

HOUSE BILL No. 1377

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-9-30.

Synopsis: Jeffersonville food and beverage tax. Creates the Jeffersonville food and beverage tax. Provides that revenues are to be used for infrastructure improvements.

Effective: July 1, 1998.

Bottorff

January 13, 1998, read first time and referred to Committee on Ways and Means.

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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 a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

HOUSE BILL No. 1377

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 6-9-30 IS ADDED TO THE INDIANA CODE AS
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 1998]:

4 **Chapter 30. Jeffersonville Food and Beverage Tax**
5 **Sec. 1. This chapter applies to a city having a population of**
6 **more than twenty-four thousand (24,000) but less than twenty-four**
7 **thousand three hundred (24,300).**

8 **Sec. 2. The definitions in IC 6-9-12-1 apply throughout this**
9 **chapter.**

10 **Sec. 3. (a) The fiscal body of the city may adopt an ordinance to**
11 **impose an excise tax, known as the city food and beverage tax, on**
12 **transactions described in section 4 of this chapter.**

13 **(b) If a fiscal body adopts an ordinance under subsection (a), the**
14 **fiscal body shall immediately send a certified copy of the ordinance**
15 **to the department of state revenue.**

16 **(c) If a fiscal body adopts an ordinance under subsection (a), the**
17 **city food and beverage tax applies to transactions that occur after**

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1 the last day of the month that succeeds the month in which the
2 ordinance was adopted.

3 Sec. 4. (a) Except as provided in subsection (c), a tax imposed
4 under section 3 of this chapter applies to a transaction in which
5 food or beverage is furnished, prepared, or served:

6 (1) for consumption at a location or on equipment provided by
7 a retail merchant;

8 (2) in the city in which the tax is imposed; and

9 (3) by a retail merchant for consideration.

10 (b) Transactions described in subsection (a)(1) include
11 transactions in which food or beverage is:

12 (1) served by a retail merchant off the merchant's premises;

13 (2) sold by a retail merchant that ordinarily bags, wraps, or
14 packages the food or beverage for immediate consumption on
15 or near the retail merchant's premises, including food or
16 beverage sold on a "take out" or "to go" basis; or

17 (3) sold by a street vendor.

18 (c) The city food and beverage tax does not apply to the
19 furnishing, preparing, or serving of a food or beverage in a
20 transaction that is exempt, or to the extent the transaction is
21 exempt, from the state gross retail tax imposed by IC 6-2.5.

22 Sec. 5. The city food and beverage tax imposed on a food or
23 beverage transaction described in section 4 of this chapter equals
24 one percent (1%) of the gross retail income received by the
25 merchant from the transaction. For purposes of this chapter, the
26 gross retail income received by the retail merchant from a
27 transaction does not include the amount of tax imposed on the
28 transaction under IC 6-2.5.

29 Sec. 6. A tax imposed under this chapter shall be imposed, paid,
30 and collected in the same manner that the state gross retail tax is
31 imposed, paid, and collected under IC 6-2.5. However, the return
32 to be filed with the payment of the tax imposed under this chapter
33 may be made on a separate return or may be combined with the
34 return filed for the payment of the state gross retail tax, as
35 prescribed by the department of state revenue.

36 Sec. 7. The amounts received from the tax imposed under this
37 chapter shall be paid monthly by the treasurer of state to the city
38 fiscal officer upon warrants issued by the auditor of state.

39 Sec. 8. (a) If a tax is imposed under section 3 of this chapter, the
40 city fiscal officer shall establish a food and beverage tax receipts
41 fund.

42 (b) The city fiscal officer shall deposit in the fund all amounts

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1 received under this chapter.

2 (c) Money earned from the investment of money in the fund
3 becomes a part of the fund.

4 **Sec. 9. (a) Except as provided in subsection (b), money in the**
5 **fund shall be used by the city for the financing, construction,**
6 **operation, or maintenance of streets, roads, bridges, sidewalks,**
7 **curbs, sewers, and gutters.**

8 (b) The fiscal body of the city may pledge money in the fund to
9 pay bonds issued, loans obtained, and lease payments or other
10 obligations incurred by or on behalf of the city or a special taxing
11 district in the city to provide the facilities described in subsection
12 (a).

13 (c) Subsection (b) applies only to bonds, loans, lease payments,
14 or obligations that are issued, obtained, or incurred after the date
15 on which the tax is imposed under section 3 of this chapter.

16 (d) A pledge of money in the fund under subsection (b) is
17 enforceable under IC 5-1-14-4.

18 **Sec. 10. With respect to obligations for which a pledge of money**
19 **in the fund has been made under section 9(b) of this chapter, the**
20 **general assembly covenants with the holders of the obligations that**
21 **this chapter will not be repealed or amended in a manner that will**
22 **adversely affect the imposition or collection of the tax imposed**
23 **under this chapter if the payment of any of the obligations is**
24 **outstanding.**

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