs is the same as all other tax administration functions. It ensures that those businesses, organizations and individuals who are required to file returns and/or pay taxes are complying and doing so correctly with minimal burden. A broad view of audit enforcement must be taken to achieve that objective. It must include instruction, education and ease of interaction, in addition to enforcement. This broader view of the audit process is reflective of the concept of complementary, rather than opposing, influences of customer service and compliance enforcement. For instance, effective audit selection not only results in a more efficient use of auditors, but also enhances customer service if compliant customers have minimal risk of being selected for audit and noncompliant customers have the greater risk. This is especially important because auditing compliant taxpayers lessens the opportunity for Department auditors to educate noncompliant taxpayers.

Claim for Refund Processing

The economic conditions businesses are facing have generated a record number of refund claims ($186 million) for fiscal year 2010. The number and magnitude of these claims have made it important that the Department have a consistent and efficient method to review and process these claims. During the current fiscal year, these processes were evaluated, significant opportunities for improvement were identified, and the Department began the process of implementing these improvements (including issuing Commissioner's Directive #13). These changes include reconfiguring the way the Department currently requests missing or inadequate documentation. In lieu of sending a letter to each taxpayer requesting the documentation, a Department employee makes a personal call to each of them. This not only decreases the delay in receiving documentation and the related mailing and processing expense, but also improves customer service and timeliness by ensuring the taxpayer understands what they need to remit to process their claim in a timely manner. These improved procedures have reduced refund claims by $11.5 million for FY 2010, compared to reducing these claims by $6.5 million in FY 2009.

This balanced objective continues to be a top priority for enforcement. This objective is especially important with the Department's ongoing budget and economic outlook. The Department must do the best it can to ensure that the businesses are held to compliance across the board to endure a balanced competitive advantage in Indiana.

ST-200 Processing

The Department changed its position in the current year regarding the processing of Utility Sales Tax Exemption Application (Form ST-200) claims. The Department will now accept federal identification numbers from the utility service providers rather than requiring them to have their names changed. This change saved taxpayers significant money in deposits with the utility companies and improved overall processing time.

What Indiana Taxpayers Have To Say

"As a tax preparer, I interact a lot with the Kokomo district office. They are extremely knowledgeable and professional. I feel fortunate to have them available to assist me with my clients. I generally deal with **Jennifer [Sumner]**, and she is awesome, but anyone that I have worked with in that office has been great." – **C. Galford**

All amounts are in thousands. Percentage change reflects increase from FY09 to FY10, unless otherwise indicated. Significant differences reflected in the tax receipts for FY06 may be due to Indiana Tax Amnesty.

Aircraft License Excise Tax

Excise tax, due at the time of registration, is determined by weight, age and type of aircraft. All excise tax is distributed to the county where the aircraft is usually located, when not in use.

FY00	$ 430.0	FY04	$ 641.8	FY08	$617.9
FY01	$ 513.8	FY05	$ 753.4	FY09	539.4
FY02	$ 548.9	FY06	$592.6	**FY10**	**$509.9**
FY03	$ 649.7	FY07	$580.1	**CHANGE**	**-5.47%**

Alcoholic Beverage Tax

Per gallon rates are as follows: beer, $0.115; liquor/wine (21 percent alcohol or more), $2.68; wine (less than 21 percent alcohol), $0.47; mixed beverages (14 percent or less), $0.47.

FY00	$ 36,240.5	FY04	$ 38,509.2	FY08	$ 44,707.8
FY01	$ 36,597.8	FY05	$ 38,719.4	FY09	$43,497.9
FY02	$ 37,458.3	FY06	$ 40,529.6	**FY10**	**$40,143.3**
FY03	$ 37,678.6	FY07	$ 39,704.3	**CHANGE**	**-7.71%**

Auto Rental Excise Tax

Rates are based on the gross retail income from the rental of a vehicle weighing less than 11,000 pounds for less than a 30-day period at a rate of 4 percent.

FY00	$ 8,101.9	FY04	$ 8,940.9	FY08	$ 10,478
FY01	$ 9,846.8	FY05	$ 8,840.8	FY09	$10,117.7
FY02	$ 9,126.7	FY06	$ 9,889.1	**FY10**	**$9,155.1**
FY03	$ 9,500.9	FY07	$ 9,727.3	**CHANGE**	**-9.51%**

Charity Gaming Excise Tax

Tax based on the sale of pull tabs, punchboards and tip boards to qualified organizations licensed for charity gaming at a rate of 10 percent of the wholesale price. Remitted by the licensed distributor or manufacturer (not the organization).

FY00	$ 1,211.1	FY04	$ 1,231.5	FY08	$ 1,250.4
FY01	$ 1,521.0	FY05	$ 1,244.4	FY09	$1,401.4
FY02	$ 1,382.5	FY06	$ 1,384.4	**FY10**	**$1,250.1**
FY03	$ 1,311.9	FY07	$ 1,428.7	**CHANGE**	**-10.80%**

Type II Gaming (Taverns)

An excise tax is imposed on the distribution of gambling games in the amount of 10 percent of the price paid by the retailer that purchases the games. The entity distributing the pull tabs, punchboards, or tip boards is liable for the tax.

FY00	-------	FY04	-------	FY08	-------
FY01	-------	FY05	-------	**FY09**	**$285.10**
FY02	-------	FY06	-------	**FY10**	**$354.1**
FY03	-------	FY07	-------	**CHANGE**	**24.20%**

Cigarette/Other Tobacco Tax

Levied against cartons or packs of cigarettes and cigarette papers, wrappers and tubes at the following rates: pack of 20 cigarettes, $0.995; pack of 25 cigarettes, $1.24375; other tobacco products, 24 percent of wholesale price.

FY00	$ 125,151.5	FY04	$ 338,715.7	FY08	$ 525,282.4
FY01	$ 120,827.4	FY05	$ 343,077.9	FY09	$505,724.0
FY02	$ 123,214.8	FY06	$355,525.0	**FY10**	**$482,042.6**
FY03	$ 352,375.1	FY07	$ 367,632.4	**CHANGE**	**-4.68%**

Controlled Substance Excise Tax (in thousands)

Imposes a tax on illegally delivered, manufactured or possessed controlled substances. (Prescription pharmaceuticals are exempt.) Tax based on the weight and schedule of substance. Rates vary from $3.50 to $40 per gram. Once paid, a taxpayer who can remain anonymous is given a receipt for the tax, which is valid for three days. The payment of this tax does not legalize the controlled substance or the activity associated with it.

FY00	$ 60.2	FY04	$ 33.9	FY08	$ 167.6
FY01	$ 86.5	FY05	$ 30.4	FY09	$ 0.1
FY02	$ 44.4	FY06	$ 352.6	**FY10**	**$0.2**
FY03	$ 82.5	FY07	$ 53.5	**CHANGE**	**100.00%**

Corporate Adjusted Gross Income Tax

The adjusted gross income tax was increased from 3.4 percent to 8.5 percent on Jan. 1, 2003.

FY00	$ 950,323.9	FY04	$ 443,078.0	FY08	$ 661,217.4
FY01	$ 842,546.3	FY05	$ 608,370.0	FY09	$541,300.3
FY02	$ 687,877.6	FY06	$ 796,118.2	**FY10**	**$370,046.0**
FY03	$ 307,178.8	FY07	$ 746,392.9	**CHANGE**	**-31.64%**

County Adjusted Gross Income Tax (CAGIT)

Tax determined locally for county residents or nonresidents whose principal place of employment is within a county which imposes the tax. Rates vary. (A county may adopt either the County Adjusted Gross Income Tax or the County Option Income Tax, but not both.)

FY00	$ 284,537.8	FY04	$ 343,586.3	FY08	$ 440,191.1
FY01	$ 308,062.2	FY05	$ 338,871.6	FY09	$497,681.9
FY02	$ 343,479.4	FY06	$ 388,450.7	**FY10**	**$528,167.2**
FY03	$ 321,835.7	FY07	$ 428,978.0	**CHANGE**	**6.13%**

County Economic Development Income Tax (CEDIT)

Tax determined locally for county residents or nonresidents whose principal place of employment is within a county which imposes the tax. Rates vary.

FY00	$ 121,817.0	FY04	$ 172,682.2	FY08	$ 257,289.3
FY01	$ 140,547.2	FY05	$ 159,007.6	FY09	$294,876.5
FY02	$ 160,225.3	FY06	$ 238,804.3	**FY10**	**$293,441.5**
FY03	$ 146,937.1	FY07	$ 254,053.8	**CHANGE**	**-0.49%**

County Innkeepers Tax (CIT)

Tax determined locally on the gross income derived from lodging income. Tax may be collected either by the Department or locally through the county treasurer's office.

FY00	$ 21,077.4	FY04	$ 24,410.5	FY08	$ 42,488.7
FY01	$ 24,073.7	FY05	$ 26,120.3	FY09	$37,554.3
FY02	$ 22,586.8	FY06	$ 36,357.7	**FY10**	**$37,596.2**
FY03	$ 24,043.4	FY07	$ 37,940.7	**CHANGE**	**0.11%**

County Option Income Tax (COIT)

Tax determined locally for county residents or nonresidents whose principal place of employment is within a county which imposes the tax. Rates vary. (A county may adopt the County Option Income Tax or the Country Adjusted Gross Income Tax, but not both.)

FY00	$ 394,089.4	FY04	$ 424,603.1	FY08	$ 664,023.6
FY01	$ 437,437.3	FY05	$ 401,887.5	FY09	$791,217.4
FY02	$ 497,555.7	FY06	$ 492,320.2	**FY10**	**$779,635.6**
FY03	$ 463,054.0	FY07	$ 524,919.6	**CHANGE**	**-1.46%**

Estate Tax (in thousands)

Based on the difference between the state death tax credit allowed at the federal level and the amount paid in state inheritance tax. Federal estate tax credit for state calculations is being phased out, resulting in the reduction in Indiana estate tax paid.

FY00	$ 21,022.0	FY04	$ 7,732.4	FY08	$ 62.6
FY01	$ 28,936.1	FY05	$ 2,085.2	FY09	$0.00
FY02	$ 17,979.7	FY06	$ (68.5)	**FY10**	**$16.7**
FY03	$ 32,264.5	FY07	$ (32.2)	**CHANGE**	**∞ %**

Financial Institutions Tax

Based on the federal adjusted gross income at a rate of 8.5 percent for businesses which are engaged in extending credit, leasing (when it is the economic equivalent of extending credit) or credit card operations.

FY00	$ 79,365.8	FY04	$ 79,608.6	FY08	$ 64,063.8
FY01	$ 55,594.3	FY05	$ 91,977.7	FY09	$97,028.7
FY02	$ 63,644.4	FY06	$ 87,229.7	**FY10**	**$71,231.8**
FY03	$ 123,444.4	FY07	$ 76,355.5	**CHANGE**	**-26.59%**

Food and Beverage Tax

Tax determined locally for purchases of food and beverages for immediate consumption at a rate of 1 percent of retail sales price. Marion County's rate is 2 percent.

FY00	$ 26,021.0	FY04	$ 29,550.2	FY08	$ 63,975.7
FY01	$ 26,438.9	FY05	$ 30,370.8	FY09	$61,282.40
FY02	$ 27,859.6	FY06	$ 54,266.2	**FY10**	**$64,803.5**
FY03	$ 27,842.3	FY07	$ 62,596.3	**CHANGE**	**5.75%**

Gasoline Tax

The gasoline tax is $.18 per gallon for all invoiced gallons of gasoline collected by the licensed distributor and added to the selling price.

FY00	$ 464,152.8	FY04	$ 582,610.7	FY08	$ 554,041.4
FY01	$ 493,684.2	FY05	$ 579,675.0	FY09	$535,851.3
FY02	$ 480,808.9	FY06	$ 570,490.2	**FY10**	**$536,675.2**
FY03	$ 518,295.6	FY07	$ 570,628.7	**CHANGE**	**0.15%**

Hazardous Waste Disposal Tax

Based on the amount of hazardous waste placed in a disposal facility or by means of underground injection at a rate of $11.50 per ton.

FY00	$ 1,770.1	FY04	$ 1,219.2	FY08	$ 1,378.0
FY01	$ 1,542.5	FY05	$ 3,281.3	FY09	$1,088.6
FY02	$ 1,304.5	FY06	$ 3,178.9	**FY10**	**$794.6**
FY03	$ 1,122.6	FY07	$ 2,251.2	**CHANGE**	**-27.01%**

Individual Adjusted Gross Income Tax

Based on the federal adjusted gross income with numerous adjustments for individual residents, partners, stockholders in S corporations, trusts, estates and nonresidents with Indiana income sources at a rate of 3.4 percent.

FY00	$ 3,753,339.5	FY04	$ 3,807,860.9	FY08	$ 4,825,692.6
FY01	$ 3,779,805.4	FY05	$ 4,213,210.2	FY09	$4,305,075.4
FY02	$ 3,540,819.1	FY06	$ 4,381,548.1	**FY10**	**$3,864,240.4**
FY03	$ 3,644,159.4	FY07	$ 4,580,441.2	**CHANGE**	**-10.24%**

Inheritance Tax

Based on the taxpayer class (transferee's relationship to deceased); property's taxable value; residency status; and situs of real and tangible property and intangible property.

FY00	$ 119,198.1	FY04	$ 132,262.8	FY08	$ 165,518.7
FY01	$ 134,748.2	FY05	$ 150,315.5	FY09	$185,661.3
FY02	$ 123,905.6	FY06	$ 148,976.6	**FY10**	**$ 133,173.1**
FY03	$ 165,710.5	FY07	$ 150,322.2	**CHANGE**	**-28.21%**

Marion County Admissions Tax

Specific to the RCA Dome, Victory Field and Conseco Fieldhouse in Indianapolis for any event at a rate of 6 percent of the admission price (does not include events sponsored by education institutions, religious or charitable organizations.)

FY00	$ 4,567.5	FY04	$ 5,041.8	FY08	$ 6,491.9
FY01	$ 4,527.7	FY05	$ 5,212.6	FY09	$7,017.00
FY02	$ 4,247.0	FY06	$ 6,273.3	**FY10**	**$7,598.7**
FY03	$ 4,457.0	FY07	$ 6,689.6	**CHANGE**	**8.29%**

Marion County Supplemental Auto Rental Excise Tax

Based on the gross retail income from the rental of passenger motor vehicles and trucks in Marion County for less than a 30-day period at a rate of 4 percent. Revenue from the tax is paid to the Capital Improvement Board of Managers.

FY00	$ 1,658.7	FY04	$ 1,827.3	FY08	$ 4,599.9
FY01	$ 1,883.7	FY05	$ 1,941.3	FY09	$3,929.7
FY02	$ 1,950.4	FY06	$ 3,319.7	**FY10**	**$3,831.1**
FY03	$ 1,772.5	FY07	$ 4,126.0	**CHANGE**	**-2.51%**

Motor Carrier Fuel Tax

Per gallon rate of $0.16 for all motor fuel used by commercial motor carriers operating on Indiana highways.

FY00	$ 5,745.2	FY04	$ 6,759.4	FY08	$ 1,395.2
FY01	$ 3,727.0	FY05	$ 6,034.3	FY09	$1,827.4
FY02	$ 5,068.7	FY06	$ 3,481.2	**FY10**	**$2,063.7**
FY03	$ 5,186.2	FY07	$ 3,295.0	**CHANGE**	**12.93%**

Motor Carrier Surcharge Tax

Per gallon rate of $0.11 for all motor fuel used by commercial motor carriers operating on Indiana highways.

FY00	$ 76,747.4	FY04	$ 85,343.2	FY08	$ 91,756.8
FY01	$ 91,891.2	FY05	$ 84,280.2	FY09	$ 87,798.6
FY02	$ 79,466.6	FY06	$ 91,040.2	**FY10**	**$ 76,875.6**
FY03	$ 79,540.8	FY07	$ 100,613.0	**CHANGE**	**-12.44%**

Motor Vehicle Excise Tax

Specific compliance program authorized by statute aimed at locating vehicles owned by Indiana residents and registered illegally out of state, thus avoiding state vehicle excise tax. Based on the age and class of vehicle, plus penalty and interest for the time period vehicle is illegally registered. (Except for this program, motor vehicle excise tax is otherwise collected by the Bureau of Motor Vehicles.)

FY00	$ 122.1	FY04	$ 11.2	FY08	$ 9.9
FY01	$ 20.4	FY05	$ 148.6	FY09	$3.30
FY02	$ 14.1	FY06	$ 175.1	**FY10**	**$2.4**
FY03	$ 10.9	FY07	$ 31.3	**CHANGE**	**-27.27%**

Pari-Mutual Admission Tax

Hoosier Parks no longer imposes an admission charge.

FY00	$ 21.4	FY04	$ 8.0	FY08	$ 1.7
FY01	$ 18.3	FY05	$ 3.7	FY09	$0.00
FY02	$ 13.9	FY06	$ 4.1	**FY10**	**$0.00**
FY03	$ 9.7	FY07	$ 3.5	**CHANGE**	**0.00%**

Pari-Mutual Wagering Tax

A 2-percent levy is imposed on the total amount of money wagered on online races and simulcasts conducted at a permit holder's racetrack. The tax is 2.5 percent of the total amount of money wagered on simulcasts from satellite facilities.

FY00	$ 3,751.7	FY04	$ 4,154.2	FY08	$ 4,077.0
FY01	$ 3,534.3	FY05	$ 4,515.1	FY09	$3,623.3
FY02	$ 3,537.4	FY06	$ 4,398.8	**FY10**	**$ 4,909.0**
FY03	$ 3,744.8	FY07	$ 4,188.3	**CHANGE**	**35.48%**

Petroleum Severance Tax

Levied against producers or owners of crude oil or natural gas and imposed at the time these products are removed from the ground at a rate equal to the greater of either 1 percent of the petroleum value, or $0.03 per 1,000 cubic feet for natural gas and $0.24 per barrel of oil.

FY00	$ 467.0	FY04	$ 557.5	FY08	$ 1,680.4
FY01	$ 565.3	FY05	$ 928.8	FY09	$1,475.3
FY02	$ 579.8	FY06	$ 1,161.4	**FY10**	**$1,425.7**
FY03	$ 517.2	FY07	$ 1,153.2	**CHANGE**	**-3.36%**

Public Utility Tax (Railroad Car Companies/Railroads)

Based each year on assessments by the Indiana Department of Local Government Finance on the indefinite-situs distributable property of a railroad company that provides service within a commuter transportation district.

FY00	$ 5,996.7	FY04	$ 3,596.9	FY08	$ 5,250.4
FY01	$ 8,586.6	FY05	$ 3,281.8	FY09	$5,397.2
FY02	$ 5,020.5	FY06	$ 4,255.1	**FY10**	**$4,485.3**
FY03	$ 5,815.5	FY07	$ 4,540.8	**CHANGE**	**-16.90%**

Riverboat Admissions Tax

Specific to any licensed riverboat on Indiana waterways at a rate of $3 per person admitted.

FY00	$ 116,565.6	FY04	$ 80,684.6	FY08	$ 79,837.4
FY01	$ 118,630.0	FY05	$ 80,926.2	FY09	$78,859.5
FY02	$ 127,769.1	FY06	$ 81,095.2	**FY10**	**$81,479.4**
FY03	$ 80,553.4	FY07	$ 83,758.3	**CHANGE**	**3.32%**

Riverboat Wagering Tax

If a licensed riverboat does not have flexible scheduling (dockside gaming), a tax of 22.5 percent is levied against its adjusted gross receipts (total wagers, less payouts, less uncollected gaming receivables). If the boat has implemented flexible scheduling, the tax rate is graduated and ranges from 15 percent to 35 percent, depending on the adjusted gross receipts.

FY00	$ 328,200.8	FY04	$ 679,482.9	FY08	$ 730,404.4
FY01	$ 349,092.0	FY05	$ 709,573.2	FY09	$688,230.0
FY02	$ 381,814.2	FY06	$ 718,082.3	**FY10**	**$678,127.0**
FY03	$ 586,437.0	FY07	$ 763,913.0	**CHANGE**	**-1.47%**

Sales and Use Tax

Seven percent on purchases of tangible personal property, public utility service and some rental transactions, which is collected at the retail level.

FY00	$ 3,687,291.7	FY04	$ 4,759,445.3	FY08	$ 5,738,830.4
FY01	$ 3,723,138.6	FY05	$ 5,001,048.9	FY09	$6,205,636.3
FY02	$ 3,798,489.0	FY06	$ 5,336,782.3	**FY10**	**$5,964,190.5**
FY03	$ 4,210,262.5	FY07	$ 5,423,496.6	**CHANGE**	**-3.89%**

Special Fuel Tax

A license tax of $0.16 per gallon imposed on all special fuel sold or used in producing or generating power for propelling motor vehicles.

FY00	$ 186,794.0	FY04	$ 183,826.1	FY08	$ 199,688.4
FY01	$ 151,335.7	FY05	$ 193,127.5	FY09	$162,777.4
FY02	$ 170,308.4	FY06	$ 196,812.7	**FY10**	**$173,966.1**
FY03	$ 172,712.6	FY07	$ 196,209.4	**CHANGE**	**6.87%**

Utility Receipts Tax

The Utility Receipts Tax is 1.4-percent on gross receipts from retail utility sales. ***(NOTE:*** Fiscal Year 2003 figures include only one-half of a fiscal year.)

FY00	-------	FY04	$ 167,401.1	FY08	$ 215,332.6
FY01	-------	FY05	$ 170,814.6	FY09	$230,661.00
FY02	-------	FY06	$ 206,380.1	**FY10**	**$190,494.7**
FY03	$ 75,907.7	FY07	$ 200,305.0	**CHANGE**	**-17.41%**

Utility Services Use Tax

The utility services use tax is an excise tax imposed on the retail consumption of utility services in Indiana. The rate is 1.4 percent and is imposed if the utility service provider is not subject to the utility receipts tax.

FY00	-------	FY04	-------	FY08	$ 12,917.7
FY01	-------	FY05	-------	FY09	$13,944.2
FY02	-------	FY06	-------	**FY10**	**$8,492.6**
FY03	-------	FY07	$ 9,405.8	**CHANGE**	**-39.10%**

Miscellaneous Fees:

Aircraft Registration Fee

All Indiana aircraft are required to be registered with the aeronautics section of the tax administration division, where an annual $10 registration/transfer fee is collected. An additional fee of $20 or 20-percent (whichever is greater) of any unpaid excise tax is charged on all late registrations. There is also an annual aircraft dealers fee of $25.

FY00	$ 79.6	FY04	$ 75.1	FY08	$ 87.0
FY01	$ 118.9	FY05	$ 100.5	FY09	$78.6
FY02	$ 94.5	FY06	$ 76.9	**FY10**	**$74.1**
FY03	$ 76.5	FY07	$ 74.8	**CHANGE**	**-5.73%**

Charity Gaming Licensing Fee

Licensing fee for qualified organizations is $50 for the first license. The second license for the same charity gaming activity is based on gross receipts of the previous event. The annual license fee for distributors or manufacturers is $5,000. This fee is currently collected by the gaming commission.

FY00	$ 4,328.0	FY04	$ 4,038.9	FY08	$ 0.0
FY01	$ 4,303.4	FY05	$ 4,020.0	FY09	$ 0.0
FY02	$ 4,282.5	FY06	$ 4,040.5	**FY10**	**$ 0.0**
FY03	$ 4,208.7	FY07	$ 0.4	**CHANGE**	**0.00%**

Employment Agency Licensing Fee

A person, firm or corporation opening, operating or maintaining an employment agency must pay an annual $150 fee for each license.

FY00	$ 51.6	FY04	$ 43.8	FY08	$ 39.6
FY01	$ 54.5	FY05	$ 51.5	FY09	$38.70
FY02	$ 57.9	FY06	$ 35.4	**FY10**	**$30.5**
FY03	$ 49.7	FY07	$ 42.5	**CHANGE**	**-21.19%**

Fireworks Public Safety Fee

A fee of 5 percent of the retail price of fireworks sold in Indiana.

FY00	-------	FY04	-------	FY08	$ 2,558.7
FY01	-------	FY05	-------	FY09	$2,493.6
FY02	-------	FY06	-------	**FY10**	**$2,405.3**
FY03	-------	FY07	$ 2,434.5	**CHANGE**	**-3.54%**

Hazardous Chemical Fee

An annual fee is imposed on a facility which must submit to the state an emergency and hazardous chemical inventory form. Fees are $50, $100 or $200, depending on the volume of hazardous chemicals present at the facility during the year.

FY00	$ 546.2	FY04	$ 662.0	FY08	$ 564.2
FY01	$ 511.3	FY05	$ 689.3	FY09	$544.1
FY02	$ 573.4	FY06	$ 588.5	**FY10**	**$364.3**
FY03	$ 581.7	FY07	$ 513.8	**CHANGE**	**-33.05%**

International Registration Plan (IRP) Licensing Fee

Licensing fee for motor carriers based on miles driven in specific jurisdictions.

FY00	$ 89,320.1	FY04	$ 86,454.0	FY08	$ 90,181.2
FY01	$ 76,728.7	FY05	$ 95,593.6	FY09	$84,782.4
FY02	$ 80,293.7	FY06	$ 88,147.4	**FY10**	**$83,148.2**
FY03	$ 82,395.1	FY07	$ 87,799.9	**CHANGE**	**-1.93%**

Oversize /Overweight Permit Fee

Various categories of permits for motor carriers that are issued for different periods of time, based upon a vehicle's specific dimension and/or size and the travel activity. Fees can range from $10 to more than $400.

FY00	$ 12,782.3	FY04	$ 11,498.9	FY08	$ 15,475.1
FY01	$ 12,358.6	FY05	$ 12,090.5	FY09	$13,377.1
FY02	$ 11,849.5	FY06	$ 13,001.5	**FY10**	**$12,367.1**
FY03	$ 11,041.1	FY07	$ 10,907.3	**CHANGE**	**-7.55%**

Solid Waste Management Fee

Imposed on the disposal or incineration of solid waste in a final disposal facility within the state at a rate of $0.50 per ton of waste generated in the state. For solid waste generated outside the state, the rate is the greater of $0.50 per ton or the cost per ton of disposing the solid waste, including the tipping fees and state and local government fees, in the final disposal facility that is closest to the area in which the solid waste was generated, minus the fee actually charged for the disposal or incineration of the solid waste by the owner or operator of the final disposal facility.

FY00	$ 4,516.8	FY04	$ 4,358.6	FY08	$ 4,858.6
FY01	$ 4,318.0	FY05	$ 5,173.2	FY09	$5,073.2
FY02	$ 4,320.3	FY06	$ 5,309.8	**FY10**	**$5,093.9**
FY03	$ 4,002.8	FY07	$ 5,207.0	**CHANGE**	**0.41%**

Underground Storage Tank Fee

An annual fee of $200 per tank is imposed on owners of underground storage tanks. In addition, there is an annual registration fee of $90 for each underground petroleum storage tank, and $45 for each underground storage tank containing regulated substances other than petroleum.

FY00	$ 27,709.5	FY04	$ 32,065.1	FY08	$ 52,990.7
FY01	$ 32,467.5	FY05	$ 29,396.5	FY09	$50,883.00
FY02	$ 24,306.6	FY06	$ 50,454.5	**FY10**	**$48,091.4**
FY03	$ 35,992.1	FY07	$ 51,212.5	**CHANGE**	**-5.49%**

Waste Tire Management Fee

A $0.25 tire fee is assessed on each new tire sold at the retail level and each new tire mounted on a vehicle at the time a vehicle is sold. It is imposed on tires for self-propelled motor vehicles only.

FY00	$ 3,203.6	FY04	$ 1,612.0	FY08	$ 1,512.8
FY01	$ 911.8	FY05	$ 1,860.0	FY09	$1,516.9
FY02	$ 613.8	FY06	$ 1,261.4	**FY10**	**$1,347.5**
FY03	$ 1,079.3	FY07	$ 1,768.2	**CHANGE**	**-11.17%**

Returns Processing

The vast majority of returns and forms sent to the Department each year are prepared correctly, and the Department has been able to process them using the latest technology available. The Department receives in excess of 4.8 million documents to be processed. Some of those items are received with incomplete information or no basic information from the taxpayer. It then becomes the Department's responsibility to make decisions about what to do with the information or money it has received. The Department strives each year to process returns and checks more efficiently and accurately.

To do this, the Department needs the mutual cooperation of Indiana taxpayers and their preparers to help identify where they can eliminate errors before they get to the Department. The agency also is committed to identifying and resolving internal flaws that result in filing and processing errors.

The following is a list of the most common filing errors found in the tax-filing process:

Duplication of filing

Duplicate filing usually occurs when a taxpayer files a return electronically and then sends the Department a paper copy of the return, along with the payment or as an informational return. Once this duplicate filing is identified, an employee must go into the system to mark the second filing as "information only" to ensure accuracy.

Calculation errors

When a calculation error is detected, it causes the Department system to flag the return. An employee must then review the return and determine if the error is truly a calculation error; is a problem with how the information was interpreted in the data-capture process; or was placed on an incorrect form line, which can cause the columns on the tax return to total incorrectly. After the error has been determined, the return posts properly.

Claiming credits incorrectly

It is common for a credit to be claimed when it cannot be substantiated or the proper documentation is not included with the return. This causes the credit to be denied; otherwise, an employee must contact the taxpayer to provide the information.

What Indiana Taxpayers Have To Say

"I want to thank **Sheila Deaton** and **Michelle Drake** for being extremely helpful in sorting out a confusing situation and helping the client (and me!) get back on track in a very prompt manner. The folks at [my office] are most appreciative of the service the Department gave them. I just wanted to make sure you know how really great the folks in your division are!" **– F. Dlouhy**

Failure to complete a tax return or filing
When returns are received without all the necessary information, including all W-2s, the return is processed with only the information provided. This can cause any deductions and/or credits not verified to be denied and could result in a reduced refund or possible notice of tax due. A letter is then sent to the taxpayer stating the reason for the denial or reduction.

Use of non-Departmental payment coupons
The Department provides taxpayers with automation-friendly coupons, according to tax type, for many of the taxes due to the State of Indiana. These coupons are preprinted with information regarding the taxpayer's name, the account number, the tax type and the period for which the coupon is being filed. The information about the taxpayer is included in the scan line at the bottom of the coupon. The automation-friendly equipment used to process the document and money then reads the information from the scan line and posts the information accordingly. If these coupons are not used correctly, or are used by a taxpayer for another account number, the return and payment are posted to the incorrect account. Therefore, if a taxpayer does not have the correct documents for the account printed out of a software package or provided by the Department, the taxpayer needs to contact a Department taxpayer representative to have the coupon replaced or to receive instructions as to how the payment should be processed to ensure proper posting.

Post-filing coupons (PFC)
For the past 12 years, the Department has worked with a number of software vendors to allow taxpayers to file individual income tax returns electronically. As part of this effort between the Department and software vendors, taxpayers can file electronically as early in the year as they prefer, yet delay payment until the filing deadline date. Therefore, post-filing coupons (PFCs) were developed according to Department standards so that automation-friendly coupons could be generated from software packages at home or by the tax preparer. This practice has become widespread during the past 12 years, but with that success has come one distinct problem: The scan line printed from the software is not printed in OCR-A Extended font. The user can download this font, or the software vendor can embed it into the form. However, this must be completed so that the Department can read the information correctly to ensure accuracy. This is an issue for all payment vouchers, but it is most common on the PFCs because of the high volume received and the wider variety of printers owned by individual taxpayers.

Nonstandard printing of forms
Efficient and accurate capturing of data from returns and payment vouchers requires consistent printing of forms. Data is captured using a template of each form that indicates where each piece of information can be found. The default print option on many taxpayers' printers causes the forms to print in a smaller area than what is intended. If a form is printed using any type of resizing (shrinking of the image), the OCR/ICR process might not read the form correctly. Data can be captured from the wrong field or not captured at all. When such errors can be detected, manual keying is required to correct them.

Reporting errors
Reporting errors are received on virtually every type of tax return, including, but not limited to, income, sales, fuel, cigarette and motor carrier tax types. Typical errors include, but are not limited to, the form not being signed, lack of an identifying account number, the wrong form or form revision being used, missing schedules or W-2 forms, lack of documentation, duplication of a credit or deduction or failure to calculate county tax. These errors can result in the form being returned to the taxpayer, a representative from the Department contacting the customer, a bill being sent for the amount of perceived tax due and the inability to post the return or payment properly.

Unidentified checks

Each year the Department receives in excess of 20,000 checks without an accompanying tax return. These checks might or might not have a note attached. The Department then must contact the customer to determine how and where the check is to be applied. If the customer cannot be located, the Department must then research through the systems to try to determine how to apply the check. This process occurs because the customer has either failed to register his or her account properly but submitted a return anyway or has sent the Department a check because he or she lost the return but knows the due date is looming. The Department also has a number of customers who file their returns through INtax but send a paper check instead of paying via one of the Internet payment options. Anytime a payment is received without a return, there is an opportunity for the Department to incorrectly post the payment.

Onion skin W-2 forms

The use of onion skin W-2 forms by employers has created a number of problems for the Department in processing both the WH-3s and W-2s submitted by employers and individuals. The Department processes both types of returns through an image process. The onion skin W-2 forms, because they are so thin, do not image well and, in a number of cases, the print is completely washed out. When the image of the document is presented to be keyed, it appears that there is no information on the form. Therefore, nothing is keyed and the system may reduce the withholding by the amount that could not be read on the image.

Multiple returns filed with one check, or one return filed with multiple checks

Both of these instances cause the return(s) and check(s) to be taken out of the automated processing system and require manual processing, which can cause delays in posting the payment(s) and return(s) to the proper accounts. In the event that one check is received with multiple returns for different accounts, it is highly likely that the check could be applied with the first return to create an overpayment situation for that account and billings (including penalty and interest) for all of the subsequent accounts. When this happens, it takes a great deal of work on the part of the Department representative and the customer(s) to resolve the problem.

What Indiana Taxpayers Have To Say

"It is such a pleasure to write this note to you about **Wendy [Freeman]**. She is a wonderful person to have on your staff. She is the type of person that all government offices should have working for us. She was very business-like, kind, considerate, and most of all had the job skills to understand the problem and resolve it. You should be proud of a coworker like Wendy and give her a job well done for me. Thank you." – **B. Craven**

The Audit Division Statistical Study addresses the requirements set forth by IC 6-8.1-14-4 (2). The information is based on 100 percent of the audits completed and taxpayers assisted during fiscal year 2010.

See Page for an index of exhibits and charts included.

Taxpayers served in district offices

Taxpayer assistance is available in all district offices. Each office has a taxpayer-assistance supervisor and assistant taxpayer-assistance supervisor who perform taxpayer service functions, as well as other office support responsibilities. Each office has at least one field representative who performs collection functions in the district. Contract employees are available throughout the year to support taxpayer assistance.

The "Taxpayer Assistance Report-Fiscal Year" (Exhibit A) provides the number of taxpayers assisted (in person and by telephone) and the amount of money collected and assessed in each office through the taxpayer assistance program. Exhibit A reveals that during FY 2010, district offices handled 147,693 taxpayer contacts in person and 183,815 taxpayer contacts via telephone. Total taxpayer contacts made with the district offices was 331,508.

The district office in Merrillville handled 22,880 taxpayer contacts in person, while the Kokomo district office handled 19,084 taxpayer contacts in person. These were the highest numbers of taxpayer contacts in person among the district offices, totaling 28 percent of total taxpayer contacts in the district offices.

The Bloomington district office handled 28,931 taxpayer contacts by telephone, while the Fort Wayne district office handled 23,389 taxpayer contacts by telephone. These were the highest numbers of telephone contacts among the district offices, totaling 28 percent of total taxpayer telephone contacts. The Merrillville district office handled 45,362 taxpayer contacts by telephone and walk-in assistance, while Bloomington handled 43,512 taxpayer contacts by telephone and walk-in assistance.

Gross income tax violations

The gross income tax was repealed in 2002 and has been phased out.

Sales/use tax violations
For audits conducted in FY 2010, the most frequently violated sales and use tax rule was 45 IAC 2.2-3-20. Rule 3-20 states that if the seller of tangible personal property for storage, use or consumption in Indiana fails to collect the appropriate tax, the purchaser of such property must remit tax directly to the Department. This rule accounted for 1,092 (19 percent) of all violations of the sales and use tax in FY 2010. For audits conducted in FY 2009, Rule 3-20 accounted for the most violations with 1,180 (21 percent). For audits conducted In FY 2008, Rule 3-20 accounted for the most violations with 748 (18 percent).

The second most violated sales and use tax rule in 2010 was 45 IAC 2.2-3-4. Rule 3-4 imposes use tax on tangible personal property, purchased in Indiana, or elsewhere in a retail transaction, and stored, used or otherwise consumed in Indiana unless the Indiana state gross retail tax (sales tax) has been collected at the point of purchase. This rule accounted for 823 (15 percent) of the sales and use tax violations in FY 2010. In FY 2009, Rule 3-4 accounted for the second most violations with 848 (15 percent). In FY 2008, Rule 3-4 accounted for the second most violations with 522 (13 percent).

The third most violated sales and use rule for the FY 2010 was 45 IAC 2.2-5-8. Rule 5-8 clarifies sales and use tax by providing examples of taxable and nontaxable sales of manufacturing machinery, tools and equipment used in direct production and other activities. This rule accounted for 650 (12 percent) of the sales and use tax violations for FY 2010. In FY 2009, Rule 5-8 accounted for the third most violations with 573 (10 percent). In FY 2008, Rule 5-8 accounted for the third most violations with 443 (11 percent).

Adjusted gross income tax violations
In FY 2010, the most frequently violated adjusted gross income-tax rule was Rule 45 IAC 3.1-1-8. Rule 1-8 defines adjusted gross income for corporations as "taxable income" as defined in section 63 of the Internal Revenue Code. This rule accounted for 47 (13 percent) of all violations of the adjusted gross income tax in FY 2010. In FY 2009, Rule 45 IAC 3.1-1-2 accounted for the most violations with 89 (18 percent). This rule defines gross income for individuals as defined in Section 61 of the Internal Revenue Code. In FY 2008, Rule IAC 3.1-1-1accounted for the most violations with 168 (29 percent). This rule defines adjusted gross income for individuals as defined in Section 62 of the Internal Revenue Code.

The second most frequently violated adjusted gross income tax rule for FY 2010 was 45 IAC 3.1-1-1. Rule 1-1 accounted for 46 (13 percent) of the adjusted gross income tax violations in FY 2010.

Quality That Counts **Spotlight**

Imaging Project
The Indiana Department of Revenue brought in imaging technology in 2009. Yet making it work ith the Department's Revenue Processing System was no easy feat – and making it happen in less than six months was even more difficult. However, seven employees from the returns processing center – **Russie Abell**, **Dana Alsup**, **Mike Grider**, **Pat Parker**, **Katrina Purdy-Roth**, **Roger Sharritt** and **Rick Roach** – all worked long and diligent hours to bring imaging to the Department in a short span of time.

"The technology we're using is relatively new to the tax world, yet this group worked hard, had to think outside of the box, and developed new workflow processes to adapt this new technology to fit the Department," said Special Tax Deputy Commissioner Jim Poe.

As a result, taxpayers will have their questions and concerns resolved more quickly, counties will be assured of more full accounting for their local option income taxes and the Department has an efficient and effective means in place to move forward with the long-awaited data warehouse.

In FY 2009, Rule 45 IAC 3.1-1-97 accounted for the second most violations with 57 (13 percent). This rule defines withholding agents and their responsibility for remitting tax withheld to Indiana. In FY 2008, Rule 1-97 accounted for the second most violations with 57 (13 percent).

The third most frequently violated adjusted gross income tax rules in FY 2010 were 45 IAC 3.1-1-2 and 45 IAC 3.1-1-97. These rules each accounted for 43 (12 percent) of the adjusted gross income tax violations in FY 2010. In FY 2009, 45 IAC 3.1-1-8 accounted for the third most violations with 66 (13 percent). In FY 2008, Rule 1-8 accounted for the third most violations with 56 (13 percent).

Financial institutions tax violations

In FY 2010, the most frequently violated financial institutions tax rule was Rule 45 IAC 17-3-1. Rule 3-1 defines adjusted gross income as taxable income as defined in Section 63 of the Internal Revenue Code. This rule accounted for 3 (33 percent) of the financial institutions tax violations in FY 2010. In FY 2009, Rule 45 IAC 17-3-6 accounted for the most violations with 8 (36 percent). This rule defines the calculation of the financial institutions tax for taxpayers filing a combined return.

The second most frequently violated adjusted gross income tax rule for FY 2010 was 45 IAC 17-3-6. Rule 3-6 accounted for 2 (22 percent) of the financial institutions tax violations in FY 2010. In FY 2009, Rule 45 IAC 17-3-1 accounted for the second most violations with 4 (18 percent).

The third most frequently violated financial institutions tax rule in FY 2010 is comprised of the remaining violations with 1 (9 percent) each. In FY 2009, Rule 45 IAC 17-3-5 accounted for the third most violations with 3 (14 percent). This rule defines a unitary group for financial institutions tax.

Utility receipts tax violations

In FY 2010, the most frequently violated utility receipts tax code citation was IC 6-2.3-2-1. This code citation defines the utility receipts tax. This citation accounted for 15 (65 percent) of the utility receipts tax violations in FY 2010. In FY 2009, IC 6-2.3-2-1 accounted for the most violations with 14 (45 percent).

The second most frequently violated utility receipts tax code citation for FY 2010 was IC 6-2.3-3-10. This code citation defines installation, repair, maintenance, equipment or leasing services as gross receipts subject to the utility receipts tax. This citation accounted for 6 (26 percent) violations in 2010. In FY 2009, IC 6-2.3-3-10 accounted for the second most violations with 5 (16 percent).

The third most frequently violated utility receipts tax code citation for FY 2010 was IC 6-2.3-1-13. This code citation defines "telecommunications services" as the transmission of messages or information by or using wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities. This citation accounted for 2 (12 percent) utility receipts tax violations in FY 2010. In FY 2009, IC 6-2.3-1-6 accounted for the third most violations with 2 (6 percent). This citation defines "receives" as applied to gross receipts.

Amounts of tax assessed

Exhibits C, D, E, F and G display the amount of assessments (refunds) of the sales tax, adjusted gross income tax, financial institutions tax and utility receipts tax administrative rules Indiana code, respectively. "Total assessments" for any tax type represent gross assessments less amounts refunded.

The amount assessed or refunded for each of the most frequent violations and the percentage of the amount to total net assessments are presented as follows:

Sales/Use Tax—Exhibit C:

	Amount Assessed	Percentage of All Assessments
45 IAC 2.2-3-20	$4,744,650	13.36%
45 IAC 2.2-3-4	$4,963,568	13.89%
45 IAC 2.2-5-8	$2,844,778	8.01%

Adjusted Gross Income Tax—Exhibit D:

	Amount Assessed	Percentage of All Assessments
45 IAC 3.1-1-8	$10,255,831	9.40%
45 IAC 3.1-1-1	$339,013	.003%
45 IAC 3.1-1-2 & 3.1-1-97	$622,921	.006%

Financial Institutions Tax—Exhibit E:

	Amount Assessed	Percentage of All Assessments
45 IAC 17-3-1	$240,950	3.27%
45 IAC 17-3-6	$6,759,429	91.84%
Remaining Rules	$622,921	4.89%

Utility Receipts Tax—Exhibit F:

	Amount Assessed	Percentage of All Assessments
IC 6-2.3-2-1	$342,744	32.31%
IC 6-2.3-3-10	($290,739)	-27.41%
IC 6-2.3-3-13	$1,008,654	95.10%

Industry/business most frequently in violation

- **Sales and use tax**
  For the FY 2010 reporting period, taxpayers engaged in wholesale, retail and transportation businesses accounted for the most violations of the sales and use tax rules. This group accounted for 1,525 violations (27 percent of the total violations). The most frequently violated rule by this group of taxpayers was 45 IAC 2.2-3-20 with 401 violations. Rule 3-20 states if a seller of tangible personal property for storage, use or consumption in Indiana fails to collect the appropriate tax, the purchaser of such property must remit tax directly to the Department.

  The second largest number of sales and use tax violations was committed by taxpayers engaged in manufacturing. This group committed 1,267 violations (22 percent of the total violations) for FY 2010. The most frequently violated rule of this group was 45 IAC 2.2-5-8 with 495 violations. Rule 5-8 defines the application of sales and use tax to sales of machinery, tools and equipment used in manufacturing.

- **Adjusted gross income tax**
  For the FY 2010 reporting period, unclassified taxpayers engaged in unrelated business activities such as debt-finance, rental of real estate, investment and passive income of exempt organizations, rental of personal property and other miscellaneous activities accounted for the most violations of the adjusted gross income tax rules. This group accounted for 136 violations (39 percent of the total violations). The rule most frequently violated by this group was 45 IAC 3.1-1-1 with 37 violations. Rule 1-1 defines adjusted gross income for individuals.

  The second largest number of adjusted gross income tax violations was committed by taxpayers engaged in wholesale, retail and transportation. This group committed 66 violations (19 percent of the total violations) for FY 2010. The rule most frequently violated by this group was 45 IAC 3.1-1-8 with 13 violations. Rule -1-8 defines adjusted gross income for corporations.

- **Financial institutions tax**
  For the FY 2010 reporting period, taxpayers engaged in debt-finance accounted for the most violations of the financial institutions tax rules. This group accounted for 4 violations (44 percent of the total violations). The rule most frequently violated by this group was 45 IAC 17-3-6 with 2 violations. Rule 3-6 defines the financial institutions tax liability calculation for taxpayers filing a combined return.

  The second largest number of financial institutions tax violations was committed by taxpayers engaged in manufacturing and those in the repair, personal services and other services group. These groups committed 2 violations each (22 percent of the total violations) for FY 2010. The rule most frequently violated by this group was 45 IAC 17-3-1 with 2 violations. Rule 3-1 defines adjusted gross income for financial institutions.

- **Utility receipts tax**

  For the FY 2010 reporting period, taxpayers who accounted for the most violations of the utility receipts tax code citations were those who engaged in providing electric power generation, transmission and distribution; natural gas distribution; and water, sewage and other systems.

  This group accounted for 13 violations (54 percent of the total violations). The code citation most frequently violated by this group was IC 6-2.3-2-1 (11 violations). This code citation defines taxable gross receipts subject to the utility receipts tax.

  The second largest number of utility receipts tax violations was committed by taxpayers engaged in the telecommunications industry. This group accounted for 9 violations (38 percent of the total violations) for FY 2010. The code citation most frequently violated by this group was IC 6-2.3-3-10 with 5 violations. This code citation classifies receipts from installation, repair, maintenance, equipment or leasing services as gross receipts.

Special tax violations

Exhibit H provides the special tax assessments and refunds by citation.

Article VIII (citation R800 on Exhibit G) of the International Fuel Tax Agreement (IFTA) was the most frequently violated special tax item in the study for FY 2010. It specifies the taxable event is the consumption of motor fuels in the propulsion of qualified motor vehicles, except fuel consumed that is exempt from taxation by a jurisdiction. All motor fuel acquired that is normally subject to consumption tax is taxable unless the licensee provides proof to the contrary. Article VIII was violated 188 times and yielded $707,719 in net assessments for the state of Indiana. This represents 24 percent of total violations and 19 percent of net assessments. Article VIII was the most violated special tax citation in the FY 2009 and FY 2008 studies. The FY 2009 study had 239 violations with $1,066,643 net assessments, and FY 2008 had 181 violations with $470,420 net assessments.

Article X (citation R1000 on Exhibit H) of the International Fuel Tax Agreement (IFTA) was the second most frequently violated section of the special tax statutes in the study for FY 2010. This article discusses how taxpayers can obtain credit for tax previously paid on purchases of fuel at the pump. It also lists the records needed to substantiate the refund request. This article was violated 178 times, accounting for 23 percent of the total violations. These violations resulted in net refunds of $43,623. Article X had the second most violations in the FY 2009 and FY 2008 special tax citations. The FY 2009 study showed 231 violations with $74,784 net refunds, while FY 2008 showed 173 violations with $112,355 net refunds.

The taxpayer group most frequently in violation of the special tax statutes and IFTA Articles for FY 2010 was the wholesale, retail and transportation industries. This group committed 615 violations, accounting for 79 percent of the total violations. Article VIII of the International Fuel Tax Agreement was most frequently violated by the wholesale, retail and transportation industries. The FY 2009 statistics showed the wholesale, retail and transportation industries with the most violations (801), and the FY 2008 statistics showed the wholesale, retail and transportation industries with the most violations (666).

Miscellaneous code violations

Exhibit I provides the assessment amounts for the following:

- Tax Administration
- Food and Beverage Tax
- Innkeeper's Tax
- Charity Gaming

In FY 2010, the most violated miscellaneous code section was IC 6-9-8-2, which accounted for 15 (24 percent) violations. These violations yielded $307,156 in net assessments. IC 6-9-8-2 covers the Marion County Innkeepers Tax on the renting or furnishing, for periods of less than 30 days, any lodging in any hotel, motel, inn, tourist camp, tourist cabin or any other place in which lodgings are regularly furnished for consideration. In the FY 2009 study, IC 6-8.1-4-2 accounted for 19 (19 percent) miscellaneous code violations. IC 6-8.1-42 defines the audit and special tax division's powers and duties concerning any books, records or property relevant to the determination of a taxpayer's liability. In the FY 2008 study, 45 IAC 15-9-2, which discusses the statute of limitations for refunds, produced 20 (17 percent) miscellaneous code violations.

In FY 2010, the second most violated miscellaneous code section was IC 6-8.1-4-2, which accounted for 11 (17 percent) of the violations. In FY 2009, 45 IAC 15-9-2 and IC 13-20-13-7 had the second most violations with 10 each (20 percent). IC 13-20-13-7 defines new replacement tire and new vehicle tire fees. In FY 2008, IC 6-2.3-2-1 had the second most violations with 8 (7 percent), resulting in $923,337 in net assessments. This code section covers the utility receipts tax.

The arts, entertainment, recreation, food services and accommodations industries accounted for the most miscellaneous code violations in FY 2010 with 32 violations (51 percent). The wholesale, retail and transportation industries accounted for the second most miscellaneous code violations in FY 2010 with 13 violations (21 percent). The wholesale, retail and transportation industries accounted for the most miscellaneous code violations in FY 2009 with 35 violations (35 percent). The information, publishing, telecommunications, finance, rental, insurance, real estate, leasing and professional industries along with the arts, entertainment, recreation, food service and accommodations industries accounted for the second most code violations in FY 2009 with 16 violations (16 percent). The information, publishing, telecommunications, finance, rental, insurance, real estate, leasing and professional industries along with the arts, entertainment, recreation, food service and accommodations industries accounted for the most miscellaneous code violations in FY 2008 with 32 each (54 percent).

Number of years in the audit period

The audit period averages three years.

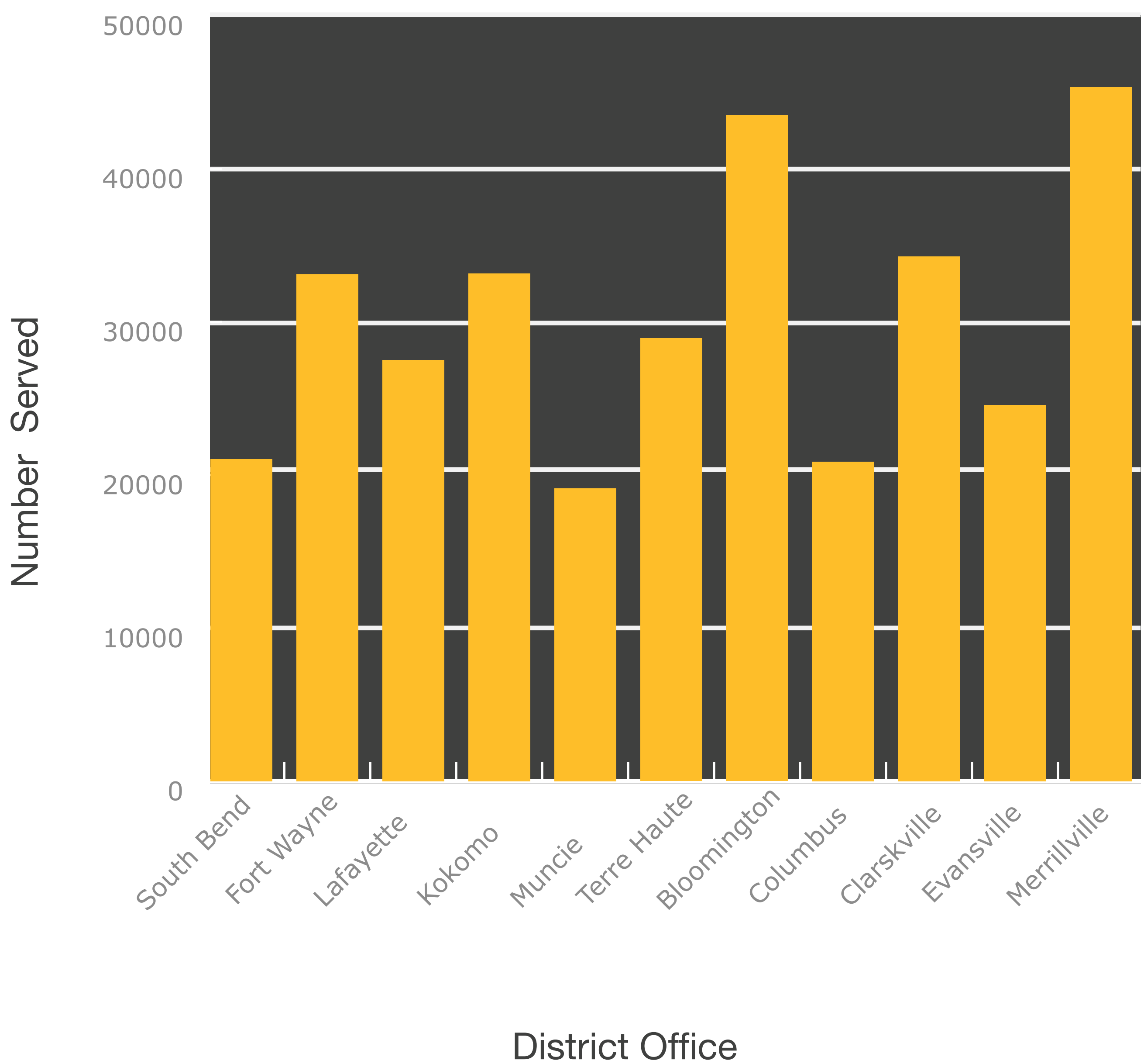
EXHIBITS

Taxpayer Assistance Report - Fiscal Year 2010

Audit Division District Offices

	South Bend	Fort Wayne	Lafayette	Kokomo	Muncie	Terre Haute	Bloomington	Columbus	Clarksville	Evansville	Merrillville	Totals
Walk-in Assistance	12,781	9,726	11,661	19,084	8,012	8,922	14,581	14,541	15,392	10,113	22,880	**147,693**
Telephone Assistance	8,252	23,389	15,852	14,088	11,112	20,014	28,931	6,337	18,886	14,472	22,482	**183,815**
Totals	21,033	33,115	27,513	33,172	19,124	28,936	43,512	20,878	34,278	24,585	45,362	**331,508**
Collected/ Assessed	$3,953,494	$3,359,882	$2,531,949	$3,273,815	$16,931,494	$2,414,038	$2,980,511	$4,059,721	$3,919,019	$2,956,446	$5,486,762	**$51,867,131**

Taxpayers Served in District Offices



Standard Industrial Codes

The Standard Industrial Codes (SIC) used in the audit division reports and exhibits are based on the North American Industry Classification System (NAICS). Refer to the following text to explain the industry classification numbering system.

Class	Explanation
1	Agricultural; Forestry
2	Mining; Oil and Gas Extraction; Construction
3	Manufacturing
4	Wholesale; Retail; Transportation
5	Information; Publishing; Telecommunications; Finance; Rental Insurance; Real Estate; Leasing; Professional Services
6	Education; Health Services
7	Arts; Entertainment; Recreation; Food Service; Accommodations
8	Repair; Personal Services; Other Services
9	Public Administration, Unrelated Business Activities

EXHIBIT C

2010

Sum of Amount	SIC									
Citation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**Grand Total**
45 IAC 2.2-1-1		11,287	79,666	58,944	6,426	(2,760)	1,159,157	71,608	20	1,384,348
45 IAC 2.2-2-1		8,536	46,478	37,042	13,877		21,334		5,555	132,822
45 IAC 2.2-2-2		(27,620)	53,730	1,901,647	18,475		106,391	25,441		2,078,064
45 IAC 2.2-2-3		672	(452)	199,075	118,104	54,387	(36)		8,696	380,446
45 IAC 2.2-2-4					470					470
45 IAC 2.2-3-10		911			(189)			(4,946)		(4,224)
45 IAC 2.2-3-12	11,217	1,584,656	22,784	67,099	24,708			25,419	3,990	1,739,873
45 IAC 2.2-3-13		64,854	105,410	423,505	(421,106)	575	86,425	30,388		290,051
45 IAC 2.2-3-15		6,888	53,993	12,316	11,143	729	1,498			86,567
45 IAC 2.2-3-16		175		(27,469)						(27,294)
45 IAC 2.2-3-18				132,642	968		(1,334)	32	1,748	134,056
45 IAC 2.2-3-20	28,517	649,136	463,449	1,706,316	929,220	185,295	441,177	323,024	18,516	4,744,650
45 IAC 2.2-3-21		245	(3,121)	27,316						24,440
45 IAC 2.2-3-22				2,888					1,528	4,416
45 IAC 2.2-3-24		201					3,974	328,424		332,599
45 IAC 2.2-3-25				5,064						5,064
45 IAC 2.2-3-27	294	49,512	9,613	17,154	1,497	4,517	53,008	23,958	3,682	163,235
45 IAC 2.2-3-30					3,023					3,023
45 IAC 2.2-3-37		34								34
45 IAC 2.2-3-4	1,969	343,894	1,030,370	880,345	953,449	60,448	527,473	(67,613)	1,200,233	4,930,568
45 IAC 2.2-3-5	780	1,910		426,050	2,971		1,334	223		433,268
45 IAC 2.2-3-7	917	6,079	14,624	576						22,196
45 IAC 2.2-3-8		680,620	(8,342)	(4,225)	9,393		779	(85,178)		593,047
45 IAC 2.2-3-9		1,033,880	15,940	(32,105)	8,639		2,782	80,169	2,048	1,111,353
45 IAC 2.2-4-1	75,817	85,008	95,327	361,218	146,902	3,994	936	324,940	129,465	1,223,607
45 IAC 2.2-4-11	127	211,577	41,361							253,065
45 IAC 2.2-4-13		(49,100)	(285,969)	(24,134)	(94,999)		(1,018)			(455,220)
45 IAC 2.2-4-2	73	22,248	23,860	229,730	23,770	67,048	13,572	45,679		425,980
45 IAC 2.2-4-21		5,306		(77,129)	526		996		3,204	(67,097)
45 IAC 2.2-4-22		251,448	30,681	(5,162)	136			1,752		278,855
45 IAC 2.2-4-23		(2,796)		1,292						(1,504)
45 IAC 2.2-4-26		1,174,443	14,850	18,818	49,295			19,764	3,587	1,280,757
45 IAC 2.2-4-27		71,032	58,788	73,653	123,451	32,771	38,193	12,919	2,681	413,488
45 IAC 2.2-4-28					993					993
45 IAC 2.2-4-3		5,424	14,420	2,725	11,380		12	10,828	6	44,795
45 IAC 2.2-4-30					147		1,474			1,621
45 IAC 2.2-4-4					(1,345)		39,156			37,811
45 IAC 2.2-4-6				8,393	40,886					49,279
45 IAC 2.2-4-7		163		2,695	7,436					10,294
45 IAC 2.2-4-8		1,856	507	7,481	9,722		351,197	744		371,507
45 IAC 2.2-4-9		270	536	92		435	191	147		1,671
45 IAC 2.2-5-1	14,658			14,980						29,638
45 IAC 2.2-5-10			(73,817)	45,388	7,675		349	(348,149)		(368,554)
45 IAC 2.2-5-11			8,944							8,944

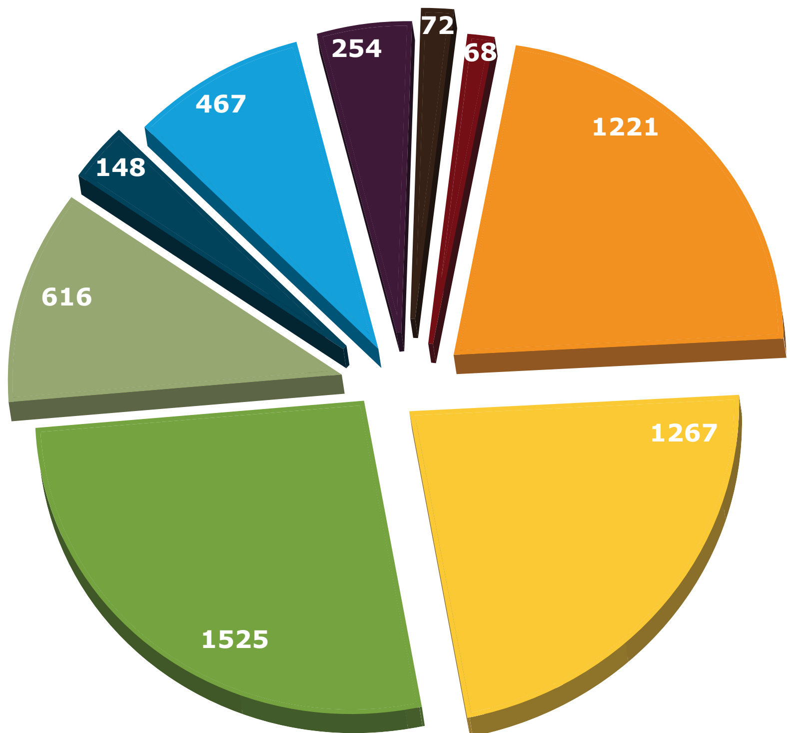
EXHIBIT C

2010

Sum of Amount	SIC									
Citation	1	2	3	4	5	6	7	8	9	Grand Total
45 IAC 2.2-5-12	21,260	6,654	16,910	22,297	(477)		23,233	(58,057)		31,820
45 IAC 2.2-5-13	21,240			49,456	4,629					75,325
45 IAC 2.2-5-14		(7,574)	(44,915)	(45,094)	(1,462)		(7,584)			(106,629)
45 IAC 2.2-5-15	1,164	(8,856)	(25,862)	15,570	(19,574)	(856)	32,179	(8,327)	(1,703)	(16,265)
45 IAC 2.2-5-16	(566)	(400)	(3,252)	(3,788)	33,506		(51)			25,449
45 IAC 2.2-5-17		1,108,712								1,108,712
45 IAC 2.2-5-18		19,382			179,449					198,831
45 IAC 2.2-5-19		9,298			16,476					25,774
45 IAC 2.2-5-20		804		3,405	23,974					28,183
45 IAC 2.2-5-24		113					20,830			20,943
45 IAC 2.2-5-25		(1,829)								(1,829)
45 IAC 2.2-5-26	317	15,734	10,676	68,172	53,157	39,508	3,623	4,357	314	195,858
45 IAC 2.2-5-28						(138,488)		1,986,371		1,847,883
45 IAC 2.2-5-3	478									478
45 IAC 2.2-5-34						(5,321)				(5,321)
45 IAC 2.2-5-35						15,819				15,819
45 IAC 2.2-5-36					59,224	416,683				475,907
45 IAC 2.2-5-38				218,485		(51)	(56,778)			161,656
45 IAC 2.2-5-39	(57)		(282)		(960)		(6,557)			(7,856)
45 IAC 2.2-5-4	39,735	(132)	20,968	29,030	4,880				3,941	98,422
45 IAC 2.2-5-40		1,066		4,955	136		63,030			69,187
45 IAC 2.2-5-42			2,209	991						3,200
45 IAC 2.2-5-43		81			36,785		56,176			93,042
45 IAC 2.2-5-45			109	217			16,357			16,683
45 IAC 2.2-5-5	1,198		742							1,940
45 IAC 2.2-5-54			(55)	3,484						3,429
45 IAC 2.2-5-55							270,554		1,341	271,895
45 IAC 2.2-5-6	25,630									25,630
45 IAC 2.2-5-61		3,921	8,876	25,918						38,715
45 IAC 2.2-5-62				(5,423)	7,515					2,092
45 IAC 2.2-5-69				93,343						93,343
45 IAC 2.2-5-7	120,783		2,441	7,605						130,829
45 IAC 2.2-5-70			5,782							5,782
45 IAC 2.2-5-8		192,645	2,997,520	311,108	264,102	6,270	64,996	(1,007,524)	15,661	2,844,778
45 IAC 2.2-5-9		52,436			8,038					60,474
45 IAC 2.2-6-1		4,044	5,216	45,892	7,403					62,555
45 IAC 2.2-6-12		(272)	(2,651)	3,022,925	(873,675)			(88)	(167)	2,146,072
45 IAC 2.2-6-14		1,853	384	121,052	630		(5,018)	787	283	119,971
45 IAC 2.2-6-15		(166)		(354)						(520)
45 IAC 2.2-6-8	14,043	(133,627)	247,567	965,159	403,361	1,176	171,094	74,430	(29,879)	1,713,324
45 IAC 2.2-7-2				372,774						372,774
45 IAC 2.2-7-3				12,163						12,163
45 IAC 2.2-7-4				510						510
45 IAC 2.2-7-5				61,520						61,520
45 IAC 2.2-7-6				2,420						2,420
45 IAC 2.2-7-7				159,055						159,055
45 IAC 2.2-8-12	2,963	33,505	72,526	321,855	469,968	1,449	3,466	4,423	7,663	917,818
Grand Total	**382,557**	**7,490,141**	**5,128,539**	**12,378,922**	**2,684,128**	**743,628**	**3,498,570**	**1,815,945**	**1,382,413**	**35,504,843**

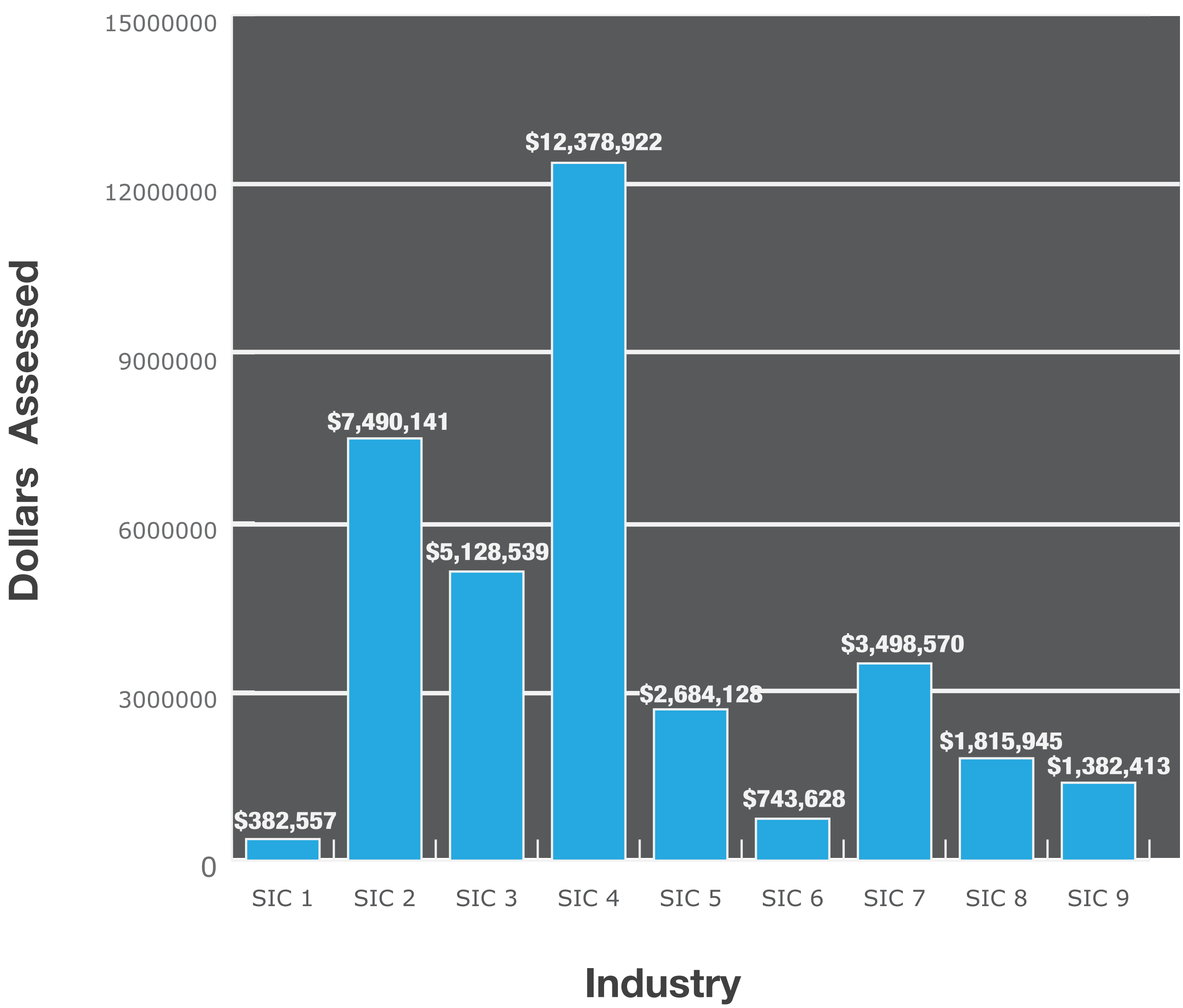
EXHIBIT C

Number of **Sales and Use Tax Violations** by Industry Code



- **SIC 1** Agricultural; Forestry
- **SIC 2** Mining; Oil and Gas Extraction; Construction
- **SIC 3** Manufacturing
- **SIC 4** Wholesale; Retail; Transportation
- **SIC 5** Information; Publishing; Telecommunications; Finance; Rental Insurance; Real Estate; Leasing; Professional Services
- **SIC 6** Education; Health Services
- **SIC 7** Arts; Entertainment; Recreation; Food Service; Accommodations
- **SIC 8** Repair; Personal Services; Other Services
- **SIC 9** Public Administration

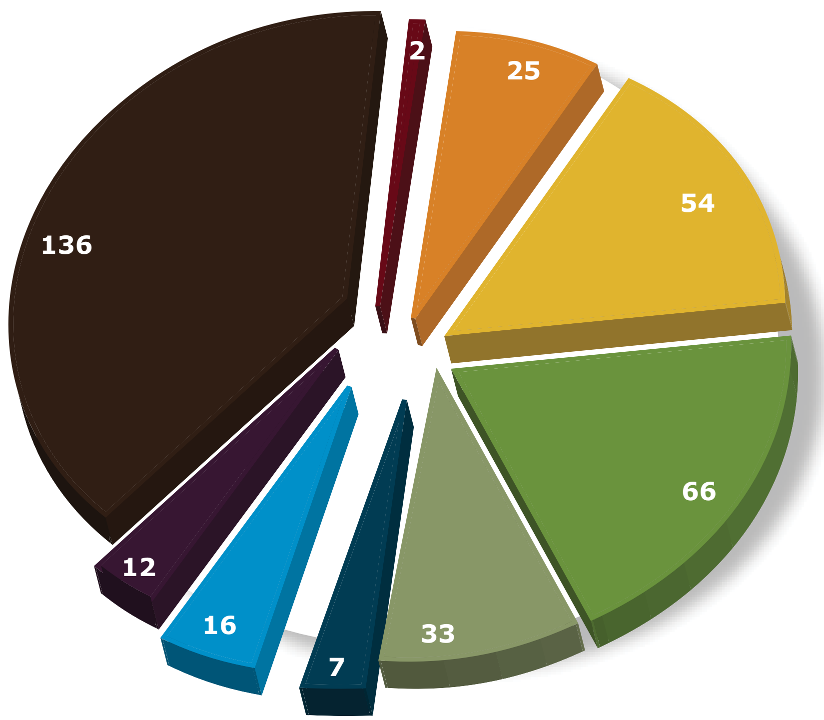
Sales and Use Tax Dollars Assessed by Industry Group



Sum of Amount	SIC									
Citation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**Grand Total**
45 IAC 3.1-1-1		3,900	1,322	46,918				82,637	204,236	**339,013**
45 IAC 3.1-1-107					599				1,526	**2,125**
45 IAC 3.1-1-109		894		6,940	376					**8,210**
45 IAC 3.1-1-110			(8,397)	6,124,880						**6,116,483**
45 IAC 3.1-1-111			64,952							**64,952**
45 IAC 3.1-1-153									24,051	**24,051**
45 IAC 3.1-1-2		3,467	(3,161)	1,237		67,436			205,206	**274,185**
45 IAC 3.1-1-25									7,285	**7,285**
45 IAC 3.1-1-29								859,641	680	**860,321**
45 IAC 3.1-1-3									4,374	**4,374**
45 IAC 3.1-1-37			6,384,028					238,429	136,137	**6,758,594**
45 IAC 3.1-1-38			29,171,122	17,627				3,727,768		**32,916,517**
45 IAC 3.1-1-39			14,115		68,938				19,062	**102,115**
45 IAC 3.1-1-40			(11,703)		59,618				(223,142)	**(175,227)**
45 IAC 3.1-1-48		(212)	2,681,989							**2,681,777**
45 IAC 3.1-1-49			31				2,677		875	**3,583**
45 IAC 3.1-1-5				(2,286,000)			(620)		3,135	**(2,283,485)**
45 IAC 3.1-1-50			58,462	214						**58,676**
45 IAC 3.1-1-51		(19,703)		254				(256,827)	16,600	**(259,676)**
45 IAC 3.1-1-52			1,760	(2,575,521)	496	(5,282)		(198,540)	3,422	**(2,773,665)**
45 IAC 3.1-1-53		454,946	17,501	1,267,666						**1,740,113**
45 IAC 3.1-1-55				773			13,454			**14,227**
45 IAC 3.1-1-59				161,032						**161,032**
45 IAC 3.1-1-60				2,135						**2,135**
45 IAC 3.1-1-62			12,755	15,737,697	27,004,660	786,467	1,920,220			**45,461,799**
45 IAC 3.1-1-65						29,294				**29,294**
45 IAC 3.1-1-66								11,635	71,997	**83,632**
45 IAC 3.1-1-7		312							87,219	**87,531**
45 IAC 3.1-1-8		(148,274)	1,356,273	344,229	279,888		7,290,391	138,710	994,614	**10,255,831**
45 IAC 3.1-1-9	17,152	(70,148)	43,908	1,291,665	1,183,595		(18)	2,226,239	(172,754)	**4,519,639**
45 IAC 3.1-1-94			1,453	45,538	1,366					**48,357**
45 IAC 3.1-1-97	650	74,466	75,894	40,891	117,932	1,784	34,699	2,420		**348,736**
45 IAC 3.1-3-1				257			10,600		4,993	**15,850**
45 IAC 3.1-3-7		782								**782**
45 IAC 3.1-3-8					851		215			**1,066**
Grand Total	**17,802**	**300,430**	**39,862,304**	**20,228,432**	**28,718,319**	**879,699**	**9,271,618**	**6,832,112**	**1,389,516**	**107,500,232**

EXHIBIT D

Number of **Adjusted Gross Income Tax Violations** by Industry Group



SIC 1 Agricultural; Forestry

SIC 2 Mining; Oil and Gas Extraction; Construction

SIC 3 Manufacturing

SIC 4 Wholesale; Retail; Transportation

SIC 5 Information; Publishing; Telecommunications; Finance; Rental

SIC 6 Education; Health Services

SIC 7 Arts; Entertainment; Recreation; Food Service; Accommodations

SIC 8 Repair; Personal Services; Other Services

SIC 9 Public Administration

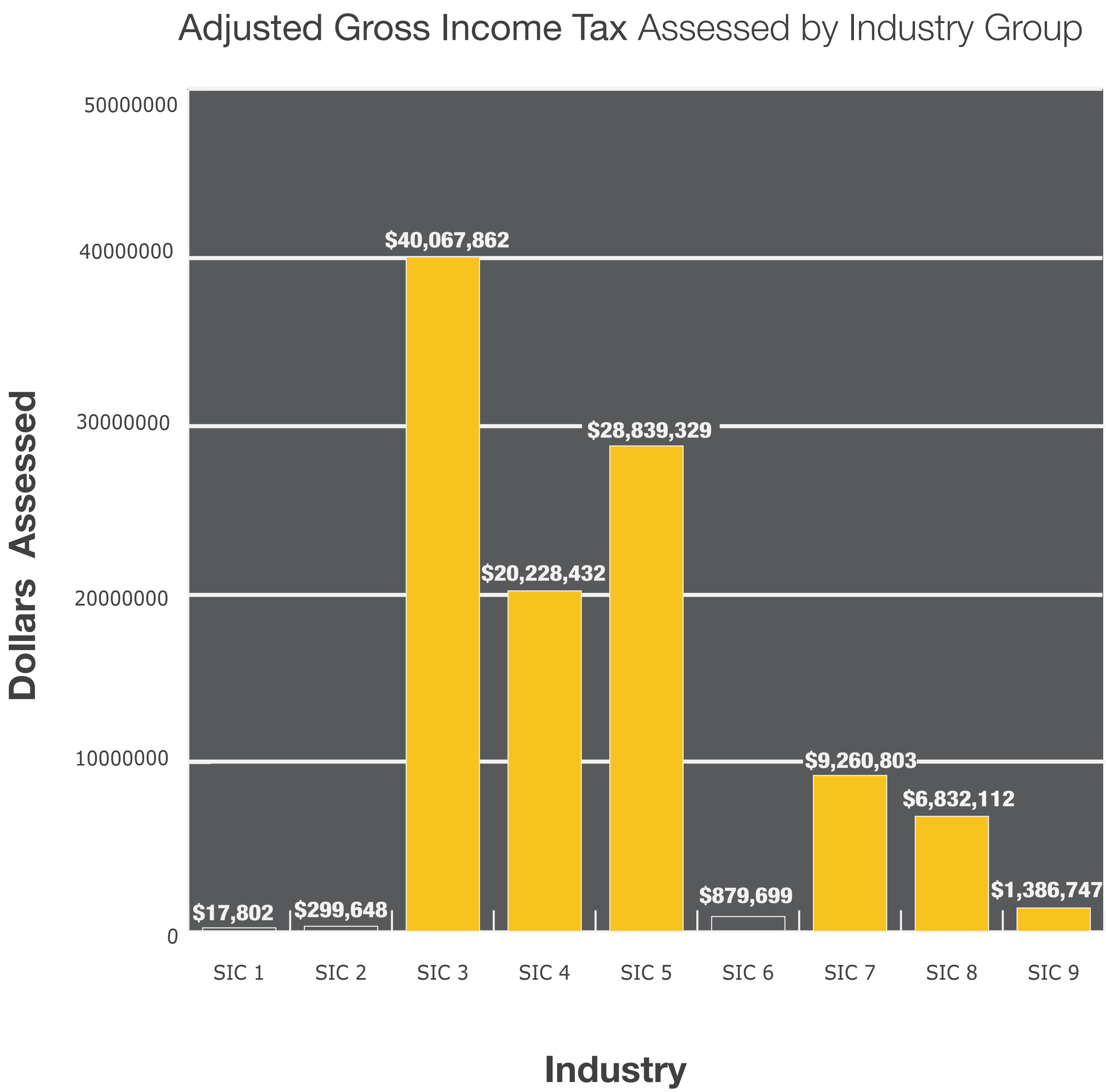
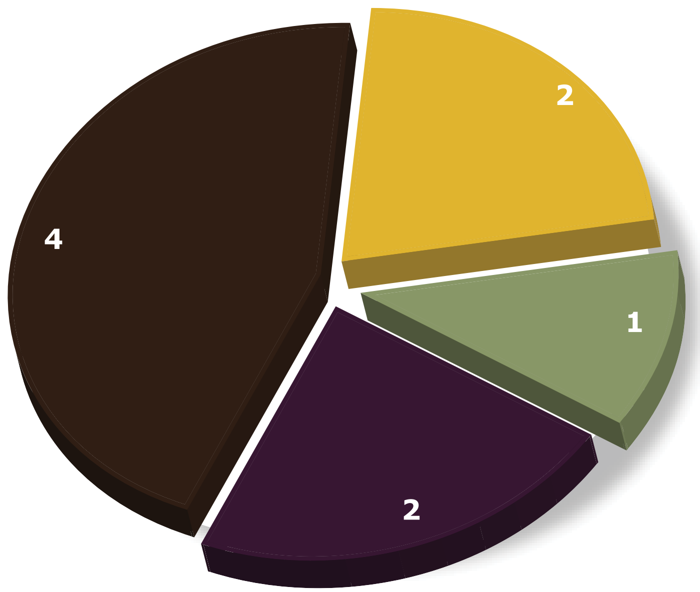

Adjusted Gross Income Tax Assessed by Industry Group
50000000
40000000
30000000
20000000
10000000
0
Dollars Assessed
$17,802
$299,648
$40,067,862
$20,228,432
$28,839,329
$879,699
$9,260,803
$6,832,112
$1,386,747
SIC 1
SIC 2
SIC 3
SIC 4
SIC 5
SIC 6
SIC 7
SIC 8
SIC 9
Industry

EXHIBIT E

Sum of Amount	SIC									
Citation	1	2	3	4	5	6	7	8	9	Grand Total
45 IAC 17-2-6								363,904		363,904
45 IAC 17-3-1			153,492		87,458					240,950
45 IAC 17-3-4									215	215
45 IAC 17-3-5								(24,346)		(24,346)
45 IAC 17-3-6									6,759,429	6,759,429
45 IAC 17-3-9	0	0		0		0	0		19,994	19,994
Grand Total	**0**	**0**	**153,492**	**0**	**87,458**	**0**	**0**	**339,558**	**6,779,638**	**7,360,146**

EXHIBIT E

Number of **Finanacial Institutions Tax Violations** by Industry Group



- **SIC 1** Agricultural; Forestry
- **SIC 2** Mining; Oil and Gas Extraction; Construction
- **SIC 3** Manufacturing
- **SIC 4** Wholesale; Retail; Transportation
- **SIC 5** Information; Publishing; Telecommunications; Finance; Rental Insurance; Real Estate; Leasing; Professional Services
- **SIC 6** Education; Health Services
- **SIC 7** Arts; Entertainment; Recreation; Food Service; Accommodations
- **SIC 8** Repair; Personal Services; Other Services
- **SIC 9** Public Administration

Financial Institutions Dollars Assessed by Industry Group

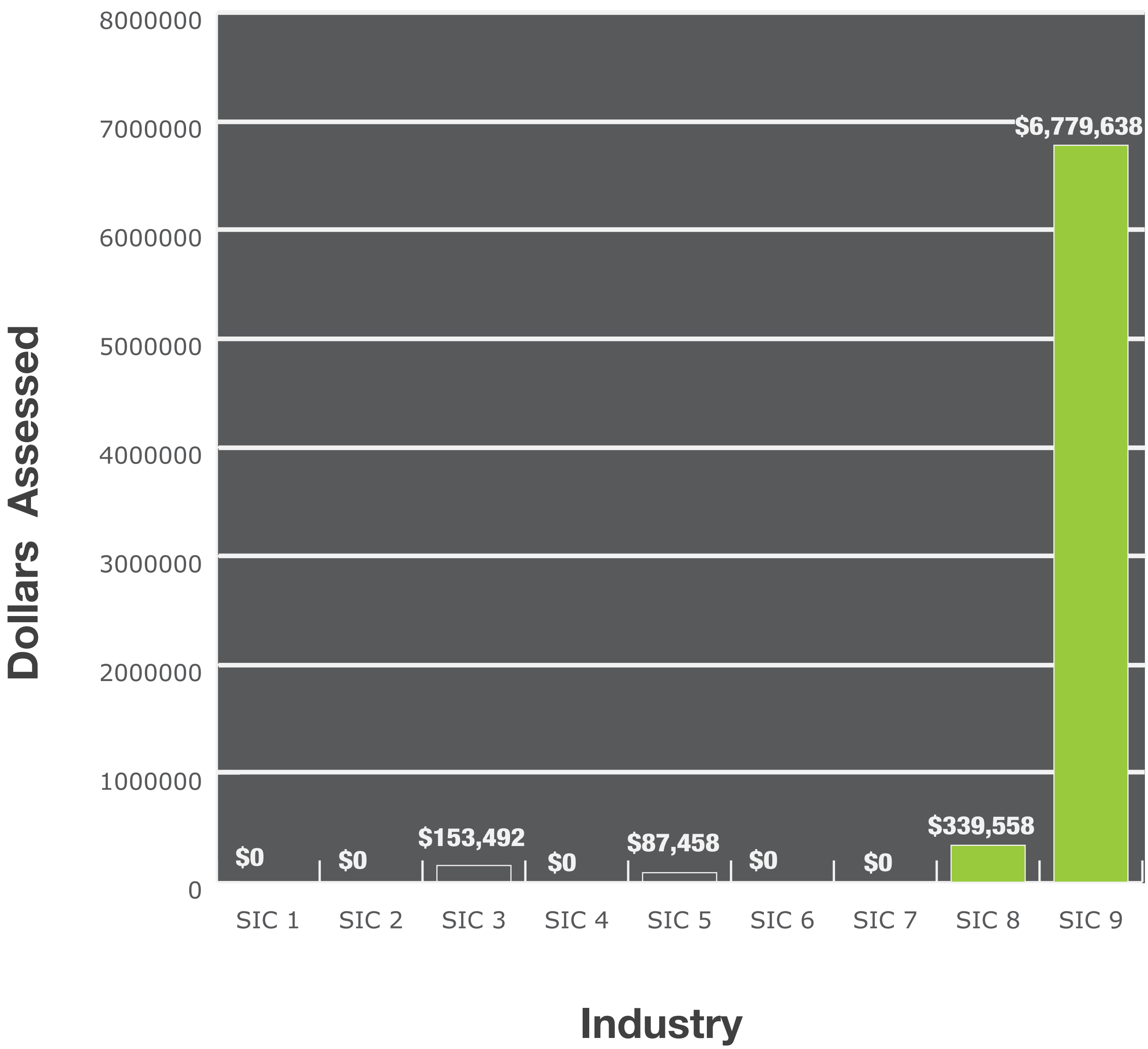


EXHIBIT F

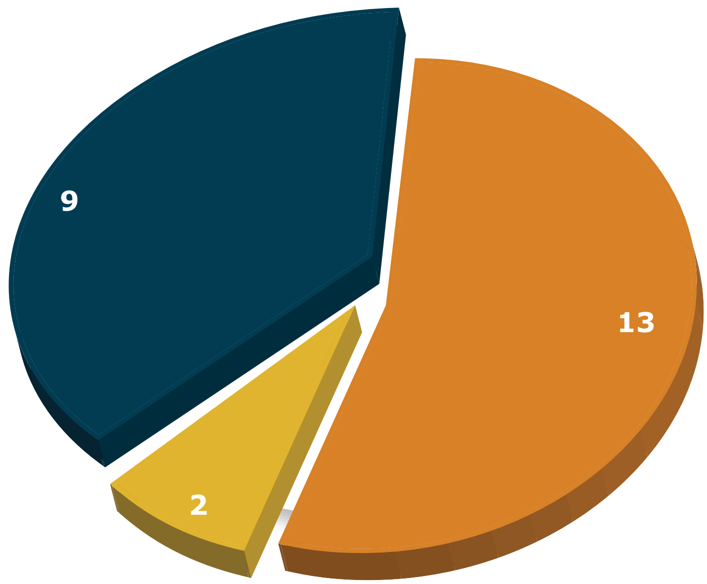
2010

Sum of Amount	SIC									
Citation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**Grand Total**
IC 6-2.3-1-13		587			1,008,067					**1,008,654**
IC 6-2.3-2-1		305,107	3,553		34,084					**342,744**
IC 6-2.3-3-10	0	2,995		0	(293,734)	0	0	0	0	**(290,739)**
Grand Total	**0**	**308,689**	**3,553**	**0**	**748,417**	**0**	**0**	**0**	**0**	**1,060,659**

EXHIBIT F

2010

Number of **Utility Receipts Tax Violations** by Industry Group



	SIC 1	Agricultural; Forestry
	SIC 2	Mining; Oil and Gas Extraction; Construction
	SIC 3	Manufacturing
	SIC 4	Wholesale; Retail; Transportation
	SIC 5	Information; Publishing; Telecommunications; Finance; Rental Insurance; Real Estate; Leasing; Professional Services
	SIC 6	Education; Health Services
	SIC 7	Arts; Entertainment; Recreation; Food Service; Accommodations
	SIC 8	Repair; Personal Services; Other Services
	SIC 9	Public Administration

Utility Receipts Dollars Assessed by Industry Group

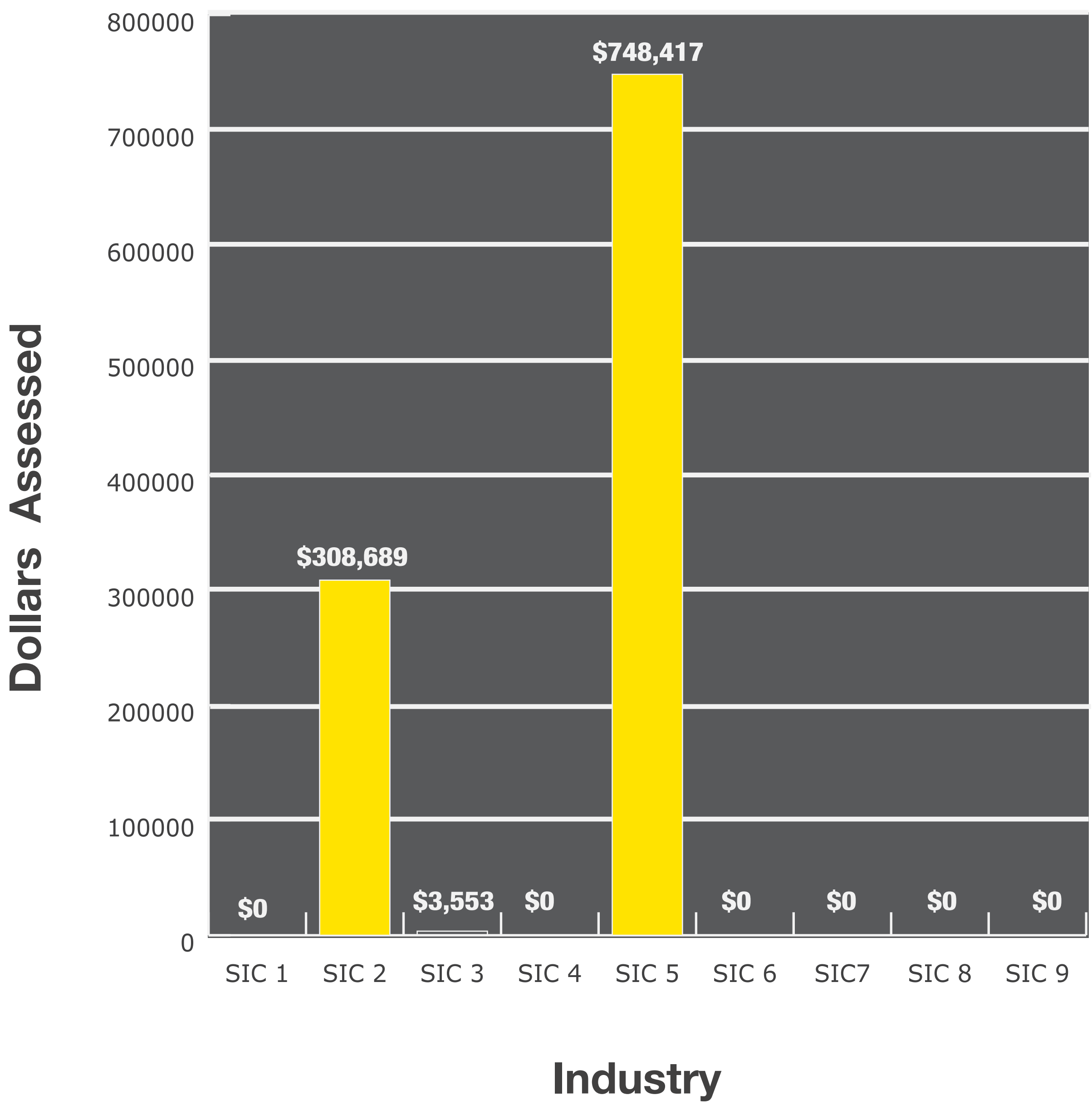


EXHIBIT G

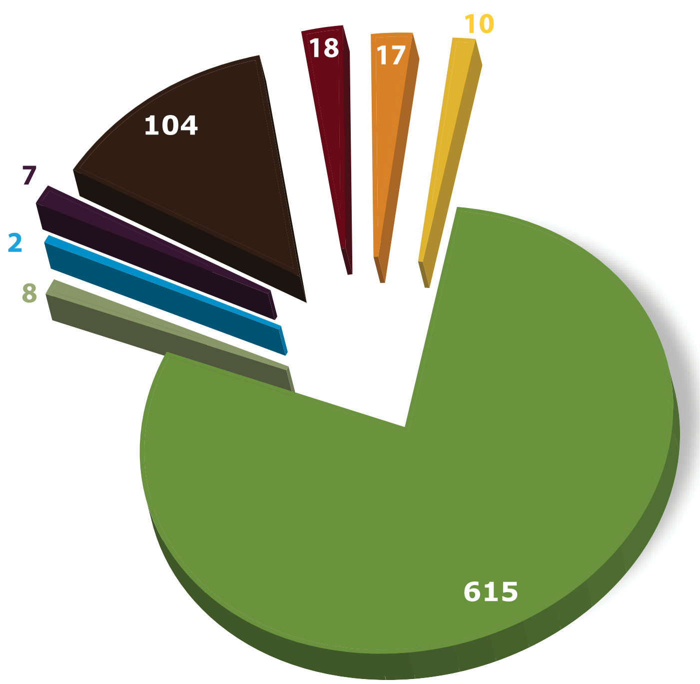
2010

Sum of Amount	SIC								
Citation	**1**	**2**	**3**	**4**	**5**	**7**	**8**	**9**	**Grand Total**
A550				10,370				3,592	13,962
IC 16-44-2-18				120					120
IC 16-44-2-18.5			7,125	221					7,346
IC 6-6-1.1-301				92					92
IC 6-6-2.5-08				942					942
IC 6-6-2.5-28	480		114,008	3,635					118,123
IC 6-6-2.5-30				12,564				12,267	24,831
IC 6-6-4.1-201				1,090					1,090
IC 6-6-4.1-4			579	267,227				(254)	267,552
IC 6-6-4.1-6			(343)	(134,908)				164	(135,087)
IC 6-6-5.5-8	335	130		113,325				20,518	134,308
IC 6-7-1-1					1,979			1,729	3,708
IC 6-7-1-18				28,675					28,675
IC 6-7-1-19	24,856				3,600			38,056	66,512
IC 6-7-2				3,403				769	4,172
IC 6-7-2-12				252,133	195	34,784		202,291	489,403
IC 6-7-2-13				175					175
IC 6-7-2-14				261,665			3,041		264,706
IC 6-7-2-7				937,572	4,331	22,876	134,852	332,469	1,432,100
IC 6-7-2-8								11,891	11,891
IC 7.1-4-3-1				59,733					59,733
IC 7.1-4-4-1				62,908					62,908
IRP ARtICle II-204		172						(263)	(91)
IRP ARtICle XV-1502				106,676				27,688	134,364
IRP ARtICle XVII-1700		(2,107)		(3,291)				3,037	(2,361)
R1000	1,525	3,955	72	(28,865)	(590)		(10,434)	(9,286)	(43,623)
R550								2,246	2,246
R800	12,403	5,752	9	615,535	10,937		46,308	16,775	707,719
XV-1502	692	104		143,983				14,251	159,030
XVII-1700	(113)			403					290
Grand Total	**40,178**	**8,006**	**121,450**	**2,715,383**	**20,452**	**57,660**	**173,767**	**677,940**	**3,814,836**

EXHIBIT G

2010

Number of **Special Tax Violations** by Industry Group



SIC 1	Agricultural; Forestry
SIC 2	Mining; Oil and Gas Extraction; Construction
SIC 3	Manufacturing
SIC 4	Wholesale; Retail; Transportation
SIC 5	Information; Publishing; Telecommunications; Finance; Rental Insurance; Real Estate; Leasing; Professional Services
SIC 6	Education; Health Services
SIC 7	Arts; Entertainment; Recreation; Food Service; Accommodations
SIC 8	Repair; Personal Services; Other Services
SIC 9	Public Administration

Special Tax Dollars Assessed by Industry Group

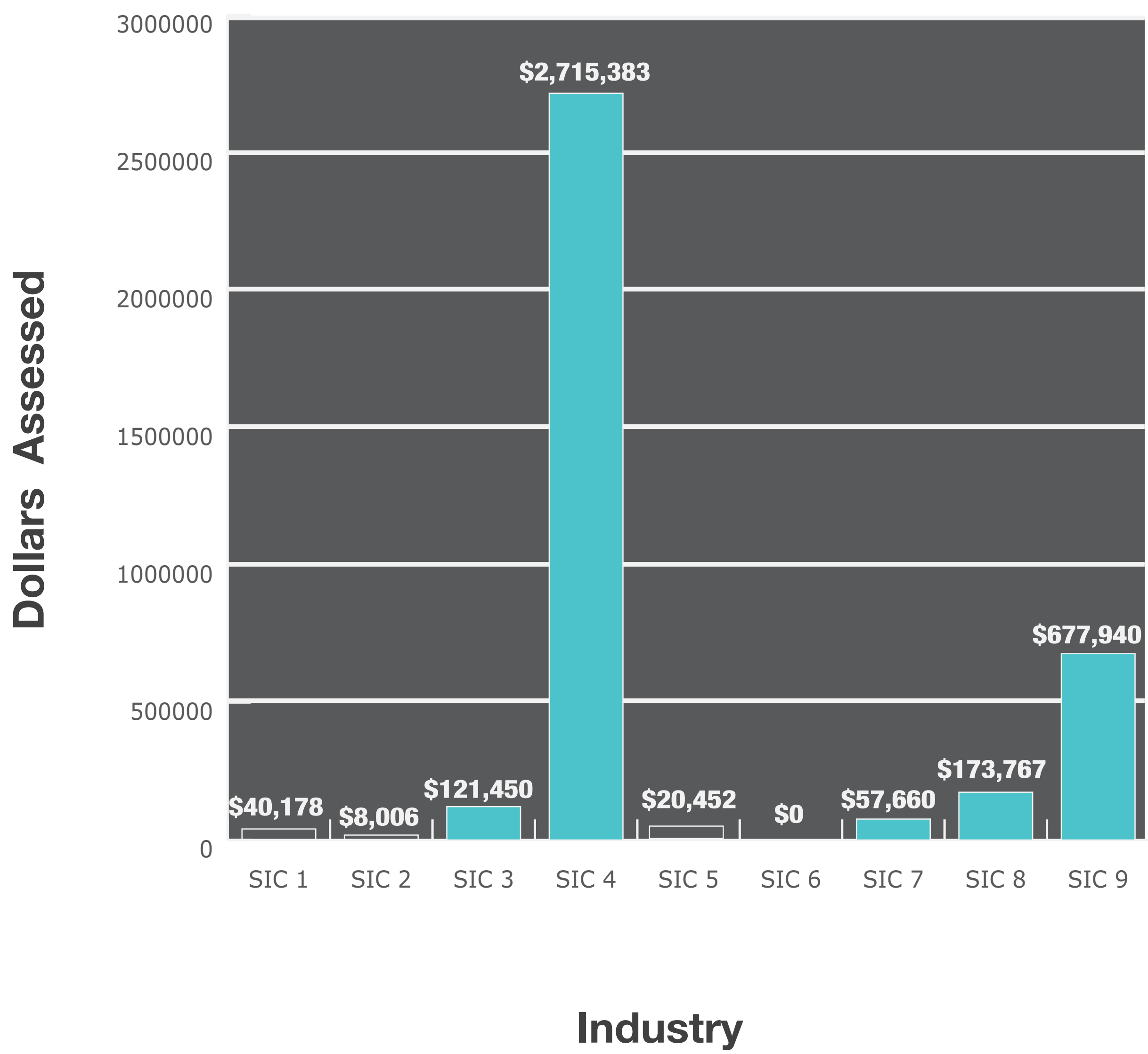
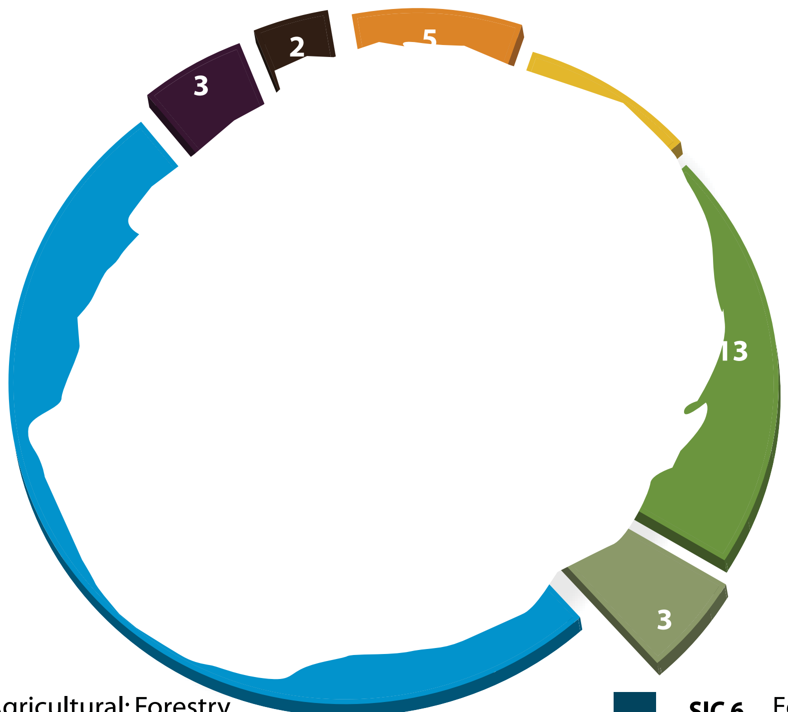


EXHIBIT H

2010

Sum of Amount	SIC								
Citation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**Grand Total**
45 IAC 15-5-1							2,955			**2,955**
45 IAC 15-5-7		2,297							862	**3,159**
45 IAC 15-9-1								73,122		**73,122**
45 IAC 15-9-2			35,982	705						**36,687**
IC 13-20-13-7				7,647						**7,647**
IC 6-6-9-7				2,843						**2,843**
IC 6-8.1-4-2		650	10,748	232,881	4,131		(5,838)			**242,572**
IC 6-8.1-5-1				41,549					22,963	**64,512**
IC 6-8.1-5-2		2,515		111,684						**114,199**
IC 6-8.1-5-29							60,064			**60,064**
IC 6-8.1-5-4		9,044								**9,044**
IC 6-8.1-9-1								275,718		**275,718**
IC 6-9-12-3				(48)			12,477			**12,429**
IC 6-9-12-6							7,073			**7,073**
IC 6-9-12-7							29,545			**29,545**
IC 6-9-27-4				(248)						**(248)**
IC 6-9-3-4							5,378			**5,378**
IC 6-9-35-1							45,694			**45,694**
IC 6-9-35-8					1,202					**1,202**
IC 6-9-8-2	0					0	307,156			**307,156**
Grand Total	**0**	**14,506**	**46,730**	**397,013**	**5,333**	**0**	**464,504**	**348,840**	**23,825**	**1,300,751**

Number of **Miscellaneous Code Violations** by Industry Group



SIC 1 Agricultural; Forestry

SIC 2 Mining; Oil and Gas Extraction; Construction

SIC 3 Manufacturing

SIC 4 Wholesale; Retail; Transportation

SIC 5 Information; Publishing; Telecommunications; Finance; Rental Insurance; Real Estate; Leasing; Professional Services

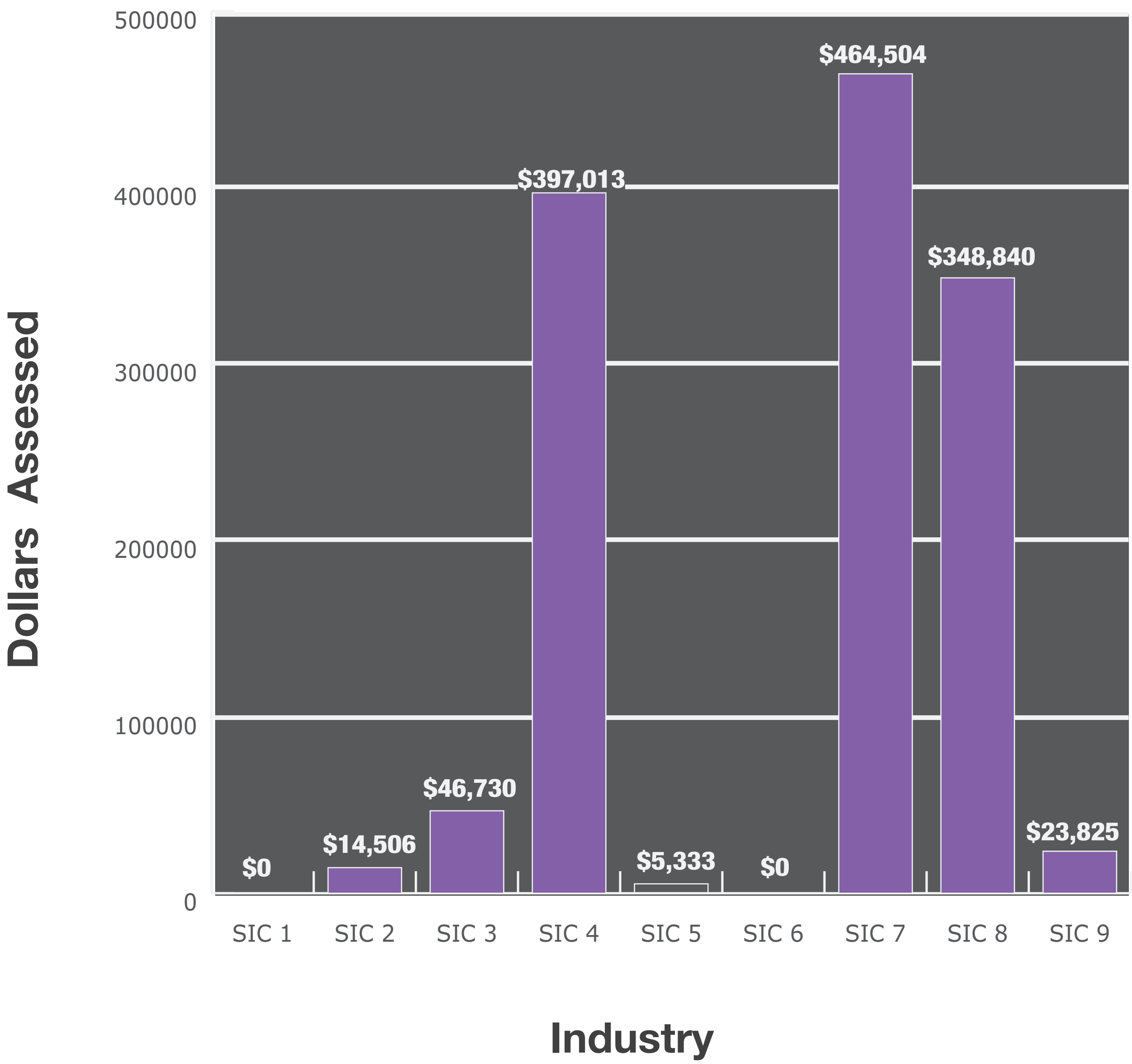
SIC 6 Education; Health Services

SIC 7 Arts; Entertainment; Recreation; Food Service; Accommodations

SIC 8 Repair; Personal Services; Other Services

SIC 9 Public Administration

Miscellaneous Code Dollars Assessed by Industry Group



This section provides recommendations for improved taxpayer compliance and Department administration during FY 2010.

2010 ENROLLED ACTS

SENATE BILLS

SB 23, SECTION 15, IC 6-3.1-13-15.5 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – eliminates the requirement that an existing business must have at least 35 employees to qualify for an EDGE credit for job retention.

SECTION 16, IC 6-3.1-33 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – creates a new employer tax credit for a corporation or pass-through entity that, after December 31, 2009, either relocates or locates the operations of a business in Indiana, incorporates or otherwise first organizes in Indiana, or expands its operations in Indiana, and employs at least 10 new qualified employees. Requires the Indiana Economic Development Corporation to approve taxpayers for the credit and provides that the credit is 10% of the wages paid by the new business to qualified employees during a 24-month period.

SB 65, SECTION 1, IC 6-4.1-4-0.5 [EFFECTIVE JULY 1, 2010] – specifies the requirements of an affidavit used to state that no inheritance tax is due after applying statutory exemptions to each transferee receiving property as a result of the decedent's death.

SECTIONS 2 AND 3, IC 6-4.1-4-1 AND IC 6-4.1-4-7 [EFFECTIVE JULY 1, 2010] – require that inheritance tax returns include all taxable transfers known to the person filing the return.

SB 74, SECTION 1 THROUGH 3, IC 8-2.1-24-1, IC 8-2.1-24-3, IC 8-2.1-24-18 [EFFECTIVE UPON PASSAGE] – exempt motor vehicles operating exclusively in intrastate commerce that have a gross vehicle weight of less than 26,000 pounds, are not for hire, are not designed to transport more than 16 passengers, and are not used to transport hazardous waste from the intrastate motor carrier safety and insurance certification requirements.

SECTIONS 4 THROUGH 11, IC 9-13-2-2.2, IC 9-13-2-29, IC 9-13-2-35, IC 9-13-2-38, IC 9-13-2-105, IC 9-13-2-173, IC 9-13-2-196, IC 9-24-6-0.3 [EFFECTIVE JULY 1, 2010] – define the following terms in the Indiana Code to conform to 49 CFR 383.5, the motor carrier safety administration regulations: alcohol, commercial driver's license, controlled substance, conviction, motor vehicle, state and vehicle.

SECTION 12, IC 9-24-6-6 [EFFECTIVE JULY 1, 2010] – provides that a person who holds a commercial driver's license commits a serious traffic violation if he violates any provisions in this section even if the person is not operating a commercial motor vehicle. Adds the following violations to the definition of a serious traffic violation: (1) operating a commercial motor vehicle without having ever obtained a commercial motor vehicle; (2) operating a commercial motor vehicle without a commercial driver's license in the possession of the individual; (3) operating a commercial motor vehicle without the proper class of endorsement of a commercial driver's license.

SECTION 13, IC 9-24-6-8 [EFFECTIVE JULY 1, 2010] – provides for disqualifying offenses if a person holds any class of commercial driver's license and the offense occurs whether or not the person was operating a commercial motor vehicle.

SECTION 14, IC 9-24-6-17 [EFFECTIVE JULY 1, 2010] – provides that it is a Class C misdemeanor if a person knowingly allows another person to drive a commercial motor vehicle if the other person is disqualified from driving a commercial motor vehicle or the vehicle is driven and the motor carrier operation is subject to an out-of-service order.

SECTION 15, IC 9-24-6-19 [EFFECTIVE JULY 1, 2010] – increases the civil penalties if a person or an employer knowingly operates a vehicle in violation of an out-of-service order.

SB 222, SECTIONS 35 THROUGH 37, IC 6-6-1.1-906, IC 6-8.1-1-8, IC 6-8.1-14-2, [EFFECTIVE UPON PASSAGE] – correct internal references to other parts of the Indiana Code.

SECTION 44, IC 8-2.1-24-18 [EFFECTIVE UPON PASSAGE] – corrects internal references to other parts of the Indiana Code.

HOUSE BILLS

HB 1084, SECTION 5, IC 9-21-8-58 [EFFECTIVE JULY 1, 2010] – provides that intrastate carriers of metal coils may not carry a load heavier than 5,000 pounds unless the operator transporting the metal coils is certified in proper load securement as provided in 49 CFR 393.120. Requires the Department to adopt rules concerning certification in proper load securement.

SECTION 7, NONCODE [EFFECTIVE UPON PASSAGE] – requires the Department to carry out the duties of IC 9-21-8-58 under interim written guidelines approved by the commissioner.

HB 1086, SECTION 43, IC 6-2.5-1-5 [EFFECTIVE JULY 1, 2010] – provides that telecommunications nonrecurring charges are not included in the definition of gross retail income.

SECTION 44, IC 6-2.5-1-14.5 [EFFECTIVE JULY 1, 2010] – defines a computer software maintenance contract as a contractual obligation to provide a customer with future updates or upgrades of computer software.

SECTION 45, IC 6-2.5-1-27.2 [EFFECTIVE JULY 1, 2010] – defines telecommunications nonrecurring charges to mean amounts billed for installation, connection, change or initiation of a telecommunications service.

SECTION 46, IC 6-2.5-1-28.5 [EFFECTIVE JULY 1, 2010] – defines the phrase "transferred electronically" as something obtained by a purchaser by means other than tangible storage media.

SECTION 47, IC 6-2.5-2-2 [EFFECTIVE JULY 1, 2010] – eliminates the sales tax brackets and makes a technical change to the rounding rule.

SECTION 48, IC 6-2.5-4-16.4 [EFFECTIVE JULY 1, 2010] – provides that the sale of digital code that may be used to obtain a product transferred electronically shall be taxed in the same manner as the product transferred electronically. Also defines "digital code" to mean a method that permits a purchaser to obtain a product transferred electronically at a later date.

SECTION 49, IC 6-2.5-4-17 [EFFECTIVE JULY 1, 2010] – provides that a person is a retail merchant making a retail transaction when the person enters into a computer software maintenance contract to provide future updates or upgrades to computer software.

SECTION 50, IC 6-2.5-5-18 [EFFECTIVE JULY 1, 2010] – clarifies that the sale or rental of mobility enhancing equipment is exempt from the sales tax, if prescribed by a person licensed to issue the prescription.

SECTION 51, IC 6-2.5-5-20 [EFFECTIVE JULY 1, 2010] – clarifies that dietary supplements are not food items that would be exempt from the sales tax.

SECTION 52, IC 6-2.5-5-44 [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] – provides that transactions of a city or town are exempt from the sales/use tax if the property acquired is used in the operation of a municipal golf course.

SECTION 53, IC 6-2.5-11-10 [EFFECTIVE JULY 1, 2010] – provides that a certified service provider operating under the Streamlined Sales Tax Agreement is not liable for sales/use tax collection errors that result from reliance on the Department's taxability matrix.

SECTION 54, IC 6-3-1-11 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – updates Indiana's reference to the Internal Revenue Code to be the Internal Revenue Code as in effect on January 1, 2010.

SECTION 55, IC 6-3-2-2.5 [EFFECTIVE NOVEMBER 6, 2009 (RETROACTIVE)] – provides that the net operating loss deduction for individuals may be carried back only two years for losses incurred in 2008 and 2009. The IRC provides a five-year carryback.

Quality That Counts **Spotlight**

Automation

Bankruptcy Supervisor **Todd Nichols** led a group of Department employees in implementing a program that allowed for bankruptcy and trustee payments to be applied in the system more quickly, enabling revenue to be recognized more timely.

Due to this program, the Department reduced the time it takes to apply bankruptcy payments from 30 days to only 10 days.

"Todd's efforts are a great example of a dedicated Department employee who identified a process that needed improvements and worked in a collaborative way with other Department groups to make it better," said Collections Deputy Director Steve Lasher.

SECTION 56, IC 6-3-2-2.6 [EFFECTIVE NOVEMBER 6, 2009 (RETROACTIVE)] –provides that the net operating loss deduction for nonresidents and corporations may be carried back only two years for losses incurred in 2008 and 2009. The IRC provides a five-year carryback.

SECTION 57, IC 6-3-4-16.5 [EFFECTIVE JULY 1, 2010] – provides that employers are required to file the annual WH-3 and W-2 statements electronically if the employer files more than 25 withholding statements. This provision applies to statements filed after December 31, 2010.

SECTION 58, IC 6-3.1-13-10 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – provides that the definition of a taxpayer for purposes of the EDGE tax credit includes a taxpayer that submits incremental income tax withholdings under IC 6-3-4-8.

SECTION 59, IC 6-3.1-19-3 [EFFECTIVE UPON PASSAGE] – technical change adds an internal reference to the Community Revitalization Enhancement District (CRED) tax credit.

SECTION 60, IC 6-3.1-19-5.5 [EFFECTIVE UPON PASSAGE] – provides that the CRED credit does not apply to areas in Muncie unless the advisory commission on industrial development selects the area to receive incremental withholding and incremental sales tax. Provides that the IEDC may not approve a taxpayer's expenditures as being entitled to the credit until the IEDC receives notice from the advisory commission.

SECTION 61, IC 6-3.5-1.1-1.5 [EFFECTIVE UPON PASSAGE] – provides that CAGIT can be adopted, increased, decreased, or rescinded if the ordinance is adopted any time between January 1 and November 1 and also provides effective dates for such ordinances.

SECTION 63, IC 6-3.5-6-1.5 [EFFECTIVE UPON PASSAGE] – provides that COIT can be adopted, increased, decreased, or rescinded if the ordinance is adopted any time between January 1 and November 1 and also provides effective dates for such ordinances.

SECTION 66, IC 6-3.5-7-4.9 [EFFECTIVE UPON PASSAGE] – provides that CEDIT can be adopted, increased, decreased, or rescinded if the ordinance is adopted any time between January 1 and November 1 and also provides effective dates for such ordinances.

SECTION 68, IC 6-6-6.5-25 [EFFECTIVE JULY 1, 2010] – provides that an aircraft can be registered in Indiana without payment of the use tax if the aircraft was registered in another state as of January 1, 2010, and any sales or use tax due in the other state was paid and ownership of the aircraft has not changed after December 31, 2009; there is no outstanding liability in the registration state that relates to the aircraft and an application for an Indiana registration is filed after June 30, 2010 and before September 30, 2010.

SECTION 70, IC 6-9-2-2 [EFFECTIVE UPON PASSAGE] – corrects a conflict in the Lake County Innkeeper's Tax statute.

SECTION 131, IC 36-7-13-12 [EFFECTIVE UPON PASSAGE] – establishes a third Community Revitalization Enhancement District (CRED) in Muncie.

SECTION 134, IC 36-7-13-23 [EFFECTIVE UPON PASSAGE] – provides that only two of the three CRED districts in Muncie may receive incremental sales and withholding taxes as determined by the advisory commission. The advisory commission is required to notify the budget agency as to which districts are selected to receive the allocation.

SECTION 138, IC 36-7-32-11 [EFFECTIVE JULY 1, 2010] – provides that if a certified technology park is not recertified by the Indiana Economic Development Corporation (IEDC), the IEDC shall notify the county auditor, the Department of Local Government Finance and the Department of Revenue.

SECTION 151, IC 36-8-16.6 [EFFECTIVE JULY 1, 2010] – imposes an Enhanced Prepaid Wireless Telecommunications Service Charge. The fee is one-half of the wireless emergency enhanced 911 fee. The fee is collected by the seller of prepaid wireless telecommunications service to another person. Prepaid wireless telecommunications service means a telecommunication service that provides the right to use mobile wireless service that must be paid for in advance and is sold in predetermined units or dollars. The fee is imposed on each retail transaction. Sellers are required to remit the fee to the DOR at the time and in the manner prescribed by the DOR. The fee is exempt from the utility receipts tax. A seller is provided a collection allowance of 1% of the fees that are collected by the seller. The DOR in conjunction with the wireless enhanced 911 advisory board shall establish procedures governing the collection and remittance of the fee in accordance with procedures concerning listed taxes. The DOR must take into consideration the difference between large and small sellers and may establish lower thresholds for the remittance of the fee by small sellers. A small seller is defined as a seller that sells less than $100 of prepaid wireless telecommunications services each month. Not later than January 1, 2011, the DOR shall determine the amount of fees collected and remitted for prepaid wireless telecommunications by a Commercial Mobile Radio Service provider during the period from July 1, 2008 through June 30, 2010. By January 1, 2013, the DOR shall determine the total amount of fees collected for prepaid wireless telecommunications for the period from July 1, 2010 through June 30, 2012. If the amount determined for the period from July 2010 through June 2012 is less than the amount determined from July 2008 through June 2010 by more than 5%, the fee sunsets.

SECTION 168, NONCODE [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – repeals the nonprofit provision contained in the EDGE credit.

SECTION 184, NONCODE [EFFECTIVE UPON PASSAGE] – creates an interim study committee to study economic development methods and tax credits.

HB 1276, SECTION 2, IC 4-33-12-1 [EFFECTIVE JULY 1, 2010] – decreases the riverboat admissions tax for the riverboat at French Lick from $4 to $3 and changes the distribution of the tax revenue.

TAXES AFFECTED (BY CODE CITATION)

RIVERBOAT AND RACINO TAXES (IC 4)

IC 4-33-12-1 [EFFECTIVE JULY 1, 2010] – decreases the riverboat admissions tax for the riverboat at French Lick from $4 to $3 and changes the distribution of the tax revenue.

SALES AND USE TAX (IC 6-2.5)

IC 6-2.5-1-5 [EFFECTIVE JULY 1, 2010] – provides that telecommunications nonrecurring charges are not included in the definition of gross retail income.

IC 6-2.5-1-14.5 [EFFECTIVE JULY 1, 2010] – defines a computer software maintenance contract as a contractual obligation to provide a customer with future updates or upgrades of computer software.

IC 6-2.5-1-27.2 [EFFECTIVE JULY 1, 2010] – defines telecommunications nonrecurring charges to mean amounts billed for installation, connection, change or initiation of a telecommunications service.

IC 6-2.5-1-28.5 [EFFECTIVE JULY 1, 2010] – defines the phrase "transferred electronically" as something obtained by a purchaser by means other than tangible storage media.

IC 6-2.5-2-2 [EFFECTIVE JULY 1, 2010] – eliminates the sales tax brackets and makes a technical change to the rounding rule.

IC 6-2.5-4-16.4 [EFFECTIVE JULY 1, 2010] – provides that the sale of digital code that may be used to obtain a product transferred electronically shall be taxed in the same manner as the product transferred electronically. Also defines "digital code" to mean a method that permits a purchaser to obtain a product transferred electronically at a later date.

What Indiana Taxpayers Have To Say
"I would just like to acknowledge the Merrillville branch of your department, especially **Lydia Rosario**, for their fine work and courteous work. In this day and age when government workers are being overworked and not well paid, it is good to know that people like Lydia and the Merrillville office are in your employ!" **T. Berwick**

IC 6-2.5-4-17 [EFFECTIVE JULY 1, 2010] – provides that a person is a retail merchant making a retail transaction when the person enters into a computer software maintenance contract to provide future updates or upgrades to computer software.

IC 6-2.5-5-18 [EFFECTIVE JULY 1, 2010] – clarifies that the sale or rental of mobility enhancing equipment is exempt from the sales tax, if prescribed by a person licensed to issue the prescription.

IC 6-2.5-5-20 [EFFECTIVE JULY 1, 2010] – clarifies that dietary supplements are not food items that would be exempt from the sales tax.

IC 6-2.5-5-44 [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] – provides that transactions of a city or town are exempt from the sales/use tax if the property acquired is used in the operation of a municipal golf course.

IC 6-2.5-11-10 [EFFECTIVE JULY 1, 2010] – provides that a certified service provider operating under the Streamlined Sales Tax Agreement is not liable for sales/use tax collection errors that result from reliance on the Department's taxability matrix.

ADJUSTED GROSS INCOME TAX (IC 6-3)

IC 6-3-1-11 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – updates Indiana's reference to the Internal Revenue Code to be the Internal Revenue Code as in effect on January 1, 2010.

IC 6-3-2-2.5 [EFFECTIVE NOVEMBER 6, 2009 (RETROACTIVE)] – provides that the net operating loss deduction for individuals may be carried back only two years for losses incurred in 2008 and 2009. The IRC provides a five-year carryback.

IC 6-3-2-2.6 [EFFECTIVE NOVEMBER 6, 2009 (RETROACTIVE)] – provides that the net operating loss deduction for nonresidents and corporations may be carried back only two years for losses incurred in 2008 and 2009. The IRC provides a five-year carryback.

IC 6-3-4-16.5 [EFFECTIVE JULY 1, 2010] – provides that employers are required to file the annual WH-3 and W-2 statements electronically if the employer files more than 25 withholding statements. This provision applies to statements filed after December 31, 2010.

INCOME TAX CREDITS (IC 6-3.1)

IC 6-3.1-13-10 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – provides that the definition of a taxpayer for purposes of the EDGE tax credit includes a taxpayer that submits incremental income tax withholdings under IC 6-3-4-8.

IC 6-3.1-13-15.5 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – eliminates the requirement that an existing business must have at least 35 employees to qualify for an EDGE credit for job retention.

IC 6-3.1-19-3 [EFFECTIVE UPON PASSAGE] – technical change adds an internal reference to the Community Revitalization Enhancement District (CRED) tax credit.

IC 6-3.1-19-5.5 [EFFECTIVE UPON PASSAGE] – provides that the CRED credit does not apply to areas in Muncie unless the advisory commission on industrial development selects the area to receive incremental withholding and incremental sales tax. Provides that the IEDC may not approve a taxpayer's expenditures as being entitled to the credit until the IEDC receives notice from the advisory commission.
IC 6-3.1-33 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – creates a new employer tax credit for a corporation or pass through entity that after December 31, 2009 either relocates or locates the operations of a business in Indiana, incorporates or otherwise first organizes in Indiana, or expands its operations in Indiana, and employs at least 10 new qualified employees. Requires the Indiana Economic Development Corporation to approve taxpayers for the credit, and provides that the credit is 10% of the wages paid by the new business to qualified employees during a 24-month period.

LOCAL OPTION INCOME TAXES (IC 6-3.5)

IC 6-3.5-1.1-1.5 [EFFECTIVE UPON PASSAGE] – provides that CAGIT can be adopted, increased, decreased, or rescinded if the ordinance is adopted any time between January 1 and November 1 and also provides effective dates for such ordinances.

IC 6-3.5-6-1.5 [EFFECTIVE UPON PASSAGE] – provides that COIT can be adopted, increased, decreased, or rescinded if the ordinance is adopted any time between January 1 and November 1 and also provides effective dates for such ordinances.

IC 6-3.5-7-4.9 [EFFECTIVE UPON PASSAGE] – provides that CEDIT can be adopted, increased, decreased, or rescinded if the ordinance is adopted any time between January 1 and November 1 and also provides effective dates for such ordinances.

INHERITANCE AND ESTATE TAXES (IC 6-4.1)

IC 6-4.1-4-0.5 [EFFECTIVE JULY 1, 2010] – specifies the requirements of an affidavit used to state that no inheritance tax is due after applying statutory exemptions to each transferee receiving property as a result of the decedent's death.

IC 6-4.1-4-1 AND IC 6-4.1-4-7 [EFFECTIVE JULY 1, 2010] – requires that inheritance tax returns include all taxable transfers known to the person filing the return.

AIRCRAFT REGISTRATION (IC 6-6-6.5)

IC 6-6-6.5-25 [EFFECTIVE JULY 1, 2010] – provides that an aircraft can be registered in Indiana without payment of the use tax if the aircraft was registered in another state as of January 1, 2010, and any sales or use tax due in the other state was paid and ownership of the aircraft has not changed after December 31, 2009; there is no outstanding liability in the registration state that relates to the aircraft; and an application for an Indiana registration is filed after June 30, 2010 and before September 30, 2010.

INNKEEPERS TAXES (IC 6-9)

IC 6-9-2-2 [EFFECTIVE UPON PASSAGE] – corrects a conflict in the Lake County Innkeeper's Tax statute.

MOTOR CARRIER AND COMMERCIAL DRIVER'S LICENSE PROVISIONS (IC 8-2.1 AND IC 9)

IC 8-2.1-24-1, IC 8-2.1-24-3, IC 8-2.1-24-18 [EFFECTIVE UPON PASSAGE] – exempt motor vehicles operating exclusively in intrastate commerce that have a gross vehicle weight of less than 26,000 pounds, are not for hire, are not designed to transport more than 16 passengers, and are not used to transport hazardous waste from the intrastate motor carrier safety and insurance certification requirements.

IC 8-2.1-24-18 [EFFECTIVE UPON PASSAGE] – corrects internal references to other parts of the Indiana Code.

IC 9-13-2-2.2, IC 9-13-2-29, IC 9-13-2-35, IC 9-13-2-38, IC 9-13-2-105, IC 9-13-2-173, IC 9-13-2-196, IC 9-24-6-0.3 [EFFECTIVE JULY 1, 2010] – define the following terms in the Indiana Code to conform to 49 CFR 383.5, the motor carrier safety administration regulations: alcohol, commercial driver's license, controlled substance, conviction, motor vehicle, state and vehicle.

IC 9-21-8-58 [EFFECTIVE JULY 1, 2010] – provides that intrastate carriers of metal coils may not carry a load heavier than 5,000 pounds unless the operator transporting the metal coils is certified in proper load securement as provided in 49 CFR 393.120. Requires the Department to adopt rules concerning certification in proper load securement.

IC 9-24-6-6 [EFFECTIVE JULY 1, 2010] – provides that a person who holds a commercial driver's license commits a serious traffic violation if he violates any provisions in this section even if the person is not operating a commercial motor vehicle. Adds the following violations to the definition of a serious traffic violation: (1) operating a commercial motor vehicle without having ever obtained a commercial motor vehicle; (2) operating a commercial motor vehicle without a commercial driver's license in the possession of the individual; (3) operating a commercial motor vehicle without the proper class of endorsement of a commercial driver's license.

IC 9-24-6-8 [EFFECTIVE JULY 1, 2010] – provides for disqualifying offenses if a person holds any class of commercial driver's license and the offense occurs whether or not the person was operating a commercial motor vehicle.
IC 9-24-6-17 [EFFECTIVE JULY 1, 2010] – provides that it is a Class C misdemeanor if a person knowingly allows another person to drive a commercial motor vehicle if the other person is disqualified from driving a commercial motor vehicle, or the vehicle is driven and the motor carrier operation is subject to an out-of-service order.

IC 9-24-6-19 [EFFECTIVE JULY 1, 2010] – increases the civil penalties if a person or an employer knowingly operates a vehicle in violation of an out-of-service order.

OTHER PROVISIONS

IC 36-7-13-12 [EFFECTIVE UPON PASSAGE] – establishes a third Community Revitalization Enhancement District (CRED) in Muncie.

IC 36-7-13-23 [EFFECTIVE UPON PASSAGE] – provides that only two of the three CRED districts in Muncie may receive incremental sales and withholding taxes as determined by the advisory commission. The advisory commission is required to notify the budget agency as to which districts are selected to receive the allocation.

IC 36-7-32-11 [EFFECTIVE JULY 1, 2010] – provides that if a certified technology park is not recertified by the Indiana Economic Development Corporation (IEDC), the IEDC shall notify the county auditor, the Department of Local Government Finance and the Department of Revenue.

IC 36-8-16.6 [EFFECTIVE JULY 1, 2010] – imposes an Enhanced Prepaid Wireless Telecommunications Service Charge. The fee is one-half of the wireless emergency enhanced 911 fee. The fee is collected by the seller of prepaid wireless telecommunications service to another person. Prepaid wireless telecommunications service means a telecommunication service that provides the right to use mobile wireless service that must be paid for in advance and is sold in predetermined units or dollars. The fee is imposed on each retail transaction. Sellers are required to remit the fee to the DOR at the time and in the manner prescribed by the DOR. The fee is exempt from the utility receipts tax. A seller is provided a collection allowance of 1% of the fees that are collected by the seller. The DOR in conjunction with the wireless enhanced 911 advisory board shall establish procedures governing the collection and remittance of the fee in accordance with procedures concerning listed taxes. The DOR must take into consideration the difference between large and small sellers and may establish lower thresholds for the remittance of the fee by small sellers. A small seller is defined as a seller that sells less than $100 of prepaid wireless telecommunications services each month. Not later than January 1, 2011, the DOR shall determine the amount of fees collected and remitted for prepaid wireless telecommunications by a Commercial Mobile Radio Service provider during the period from July 1, 2008 through June 30, 2010. By January 1, 2013, the DOR shall determine the total amount of fees collected for prepaid wireless telecommunications for the period from July 1, 2010 through June 30, 2012. If the amount determined for the period from July 2010 through June 2012 is less than the amount determined from July 2008 through June 2010 by more than 5%, the fee sunsets.

NONCODE PROVISIONS

HB 1084 SECTION 7, NONCODE [EFFECTIVE UPON PASSAGE] – requires the Department to carry out the duties of IC 9-21-8-58 concerning secure steel coils under interim written guidelines approved by the commissioner.

HB 1086 SECTION 168, NONCODE [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] – repeals the nonprofit provision contained in the EDGE credit.

HB 1086 SECTION 184, NONCODE [EFFECTIVE UPON PASSAGE] – creates an interim study committee to study economic development methods and tax credits.

Providing valuable services and education is a priority for the Department. Each year the Department seeks out taxpayer feedback as a primary means of discerning taxpayer education and information needs. The Department seeks taxpayer input through surveys, focus groups, Web feedback, social media forums, e-mail and the Department's public annual meeting in June.

Here are some of the many services and education opportunities the Department provides:

- **Social Media Outreach**
  The Department began using the social media tools Facebook and Twitter in FY 2010 as a means to reach out to individual and business taxpayers as well as organizations interested in tax updates, general information and special tax news. In addition, these tools allow the public to submit general questions, feedback and comments for consideration. The Department's social media efforts have been well received by the public. Taxpayers are encouraged to become fans of the Department's Facebook page at www.facebook.com (search for "Indiana Department of Revenue") or to follow the Department on Twitter at www.twitter.com/INDeptofRevenue

- **I-File**

  This fast, friendly and free electronic program allows taxpayers to prepare and file their Indiana tax returns online. This program is available to both individual taxpayers and preparers. A user-friendly program, I-File features a question-and-answer format with help links to guide users through filing. For more information and to take advantage of this free service, taxpayers can go to in.gov/dor.

- **New and Small Business Education Center – www.smallbiz.in.gov**

  This site offers new and small business owners a full range of resources – from videos, to podcasts, to downloadable forms, to frequently asked questions – to help them properly file their Indiana business taxes, as well as register and close a business with the Department of Revenue.

- **Latino Outreach**

The Department has been working diligently to enhance its Latino outreach initiative in an effort to better educate the permanent and immigrant Latino community in Indiana. This educational effort includes hosting a Spanish-language Web site (www.impuestos.in.gov), hosting a Spanish-language tax blog, writing articles for Spanish publications throughout the state, translating forms and tax booklets into Spanish and providing bilingual staff to assist Spanish-speaking taxpayers.

- **Workshops/Seminars** – The Department also conducted workshops and seminars throughout the year for various segments of the public, including several seminars offered to the tax schools of Indiana University and Purdue University. This was in addition to providing information and tax-training handbooks to Volunteer Income Tax Assistance (VITA) volunteers and other groups that provide free tax preparation for disabled and low- to moderate-income taxpayers.

- **Automatic Updates –** Because of the importance of receiving vital information in a timely manner, the State of Indiana launched GovDelivery's E-mail and Digital Subscription Management service. This tool makes it much easier for taxpayers to get the information they want and need.

  Once properly registered, the service sends the subscriber an e-mail whenever the Department updates its Web site. When an update has occurred on the *Tax Talk Blog*, Departmental Notices, the New and Small Business Education Center, the Spanish site or even the *Tax Dispatch*, the subscriber will know.

  Those interested in registering can:
  - visit the Department's home page at www.in.gov/dor; and
  - click the link under the left-side navigation bar and the system will then guide the subscriber through the steps for registration.

In addition, the Department's customer contact division alone, assisted the following numbers of taxpayers in FY 2010:

- Telephone Calls: 812,079
- E-mails: 17,990
- Walk-Ins: 12.834
- Correspondence: 62,042

IMPROVEMENTS IN THE TRAINING OF DEPARTMENT EMPLOYEES

During FY 2010, the human resources division completed the following training and materials for Department employees:

Development of Customized Training for Frontline Employees (basic job application skills)

- SIU Refund/Business—9 employees
- Collections Outbound Phones—20 employees
- Collections Inbound Phones—8 employees
- Collections Field Reps—37 employees
- Compliance—15 employees
- CDL Skills Testing—12 employees

Customized Customer Service Four-Step Process Training

- SIU Refunds/business—9 employees
- Collections Outbound Phones—20 employees
- Collections Agency Contact—10 employees
- Tax Administration Walk-In—18 employees
- Tax Administration Correspondence—26 employees
- Motor Carrier Services Fuel Tax/Bonds and Licensing—14 employees
- Motor Carrier Services CDL Skills—12 employees

Continuing Education: Division-wide Training

- Sexual Harassment Training—653 employees
- Confidentiality and Security Training (IRUA)—621 employees, 43 nonemployees

Quality That Counts **Spotlight**

In Pursuit of Inheritance Taxes

Diane Richards does not let her job description limit her thinking. "Diane's actions have increased the revenue-raising ability of the Department by drawing in tax dollars that otherwise would have been lost in pursuit," said Richards' supervisor Kristen Kemp, former chief counsel of inheritance tax. "Diane goes above and beyond the call of duty."

Kemp said Richards' success goes beyond her collection efforts, however. "Diane does an exceptional job interfacing with the public, which is apparent by the compliments she receives from delinquent taxpayers. She's not only a zealous representative of the Department; she's a sympathetic ear to the taxpayer."

Internet Access

Access to forms, information bulletins, commissioner's directives, tax publications, e-mail, I-File (the online tax filing program), etc. can be found at www.in.gov/dor

Businesses can visit the New and Small Business Education Center, where they can find a variety of valuable resources 24/7 – such as updating information, applying for new taxes, finding forms and much more. Visit www.smallbiz.in.gov

Stay connected to the Indiana Department of Revenue 24/7 by:

- Following us on Twitter at www.twitter.com/INDeptofRevenue
- Becoming a Facebook fan searching for "Indiana Department of Revenue".
- Signing up for automatic e-mail updates on the Department's Web site at www.in.gov/dor

Telephone Numbers

Automated Information Line
Check on the status of refunds, prerecorded tax topics and tax liability balances
(317) 233-4018

Collection/Liability Inquiries
(317) 232-2165

Corporate Tax Information
(317) 233-4015

Individual Income Tax Information
(317) 232-2240

Motor Carrier Services
(317) 615-7200

Sales Tax Information
(317) 233-4015

INtax
(317) 233-8729

Tax Forms Order Line
Available 24 hours per day
(317) 615-2581

Withholding Tax Information
(317) 233-4016

Tax Practitioner
(317) 233-4017

DISTRICT OFFICES

Indianapolis (Main Office)
Indiana Government Center
North, Rm N105
100 N. Senate Avenue
Indianapolis, IN 46204
(317) 232-2240

Bloomington District Office
410 Landmark Ave.
Bloomington, IN 47403
(812) 339-1119

Clarksville District Office
1446 Horn Street
Clarksville, IN 47129
(812) 282-7729

Columbus District Office
3136 N. National Rd., Suite H
Columbus, IN 47201
(812) 376-3049

Evansville District Office
500 S. Green River Road
Suite 202, Goodwill Building
Evansville, IN 47715
(812) 479-9261

Fort Wayne District Office
1415 Magnavox Way Suite 100
Fort Wayne, IN 46804
(260) 436-5663

Kokomo District Office
117 East Superior Street
Kokomo, IN 46901
(765) 457-0525

Lafayette District Office
100 Executive Drive, Suite B
Lafayette, IN 47905
(765) 448-6626

Merrillville District Office
8368 Louisiana Ave., Suite A
Merrillville, IN 46410
(219) 769-4267

Muncie District Office
3640 N. Briarwood Lane,
Suite 5
Muncie, IN 47304
(765) 289-6196

South Bend District Office
1025 Widener Lane
South Bend, IN 46614
(574) 291-8270

Terre Haute District Office
30 N. 8th Street, 3rd Floor
Terre Haute, IN 47807
(812) 235-6046

District office business hours are 8 a.m. to 4:30 p.m. Monday - Friday

Access Indiana Information Network

Comprehensive information about your Indiana state government, including advice on what to do in emergencies, can be found on the state's official Web site, the Access Indiana Information Network, at www.in.gov