

## SENATE BILL No. 142

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-2.5-5-33.5.

**Synopsis:** Sales tax exemption for the sale of food. Provides that the sale of food that may be purchased with food stamps is exempt from state sales tax if the food is sold by a grocery store, convenience store, or retail food store participating in or eligible to participate in the federal food stamp program. Provides that the exemption applies regardless of whether the food is actually purchased with food stamps. Provides that the exemption does not apply to the sale of candy, soft drinks, food furnished, prepared, or served for consumption at a location or on equipment provided by the retail merchant, or meals served by a retail merchant off the merchant's premises.

**Effective:** July 1, 1998.

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January 6, 1998, read first time and referred to Committee on Finance.

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Introduced

Second Regular Session 110th General Assembly (1998)

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

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

Conflict reconciliation: Text in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

## SENATE BILL No. 142

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

1 SECTION 1. IC 6-2.5-5-33.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 1998]: **Sec. 33.5. (a) Notwithstanding any**  
4 **other provision in this article, and except as provided in subsection**  
5 **(b), sales of eligible foods (as defined in 7 CFR 271.2) by a:**  
6 (1) **grocery store;**  
7 (2) **convenience store; or**  
8 (3) **retail food store (as defined in 7 CFR 271.2);**  
9 **that is participating in or is eligible to participate in the federal**  
10 **food stamp program are exempt from the state gross retail tax,**  
11 **regardless of whether the food is actually purchased with food**  
12 **stamps.**  
13 (b) **The exemption provided by this section does not apply to the**  
14 **sale of items described in section 20(c)(1), 20(c)(4), 20(c)(8), or**  
15 **20(c)(9) of this chapter.**

1998

IN 142—LS 6703/DI 73+

