



# COMMITTEE REPORT

## MR. PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 22, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

- Delete the title and insert the following:
- A BILL FOR AN ACT to amend the Indiana Code concerning taxation.
- Delete everything after the enacting clause and insert the following:
- SECTION 1. IC 4-22-2-37.1, AS AMENDED BY P.L.27-1997, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:
  - (1) An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.
  - (2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.
  - (3) An emergency temporary standard adopted by the occupational safety standards commission under IC 22-8-1.1-16.1.
  - (4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.
  - (5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.
  - (6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.
  - (7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.
  - (8) An emergency rule jointly adopted by the water pollution control board and the budget agency under IC 13-18-13-18.
  - (9) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.
  - (10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an

emergency.

(11) An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.

(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.

(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.

(18) An emergency rule adopted by the alcoholic beverage commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.

(19) An emergency rule adopted by the department of financial institutions under IC 28-1-21.5-5.4.

(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

**(21) An emergency rule adopted by the state board of tax commissioners under IC 6-1.1-3-13.5.**

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:

(1) accept the rule for filing; and

(2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

(1) The effective date of the statute delegating authority to the

agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, and IC 22-8-1.1-16.1, a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. A rule adopted under subsection (a)(14) may be extended for two (2) extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

(1) sections 24 through 36 of this chapter; or

(2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(6), (a)(9), or (a)(13) expires on the earlier of the following dates:

(1) The expiration date stated by the adopting agency in the rule.

(2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

**SECTION 2. IC 6-1.1-3-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5. (a) This section applies to the assessment of used depreciable personal property after a sale or transfer.**

**(b) Except as provided in subsections (c) and (d), the buyer's or transferee's acquisition cost must be used to determine the value of the depreciable personal property.**

**(c) The seller's original acquisition cost must be used to determine the value of the depreciable personal property if:**

**(1) the sale or transfer of the property is not an arm's length transaction; or**

**(2) the sale or transfer is not representative of the value of the property for any other reason.**

**(d) The state board of tax commissioners shall adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this section.**

**SECTION 3. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-3-13.5, as added by this act, applies to assessments for property taxes first due and payable after December 31, 1998.**

**(b) The state board of tax commissioners shall adopt rules under IC 4-22-2 to implement IC 6-1.1-3-13.5, as added by this act, before December 31, 1998.**

**(c) This SECTION expires January 2, 1999.**

**SECTION 4. An emergency is declared for this act.**

(Reference is to SB 22 as introduced.)

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

---

Garton

Chairperson