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INDIANA DEPARTMENT OF REVENUE

TAX CHAPTER

Content

2015 Update	3
Individual Income Tax	3
Corporate Income Tax	4
Sales and Use Tax	5
Other Taxes	5
Miscellaneous	5
Electronic Mandates.....	6
Electronic Services.....	6
Tips	8
2016 Due Date Table for Individual Income Tax Filers	10
Filing Statistics.....	11
Contact Us.....	12
District Office Locations.....	13
Legislative Summary by Tax Type.....	14
Sales and Use Tax	14
Adjusted Gross Income Tax	17
Income Tax Credits	22
Local Option Income Taxes	25
Financial Institutions Tax.....	29
Miscellaneous and Vehicle Excise Taxes	29
Cigarette and Other Tobacco Products Tax	30
Miscellaneous Taxes	30
Tax Administration	31
Innkeepers and Other Local Taxes.....	33
Taxation of Internet Access	34
Alcohol and Tobacco Taxes.....	34
Motor Carrier Regulation.....	35
Miscellaneous Provisions.....	37
Wagering Taxes	38

About the Cover: This cover features Spring Mill State Park. Visitors can explore the park’s four interpretive facilities – the Pioneer Village, Nature Center, Grissom Memorial, and Twin Caves Boat Tour – and see it reflected on the landscape as they hike the trails. The interpretive staff also offers a wide variety of public programs, including an extensive special events schedule. For more information, visit www.in.gov/dnr. Image courtesy of Indiana Department of Natural Resources.

STATE of INDIANA



INDIANAPOLIS, IN 46204-2253

DEPARTMENT OF REVENUE
INDIANA GOVERNMENT CENTER NORTH
100 N. SENATE AVE

Dear Tax Professional:

We are pleased to provide the 2015 “Tax Chapter.” We are confident this publication will help you and your clients in preparing 2015 Indiana tax returns.

Remember, we are all trying to achieve the same two goals:

1. Help Indiana taxpayers successfully and correctly complete their annual tax returns.
2. Follow the statutes established by the Indiana General Assembly to support Indiana taxpayers.

This Tax Chapter is intended to assist you in your work with Indiana taxpayers. We hope it serves you well and encourage any comments or suggestions for improvement you may have.

Some key points to make about this year’s tax filing process:

1. Providing electronic filing methods and implementing electronic mandates continue to be priorities for the department. We encourage you to use one or more of the electronic filing systems available to your clients; these save time and money for you, your clients, and the state. Remember, too, that electronic filing systems generally provide refunds, when due, much faster than other methods.
2. This year the department will continue to focus on preventing identity theft and fraud. We appreciate the cooperation from the tax practitioner community and hope you share information with your clients about keeping their identity, and tax return, safe.
3. There are many changes to the tax codes that are fully outlined in this Tax Chapter for you. We have worked diligently to include everything you need. Also included is a line-by-line listing of each tax code change.

Again, we hope you find this Tax Chapter useful. If you have comments or suggestions, don’t hesitate to submit those to us. Your input can make this an even better product for next year. You can email your input to the external presentation coordinator, Katherine McLearn at kmclear@dor.in.gov.

Thank you for the professional work you do for Indiana taxpayers.

Sincerely,

Andrew Kossack
Commissioner

2015 Update

Legislation Impacting 2015

The following highlights some of the key changes to Indiana's tax laws, listed by tax type. For a complete listing of all the changes for 2015 and changes that go into effect in 2016, please see page 14 of the Tax Chapter for the 2015 summary.

Individual Income Tax

The following changes affect Indiana's individual adjusted gross income tax.

Changes Effective Jan. 1, 2015:

- **Adoption Credit.** Credit is the lesser of 10% of the federal adoption credit or \$1,000 per qualifying child.
- **Civil Service Annuity Deduction Increase.** The deduction increases from \$2,000 to \$8,000 for the 2015 tax year, and further increases it to \$16,000 for 2016 and beyond. Expands the deduction to include a surviving spouse.
- **Credit for Local Taxes Paid Outside Indiana.** This credit may be used to offset the County Economic Development Income Tax.
- **Lake County Residential Income Tax Credit Calculation Change.** The income limitation qualifier has changed from having earned income of less than \$18,600 to having Indiana adjusted gross income of less than \$18,600.
- **Public K-12 Education Fund Donation.** Adds a tax refund check-off for funding public education for kindergarten through grade 12.
- **Public School Educator Expense Credit.** An educator employed by an Indiana school corporation is entitled to a nonrefundable tax credit equal to the lesser of \$100 or the total amount expended for certain classroom supplies during a tax year.
- **Repealed Credits:**
 - Blended Biodiesel Credit. Carryforward of existing credit available.
 - Ethanol Production Credit. Carryforward of existing credit available.
 - New Employer Credit. Carryforward of existing credit available.
 - Riverboat Building Credit. Carryforward of existing credit available.
 - Prison Investment Credit. No carryforward provision.
 - Voluntary Remediation Credit. No carryforward provision.
- **Statute of limitations change.** The statute of limitations for a refund claim of overpayment of withholding taxes has been extended from two to three years. (HEA 1472, Sec. 17)
- **Tax rate reduction reminder.** The individual income tax rate has been reduced from .034 to .033 for 2015 and 2016.

Changes Effective Jan. 1, 2016:

- **Repealed Add-Backs**
 - Discharge of debt of a principal residence
 - Lump sum distribution from federal Form 4972
 - Qualified disaster assistance property
 - Qualified refinery property
 - Qualified film or television production
 - Qualified preferred stock
 - Certain trade or business deductions based on employment of unauthorized alien.
- **Repealed Credits**
 - County Credit for the Elderly
 - Historic Building Rehabilitation Credit. Carryforward of existing credit available.

- **Repealed Deductions**
 - Insulation Deduction
 - Law Enforcement Reward Deduction
 - Lottery Winnings Deduction partially repealed. Repeals the deduction for the first \$1,200 of winnings of each Indiana lottery winning event.
 - Medical Care Savings Account Deduction. Repeals the Indiana deduction for funds put in a medical care savings account by an employer for an employee that are not exempt from federal tax
 - Non-Indiana Locality Earnings Deduction
 - Solar-powered Roof Vents or Fans Deduction
- **Miscellaneous**
 - School Scholarship credit. Annual contribution ceiling increased from \$8,500,000 to \$9,500,000.

Corporate Income Tax

The following changes affect Indiana's corporate adjusted gross income tax.

Changes Effective Jan. 1, 2015:

- **Composite Return Filing Requirement Changes.**
 - A pass-through entity is not required to withhold tax or file a composite return for a nonresident member if the entity is a publicly traded partnership; meets the IRC Section 7704(c) exception; and agrees to file an annual information return reporting the name, address, and TID number for each member.
 - A trust or an estate is required to file a composite return on behalf of all nonresident beneficiaries.
- **Extension of Time to File.** If an S corporation is given an extension of time to file its annual return, it is automatically given an extension to file its withholding return for nonresident shareholders.

Changes Effective Jan. 1, 2016:

- **Several add-backs and modifications are eliminated.** Adjustment to depreciation for qualified disaster assistance property; adjustment to depreciation for qualified refinery property; adjustment to amortization for qualified film or production expenses; adjustment for losses from the sale or exchange of preferred stock in the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation claimed as ordinary losses; adjustment for capital gain portion of a lump sum distribution; adjustment for election under Section 179C of the IRC; and wages, reimbursements, or other payments made for services if the person was prohibited from being hired as an employee because the person was an unauthorized alien.
- **New Credit.** A for-profit hospital subject to the AGI tax and meets certain requirements is eligible for a credit for 10% of the property taxes paid in Indiana for the taxable year the property was used as a hospital.
- **Apportionment Update.** The "throwback rule" is eliminated for apportioning income to Indiana if the taxpayer is not taxable in the state of the purchaser.

Sales and Use Tax

The following changes affect Indiana's sales and use taxes.

Changes Effective July, 1 2015:

- **Recycling Exemption.** The recycling exemption is amended to exclude any collection of recycling materials from the definition of "recycling," not limited to collection by licensed motor vehicles. "Occupationally engaged in recycling" is defined to engage in recycling with the intention of doing so at a profit. "Recycling cart" is defined to be a manually propelled container with a capacity of not more than 100 gallons. The double direct test for property acquired to be used in recycling is eliminated.

Changes Effective Jan. 1, 2016:

- **Sales Tax Exemption.** The sales tax exemption for agricultural machinery, tools, and equipment is expanded to include material-handling equipment purchased for transporting materials into such activities from an onsite location.

Other Taxes

The following changes affect Indiana's special taxes.

Changes Effective July, 1 2015:

- **Aircraft.** An aircraft that has a total time in service exceeding 50 hours is no longer considered in inventory and is subject to registration and all applicable taxes.

Changes Effective Jan. 1, 2016:

- **Aircraft.** The annual registration date for aircraft is the last day of December instead of the last day of February.

Miscellaneous

- **Same-Sex Marriage Tax Filing Guidance**
Couples in same-sex marriages should file with Indiana using the same filing status they used when filing their federal income tax return.
- **Form WH-18 no longer available.** The Indiana Miscellaneous Withholding Tax Statement for Nonresidents, WH-18, is obsolete as of tax year 2015. Corporations should use the newly revised Schedule IN K-1 to replace the WH-18 for nonresident shareholders and partners claiming withholding paid into the corporate account with the IT-6WTH or corporate return.

Schedule IN K-1 is not yet available for electronic filing purposes. Taxpayers filing Form IT-40PNR and claiming a pass-through entity withholding credit (from a Schedule IN K-1) will need to file paper tax returns and enclose the IN K-1s..

Note. Paper tax returns filed for this reason will not be used to penalize professional preparers under the electronic filing mandate. Preparers are encouraged to keep track of those tax returns required to be filed by paper for this reason.

Electronic Mandates

Alcohol, Cigarette Taxes, and Other Tobacco Products Taxes

As of July 1, 2014, all businesses in Indiana must file and pay their alcohol excise taxes, cigarette taxes, and other tobacco product (OTP) taxes electronically. Any informational returns that do not require a tax payment also must be filed electronically.

There are two methods for creating electronic files. The first method involves extracting the data from the taxpayer's recordkeeping system and utilizing the XML schema definitions to format the data correctly. The second method uses a converter tool. Taxpayers input their data into an excel template and export it to XML.

Once the file is in XML format, there are two options for submitting it to the department. The first involves logging in to a website and attaching the file. The second option is bulk upload.

At this time, the department accepts ACH credit payments and paper checks. In the last quarter of 2015, the department will begin accepting credit cards and e-checks.

For more detailed information about this electronic mandate, visit the following web pages:

- Alcohol: www.in.gov/dor/5162.htm
- Cigarette: www.in.gov/dor/5173.htm
- OTP: www.in.gov/dor/5168.htm

Sales and Withholding Taxes

All Indiana businesses are required by law to report and remit sales tax and withholding tax electronically. As a reminder, the department has discontinued mailing coupons for sales and withholding. Moreover, the coupons are not available upon request. Taxpayers should register for INtax or begin using a third-party agent. Taxpayers can request an exemption from this mandate if they meet certain requirements. They should contact the department at (317) 232-2337 and obtain an Exemption Request form (BT-EX).

Fuel Taxes

All motor carriers are required by law to file and pay their fuel taxes electronically. Carriers can use the [Indiana Fuel Tax System](#) to comply. The system offers motor carriers the ability to manage all their transactions with the Motor Carrier Division online and in one place.

Electronic Services

IT-20S and IT-65 Online Filing

The department has completed its modernized electronic filing (MeF) for the IT-20S and is working to offer MeF for the IT-65 return in 2015.

Food and Beverage Tax Online

Taxpayers can file and pay food and beverage tax through [INtax](#).

County Innkeeper's Tax Online

Taxpayers can file and pay county innkeeper's tax through [INtax](#).

INtax

[INtax](#), the department's online business tax reporting and payment application, has been upgraded to make filing and payment faster and simpler. INtax received a new look with a new logo, but the overall framework remains the same. The upgrade provides taxpayers with several enhanced features including:

- Improved on-screen instruction and alerts to walk taxpayers through the registration, filing, and tax payment processes.
- Consolidated screens so taxpayers can navigate INtax with fewer clicks and make changes to information on the same screen.
- Updated technology that allows taxpayers to experience faster processing time.

INtax continues to provide business taxpayers and preparers with direct access to all business tax accounts, instant access to file and pay Indiana taxes, complete account history, and more. With INtax, a practitioner can file and pay her client's business taxes; take care of several other record-keeping tasks; and manage several business tax types, including Indiana retail sales, out-of-state sales, gasoline use tax, metered pump sales, tire fees, fuel taxes, withholding taxes, and more.

Here are just a few of the other tasks a practitioner can complete using INtax:

- Correspond with the department online through a confidential, secure inbox
- Register and edit multiple clients
- View and print a current client list
- Schedule payments up to 30 days ahead
- File a return even when no tax is due for that filing period so clients can avoid best information available (BIA) bills
- Make a separate electronic payment for each client or pay multiple client accounts through a bulk payment upload
- View the client's payment and return history at any time

Although a client is not required to be registered with INtax before a practitioner can add the client, the client still has the option to register for INtax to be able to access his account information, as well as view the practitioner's activities. Whether the client registers for INtax or not, he is notified that a practitioner is managing his state taxes using INtax. For more information or to register, visit www.intax.in.gov.

Online Payment Plan Tool – INtax Pay

Individuals who have received a bill after the tax season ends may be able to set up a payment plan for an individual liability online:

- Taxpayer must owe more than \$100.
- Taxpayer must pay 20 percent down.
- Taxpayer must have the case number found on the bill.
- Visit www.intaxpay.in.gov.

ePay Online Application

ePay is the Department of Revenue's electronic tax payment service where practitioners can:

- Check balances
- Make payment online for a balance due
- Make payment online for one or more liabilities or cases
- Manage estimated tax installment payments or view payment history
- Schedule an eCheck payment for up to 90 days in the future

Tips

Audit Procedure Policies

- The department cannot provide work papers by jump drive. Work papers will be sent via secure email.
- The department cannot accept data on a jump drive. Data must be submitted via CD-ROM or secure email.
- Power of Attorneys will receive the audit report via secure email, not in the mail.
- The audit report structure includes a table of contents.

Secure Email

The department uses DataMotion, a secure email feature which enables employees to securely email sensitive information. Recipients of secure email will not see the message content in their inbox. Instead, they will be prompted to create a DataMotion site account and then log in to see the secure message. Secure emails will be kept on the DataMotion site for one year, after which they will be archived for seven years.

Tax Presentations

The department is working with organizations throughout Indiana to hold free presentations about business taxes. These presentations cover a wide variety of topics including taxes for convenience store owners and new and small business owners. For more information, and to view a list of upcoming presentations, visit www.in.gov/dor/5176.htm.

Software Identifies Non-Filers

The department uses a software program to identify taxpayers who should have filed an Indiana return but did not. Taxpayers who have discrepancies between their federal and Indiana returns, who filed a federal return but not an Indiana return, or who failed to file both federal and Indiana returns may receive a letter informing them of their filing requirement. If they have not filed within 30 days after receiving the letter, they are then sent a best information available (BIA) bill based on income information from the IRS.

Include All Necessary Schedules

Ensure all necessary and required schedules are included when submitting paper returns. Any missing schedules will delay processing. This happens quite frequently. However, if you or your client has already e-filed, **do not** submit a paper return. Also, if you are submitting a post-filing coupon after e-filing, **do not** send a paper return with the payment. Finally, if you do submit a paper return, please send payment with the return.

Income Statements

Income statements (e.g. W-2, 1099s) must be included with a paper return to claim Indiana credit for state and/or local withholding. Do not send W-2s with information on the front and back. Only send single-sided withholding statements.

When Complete

Do not black out the 1D barcode found at the bottom of some forms. We use that information to quickly and efficiently process those forms. Also, if you are sending photocopies of returns, please make sure they are legible. Finally, ensure all schedules match the form type being submitted (for example, Schedule CT-40PNR with a Form IT-40PNR).

Certified

Only use forms that were provided by the Department of Revenue or preparation software that has been certified and approved by the department. Also, make sure that your software is updated regularly. Older versions do not contain the most current versions of the forms or county tax rates. Using unapproved forms or old forms will cause delays in processing and delay refunds. To see a list of certified software developers, visit www.in.gov/dor/3848.htm.

Trust Tax Returns

Remember, trust taxes must be submitted electronically unless an exemption has been issued.

Mailing Instructions

- Mailing instructions for individual income tax returns are determined by payment status:
 - If enclosing payment, mail to: P.O. Box 7224, Indianapolis, IN 46207-7224.
 - Mail all other returns to: P.O. Box 40, Indianapolis, IN 46206-0040.
- FormWH-3 will be mailed based on payment status:
 - If requesting a refund, mail to: P.O. Box 7220, Indianapolis, IN 46207-7220.
 - Mail all other Form WH-3s to: P.O. Box 6108, Indianapolis, IN 46206-6108.
- Correspondence regarding individual tax issues should be mailed to: P.O. Box 7207, Indianapolis, IN 46207-7207.
- Don't forget that you can change the address on an individual account by visiting our website at www.in.gov/dor/3795.htm.

Power of Attorney (Form POA-1)

This form has been updated recently and now provides greater flexibility. You may submit the form by:

- Fax: (317) 615-2605
- Email: poa1forms@dor.in.gov
- Mail: Indiana Department of Revenue, P.O. Box 7230, Indianapolis, IN 46207-7230

Automatic Updates

Because receiving vital information timely is important, the State of Indiana offers GovDelivery's Email and Digital Subscription Management service. This tool makes it much easier for tax professionals to get the information they need. To register:

- Visit the department's home page: www.in.gov/dor.
- Click the "Subscribe for e-mail updates" link.
- Follow the registration steps.

After you have registered, the service will send you an email whenever the department updates the website section you selected. This valuable tool will help you better serve your clients' needs.

2016 Due Date Table for Individual Income Tax Filers

Date	Form Type/Filing/Payment Activity
01/15/16	Farmer/fisherman (2/3rd rule): only one est. pymt. due
02/01/16	File IND rtn, pay tax due, no 4th installment pymt. due
03/01/16	Farmer/fisherman (2/3rd rule): file return/pay by March 1, no est. tax due
04/18/16*	IT-40; IT-40EZ; IT-40PNR; IT-40RNR; IT-40ES; ES-40 (1st est. installment period); IT-9
06/15/16	IT-40ES; ES-40 (2nd est. installment period)
06/30/16	SC-40; IT-40/IT-40PNR filing due date if claiming unified tax credit for the elderly (not including extensions)
09/15/16	IT-40ES; ES-40 (3rd est. installment period)
11/14/16	State filing due date if filing under extension (federal Form 4868 and/or IT-9)
01/17/17	IT-40ES; ES-40 (4th est. installment period)

*Due to Emancipation Day

Filing Statistics

Tax Year 2014 individual income tax returns posted by filing method through August 31, 2015.

Filing Method	Total Number of Returns	Percent of Total Returns
Total 2014	3,129,155	
2D Barcode	87,147	2.79%
Fed/State Electronic	2,645,879	84.56%
Paper	396,129	12.66%

The statistics represent current-year individual income tax returns that have completed processing for tax year 2014.

Contact Us

Practitioner Hotline	(800) 462-6320 (enter 4367)	www.in.gov/dor/3863.htm
Individual Income Tax Questions	(317) 232-2240	www.in.gov/dor/4703.htm
Business Tax Questions	(317) 233-4015	www.in.gov/dor/3335.htm
Corporate Income Tax	(317) 232-0129	www.in.gov/dor/3335.htm
INtax Hotline	(317) 232-2337	www.in.gov/dor/4336.htm
Streamlined Sales Tax	(317) 233-4015	www.in.gov/dor/3341.htm
Automated Information Line	(317) 233-4018	
Collection/Liability Inquiries	(317) 232-2165	www.in.gov/dor/3959.htm
Motor Carrier Services	(317) 615-7200	www.in.gov/dor/4106.htm
Tax Forms Order Line	(317) 615-2581	www.in.gov/dor/3489.htm

There are a variety of ways in which tax practitioners can contact the department if they are in need of help or want to receive critical updates from the department.

When you have a specific question that our website does not answer, you are encouraged to use the online inquiry center to send your questions and concerns directly to our tax professional area. However, if you have an immediate concern, you can contact the department at (800) 462-6320 (enter 4367) to connect. This number is for tax practitioner use only. If a taxpayer would like to contact the department, she can do so by calling (317) 232-2240.

In addition, the department offers several other ways for you to learn about important tax updates at your convenience:

- Become a Facebook fan by finding the Indiana Department of Revenue on Facebook.
- Follow us on Twitter at www.twitter.com/INDeptofRevenue.
- Subscribe to our *Tax Talk Blog* at www.in.gov/dor/3877.htm.
- Sign up for automatic email updates on the department's website at www.in.gov/dor.
- Subscribe to email updates on the department's tax professional page at www.in.gov/dor/3338.htm.
- Subscribe to *Tax Dispatch*, a publication designed to keep tax professionals up-to-date, at www.in.gov/dor/3659.htm.

To access tax forms, information bulletins, commissioner's directives, tax publications, and more, visit our website at www.in.gov/dor/3330.htm.

If you have any suggestions regarding forms or forms processing, please send an email to feedback@dor.in.gov.

If you need additional assistance, please call us at any of the phone numbers listed or visit one of our district offices listed on the next page. Our office hours are Monday through Friday from 8:00 a.m. to 4:30 p.m.

District Office Locations

Indianapolis (Main Office)

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

Bloomington

410 Landmark Avenue
Bloomington, IN 47403
(812) 339-1119
(812) 330-1804 fax

Clarksville

Physical Location

1200 Madison St. Suite E.
Clarksville, IN 47131
(812) 282-7729
(812) 282-074 fax

Mailing Address

P.O. Box 3249
Clarksville, IN 47131-3249

Columbus

3520 Two Mile House Road
Columbus, IN 47201
(812) 376-3049
(812) 372-7368 fax

Evansville

500 S. Green River Road
Goodwill Building, Suite 202
Evansville, IN 47715
(812) 479-9261
(812) 471-8189 fax

Fort Wayne

1415 Magnavox Way, Suite 100
Fort Wayne, IN 46804
(260) 436-5663
(260) 434-1380 fax

Kokomo

117 E. Superior Street
Kokomo, IN 46901
(765) 457-0525
(765) 452-0559 fax

Lafayette

100 Executive Dr., Suite B
Lafayette, IN 47905
(765) 448-6626
(765) 448-2760 fax

Merrillville

1411 E. 85th Ave
Merrillville, IN 46410
(219) 769-4267
(219) 769-9363 fax

Muncie

3640 N. Briarwood Lane, Suite 5
Muncie, IN 47304
(765) 289-6196
(765) 286-7346 fax

South Bend

105 E. Jefferson Blvd. Ste. 350
South Bend, IN 46601
(574) 291-8270
(574) 291-8658 fax

Terre Haute

30 N. 8th Street, 3rd Floor
Terre Haute, IN 47807
(812) 235-6046
(812) 235-2352 fax

Note: Addresses and telephone numbers are subject to change. Check www.in.gov/dor/3390.htm for the most up-to-date listings.

Legislative Summary by Tax Type

SALES AND USE TAX (IC 6-2.5)

Summary: Deletes a reference to filing a refund claim for prepaid sales tax on gasoline.

Effective Date: July 1, 2014 (RETROACTIVE)

Code: IC 6-2.5-7-6.5

Enrolled Act: SEA 199, SEC. 24

Summary: Repeals the section that contains the procedures for filing a refund claim for prepaid sales tax on gasoline.

Effective Date: July 1, 2014 (RETROACTIVE)

Code: IC 6-2.5-7-12

Enrolled Act: SEA 199, SEC. 25

Summary: Provides that the purchases of labels are exempt from the sales tax if the labels will be affixed to other tangible personal property being sold by a retail merchant and if the person acquiring the label is required to affix the labels to other tangible personal property for the purpose of complying with any state or federal statute or regulation.

Effective Date: Upon Passage

Code: IC 6-2.5-5-50

Enrolled Act: HEA 1271, SEC. 1

Summary: Corrects ambiguous language and references in the sales tax bad debt deduction section.

Effective Date: Upon Passage

Code: IC 6-2.5-6-9

Enrolled Act: SEA 199, SEC. 23

Summary: Defines a “licensed practitioner,” for purposes of the sales tax, as an individual who is a doctor, dentist, veterinarian, or other practitioner who is licensed to prescribe, dispense, and administer drugs to human beings or animals.

Effective Date: July 1, 2015

Code: IC 6-2.5-1-21.5

Enrolled Act: HEA 1472, SEC. 5

Summary: Eliminates the requirement that a refund claim for utilities consumed in production may not cover transactions that occur more than 36 months before the date of the refund claim. Thus, the statute of limitations for such refunds is the same as other sales tax refunds.

Effective Date: July 1, 2015

Code: IC 6-2.5-5-5.1

Enrolled Act: HEA 1472, SEC. 7

Summary: Amends the sales tax exemption for medical equipment, supplies, and devices to restate the application of the sales tax exemption for medical equipment, supplies, and devices. Provides a sales tax exemption for food, food ingredients, and dietary supplements that are sold by a licensed practitioner or pharmacist.

Effective Date: July 1, 2015

Code: IC 6-2.5-5-18

Enrolled Act: HEA 1472, SEC. 8

Summary: Amends the sales tax exemption for drugs, insulin, oxygen, blood, and blood plasma to restate the application of the sales tax exemption.

Effective Date: July 1, 2015

Code: IC 6-2.5-5-19

Enrolled Act: HEA 1472, SEC. 9

Summary: Repeals the sales tax exemption for food and food ingredients prescribed as medically necessary by a physician and reinstates the exemption as food and food ingredients that are sold by a licensed practitioner or pharmacist.

Effective Date: July 1, 2015

Code: IC 6-2.5-5-21.5

Enrolled Act: HEA 1472, SEC. 10

Summary: Amends the recycling exemption definition to exclude any collection of recycling materials, not just collection by licensed motor vehicles. Defines “occupationally engaged in recycling” to mean engaged in recycling with the intention of doing so at a profit. Defines “recycling cart” to be a manually propelled container with a capacity of not more than 100 gallons. Eliminates the double direct test for property acquired to be used in recycling. Provides that recycling carts are exempt from the sales tax if the purchaser is occupationally engaged in recycling.

Effective Date: July 1, 2015

Code: IC 6-2.5-5-45.8

Enrolled Act: HEA 1472, SEC. 12

Summary: Provides specific guidelines on when a retail merchant certificate may be revoked. The reasons include failure to file a return for sales tax or any other trust tax and failure to remit any trust tax. The certificate can also be revoked if the person is charged with any crime under Title 35 or is subject to a court order under IC 7.1-2-6-7 (public nuisance), IC 32-30-6-8 (nuisance actions), IC 32-30-7 (indecent nuisance), and IC 32-30-8 (drug nuisance). The department may revoke a certificate before a criminal adjudication or without a criminal charge being filed.

Effective Date: July 1, 2015

Code: IC 6-2.5-8-7

Enrolled Act: HEA 1472, SEC. 13

Summary: Adds manufacturers who have a utility exemption to the list of persons authorized to issue an exemption certificate. If a utility accepts an exemption certificate issued by the department to a person who is exempt from utility purchases, the utility is relieved from the duty to collect sales or use tax on the commodity sold until notified by the department that the exemption certificate has expired or has been revoked. If expired or revoked, the utility is required to begin collecting the sales tax within 30 days of the department’s notice. An exemption certificate remains valid if there is a one-for-one meter number change and the change was made, initiated, or required by the utility. A utility shall report to the department on a quarterly basis all one-for-one meter changes and distinguish between the one-for-one meter changes and the one-for-multiple meter changes made during the previous calendar year quarter. Any meter number changes that are not a one-for-one meter change will no longer be exempt and will require the person to submit a new utility exemption application for new meters.

Effective Date: July 1, 2015

Code: IC 6-2.5-8-8

Enrolled Act: HEA 1472, SEC. 14

Summary: Makes a technical change in the sales tax statute to change the term “radio” to “radiotelephone” in reference to radio telecommunications from aircraft.

Effective Date: July 1, 2015

Code: IC 6-2.5-12-1

Enrolled Act: SEA 171, SEC. 6

Summary: Clarifies the definition of “storage” in the use tax such that temporary storage is defined as storage in Indiana for not more than 180 days with subsequent use solely outside Indiana.

Effective Date: Jan. 1, 2016

Code: IC 6-2.5-3-1

Enrolled Act: HEA 1472, SEC. 6

Summary: Expands the sales tax exemption for agricultural machinery, tools, and equipment to include material-handling equipment purchased for transporting materials into such activities from an onsite location.

Effective Date: Jan. 1, 2016

Code: IC 6-2.5-5-2

Enrolled Act: SEA 441, SEC. 9

Summary: Provides that the cutting of steel bars into billets and the felling of trees for further use in production or for sale in the ordinary course of business are treated as the processing of tangible personal property. Provides that the exemption for machinery, tools, and equipment used in the manufacturing, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property includes material-handling equipment purchased for the purpose of transporting materials into such activities from an onsite location.

Effective Date: Jan. 1, 2016

Code: IC 6-2.5-5-3

Enrolled Act: SEA 441, SEC. 10

Summary: Provides that property used in producing machinery, tools, or equipment includes material-handling equipment purchased for the purpose of transporting materials into such activities from an onsite location.

Effective Date: Jan. 1, 2016

Code: IC 6-2.5-5-4

Enrolled Act: SEA 441, SEC. 11

Summary: Expands the definition of “research and development activities” to include the design, refinement, and testing of prototypes of new or improved commercial products before sales have begun for the purpose of determining facts, theories, or principles or for the purpose of increasing scientific knowledge that may lead to new or enhanced products. Expands the list of excluded items to nontechnical activities, including social sciences, economics, humanities, and psychology. The term also excludes market and sales research; product market testing; the acquisition, investigation, or evaluation of another’s patent, model, process, or product; and providing sales services. Defines items that are excluded from research and development property to be heating, cooling, or illumination of office buildings; capital improvements to real property; janitorial services; personnel services or accommodations; inventory-control functions; management or supervisory functions; marketing; training; accounting; or any other function that is incidental to experimental or laboratory research and development.

Effective Date: Jan. 1, 2016

Code: IC 6-2.5-5-40

Enrolled Act: HEA 1472, SEC. 11

Summary: Changes the date that the department is required to notify assessors of new retail merchant certificates issued. The date of notification is before March 15 of each year instead of before July of each year. The annual period of reporting new retail merchants is changed from March 2 of the prior year and March 1 of the current year to the previous calendar year.

Effective Date: Jan. 1, 2016

Code: IC 6-2.5-8-1

Enrolled Act: SEA 374, SEC. 19

ADJUSTED GROSS INCOME TAX (IC 6-3)

Summary: Updates the Indiana Code to coincide with the Internal Revenue Code as in effect on Jan. 1, 2015.

Effective Date: Jan. 1, 2015 (RETROACTIVE)

Code: IC 6-3-1-11

Enrolled Act: HEA 1472, SEC. 15

Summary: Provides that a pass-through entity is not required to withhold tax or file a composite adjusted gross income tax return for a nonresident member if the entity is a publicly traded partnership; meets the exception for partnerships under Section 7704(c) of the Internal Revenue Code; and has agreed to file an annual information return reporting the name, address, and taxpayer identification number of each unit holder. A partnership is subject to a late payment penalty for failure to file a return, pay the full tax due, or pay the deficiency of withholding taxes due on the balance of any tax due not paid on or before the due date (including extensions) of the return. Defines a “nonresident partner” as an individual who does not reside in Indiana; a trust or an estate that does not reside in Indiana; or a partnership, a C corporation, or an S corporation not domiciled in Indiana.

Effective Date: Jan. 1, 2015 (RETROACTIVE)

Code: IC 6-3-4-12

Enrolled Act: HEA 1472, SEC. 18

Summary: If an S corporation is given an extension of time to file its annual return, it is automatically given an extension to file its withholding return for nonresident shareholders. An S corporation is subject to a late payment penalty for failure to file a return, pay the full tax due, or pay the deficiency of withholding taxes due on the balance of any tax due not paid on or before the due date (including extensions) of the return. Defines a “nonresident shareholder” as an individual, a trust, or an estate not residing in Indiana.

Effective Date: Jan. 1, 2015 (RETROACTIVE)

Code: IC 6-3-4-13

Enrolled Act: HEA 1472, SEC. 19

Summary: Requires a trust or an estate to file a composite return on behalf of all nonresident beneficiaries. The composite return must include all nonresident beneficiaries regardless of whether they have other Indiana source income. If a trust or an estate is permitted an extension of time to file its income tax return, then the composite return and payment due shall be allowed the same treatment as the extended income tax return.

Effective Date: Jan. 1, 2015 (RETROACTIVE)

Code: IC 6-3-4-15

Enrolled Act: HEA 1472, SEC. 20

Summary: Makes a change to a federal code cite in the section defining “adjusted gross income.”

Effective Date: July 1, 2015

Code: IC 6-3-1-3.5

Enrolled Act: SEA 171, SEC. 7

Summary: Defines “eligible community foundation” in the AGI tax statute as an organization that: is exempt from federal income taxation under Section 501(c)(3) of the IRC; satisfies the public support test of Section 170(b)(1)(A)(vi) of the IRC; is an autonomous, nonsectarian philanthropic institution with permanent, component funds established by many separate donors; is accredited under national standards for United States Community Foundations; and supports a broad range of charitable activities within a specific geographic area in Indiana.

Effective Date: July 1, 2015

Code: IC 6-3-1-36

Enrolled Act: SEA 317, SEC. 1

Summary: Establishes parameters for notification to the department when there is a federal modification to a taxpayer’s income. A modification occurs on the date on which a taxpayer files an amended federal income tax return; a final determination is made concerning an assessment of deficiency; a final determination is made concerning a claim for refund; a taxpayer waives the restriction on assessment and collection of all, or any part, of an underpayment of federal income tax by signing a federal Form 870; a taxpayer enters into a closing agreement with the Internal Revenue Service concerning the taxpayer’s liability under Section 7121 of the Internal Revenue Code that is a final determination and the date of the closing agreement is the date the agreement is signed by a representative of the Internal Revenue Service; or a modification or alteration in an amount of tax is otherwise made that is a final determination. A “final determination” means an action or a decision by a taxpayer, the Internal Revenue Service, the United States Tax Court, or any other United States federal court concerning any disputed tax issue that is final and conclusive and cannot be reopened or appealed.

Effective Date: July 1, 2015

Code: IC 6-3-4-6

Enrolled Act: HEA 1472, SEC. 16

Summary: Requires an employer to file Form WH-3 annual withholding tax reports with the department not later than 31 days after the end of the calendar year. Eliminates the provision that a refund to an employee who fails to file the employee’s return within 2 years will not be granted. The 3-year statute of limitations will control on the refund of taxes withheld.

Effective Date: July 1, 2015

Code: IC 6-3-4-8

Enrolled Act: HEA 1472, SEC. 17

Summary: Increases the civil service annuity deduction from \$2,000 to \$8,000 for 2015 and further increases it to \$16,000 for 2016 and beyond. Expands the civil service annuity deduction to include a surviving spouse. This is effective for 2015 returns filed in 2016.

Effective Date: Jan. 1, 2015 (RETROACTIVE)

Code: IC 6-3-2-3.7

Enrolled Act: SEA 441, SEC. 15

Summary: Provides for an individual income tax credit for classroom supplies that qualify for the educator expense deduction under Section 62(a)(2)(D) of the Internal Revenue Code. An individual employed as a teacher is entitled to a tax credit equal to the lesser of \$100 or the total amount expended for classroom supplies during a taxable year. The amount of any unused credit cannot be carried forward, carried back to a previous year, or refunded. This is effective for 2015 returns filed in 2016.

Effective Date: Jan. 1, 2015 (RETROACTIVE)

Code: IC 6-3-3-14.5

Enrolled Act: HEA 1001, SEC. 82

Summary: Makes several changes to the definition of “adjusted gross income” for individuals.

Eliminates the subtract off for that part of an individual’s income that is subject to a tax imposed by a political subdivision of another state; eliminates the addback of the amount of the capital gain portion of a lump sum distribution; eliminates the subtract off of any federal credit allowed under 26 U.S.C. 6428 and included in the individual’s federal adjusted gross income; eliminates the addback of unemployment compensation excluded from federal gross income; eliminates the addback of the amount excluded from gross income for the discharge of debt on a qualified principal residence; eliminates the adjustment for an individual who claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code; eliminates the adjustment that a taxpayer made for an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property; eliminates the adjustment for expensing costs for a qualified film or television production; eliminates the adjustment for a loss from the sale or exchange of preferred stock in the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation; eliminates the addback of wages, reimbursements, or other payments made for services as an employee if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a. Make several changes to the definition of “taxable income” for corporations. Eliminates the adjustment for a corporation that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code; eliminates the adjustment that a corporation made for an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property; eliminates the adjustment for expensing costs for a qualified film or television production; eliminates the adjustment for a loss from the sale or exchange of preferred stock in the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation; eliminates the addback of wages, reimbursements, or other payments made for services as an employee if the individual was, during the period of service, prohibited from being hired as an employee 8 U.S.C. 1324a. Makes several changes to the definition of “taxable income” for life insurance companies and other insurance companies organized under Indiana law. Eliminates the adjustment for an insurance company that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code; eliminates the adjustment that an insurance company made for an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property; eliminates the adjustment for expensing costs for a qualified film or television production; eliminates the adjustment for a loss from the sale or exchange of preferred stock in the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation; eliminates the addback of wages, reimbursements, or other payments made for services as an employee if the individual was, during the period of service, prohibited from being hired as an employee 8 U.S.C. 1324a. Make several changes to the definition of “taxable income” for trusts and estates. Eliminates the adjustment for a trust or estate that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code; eliminates the adjustment that a trust or estate made for an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property; eliminates the adjustment for expensing costs for a qualified film or television production; eliminates the adjustment for a loss from the sale or exchange of preferred stock in the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation; eliminates the addback of the amount excluded from gross income for the discharge of debt on a qualified principal residence; eliminates the

addback of wages, reimbursements, or other payments made for services as an employee if the individual was, during the period of service, prohibited from being hired as an employee 8 U.S.C. 1324a.

Effective Date: Jan. 1, 2016

Code: IC 6-3-1-3.5

Enrolled Act: SEA 441, SEC. 12

Summary: Changes the definition of “business income” to include all income that is apportionable to the state under the Constitution of the United States.

Effective Date: Jan. 1, 2016

Code: IC 6-3-1-20

Enrolled Act: SEA 441, SEC. 13

Summary: Eliminates the “throwback rule” for apportioning income to Indiana if the taxpayer is not taxable in the state of the purchaser. Also provides that the sale of computer software shall be treated as sales of tangible personal property for purposes of apportionment.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-2

Enrolled Act: SEA 441, SEC. 14

Summary: Changes a reference to a code cite within the military pay deduction.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-4

Enrolled Act: SEA 441, SEC. 16

Summary: Repeals the insulation deduction that was a maximum of \$1,000.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-5

Enrolled Act: SEA 441, SEC. 17

Summary: Repeals the insulation deduction that was a maximum of \$1,000 (duplicates SEA 441, SEC. 17).

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-5

Enrolled Act: HEA 1142, SEC. 3

Summary: Repeals the income tax deduction for solar-powered roof vents or fans.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-5.3

Enrolled Act: SEA 441, SEC. 18

Summary: Repeals the income tax deduction for solar-powered roof vents or fans (duplicates SEA 441, SEC. 18).

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-5.3

Enrolled Act: HEA 1142, SEC. 4

Summary: Repeals the tax deduction for export income derived from items that are manufactured at a maritime opportunity district and shipped through a port operated by the state. The repeal of the deduction is effective for tax years beginning after Dec. 31, 2015.

Effective Date: July 1, 2015

Code: IC 6-3-2-13

Enrolled Act: SEA 441, SEC. 19

Summary: Deletes a reference to a repealed code cite within the exemption for lottery winnings on drawings held before July 1, 2002.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-14.1

Enrolled Act: SEA 441, SEC 20

Summary: Repeals the deduction for the first \$1,200 of winnings from a lottery ticket purchased under IC 4-30.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-14.5

Enrolled Act: SEA 441, SEC. 21

Summary: Repeals the provision that provides an income tax exemption for the first \$1,000 of a reward received for information provided to law enforcement that assists in the arrest or indictment of or the filing of charges against a person.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-17

Enrolled Act: SEA 441, SEC. 22

Summary: Provides that funds put into a medical care savings account by an employer established for an employee are no longer exempt income to the employee in the taxable year that the money was deposited in the employee's account. **Note:** If the funds put into a medical care savings account by an employer established for an employee are exempt income to the employee for federal income tax purposes, the federal exemption still applies.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-18

Enrolled Act: SEA 441, SEC. 23

Summary: Broadens the addback to adjusted gross income related to intercompany interest expenses.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-20

Enrolled Act: SEA 441, SEC. 24

Summary: Makes technical changes to internal references to IC 6-3-1-3.5.

Effective Date: Jan. 1, 2016

Code: IC 6-3-2-25

Enrolled Act: SEA 441, SEC. 25

Summary: Provides an income tax credit to a for-profit hospital that is licensed under IC 16-21-2; is subject to the adjusted gross income tax; provides health care, accommodations, facilities, and equipment in connection with the services of a physician to individuals who may need medical or surgical services; and is not primarily providing care and treatment of patients with a cardiac condition or orthopedic condition or who are receiving a surgical procedure. The credit is equal to 10% of the property taxes paid in Indiana for the taxable year on property used as a hospital. The credit cannot exceed the taxpayer's adjusted gross income tax liability for the taxable year. The amount of any unused credit may not be carried forward, carried back to a previous year, or refunded.

Effective Date: Jan. 1, 2016

Code: IC 6-3-3-14.6

Enrolled Act: HEA 1001, SEC. 83

INCOME TAX CREDITS (IC 6-3.1)

Summary: This section applies to a taxpayer that is not a pass-through entity. Provides that in the case of the Hoosier business investment tax credit, the IEDC may under a written agreement accelerate payment (at a discounted amount) of any unused excess tax credit that certain taxpayers would otherwise be eligible to carry forward to a subsequent tax year. Provides that the total amount of such accelerated tax credits that the IEDC may approve may not exceed \$17,000,000 in a state fiscal year.

Effective Date: Upon Passage

Code: IC 6-3.1-26-15

Enrolled Act: SEA 441, SEC. 32

Summary: This section applies to partners, members, or shareholders of a pass-through entity. Provides that in the case of the Hoosier business investment tax credit, the IEDC may under a written agreement accelerate payment (at a discounted amount) of any unused excess tax credit that certain taxpayers would otherwise be eligible to carry forward to a subsequent tax year. Provides that the total amount of such accelerated tax credits that the IEDC may approve may not exceed \$17,000,000 in a state fiscal year.

Effective Date: Upon Passage

Code: IC 6-3.1-26-16

Enrolled Act: SEA 441, SEC. 33

Summary: Provides that for the fiscal year ending on June 30, 2016, the maximum amount of EDGE credits that may be awarded during the fiscal year for job creation may not exceed \$225,000,000.

Effective Date: July 1, 2015

Code: IC 6-3.1-13-18

Enrolled Act: HEA 1001, SEC. 84

Summary: Removes the requirement in the computer donations tax credit that a public or private elementary school must detail the school's computer education program and the school's planned use of the qualified computer equipment before the equipment can be purchased from a service center. Also removes the requirement that a parent prove to the service center that the child is a participant in the school's computer education program and the qualified equipment will be used by the child for an educational purpose.

Effective Date: July 1, 2015

Code: IC 6-3.1-15-12

Enrolled Act: SEA 500, SEC. 20

Summary: Provides that after June 30, 2016, the maximum historic preservation credit for nonresidential historic property that can be certified will be zero. A taxpayer may carry forward any unused credit attributable to a qualified expenditure awarded before July 1, 2016.

Effective Date: July 1, 2015

Code: IC 6-3.1-16-14

Enrolled Act: HEA 1001, SEC. 85

Summary: Changes a code cite reference in the income tax for property taxes paid on homesteads in Lake County and adds a provision that allows the supplemental distribution of admissions tax payable to the county to be used to reimburse the general fund for the cost of the credit.

Effective Date: July 1, 2015

Code: IC 6-3.1-20-7

Enrolled Act: HEA 1398, SEC. 4

Summary: Changes a code cite reference in the income tax for property taxes paid on homesteads in Lake County (duplicated by HEA 1398, SEC. 4).

Effective Date: July 1, 2015

Code: IC 6-3.1-20-7

Enrolled Act: HEA 1540, SEC. 59

Summary: Removes outdated language concerning earned income tax advance payments in the earned income tax credit statute.

Effective Date: July 1, 2015

Code: IC 6-3.1-21-6 and IC 6-3.1-21-8

Enrolled Act: HEA 1472, SEC. 23 and 24

Summary: Extends the time in which a venture capital tax credit can be awarded from the current law of Dec. 31, 2016 to Dec. 31, 2020.

Effective Date: July 1, 2015

Code: IC 6-3.1-24-9

Enrolled Act: SEA 441, SEC. 30

Summary: Extends the expiration of the Hoosier business investment tax credit from Dec. 31, 2016 until Dec. 31, 2020.

Effective Date: July 1, 2015

Code: IC 6-3.1-26-26

Enrolled Act: SEA 441, SEC. 35

Summary: Increases the maximum amount of school scholarship tax credits that can be awarded from the current amount of \$7,500,000 per fiscal year to \$8,500,000 for the fiscal year ending June 30, 2016, and \$9,500,000 for each fiscal year thereafter.

Effective Date: July 1, 2015

Code: IC 6-3.1-30.5-13

Enrolled Act: HEA 1001, SEC. 86

Summary: Changes the effective date of the tax credit for natural gas-powered vehicles from Jan. 1, 2014 to Jan. 1, 2013.

Effective Date: Jan. 1, 2013 (RETROACTIVE)

Code: IC 6-3.1-34.6-1

Enrolled Act: HEA 1001, SEC. 87

Summary: Provides that, for a person who claims the credit for placing a qualified vehicle into service in 2013, the person may claim the credit only against sales and use tax liability incurred by the person on a transaction occurring after June 30, 2015, that involves a natural gas product that is subject to taxation for sales tax because the public transportation exemption for sales tax excludes those transactions involving a natural gas product.

Effective Date: July 1, 2015

Code: IC 6-3.1-34.6-8

Enrolled Act: HEA 1001, SEC. 88

Summary: Provides that the maximum amount of tax credits that can be provided to a taxpayer in a taxable year is \$150,000; however, this limitation does not apply to a taxable year beginning after Dec. 31, 2012 and ending before Jan. 1, 2014.

Effective Date: Jan. 1, 2013 (RETROACTIVE)

Code: IC 6-3.1-34.6-9

Enrolled Act: HEA 1001, SEC. 89

Summary: Provides that the community revitalization enhancement district (CRED) tax credit is not allowed for expenditures on property classified as residential property, except for expenditures that were approved by the IEDC before Jan. 1, 2016.

Effective Date: July 1, 2015

Code: IC 6-3.1-19-2

Enrolled Act: SEA 441, SEC. 28

Summary: Amends the research expense tax credit so that “base amount” and “qualified research” have the same definition as contained in Section 41 of the Internal Revenue Code.

Effective Date: Jan. 1, 2016

Code: IC 6-3.1-4-1 and IC 6-3.1-4-4

Enrolled Act: HEA 1472, SEC. 21 and 22

Summary: Provides that a taxpayer is not entitled to a tax credit for a donation of qualified computer equipment made after Dec. 31, 2015.

Effective Date: Jan. 1, 2016

Code: IC 6-3.1-15-7

Enrolled Act: SEA 441, SEC. 26

Summary: Provides that a taxpayer is not eligible for a historic preservation tax credit for any qualified expenditure made after Dec. 31, 2015. This provision applies only to nonresidential historic property.

Effective Date: Jan. 1, 2016

Code: IC 6-3.1-16-7

Enrolled Act: SEA 441, SEC. 27

Summary: Makes a technical correction to a code cite within the income tax credit for property taxes paid on homesteads within Lake County.

Effective Date: Jan. 1, 2016

Code: IC 6-3.1-20-4

Enrolled Act: SEA 441, SEC. 29

Summary: Expands the definition of a “logistics investment” within the Hoosier business investment tax credit to include upgrading or building passing lines or automated switches on a rail line.

Effective Date: Jan. 1, 2016

Code: IC 6-3.1-26-8.5

Enrolled Act: SEA 441, SEC. 31

Summary: Provides that the maximum credits that can be awarded in a fiscal year of \$50,000,000 for a non-logistics investment and \$10,000,000 for a logistics investment will be valued at the amount of the tax credit before the tax credit is discounted under Sec. 15(d) or 16(d).

Effective Date: Jan. 1, 2016

Code: IC 6-3.1-26-20

Enrolled Act: SEA 441, SEC. 34

LOCAL OPTION INCOME TAXES
(IC 6-3.5-1.1; IC 6-3.5-6; IC 6-3.5-7; IC 6-3.6)

Summary: Technical change to add new code cites to the exceptions for the standard CAGIT income tax rate.

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-2

Enrolled Act: HEA 1472, SEC. 25

Summary: Technical change to add a new code cite to the exceptions for the standard CAGIT income tax rate (duplicated by HEA 1472, SEC. 25).

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-2

Enrolled Act: HEA 1485, SEC. 2

Summary: Provides that, when construction of jail facilities are complete and bonds and leases are fully paid, the county adjusted gross income tax rate in Marshall County shall be established at a rate such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities.

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-2.8

Enrolled Act: HEA 1472, SEC. 26

Summary: Adds a new section to authorize Tipton County to impose an additional county adjusted gross income tax rate of not more than 0.4% for constructing and equipping a jail and related facilities and renovating the county courthouse.

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-3.4

Enrolled Act: HEA 1472, SEC. 27

Summary: Adds a new section to authorize Rush County to impose an additional county adjusted gross income tax rate in the range of 0.15% up to 0.6% to fund a county jail including construction costs, repayment of bonds, and the operation and maintenance of the facility.

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-3.7

Enrolled Act: HEA 1472, SEC. 28

Summary: Adds a new section to authorize Rush County to adopt an ordinance to impose additional county adjusted gross income tax rate in the range of 0.15% up to 0.6% to fund a county jail including construction costs, repayment of bonds, and the operation and maintenance of the facility (duplicated by HEA 1472, SEC. 28).

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-3.7

Enrolled Act: HEA 1485, SEC. 3

Summary: Excludes Tipton County and Rush County distributions for jail facilities that are outside of the regular certified distribution and the portion for certified shares.

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-10 and IC 6-3.5-1.1-11

Enrolled Act: HEA 1472, SEC. 29 and 30

Summary: Excludes Rush County distribution for jail facilities that are outside of the regular certified distribution and the portion for certified shares (duplicated by HEA 1472, SEC 29 - 30).

Effective Date: Upon Passage

Code: IC 6-3.5-1.1-10 and IC 6-3.5-1.1-11

Enrolled Act: HEA 1485, SEC. 4 and 5

Summary: Provides that the maximum combined CAGIT and CEDIT rate in Tipton County may not exceed 1.65%. Provides that the maximum CAGIT and CEDIT rate in Rush County may not exceed 1.85%. Provides that the maximum COIT and CEDIT rate in Greene County may not exceed 1.25%. However, if the COIT and CEDIT rate exceeds 1%, the maximum rate that may be imposed in the county for public safety purposes is equal to the difference between 0.25% minus the amount by which the COIT and CEDIT rate exceeds 1%.

Effective Date: Upon Passage

Code: IC 6-3.5-7-5

Enrolled Act: HEA 1472, SEC. 31

Summary: Provides that the maximum CAGIT and CEDIT rate in Rush County may not exceed 1.85% (duplicated by HEA 1472, SEC. 31).

Effective Date: Upon Passage

Code: IC 6-3.5-7-5

Enrolled Act: HEA 1485, SEC. 9

Summary: Corrects a reference within IC 6-3.5-7-28.

Effective Date: Upon Passage

Code: IC 6-3.5-7-28

Enrolled Act: HEA 1403, SEC. 2

Summary: Provides that any county can impose a public safety LOIT without having to impose a tax rate for a levy freeze and property tax relief. Provides that if a county has not imposed a public safety LOIT rate on July 1, 2015, the county may adopt a resolution providing that up to 100% of revenue will be dedicated to a PSAP that is part of a statewide 911 system. If a county has imposed a public safety LOIT on July 1, 2015, and the rate is increased after July 1, 2015, the county may adopt a resolution providing that up to 100% of the revenue from the increased rate will be dedicated to a PSAP that is part of a statewide 911 system.

Effective Date: July 1, 2015

Code: IC 6-3.5-1.1-25

Enrolled Act: HEA 1475, SEC. 2

Summary: Provides that Orange County can impose a public safety LOIT without having to impose a tax rate for a levy freeze and property tax relief.

Effective Date: July 1, 2015

Code: IC 6-3.5-1.1-25

Enrolled Act: HEA 1540, SEC. 60

Summary: Provides that any county can impose a public safety LOIT without having to impose a tax rate for a levy freeze and property tax relief. Provides that if a county has not imposed a public safety LOIT rate on July 1, 2015, the county may adopt a resolution providing that up to 100% of revenue will be dedicated to a PSAP that is part of a statewide 911 system. If a county has imposed a public safety LOIT on July 1, 2015, and the rate is increased after July 1, 2015, the county may adopt a resolution providing that up to 100% of the revenue from the increased rate will be dedicated to a PSAP that is part of a statewide 911 system.

Effective Date: July 1, 2015

Code: IC 6-3.5-6-31

Enrolled Act: HEA 1475, SEC. 3

Summary: Provides that CEDIT funds may not be used by Hammond, Gary, East Chicago, and Lake County for transfers required to be made to the Northwest Indiana Regional Development Authority.

Effective Date: July 1, 2015

Code: IC 6-3.5-7-13.1

Enrolled Act: HEA 1398, SEC. 5

Summary: Deletes the requirement for an annual audit by the State Board of Accounts.

Effective Date: July 1, 2015

Code: IC 6-3.5-7-13.5 and IC 6-3.5-7-13.6

Enrolled Act: HEA 1104, SEC. 26 and 27

Summary: Repeals the county adjusted gross income tax credit for the elderly.

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-1.1-7

Enrolled Act: SEA 441, SEC. 36

Summary: Deletes a reference to IC 6-3-1-3.5(a)(6), which has been repealed.

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-1.1-18

Enrolled Act: SEA 441, SEC. 37

Summary: Deletes a reference to IC 6-3-1-3.5(a)(6), which has been repealed.

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-6-22

Enrolled Act: SEA 441, SEC. 38

Summary: Repeals the county option income tax credit for the elderly.

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-6-24

Enrolled Act: SEA 441, SEC. 39

Summary: Technical change noting a repealed section of property tax statute.

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-7-5

Enrolled Act: SEA 374, SEC. 20

Summary: Repeals the county economic development income tax credit for the elderly.

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-7-9

Enrolled Act: SEA 441, SEC. 40

Summary: Deletes a reference to IC 6-3-1-3.5(a)(6), which has been repealed.

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-7-18

Enrolled Act: SEA 441, SEC. 41

Summary: Deletes a repealed reference to property tax statute in the definition of “adopting entity.”

Effective Date: Jan. 1, 2016

Code: IC 6-3.5-7-26

Enrolled Act: SEA 374, SEC. 21

Summary: County adjusted gross income tax (CAGIT) is repealed effective Jan. 1, 2017.

Effective Date: Jan. 1, 2017

Code: IC 6-3.5-1.1

Enrolled Act: HEA 1485, SEC. 1

Summary: County option income tax (COIT) is repealed effective Jan. 1, 2017.

Effective Date: Jan. 1, 2017

Code: IC 6-3.5-6

Enrolled Act: HEA 1485, SEC. 7

Summary: County economic development income tax (CEDIT) is repealed effective Jan. 1, 2017.

Effective Date: Jan. 1, 2017

Code: IC 6-3.5-7

Enrolled Act: HEA 1485, SEC. 8

Summary: Adds a new article to consolidate and simplify the various local income tax laws that are in effect on May 1, 2016, into a uniform law that transitions each county from the former taxes (CAGIT, COIT, and CEDIT) to the tax created in this article. A county may not adopt any ordinances under a former tax after June 30, 2016, and an adopting body may not take any action under this article before July 1, 2016. The uniform local income tax is effective Jan. 1, 2017.

Effective Date: July 1, 2015

Code: IC 6-3.6

Enrolled Act: HEA 1485, SEC. 10

FINANCIAL INSTITUTIONS TAX (IC 6-5.5)

Summary: Establishes parameters for notification to the department when there is a federal modification to a taxpayer's income. A modification occurs on the date on which a taxpayer files an amended federal income tax return; a final determination is made concerning an assessment of deficiency; a final determination is made concerning a claim for refund; a taxpayer waives the tax by signing a federal Form 870; a taxpayer enters into a closing agreement with the Internal Revenue Service concerning the taxpayer's liability under Section 7121 of the Internal Revenue Code that is a final determination, and the date of the closing agreement is the date the agreement is signed by a representative of the Internal Revenue Service; or a modification or an alteration in an amount of tax is otherwise made that is a final determination. A final determination means an action or decision by a taxpayer, the Internal Revenue Service, the United States Tax Court, or any other United States federal court concerning any disputed tax issue that is final and conclusive and cannot be reopened or appealed. If the federal modification or alteration results in a change in the taxpayer's federal adjusted gross income or income within Indiana, the taxpayer shall file an amended financial institutions tax return and a copy of the amended federal income tax return with the department not later than 180 days after the modification or alteration is made.

Effective Date: July 1, 2015

Code: IC 6-5.5-6-6

Enrolled Act: HEA 1472, SEC. 32

Summary: Eliminates the adjustment for a financial institution that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code; eliminates the adjustment that a financial institution made for an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property; eliminates the adjustment for expensing costs for a qualified film or television production; eliminates the adjustment for a loss from the sale or exchange of preferred stock in the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation; eliminates the addback of wages, reimbursements, or other payments made for services as an employee if the individual was, during the period of service, prohibited from being hired as an employee 8 U.S.C. 1324a.

Effective Date: Jan. 1, 2016

Code: IC 6-5.5-1-2

Enrolled Act: SEA 441, SEC. 42

MISCELLANEOUS AND VEHICLE EXCISE TAXES (IC 6-6)

Summary: Removes the provision that an aircraft held in inventory for 18 months is no longer considered aircraft inventory and provides that an aircraft that has a total time in service exceeding 50 hours is no longer considered in inventory and is subject to registration and all applicable taxes.

Effective Date: July 1, 2015

Code: IC 6-6-6.5-10.6

Enrolled Act: HEA 1413, SEC. 1

Summary: Provides that a dealer who has had an aircraft reclassified out of the dealer's aircraft inventory because of the 180-day provision may elect to return an aircraft to the dealer's aircraft inventory if it would have qualified under the amendment to IC 6-6-6.5-10.6 and then obtain a refund of the registration fees and sales or use taxes that were required to be paid when the statutory reclassification occurred (including any penalties and interest), if paid within three years.

Effective Date: July 1, 2015

Code: IC 6-6-6.5-26

Enrolled Act: HEA 1413, SEC. 2

Summary: Repeals the Local Emergency Planning and Right to Know Fund.

Effective Date: July 1, 2015

Code: IC 6-6-10

Enrolled Act: SEA 484, SEC. 1

Summary: Changes the regular annual registration date for aircraft from the last day of February to the last day of December.

Effective Date: Jan. 1, 2016

Code: IC 6-6-6.5-1

Enrolled Act: SEA 374, SEC. 22

Summary: Changes the date of assessment of aircraft held by a dealer from the last day of February to the last day of December.

Effective Date: Jan. 1, 2016

Code: IC 6-6-6.5-10.7

Enrolled Act: SEA 374, SEC. 23

CIGARETTE AND OTHER TOBACCO PRODUCTS TAX (IC 6-7-1 AND IC 6-7-2)

Summary: Renames the Indiana Check-up Plan Trust Fund the Healthy Indiana Plan Trust Fund in the distribution of the cigarette tax.

Effective Date: Feb. 1, 2015 (RETROACTIVE)

Code: IC 6-7-1-28.1

Enrolled Act: HEA 1001, SEC. 90

MISCELLANEOUS TAXES (IC 6-8)

Summary: Provides that the principal contributed by an employer to a medical care savings account before Jan. 1, 2016, is exempt from taxation as income of the employee.

Effective Date: Jan. 1, 2016

Code: IC 6-8-11-9

Enrolled Act: SEA 441, SEC. 45

Summary: Adds a new section to the medical care savings account statute to provide that if an employer contributes money to an account after Dec. 31, 2015, the money may be withdrawn from the account by the employee at any time and for any purpose without a penalty.

Effective Date: Jan. 1, 2016

Code: IC 6-8-11-11.5

Enrolled Act: SEA 441, SEC. 46

TAX ADMINISTRATION (IC 6-8.1)

Summary: Authorizes a tax amnesty program for unpaid tax liability for a listed tax that was due and payable for a tax period ending before Jan. 1, 2013. Taxpayers that participated in a previous amnesty program or the amnesty program for sales tax due on claimed racing horses are not eligible for the current amnesty program. The amnesty program cannot exceed eight weeks and must end before Jan. 1, 2017.

Effective Date: July 1, 2015

Code: IC 6-8.1-3-17

Enrolled Act: HEA 1001, SEC. 91

Summary: The department may adopt emergency rules to carry out the tax amnesty program, and the rule adopted by the department expires on the date specified in the emergency rule.

Effective Date: July 1, 2015

Code: IC 6-8.1-3-24

Enrolled Act: HEA 1001, SEC. 92

Summary: Revenue from the amnesty program shall be distributed as follows: the first \$84,000,000 collected will be deposited into the Indiana Regional Cities Development Fund; the next \$6,000,000 shall be transferred to the Indiana Department of Transportation for money expended by the Indiana Department of Transportation for the operation of the Hoosier State Rail Line; and any remaining amounts collected will be deposited into the state General Fund.

Effective Date: July 1, 2015

Code: IC 6-8.1-3-25

Enrolled Act: HEA 1001, SEC. 93

Summary: Provides that the double penalty for not paying an outstanding liability during amnesty does not apply if the taxpayer has entered into a payment plan with the department by May 12, 2015. Provides that the double penalty applies only if the tax liability was due and payable before Jan. 1, 2013.

Effective Date: July 1, 2015

Code: IC 6-8.1-10-12

Enrolled Act: HEA 1001, SEC. 94

Summary: Deletes the requirement for an annual audit of the Department of Revenue.

Effective Date: July 1, 2015

Code: IC 6-8.1-3-6

Enrolled Act: HEA 1104, SEC. 28

Summary: Requires the department to enter into an agreement with the fiscal officer of a capital improvement board of managers that is responsible for expenditures of funds from an innkeeper's tax, a food and beverage tax, an admissions tax, the supplemental auto rental excise tax, or the sales taxes allocated to a professional sports development area fund or a sports and convention facilities operating fund to furnish the fiscal officer annually with the name of each business collecting taxes listed above, as well as the amount of money collected from each business. The agreement must include a nondisclosure provision the same as is required for the fiscal officer of a governmental entity that has adopted the taxes.

Effective Date: July 1, 2015

Code: IC 6-8.1-3-7.1

Enrolled Act: HEA 1472, SEC. 33

Summary: Provides that the department can deny an application for a motor carrier permit under certain circumstances.

Effective Date: July 1, 2015

Code: IC 6-8.1-4-5

Enrolled Act: HEA 1472, SEC. 34

Summary: Eliminates the requirement that a letter of findings must be issued within 60 days after the hearing on the protest. Extends the time frame during which a taxpayer has the right to appeal to the tax court from 60 days to 90 days after a letter of findings is issued or a refund claim is denied. The 90-day limit can be extended upon agreement of the department and the taxpayer. Changes the time period for the department to issue a demand notice from 45 days to 60 days if the taxpayer does not respond to the proposed assessment.

Effective Date: July 1, 2015

Code: IC 6-8.1-5-1

Enrolled Act: HEA 1472, SEC. 35

Summary: Clarifies language in the statute of limitations section concerning when there is a federal modification that affects Indiana income.

Effective Date: July 1, 2015

Code: IC 6-8.1-5-2

Enrolled Act: HEA 1472, SEC. 36

Summary: Provides that the department can release information concerning an innkeeper's tax, a food and beverage tax, an admissions tax, the supplemental auto rental excise tax, or any covered taxes distributed to a professional sports development area fund or a sports and convention facilities operating fund. Also allows the department to disclose to a utility a person who is exempt from sales tax for utilities purchased.

Effective Date: July 1, 2015

Code: IC 6-8.1-7-1

Enrolled Act: HEA 1472, SEC. 37

Summary: Provides that a tax judgment may be released and a tax warrant expunged if the commissioner determines that the release of the tax judgment and the expungement of the tax warrant are in the best interest of the state. Requires the department to adopt rules to define the circumstances under which a release and expungement may be granted based on a finding that the release and expungement would be in the best interest of the state.

Effective Date: July 1, 2015

Code: IC 6-8.1-8-2

Enrolled Act: HEA 1472, SEC. 38

Summary: Provides that a taxpayer has 60 days from the date of a denial of a refund claim to file a written protest. If a hearing is requested, the department shall notify the person of the time, date, and location of the hearing. After conducting the hearing, the department shall issue a memorandum of decision or an order denying a refund. A person who disagrees with any part of the decision may request a rehearing not more than 30 days after the memorandum of decision or the order denying a refund was issued. The person has up to 90 days to appeal a decision to the Tax Court. The 90-day period can be extended upon agreement of the department and the taxpayer.

Effective Date: July 1, 2015

Code: IC 6-8.1-9-1

Enrolled Act: HEA 1472, SEC. 39

Summary: Provides that a refund request will accrue interest from the date the refund claim is filed if it is filed before July 1, 2015. If the refund claim is filed after June 30, 2015, interest will accrue from the latest of the date the tax payment was due; the date the tax was paid; or July 1, 2015. The due date for payment of the sales tax, oil inspection fee, or petroleum severance tax is December 31 of the calendar year that contains the taxable period for which the payment is remitted. No interest is due on a refund claim before the return for the tax in question is filed.

Effective Date: July 1, 2015

Code: IC 6-8.1-9-2

Enrolled Act: HEA 1472, SEC. 40

INNKEEPERS AND OTHER LOCAL TAXES (IC 6-9)

Summary: Provides for a food and beverage tax of 2% in Orange County. The tax is imposed only on food and beverage items served in an historic hotel resort including a riverboat and other properties operated in conjunction with the historic hotel, including golf courses. The amounts received from the tax shall be distributed monthly to the West Baden Springs Historic Hotel Preservation and Maintenance Fund. If Orange County has another food and beverage tax levied in all or any part of the county, the other food and beverage tax does not apply to facilities where the 2% tax is imposed.

Effective Date: July 1, 2015

Code: IC 6-9-45.5

Enrolled Act: HEA 1540, SEC. 61

Summary: Provides for an innkeeper's tax in Orange County at an historic hotel regardless of whether the county already imposes a tax on the same transactions. The tax is levied at a rate of 2% on the gross retail income derived from lodging. The amounts received from the tax shall be distributed monthly to the West Baden Springs Historic Hotel Preservation and Maintenance Fund. If the tax rate at which another innkeeper's tax is imposed is increased after Dec. 31, 2014, above the rate in effect on Jan. 1, 2015, the additional tax rate does not apply to the historic hotel.

Effective Date: July 1, 2015

Code: IC 6-9-45.6

Enrolled Act: HEA 1540, SEC. 62

Summary: Authorizes the town of Rockville to adopt an ordinance imposing a food and beverage tax. The tax goes into effect on the day specified in the ordinance or on the last day of the month that succeeds the month in which the ordinance is adopted. The food and beverage tax does not apply in a transaction that is exempt from the sales tax. The food and beverage tax rate shall be imposed in an increment of 0.25% and may not exceed 1%. The tax will be collected in the same manner as the sales tax and remitted to the department. Money received from the tax shall be paid monthly by the treasurer of state to the fiscal officer of the town of Rockville. Money received from the tax may be used for the following purposes: to reduce the town's property tax levy for a particular year; for economic development purposes including bonds, leases, or other obligations; storm water, sidewalk, street, park, and parking improvements necessary to support tourism in the town; and public safety.

Effective Date: July 1, 2015

Code: IC 6-9-45

Enrolled Act: HEA 1044, SEC. 1

Summary: Authorizes Orange County to adopt an ordinance imposing a food and beverage tax. The tax goes into effect on the day specified in the ordinance or on the last day of the month that succeeds the month in which the ordinance is adopted. The food and beverage tax does not apply in a transaction that is exempt from the sales tax. The tax also does not apply to a transaction that occurs at an historic hotel defined in IC 4-33-6.5 or other properties operated in conjunction with the historic hotel enterprise located in Orange County, including golf courses. The food and beverage tax rate shall be imposed in an increment of 0.25% and may not exceed 1%. The tax will be collected in the same manner as the sales tax and remitted to the department. Money received from the tax shall be paid monthly by the treasurer of state to the fiscal officer of the county. Money received from the tax may be used for the following purposes: for economic development purposes including bonds, leases, or other obligations; storm water, sidewalk, street, park, and parking improvements necessary to support tourism in the county; public safety.

Effective Date: July 1, 2015

Code: IC 6-9-47.5

Enrolled Act: HEA 1044, SEC. 2

Summary: Deletes the requirement for an annual financial and compliance audit by the State Board of Accounts for a youth sports complex operating under this chapter.

Effective Date: July 1, 2015

Code: IC 6-9-42-9

Enrolled Act: HEA 1104, SEC. 29

TAXATION OF INTERNET ACCESS (IC 6-10)

Summary: Adds a new article to the Indiana Code to prohibit state or local taxation of Internet access. The term "Internet access" means a service that enables users to connect to the Internet to access content, information, or other services offered over the Internet. The term does not include voice, audio, or video programming. The term "tax" means any charge that is imposed by the state or a political subdivision of the state for the purpose of generating revenues for governmental purposes and is not a fee imposed for a specific privilege, service, or benefit conferred. The term includes the imposition on a seller of an obligation to collect and remit to the state or a political subdivision of the state any gross retail tax, sales tax, or use tax imposed on a buyer by a governmental entity. The term does not include any franchise fee or similar fee imposed by the Indiana Utility Regulatory Commission or any other fee related to obligations or telecommunications carriers under the Communications Act of 1934. The act does **not** prevent the imposition of a tax levied on or measured by net income, capital stock, net worth, or property value. Neither the state nor a political subdivision of the state may impose, assess, collect, or attempt to collect a tax on Internet access or use of Internet access.

Effective Date: Upon Passage

Code: IC 6-10-1

Enrolled Act: SEA 80

ALCOHOL AND TOBACCO TAXES (IC 7.1)

Summary: Provides that the department shall deposit \$.0375 instead of \$.0475 of the beer excise gallonage tax into the Postwar Construction Fund.

Effective Date: July 1, 2015

Code: IC 7.1-4-8-1

Enrolled Act: HEA 1001, SEC. 95

Summary: Provides that the department shall deposit \$.0175 instead of \$.0075 of the beer excise gallonage tax into the Enforcement and Administration Fund.

Effective Date: July 1, 2015

Code: IC 7.1-4-10-1

Enrolled Act: HEA 1001, SEC. 96

Summary: Adds a requirement that an e-liquid retailer, distributor, and manufacturer that mixes, bottles, or sells e-liquid in Indiana before July 1, 2015 shall obtain a distributor's license from the Department for other tobacco product taxes before July 1, 2016.

Effective Date: July 1, 2015

Code: IC 7.1-7-5-1

Enrolled Act: HEA 1432, SEC. 9

MOTOR CARRIER REGULATION (IC 8-2.1)

Summary: Repeals language concerning effective dates of previous amendments.

Effective Date: July 1, 2015

Code: IC 8-2.1-17-0.1

Enrolled Act: SEA 171, SEC. 17

Summary: Defines a "digital network" as an online application, software, a website, or a system used by a transportation network company (TNC) to enable prearranged rides with TNC drivers.

Effective Date: July 1, 2015

Code: IC 8-2.1-17-6.5

Enrolled Act: HEA 1278, SEC. 1

Summary: Defines "motor vehicle insurance" as any type of insurance described in IC 27-1-5-1, Class 2(f).

Effective Date: July 1, 2015

Code: IC 8-2.1-17-11.2

Enrolled Act: HEA 1278, SEC. 2

Summary: Defines "personal vehicle" as a vehicle that is used by a TNC driver to provide a prearranged ride; that is owned, leased, or authorized for use by a TNC driver; and that is not a taxicab, a limousine, or another for-hire vehicle.

Effective Date: July 1, 2015

Code: IC 8-2.1-17-13.2

Enrolled Act: HEA 1278, SEC. 3

Summary: Defines "prearranged ride" to mean the provision of transportation by a TNC driver to a TNC rider beginning when the TNC driver accepts a TNC rider's request for a ride and ending when the last requesting TNC rider departs from the personal vehicle.

Effective Date: July 1, 2015

Code: IC 8-2.1-17-13.5

Enrolled Act: HEA 1278, SEC. 4

Summary: Provides that a personal vehicle driven by a TNC driver is excluded from the definition of a “taxicab.”

Effective Date: July 1, 2015

Code: IC 8-2.1-17-16

Enrolled Act: HEA 1278, SEC. 5

Summary: Defines a “TNC” as an entity that does business in Indiana and uses a digital network to connect TNC riders to TNC drivers to request prearranged rides.

Effective Date: July 1, 2015

Code: IC 8-2.1-17-18

Enrolled Act: HEA 1278, SEC. 6

Summary: Defines a “TNC driver” as an individual who receives connections to potential TNC riders and related services from a TNC in exchange for payment of a fee to the TNC and uses a personal vehicle to offer or provide prearranged rides to TNC riders upon connection through a digital network controlled by a TNC and in exchange for compensation or payment of a fee.

Effective Date: July 1, 2015

Code: IC 8-2.1-17-19

Enrolled Act: HEA 1278, SEC. 7

Summary: Defines a “TNC” rider as an individual who uses a TNC’s digital network to connect with a TNC driver who provides the individual a prearranged ride in the TNC’s personal vehicle and between points chosen by the individual.

Effective Date: July 1, 2015

Code: IC 8-2.1-17-20

Enrolled Act: HEA 1278, SEC. 8

Summary: Provides that registration requirements by the department (under IC 8-2.1-19) do not apply to a personal vehicle operated by a TNC driver.

Effective Date: July 1, 2015

Code: IC 8-2.1-19-3

Enrolled Act: HEA 1278, SEC. 9

Summary: Adds a new chapter regulating transportation network companies. Requires a TNC to have a permit issued by the department to provide a digital network for connection to prearranged rides in Indiana. Specifies requirements related to: (1) criminal and driving history; (2) drug and alcohol use; (3) vehicle equipment; (4) insurance; (5) fares; (6) privacy; (7) nondiscrimination and accessibility; (8) record maintenance; (9) TNC and TNC driver conduct; and (10) regulation.

Effective Date: July 1, 2015

Code: IC 8-2.1-19.1

Enrolled Act: HEA 1278, SEC. 10

Summary: Corrects a reference to a federal code cite.

Effective Date: July 1, 2015

Code: IC 8-2.1-22-18

Enrolled Act: SEA 171, SEC. 18

Summary: Repeals language concerning effective dates of previous amendments.

Effective Date: July 1, 2015

Code: IC 8-2.1-24-0.1

Enrolled Act: SEA 171, SEC. 19

Summary: Corrects a reference to a federal code cite.

Effective Date: July 1, 2015

Code: IC 8-2.1-26-3

Enrolled Act: SEA 171, SEC. 20

MISCELLANEOUS PROVISIONS

Summary: Provides that, for a certified technology park operating under a written agreement entered into by two or more redevelopment commissions, no more than \$5,000,000 may be deposited over the life of the certified technology park in the fund of each redevelopment commission. The aggregate funds distributed to the certified technology fund shall not exceed \$5,000,000 multiplied by the number of redevelopment commissions that have entered into a written agreement for the operation of the certified technology park.

Effective Date: July 1, 2015

Code: IC 36-7-32-22

Enrolled Act: SEA 436, SEC. 32

Summary: Adds a provision that, for two or more redevelopment commissions that enter into an agreement to jointly undertake economic development projects in the certified technology parks established by the redevelopment commission, a party may agree to allocate a part of the certified technology park's maximum incremental tax financing fund to one or more other parties to the agreement.

Effective Date: July 1, 2015

Code: IC 36-7-32-26

Enrolled Act: SEA 436, SEC. 33

Summary: Provides that the enhanced prepaid wireless charge on each retail transaction is \$1.00. The fee can be increased one time by \$0.10 between July 1, 2015, and June 30, 2020. The telecommunications carrier that provides service to end users is responsible for the enhanced prepaid wireless charge. The provider is required to pay a one-time charge by Aug. 1, 2015. The charge is equal to the product of the enhanced prepaid wireless charge multiplied by the number of unique end users for which the provider received reimbursement from the Universal Service Fund multiplied by the number of months the current service agreement between each end user and the provider has received reimbursement from the universal service fund before Aug. 1, 2015. Beginning Sept. 1, 2015, the charge that the provider is required to remit is the enhanced prepaid wireless charge multiplied by the number of unique end users for which the provider received reimbursement from the Universal Service Fund in the previous month.

Effective Date: July 1, 2015

Code: IC 36-8-16.6-11

Enrolled Act: HEA 1475, SEC. 4

Summary: Requires the department to do a study of the department's current information systems, develop a plan for modernizing the department's systems, and submit a report of the study and the plan developed to the budget committee and the legislative council. The report must be completed by Dec. 31, 2016.

Effective Date: Upon Passage

Code: Non Code

Enrolled Act: HEA 1472, SEC. 45

WAGERING TAXES (IC 4)

Summary: Provides a credit against riverboat wagering taxes for a riverboat located in a historic hotel district. The credit is based on a sliding scale of the riverboat's adjusted gross receipts for the previous fiscal year, starting at 50% of the taxes otherwise due if the riverboat has not more than \$60,000,000 in adjusted gross receipts for the previous fiscal year and decreasing to zero if the adjusted gross receipts for the previous fiscal year are greater than \$80,000,000. Amounts claimed as a credit must be used for maintenance or operation of an historic hotel and surrounding grounds and facilities.

Effective Date: July 1, 2015

Code: IC 4-33-13-1.7

Enrolled Act: HEA 1540, SEC. 17

Summary: Reduces the percentage of adjusted gross receipts subject to slot machine wagering tax from 91% to 88%, applicable to casinos located on a racetrack's premises.

Effective Date: July 1, 2015

Code: IC 4-35-8-1

Enrolled Act: HEA 1540, SEC. 43