February 11, 1999

HOUSE BILL No. 1868

DIGEST OF HB 1868 (Updated February 9, 1999 4:17 pm - DI 58)

Citations Affected: IC 6-2.1; IC 6-2.5; IC 6-3; IC 6-3.5; IC 6-5.5; IC 6-6; IC 6-8; IC 6-8.1; IC 6-9; IC 7.1-4; IC 8-2.1; IC 9-18; IC 34-55; IC 36-7; noncode.

Synopsis: Various income and local taxes. Changes the date on which a county treasurer remits gross income tax receipts from the sale or transfer of an interest in real estate to the department of state revenue from the 15th to the 20th day of the month following the end of a quarterly period. Extends the use tax exemption for tangible personal property that is destined out of state to property that is delivered from within Indiana. (Current law provides that only the use of property delivered into Indiana is exempt.) Changes reporting and payment requirements under the sales and use tax law. Changes the minimum sales and use tax due from $10,000 to $5,000 under the electronic fund transfer requirements. Changes the definition of qualifying child for the earned income tax deduction. Updates the references to the Internal Revenue Code. Changes the definition of dependent for the medical care savings account deduction. Permits set offs of income tax refunds

(Continued next page)

Effective: January 1, 1999 (retroactive); upon passage; July 1, 1999; January 1, 2000.

Bauer

January 26, 1999, read first time and referred to Committee on Ways and Means.
February 10, 1999, amended, reported — Do Pass.

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for the Internal Revenue Service. Requires the department of state revenue to compile business income data. Allows the department of state revenue to enter into an agreement with the Secretary of the Treasury to offset federal tax refunds for Indiana income taxes owed. Provides that ordinances to adopt, increase, rescind, or repeal local income taxes, innkeepers' taxes, food and beverage taxes, and certain other local taxes must be adopted after January 1 and before April 1 of a year. Provides that certified copies of these ordinances must be sent by certified mail to the commissioner of the department of state revenue not more than ten days after adoption. Provides that these ordinances take effect July 1 of the year in which they are adopted. Provides that, for purposes of local innkeepers' taxes, local food and beverage taxes, and certain other local taxes, if the department of state revenue determines after December 31, 1999, that a person's estimated monthly tax liability for the current year or average monthly tax liability for the preceding year exceeds $5,000, the person must pay the monthly tax due by electronic funds transfer or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order. Eliminates the requirement that voter registration forms be included in income tax returns that are mailed. Removes vehicle registration information from the income tax return. Makes certain other changes concerning local income taxes, innkeepers' taxes, food and beverage taxes, and other local taxes. Combines the motor carrier certification process for property and passenger carriers under the property carrier law. Provides that Roth IRAs and educational IRAs are not subject to levy or sale on execution or any other final process from a court for a judgment founded upon an express or implied contract or tort claim. (Current law provides that traditional IRAs are not subject to levy or sale on execution or any other final process from a court for a judgment founded upon an express or implied contract or tort claim.) Makes changes regarding the professional sports development and convention development tax area law applicable outside Marion County to require that at least one facility be used by a professional sports franchise, that facilities for convention or tourism related events serve national or regional markets, and that an agreement exist regarding tax distributions if there is a mix of facility owners. Corrects internal references.

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February 11, 1999

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

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HOUSE BILL No. 1868

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

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

SECTION 1. IC 6-2.1-5-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1.1. (a) This section applies to taxable years beginning after December 31, 1993.

(b) Except as provided in subsections (d) through (g), a taxpayer shall file gross income tax returns with, and pay the taxpayer's gross income tax liability to, the department by the due date of the estimated return. A taxpayer who utilizes a taxable year that ends on December 31 shall file the taxpayer's estimated gross income tax returns and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year. If a taxpayer utilizes a taxable year which does not end on December 31, the due dates for filing estimated gross income tax returns and paying the tax are on or before the twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year.

(c) With each return filed, with each payment by cashier's check,

certified check, or money order delivered in person or by overnight courier, and with each electronic fund transfer made, a taxpayer shall pay to the department the remainder of:

(1) either twenty-five percent (25%) of the estimated or the exact amount of gross income tax which is due; minus

(2) the amount of gross income tax which was withheld pursuant to IC 6-2.1-6.

(d) If a taxpayer's estimated annual gross income tax liability does not exceed one thousand dollars ($1,000), then the taxpayer is not required to file an estimated gross income tax return.

(e) If a taxpayer is required to file an annual gross income tax return under section 2.1 of this chapter, and pays in full the taxpayer's gross income tax liability for that taxable year before the taxpayer's final estimated return is due, then the taxpayer is not required to file the final estimated gross income tax return for that same taxable year.

(f) If the department determines that a taxpayer's:

(1) estimated quarterly gross income tax liability for the current year; or

(2) average estimated quarterly gross income tax liability for the preceding year;

exceeds, before January 1, ~~1998, twenty~~ **2000, ten** thousand dollars ~~($20,000)~~ **($10,000)** and, after December 31, ~~1997, ten~~ **1999, five** thousand dollars ~~($10,000),~~ **($5,000),** the taxpayer shall pay the estimated gross income taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(g) If a taxpayer's gross income tax payment is made by electronic funds transfer, the taxpayer is not required to file an estimated gross income tax return.

SECTION 2. IC 6-2.1-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A taxpayer shall pay the gross income taxes imposed on the sale or transfer of an interest in real estate by paying the tax to the treasurer of the county in which the real estate is located. The treasurer shall stamp the instrument of transfer with a rubber stamp, supplied by the department, which marks the instrument of transfer "gross income tax paid" and provides spaces for inscribing the name of the seller or grantor, the amount and date of payment, and any other information which the department may require.

(b) The county treasurer shall remit the proceeds to the department

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on the ~~fifteenth~~ **twentieth** day of January, April, July, and October for the preceding quarterly period.

(c) If the department determines that the average monthly amount due for the preceding year exceeds ten thousand dollars ($10,000), the county treasurer shall pay the taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(d) As compensation for collecting the gross income tax, the county treasurer may retain one percent (1%) of any payment due to the department under this section. Any amount the county treasurer retains shall be deposited in that county's general fund.

SECTION 3. IC 6-2.5-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) An excise tax, known as the use tax, is imposed on the storage, use, or consumption of tangible personal property in Indiana if the property was acquired in a retail transaction, regardless of the location of that transaction or of the retail merchant making that transaction.

(b) The use tax is also imposed on the storage, use, or consumption of a vehicle, an aircraft, or a watercraft if the vehicle, aircraft, or watercraft:

(1) is acquired in a transaction that is an isolated or occasional sale; and

(2) is required to be titled, licensed, or registered by this state for use in Indiana.

(c) The use tax is imposed on the addition of tangible personal property to a structure or facility if, after its addition, the property becomes part of the real estate on which the structure or facility is located. However, the use tax does not apply to additions of tangible personal property described in this subsection if:

(1) the state gross retail or use tax has been previously imposed on the sale or use of that property or

(2) the ultimate purchaser or recipient of that property would have been exempt from the state gross retail and use taxes if that purchaser or recipient had directly purchased the property from the supplier for addition to the structure or facility.

(d) Notwithstanding any other provision of this section, the use tax is not imposed on the keeping, retaining, or exercising of any right or power over tangible personal property if:

(1) the property is delivered ~~into~~ **from within or outside** Indiana by or for the purchaser of the property;

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(2) the property is delivered ~~in~~ **from within or outside** Indiana for the sole purpose of being processed, printed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property; and

(3) the property is subsequently transported out of state for use solely outside Indiana.

SECTION 4. IC 6-2.5-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) Each person liable for collecting the state gross retail or use tax shall ~~file a return for each calendar month and~~ pay the state gross retail and use taxes that the person collects during ~~that~~ **each calendar** month. **The payment shall be made not later than twenty (20) days after the end of the following month.** A person shall file the person's return ~~for a particular month~~ with the department ~~and make the person's tax payment for that month to the department not more than thirty (30) days after the end of that month, if that person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year did not exceed one thousand dollars ($1,000). If a person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year exceeded one thousand dollars ($1,000), that person shall file the person's return for a particular month and make the person's tax payment for that month to the department not more than twenty (20) days after the end of that month.~~ **for each calendar quarter. The return shall be filed not later than thirty (30) days after the end of each quarter.**

(b) If a person files a combined sales and withholding tax report and either this section or IC 6-3-4-8.1 requires sales or withholding tax reports to be filed and remittances to be made within twenty (20) days after the end of each month, then the person shall file the combined report and remit the sales and withholding taxes due within twenty (20) days after the end of each month.

~~(b) Instead of twelve (12) monthly reporting periods required under subsection (a), the department may permit a person to divide a year into a different number of reporting periods. Each return and payment for those reporting periods is due not more than thirty (30) days after the end of the respective period.~~

(c) Instead of the reporting periods required under subsection (a), the department may permit a retail merchant to report and pay the merchant's state gross retail and use taxes for a period covering:

(1) a calendar year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does

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not exceed ten dollars ($10); **or**

(2) a calendar half year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed twenty-five dollars ($25). ~~or~~

~~(3) a calendar quarter, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed seventy-five dollars ($75).~~

A retail merchant using a reporting period allowed under this subsection must file the merchant's return and pay the merchant's tax for a reporting period no later than ~~the last day of the month immediately~~ **twenty (20) days** following the close of that reporting period.

(d) If a retail merchant reports the merchant's gross income tax, or the tax the merchant pays in place of the gross income tax, over a fiscal year or fiscal quarter not corresponding to the calendar year or calendar quarter, the merchant may, without prior departmental approval, report and pay the merchant's state gross retail and use taxes over the merchant's fiscal period that corresponds to the calendar period the merchant is permitted to use under subsection (c). However, the department may, at any time, require the retail merchant to stop using the fiscal reporting period.

(e) If a retail merchant files a combined sales and withholding tax report, the reporting period for the combined report is the shortest period required under:

(1) this section;

(2) IC 6-3-4-8; or

(3) IC 6-3-4-8.1.

(f) If the department determines that a person's:

(1) estimated monthly gross retail and use tax liability for the current year; or

(2) average monthly gross retail and use tax liability for the preceding year;

exceeds, **before January 1, 2000,** ten thousand dollars ($10,000) **or, after December 31, 1999, five thousand dollars ($5,000),** the person shall pay the monthly gross retail and use taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(g) If a person's gross retail and use tax payment is made by electronic fund transfer, the taxpayer is not required to file a monthly **or quarterly** gross retail and use tax return. However, the person shall

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file ~~a quarterly~~ **an annual** gross retail and use tax return before the twentieth day following the end of each calendar ~~quarter.~~ **year.**

SECTION 5. IC 6-3-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, ~~1998.~~ **1999.**

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~1998,~~ **1999,** that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~1998,~~ **1999,** shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, ~~1998,~~ **1999,** that is effective for any taxable year that began before January 1, ~~1998,~~ **1999,** and that affects:

(1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);

(2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);

(3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);

(4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);

(5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or

(6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under IC 6-3-1-3.5 and net income under IC 6-3-8-2(b).

SECTION 6. IC 6-3-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. As used in this chapter, "Indiana total income" means the sum of the following for an individual taxpayer, and if the individual taxpayer files a joint return, the individual taxpayer's spouse, for a taxable year:

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(1) Adjusted gross income (as defined in Section 62 of the Internal Revenue Code).

(2) Taxes deducted on a federal income tax return, as described in IC 6-3-1-3.5(a)(2).

(3) Any net operating loss carried forward from a prior year and reported on the taxpayer's federal income tax return for the taxable year.

(4) The total ordinary income portion of a lump sum distribution described in ~~IC 6-3-1-3.5(a)(6).~~ **IC 6-3-1-3.5(a)(7).**

(5) Any other taxable income not described in subdivision (1).

SECTION 7. IC 6-3-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 4. As used in this chapter, "qualifying child" means an individual ~~who:~~

~~(1) is the child, stepchild, or foster child of the individual taxpayer;~~

~~(2) resides in Indiana with the individual taxpayer, including the individual taxpayer's spouse in the case of a joint return, for more than one-half (1/2) of the taxable year;~~

~~(3) is dependent on the individual taxpayer, including the individual taxpayer's spouse in the case of a joint return, for more than one-half (1/2) of the individual's support;~~

~~(4) is less than nineteen (19) years of age on the last day of the taxable year; and~~

~~(5) is not married on the last day of the taxable year.~~

for whom the taxpayer is entitled to an exemption under Section 151(c)(1)(B) of the Internal Revenue Code.

SECTION 8. IC 6-3-4-8.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8.1. (a) Any entity that is required to file a monthly return and make a monthly remittance of taxes under sections 8, 12, 13, and 15 of this chapter shall file those returns and make those remittances twenty (20) days (rather than thirty (30) days) after the end of each month for which those returns and remittances are filed, if that entity's average monthly remittance for the immediately preceding calendar year exceeds one thousand dollars ($1,000).

(b) The department may require any entity to make the entity's monthly remittance and file the entity's monthly return twenty (20) days (rather than thirty (30) days) after the end of each month for which a return and payment are made if the department estimates that the entity's average monthly payment for the current calendar year will exceed one thousand dollars ($1,000).

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(c) If a person files a combined sales and withholding tax report and either this section or IC 6-2.5-6-1 requires the sales or withholding tax report to be filed and remittances to be made within twenty (20) days after the end of each month, then the person shall file the combined report and remit the sales and withholding taxes due within twenty (20) days after the end of each month.

(d) If the department determines that an entity's:

(1) estimated monthly withholding tax remittance for the current year; or

(2) average monthly withholding tax remittance for the preceding year;

exceeds ~~ten~~ **five** thousand dollars ~~($10,000),~~ **($5,000),** the entity shall remit the monthly withholding taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the remittance is due.

(e) If an entity's withholding tax remittance is made by electronic fund transfer, the entity is not required to file a monthly **or quarterly** withholding tax return. However, the entity shall file ~~a quarterly~~ **an annual** withholding tax return before the twentieth day following the end of each calendar ~~quarter.~~ **year.**

SECTION 9. IC 6-3.5-1.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) The county council of any county in which the county option income tax will not be in effect on July 1 of a year under an ordinance adopted during a previous calendar year may impose the county adjusted gross income tax on the adjusted gross income of county taxpayers of its county. ~~effective July 1 of that year.~~

(b) Except as provided in section 2.5 or 3.5 of this chapter, the county adjusted gross income tax may be imposed at a rate of one-half of one percent (0.5%), three-fourths of one percent (0.75%), or one percent (1%) on the adjusted gross income of resident county taxpayers of the county. Any county imposing the county adjusted gross income tax must impose the tax on the nonresident county taxpayers at a rate of one-fourth of one percent (0.25%) on their adjusted gross income. If the county council elects to decrease the county adjusted gross income tax, the county council may decrease the county adjusted gross income tax rate in increments of one-tenth of one percent (0.1%).

(c) To impose, **increase, decrease, or rescind** the county adjusted gross income tax, the county council must, after January 1 but before April 1 of a year, adopt an ordinance. The ordinance **to impose the tax**

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must substantially state the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (_____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county. This tax takes effect July 1 of this year.".

(d) Any ordinance adopted under this ~~section~~ **chapter** takes effect July 1 of the year the ordinance is adopted.

(e) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this ~~section~~ **chapter** and ~~immediately~~ **shall, not more than ten (10) days after the vote,** send a certified copy of the results to the **commissioner of the** department by certified mail.

(f) If the county adjusted gross income tax had previously been adopted by a county under IC 6-3.5-1 (before its repeal on March 15, 1983) and that tax was in effect at the time of the enactment of this chapter, then the county adjusted gross income tax continues in that county at the rates in effect at the time of enactment until the rates are modified or the tax is rescinded in the manner prescribed by this chapter. If a county's adjusted gross income tax is continued under this subsection, then the tax shall be treated as if it had been imposed under this chapter and is subject to rescission or reduction as authorized in this chapter.

SECTION 10. IC 6-3.5-1.1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. ~~(a)~~ The county council may increase the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county. To increase the rate, the county council must ~~after January 1 but before April 1 of a year,~~ adopt an ordinance ~~The ordinance~~ **which** must substantially state the following:

"The _____ County Council increases the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county from _____ percent (___%) to _____ percent (___%). This tax rate increase takes effect July 1 of this year.".

~~(b) Any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.~~

~~(c) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

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SECTION 11. IC 6-3.5-1.1-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3.1. (a) The county council may decrease the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county. To decrease the rate, the county council must ~~after January 1 but before April 1 of a year,~~ adopt an ordinance ~~The ordinance~~ **which** must substantially state the following:

"The _____ County Council decreases the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county from _____ percent (___%) to _____ percent (___%). This tax rate decrease takes effect July 1 of this year.".

(b) A county council may not decrease the county adjusted gross income tax rate if the county or any commission, board, department, or authority that is authorized by statute to pledge the county adjusted gross income tax has pledged the county adjusted gross income tax for any purpose permitted by IC 5-1-14 or any other statute.

(c) ~~Any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.~~

~~(d) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

~~(e)~~ Notwithstanding IC 6-3.5-7, and except as provided in subsection ~~(f),~~ **(d),** a county council that decreases the county adjusted gross income tax rate in a year may not in the same year adopt or increase the county economic development income tax under IC 6-3.5-7.

~~(f)~~ **(d)** This subsection applies only to a county having a population of more than one hundred seven thousand (107,000) but less than one hundred eight thousand (108,000). The county council may adopt or increase the county economic development income tax rate under IC 6-3.5-7 in the same year that the county council decreases the county adjusted gross income tax rate if the county economic development income tax rate plus the county adjusted gross income tax rate in effect after the county council decreases the county adjusted gross income tax rate is less than the county adjusted gross income tax rate in effect before the adoption of an ordinance under this section decreasing the rate of the county adjusted gross income tax.

SECTION 12. IC 6-3.5-1.1-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3.5. (a) This section applies only to a county having a population of more than twelve thousand six hundred (12,600) but less than thirteen thousand (13,000).

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(b) The county council of a county described in subsection (a) may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to fund the operation and maintenance of a jail and justice center.

(c) Notwithstanding section 2 of this chapter, if the county council adopts an ordinance under subsection (b), the county council may impose the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) on adjusted gross income. However, a county may impose the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) for only four (4) years. After the county has imposed the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) for four (4) years, the rate is reduced to one percent (1%). If the county council imposes the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%), the county council may decrease the rate or rescind the tax in the manner provided under this chapter.

(d) If a county imposes the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) under this section, the revenue derived from a tax rate of three-tenths percent (0.3%) on adjusted gross income:

(1) shall be paid to the county treasurer;

(2) may be used only to pay the costs of operating and maintaining a jail and justice center; and

(3) may not be considered by the state board of tax commissioners under any provision of IC 6-1.1-18.5, including the determination of the county's maximum permissible property tax levy.

(e) Notwithstanding ~~section 3~~ **section 2** of this chapter, the county fiscal body may adopt an ordinance under this section before June 1.

SECTION 13. IC 6-3.5-1.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) The county adjusted gross income tax imposed by a county council under this chapter remains in effect until rescinded.

(b) Except as provided in subsection ~~(e),~~ **(c),** the county council may rescind the county adjusted gross income tax by adopting ~~an~~ **the appropriate** ordinance. ~~to rescind the tax after January 1 but before June 1 of a year.~~

~~(c) Any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.~~

~~(d) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

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~~(c)~~ **(c)** A county council may not rescind the county adjusted gross income tax or take any action that would result in a civil taxing unit in the county having a smaller certified share than the certified share to which the civil taxing unit was entitled when the civil taxing unit pledged county adjusted gross income tax if the civil taxing unit or any commission, board, department, or authority that is authorized by statute to pledge county adjusted gross income tax has pledged county adjusted gross income tax for any purpose permitted by IC 5-1-14 or any other statute. The prohibition in this section does not apply if the civil taxing unit pledges legally available revenues to fully replace the civil taxing unit's certified share that has been pledged.

SECTION 14. IC 6-3.5-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) A county income tax council is established for each county in Indiana. The membership of each county's county income tax council consists of the fiscal body of the county and the fiscal body of each city or town that lies either partially or entirely within that county.

(b) Using procedures described in this chapter, a county income tax council may adopt ordinances to:

(1) impose the county option income tax in its county;

(2) subject to section 12 of this chapter, rescind the county option income tax in its county;

(3) increase the county option income tax rate for the county;

(4) freeze the county option income tax rate for its county;

(5) increase the homestead credit in its county;

(6) subject to section 12.5 of this chapter, decrease the county option income tax rate for the county; or

(7) subject to section 17.5 of this chapter, elect to reduce the required balance in the county special account.

(c) **This subsection does not apply to an ordinance adopted under section 17.4 or 17.5 of this chapter. An ordinance adopted under this chapter must be adopted after January 1 and before April 1 of a year.** An ordinance adopted in a particular year under this chapter ~~to impose or rescind the county option income tax or to increase its tax rate~~ is effective July 1 of that year. **The county auditor shall record all votes taken on ordinances presented for a vote under this chapter, and shall, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department by certified mail.**

SECTION 15. IC 6-3.5-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) A member of the county income tax council may exercise its votes by passing a

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resolution and transmitting the resolution to the auditor of the county. However, in the case of an ordinance to impose, rescind, increase, decrease, or freeze the county rate of the county option income tax, the member must transmit the resolution to the county auditor by the appropriate time described in section ~~8, 9,~~ **2 or** 10 ~~or 11~~ of this chapter. The form of a resolution is as follows:

"The _____ (name of civil taxing unit's fiscal body) casts its _____ votes _____ (for or against) the proposed ordinance of the _____ County Income Tax Council, which reads as follows:".

(b) A resolution passed by a member of the county income tax council exercises all votes of the member on the proposed ordinance, and those votes may not be changed during the year.

SECTION 16. IC 6-3.5-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) The county income tax council of any county in which the county adjusted gross income tax will not be in effect on July 1 of a year under an ordinance adopted during a previous calendar year may impose the county option income tax on the adjusted gross income of county taxpayers of its county effective July 1 of that same year.

(b) The county option income tax may initially be imposed at a rate of two-tenths of one percent (0.2%) on the resident county taxpayers of the county and at a rate of five hundredths of one percent (0.05%) for all other county taxpayers.

(c) To impose the county option income tax, a county income tax council must ~~after January 1 but before April 1 of the year,~~ pass an ordinance ~~The ordinance~~ **which** must substantially state the following:

"The _____ County Income Tax Council imposes the county option income tax on the county taxpayers of _____ County. The county option income tax is imposed at a rate of two-tenths of one percent (0.2%) on the resident county taxpayers of the county and at a rate of five hundredths of one percent (0.05%) on all other county taxpayers. This tax takes effect July 1 of this year.".

(d) If the county option income tax is imposed on the county taxpayers of a county, then the county option income tax rate that is in effect for resident county taxpayers of that county increases by one-tenth of one percent (0.1%) on each succeeding July 1 until the rate equals six-tenths of one percent (0.6%).

(e) The county option income tax rate in effect for the county taxpayers of a county who are not resident county taxpayers of that county is at all times one-fourth (1/4) of the tax rate imposed upon

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resident county taxpayers.

~~(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under this section and immediately send a certified copy of the results to the department by certified mail.~~

SECTION 17. IC 6-3.5-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. ~~(a)~~ If on January 1 of a calendar year the county option income tax rate in effect for resident county taxpayers equals six tenths of one percent (0.6%), then the county income tax council of that county may ~~after January 1 and before April 1 of that year~~ pass an ordinance to increase its tax rate for resident county taxpayers. If a county income tax council passes an ordinance under this section, its county option income tax rate for resident county taxpayers increases by one tenth of one percent (0.1%) **effective** each succeeding July 1 until its rate reaches a maximum of one percent (1%).

~~(b) The auditor of the county shall record any vote taken on an ordinance proposed under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

SECTION 18. IC 6-3.5-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) The county income tax council of any county may adopt an ordinance to permanently freeze the county option income tax rates at the rate in effect for its county on January 1 of a year.

(b) To freeze the county option income tax rates a county income tax council must ~~after January 1 but before April 1 of a year,~~ adopt an ordinance ~~The ordinance~~ **which** must substantially state the following:

"The _____ County Income Tax Council permanently freezes the county option income tax rates at the rate in effect on January 1 of the current year.".

(c) An ordinance adopted under the authority of this section remains in effect until rescinded. The county income tax council may rescind such an ordinance. ~~after January 1 but before April 1 of any calendar year. Such an ordinance shall take effect July 1 of that same calendar year.~~

(d) If a county income tax council rescinds an ordinance as adopted under this section the county option income tax rate shall automatically increase by one-tenth of one percent (0.01%) until:

(1) the tax rate is again frozen under another ordinance adopted under this section; or

(2) the tax rate equals six tenths of one percent (0.6%) (if the frozen tax rate equaled an amount less than six tenths of one percent (0.6%)) or one percent (1%) (if the frozen tax rate equaled

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an amount in excess of six tenths of one percent (0.6%)).

~~(e) The county auditor shall record any vote taken on an ordinance proposed under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

SECTION 19. IC 6-3.5-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. (a) The county option income tax imposed by a county income tax council under this chapter remains in effect until rescinded.

(b) Subject to subsection (c), the county income tax council of a county may rescind the county option income tax by passing ~~an~~ **the appropriate** ordinance to rescind the tax. ~~after January 1 but before April 1 of a year.~~

(c) A county income tax council may not rescind the county option income tax or take any action that would result in a civil taxing unit in the county having a smaller distributive share than the distributive share to which it was entitled when it pledged county option income tax, if the civil taxing unit or any commission, board, department, or authority that is authorized by statute to pledge county option income tax, has pledged county option income tax for any purpose permitted by IC 5-1-14 or any other statute.

~~(d) The auditor of a county shall record all votes taken on a proposed ordinance presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

SECTION 20. IC 6-3.5-6-12.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12.5. (a) The county income tax council may adopt an ordinance to decrease the county option income tax rate in effect.

(b) To decrease the county option income tax rate, the county income tax council must adopt an ordinance ~~after January 1 but before April 1 of a year. The ordinance~~ **which** must substantially state the following:

"The _____ County Income Tax Council decreases the county option income tax rate from _____ percent (___ %) to _____ percent (___ %). This ordinance takes effect July 1 of this year.".

(c) A county income tax council may not decrease the county option income tax if the county or any commission, board, department, or authority that is authorized by statute to pledge the county option income tax has pledged the county option income tax for any purpose permitted by IC 5-1-14 or any other statute.

(d) ~~An ordinance adopted under this subsection takes effect July 1~~

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~~of the year in which the ordinance is adopted.~~

~~(e) The county auditor shall record the votes taken on an ordinance under this subsection and shall send a certified copy of the ordinance to the department by certified mail not more than thirty (30) days after the ordinance is adopted.~~

~~(f)~~ Notwithstanding IC 6-3.5-7, a county income tax council that decreases the county option income tax in a year may not in the same year adopt or increase the county economic development income tax under IC 6-3.5-7.

SECTION 21. IC 6-3.5-6-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) A county income tax council of a county in which the county option income tax is in effect may adopt an ordinance to increase the percentage credit allowed for homesteads in its county under IC 6-1.1-20.9-2.

(b) A county income tax council may not increase the percentage credit allowed for homesteads by an amount that exceeds eight percent (8%).

(c) The increase of the homestead credit percentage must be uniform for all homesteads in a county.

(d) In the ordinance that increases the homestead credit percentage, a county income tax council may provide for a series of increases or decreases to take place for each of a group of succeeding calendar years.

(e) ~~An ordinance may be adopted under this section after January 1 but before June 1 of a calendar year.~~

~~(f)~~ **Notwithstanding section 2 of this chapter,** an ordinance adopted under this section takes effect on January 1 of the next succeeding calendar year.

~~(g)~~ **(f) Notwithstanding section 2 of this chapter,** any ordinance adopted under this section for a county is repealed for a year if on January 1 of that year the county option income tax is not in effect.

SECTION 22. IC 6-3.5-6-17.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17.4. (a) This section applies only to a county having a population of more than thirty-six thousand seven hundred (36,700) but less than thirty-seven thousand (37,000). **Section 2 of this chapter does not apply to an ordinance adopted under this section.**

(b) The county income tax council of a county may adopt an ordinance to reduce the required six (6) month balance of that county's special account to a three (3) month balance for that county.

(c) To reduce the balance a county income tax council must adopt an ordinance. The ordinance must substantially state the following:

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"The _____ County Income Tax Council elects to reduce the required county income tax special account balance from a six (6) month balance to a three (3) month balance within ninety (90) days after the adoption of this ordinance.".

(d) Not more than thirty (30) days after adopting an ordinance under subsection (c), the county income tax council shall deliver a copy of the ordinance to the budget agency.

(e) Not later than:

(1) sixty (60) days after a county income tax council adopts an ordinance under subsection (c); and

(2) December 31 of each year;

the budget agency shall make the calculation described in subsection (f). Not later than ninety (90) days after the ordinance is adopted, the budget agency shall make an initial distribution to the county auditor of the amount determined under subsection (f) STEP FOUR. Subsequent distributions needed to distribute any amount in the county income tax special account that exceeds a three (3) month balance, as determined under subsection (f) STEP FOUR, shall be made in January of the ensuing calendar year after the calculation is made.

(f) The budget agency shall make the following calculation:

STEP ONE: Determine the cumulative balance in a county's account established under section 16 of this chapter.

STEP TWO: Divide the amount estimated under section 17(b) of this chapter before any adjustments are made under section 17(c) or 17(d) of this chapter by twelve (12).

STEP THREE: Multiply the STEP TWO amount by three (3).

STEP FOUR: Subtract the amount determined in STEP THREE from the amount determined in STEP ONE.

(g) The county auditor shall distribute an amount received under subsection (e) to the civil taxing units in the same manner as the certified distribution is distributed and not later than thirty (30) days after the county auditor receives the amount.

(h) The civil taxing units may use the amounts received under subsection (g) for any item for which the particular civil taxing unit's certified distribution may be used.

SECTION 23. IC 6-3.5-6-17.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17.5. (a) This section does not apply to a county containing a consolidated city. **Section 2 of this chapter does not apply to an ordinance adopted under this section.**

(b) The county income tax council of any county may adopt an ordinance to reduce the required six (6) month balance of that county's

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special account to a three (3) month balance for that county on January 1 of a year.

(c) To reduce the balance a county income tax council must, after January 1 but before April 1 of a year, adopt an ordinance. The ordinance must substantially state the following:

"The _____ County Income Tax Council elects to reduce the required county income tax special account balance from a six (6) month balance to a three (3) month balance.".

(d) On or before December 31 of each year, the budget agency shall make the following calculation:

STEP ONE: Determine the cumulative balance in a county's account established under section 16 of this chapter.

STEP TWO: Divide the amount estimated under section 17(b) of this chapter before any adjustments are made under section 17(c) or 17(d) of this chapter by twelve (12).

STEP THREE: Multiply the STEP TWO amount by three (3).

STEP FOUR: Subtract the amount determined in STEP THREE from the amount determined in STEP ONE.

(e) The amount determined in STEP FOUR of subsection (d) shall be distributed to the county auditor in January of the ensuing calendar year.

(f) The county auditor shall distribute the amount received under subsection (e) to the civil taxing units in the same manner as the certified distribution is distributed and not later than thirty (30) days after the county auditor receives the amount.

(g) The civil taxing units may use the amounts received under subsection (f) as follows:

(1) For the later of 1995 or the first calendar year in which the county adopts an ordinance under subsection (c) and:

(A) for each civil taxing unit that is a county, city, or town, for the purposes authorized under IC 36-9-14.5-2 or IC 36-9-15.5-2 (whichever applies and regardless of whether the civil taxing unit has established a cumulative capital development fund under IC 36-9-14.5 or IC 36-9-15.5); and

(B) for each civil taxing unit that is a township or a special taxing district, for any item for which the civil taxing unit may issue a general obligation bond.

(2) For each year after the year to which subdivision (1) applies and for all civil taxing units, for any item for which the particular civil taxing unit's certified distribution may be used.

SECTION 24. IC 6-3.5-6-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 22. (a) Except as

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otherwise provided in subsection (b) and the other provisions of this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;
(2) declarations of estimated tax;
(3) filing of returns;
(4) deductions or exemptions from adjusted gross income;
(5) remittances;
(6) incorporation of the provisions of the Internal Revenue Code;
(7) penalties and interest; and
(8) exclusion of military pay credits for withholding;

apply to the imposition, collection, and administration of the tax imposed by this chapter.

(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the **commissioner of the** department the amount of withholdings attributable to each county. This report shall be submitted along with the employer's other withholding report.

SECTION 25. IC 6-3.5-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. The entity that may impose the tax is:

(1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on January 1 of the year the county economic development income tax is imposed;
(2) the county council if the county adjusted gross income tax is in effect on January 1 of the year the county economic development tax is imposed; or
(3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in subsections (c) and (g), the county economic development income tax may be imposed at a rate of:

(1) one-tenth percent (0.1%);
(2) two-tenths percent (0.2%);
(3) twenty-five hundredths percent (0.25%);
(4) three-tenths percent (0.3%);

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(5) thirty-five hundredths percent (0.35%);
(6) four-tenths percent (0.4%);
(7) forty-five hundredths percent (0.45%); or
(8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in subsection (h) or (i), the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in subsection (g), the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose, **increase, decrease, or rescind** the county economic development income tax, the appropriate body must, after January 1 but before April 1 of a year, adopt an ordinance. The ordinance **to impose the tax** must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county. This tax takes effect July 1 of this year.".

(e) Any ordinance adopted under this ~~section~~ **chapter** takes effect July 1 of the year the ordinance is adopted.

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this ~~section~~ **chapter** and ~~immediately~~ **shall, not more than ten (10) days after the vote,** send a certified copy of the results to the **commissioner of the** department by certified mail.

(g) This subsection applies to a county having a population of more than one hundred twenty-nine thousand (129,000) but less than one hundred thirty thousand six hundred (130,600). In addition to the rates permitted by subsection (b), the:

(1) county economic development income tax may be imposed at a rate of:
(A) fifteen-hundredths percent (0.15%);
(B) two-tenths percent (0.2%); or
(C) twenty-five hundredths percent (0.25%); and
(2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%);

if the county income tax council makes a determination to impose rates under this subsection and section 22 of this chapter.

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(h) For a county having a population of more than thirty-seven thousand (37,000) but less than thirty-seven thousand eight hundred (37,800), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(i) For a county having a population of more than twelve thousand six hundred (12,600) but less than thirteen thousand (13,000), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

SECTION 26. IC 6-3.5-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. ~~(a)~~ The body imposing the tax may decrease or increase the county economic development income tax rate imposed upon the county taxpayers as long as the resulting rate does not exceed the rates specified in section 5(b) and 5(c) or 5(g) of this chapter. The rate imposed under this section must be adopted at one (1) of the rates specified in section 5(b) of this chapter. To decrease or increase the rate, the appropriate body must ~~after January 1 but before April 1 of a year,~~ adopt an ordinance ~~The ordinance~~ **which** must substantially state the following:

> "The _____ County _____ increases (decreases) the county economic development income tax rate imposed upon the county taxpayers of the county from _____ percent (___%) to _____ percent (___%). This tax rate increase (decrease) takes effect July 1 of this year.".

~~(b) Any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.~~

~~(c) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

SECTION 27. IC 6-3.5-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The county economic development income tax imposed under this chapter remains in effect until rescinded.

(b) Subject to section 14 of this chapter, the body imposing the county economic development income tax may rescind the tax by adopting ~~an~~ **the appropriate** ordinance to rescind the tax. ~~after January 1 but before April 1 of a year.~~

~~(c) Any ordinance adopted under this section takes effect July 1 of~~

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~~the year the ordinance is adopted.~~

~~(d) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.~~

SECTION 28. IC 6-5.5-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. (a) Each taxpayer subject to taxation under this article shall report and pay quarterly an estimated tax equal to twenty-five percent (25%) of the taxpayer's total estimated tax liability imposed by this article for the taxable year. The quarterly estimated payments shall be made on or before the last day of the month for the quarter ending on the last day of the preceding month, without assessment or notice and demand from the department. The department shall prescribe the manner and furnish the forms for reporting and payment.

(b) Subsection (a) is applicable only to taxpayers having a tax liability imposed under this article that exceeds one thousand dollars ($1,000) for the taxable year.

(c) If the department determines that a taxpayer's:

(1) estimated quarterly financial institutions tax liability for the current year; or

(2) average quarterly financial institutions tax payment for the preceding year;

exceeds, **before January 1, 2000,** ten thousand dollars ($10,000) **or, after December 31, 1999, five thousand dollars ($5,000),** the taxpayer shall pay the quarterly financial institutions taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(d) If a taxpayer's financial institutions tax payment is made by electronic fund transfer, the taxpayer is not required to file a quarterly financial institutions tax return.

SECTION 29. IC 6-6-1.1-502 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 502. (a) Except as provided in subsection (b), at the time of filing each monthly report, each distributor shall pay to the administrator the full amount of tax due under this chapter for the preceding calendar month, computed as follows:

(1) Enter the total number of invoiced gallons of gasoline received during the preceding calendar month.

(2) Subtract the number of gallons for which deductions are

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provided by sections 701 through 705 of this chapter from the number of gallons entered under subdivision (1).

(3) Subtract the number of gallons reported under section 501(3) of this chapter.

(4) Multiply the number of invoiced gallons remaining after making the computation in subdivisions (2) and (3) by the tax rate prescribed by section 201 of this chapter to compute that part of the gasoline tax to be deposited in the highway, road, and street fund under section 802(2) of this chapter or in the motor fuel tax fund under section 802(3) of this chapter.

(5) Multiply the number of gallons subtracted under subdivision (3) by the tax rate prescribed by section 201 of this chapter to compute that part of the gasoline tax to be deposited in the fish and wildlife fund under section 802(1) of this chapter.

(b) If the department determines that a distributor's:

(1) estimated monthly gasoline tax liability for the current year; or

(2) average monthly gasoline tax liability for the preceding year;

exceeds ~~ten~~ **five** thousand dollars ~~($10,000),~~ **($5,000),** the distributor shall pay the monthly gasoline taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

SECTION 30. IC 6-6-4.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. (a) A tax is imposed on the consumption of motor fuel by a carrier in its operations on highways in Indiana. The rate of this tax is the same rate per gallon as the rate per gallon at which special fuel is taxed under IC 6-6-2.5. The tax shall be paid quarterly by the carrier to the department on or before the last day of the month immediately following the quarter. **If section 4.6 applies, the tax shall be paid by electronic funds transfer.**

(b) The amount of motor fuel consumed by a carrier in its operations on highways in Indiana is the total amount of motor fuel consumed in its entire operations within and without Indiana, multiplied by a fraction. The numerator of the fraction is the total number of miles traveled on highways in Indiana, and the denominator of the fraction is the total number of miles traveled within and without Indiana.

(c) The amount of tax that a carrier shall pay for a particular quarter under this section equals the product of the tax rate in effect for that quarter, multiplied by the amount of motor fuel consumed by the

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carrier in its operation on highways in Indiana and upon which the carrier has not paid tax imposed under IC 6-6-1.1 or IC 6-6-2.5.

(d) The tax imposed under this section does not apply to that portion of motor fuel used in Indiana to propel equipment mounted on a motor vehicle having a common reservoir for locomotion on the highway and the operation of the equipment, as determined by rule of the commissioner. The exemption granted by this subsection shall be taken on a quarterly basis in the form of a claim for refund prescribed by the department.

SECTION 31. IC 6-6-4.1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4.5. (a) A surcharge tax is imposed on the consumption of motor fuel by a carrier in its operations on highways in Indiana. The rate of this surcharge tax is eleven cents ($0.11) per gallon. The tax shall be paid quarterly by the carrier to the department on or before the last day of the month immediately following the quarter. **If section 4.6 applies, the tax shall be paid by electronic funds transfer.**

(b) The amount of motor fuel consumed by a carrier in its operations on highways in Indiana is the total amount of motor fuel consumed in its entire operations within and without Indiana, multiplied by a fraction. The numerator of the fraction is the total number of miles traveled on highways in Indiana, and the denominator of the fraction is the total number of miles traveled within and without Indiana.

(c) The amount of tax that a carrier shall pay for a particular quarter under this section equals the product of the tax rate in effect for that quarter, multiplied by the amount of motor fuel consumed by the carrier in its operation on highways in Indiana.

(d) The tax imposed under this section does not apply to that portion of motor fuel used in Indiana to propel equipment mounted on a motor vehicle having a common reservoir for locomotion on the highway and the operation of this equipment as determined by rule of the commissioner. The exemption granted by this subsection shall be taken on a quarterly basis in the form of a claim for refund prescribed by the department.

SECTION 32. IC 6-6-4.1-4.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: **Sec. 4.6. If a carrier's:**

(1) motor carrier fuel tax; plus

(2) surcharge tax;

liability exceeds ten thousand dollars ($10,000) for the current or previous quarter, the carrier shall pay the taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in

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person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the taxes are due.

SECTION 33. IC 6-8-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 2. As used in this chapter, "dependent" means any of the following:

(1) The spouse of an employee.

(2) An employee's child ~~who is one (1) of the following:~~

~~(A) Less than nineteen (19) years of age.~~

~~(B) Less than twenty-three (23) years of age and enrolled as a full-time student at an accredited college or university.~~

~~(C) Legally entitled to the provision by the employee of proper or necessary subsistence, education, medical care, or other care necessary for the child's health, guidance, or well-being, and not otherwise emancipated, self-supporting, married, or a member of the armed forces of the United States.~~

~~(D) Mentally or physically incapacitated to the extent that the child is not self-sufficient.~~ **for whom the taxpayer is entitled to an exemption under Section 151(c)(1)(B) of the Internal Revenue Code.**

SECTION 34. IC 6-8.1-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 19. The department shall print and include a voter registration form designed by the Indiana election commission under IC 3-7-23 in ~~each~~ **any** state adjusted gross income tax booklet that is **not** mailed to a taxpayer. ~~using a preprinted mailing label with an Indiana address.~~

SECTION 35. IC 6-8.1-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. ~~(a)~~ The department shall request from each taxpayer

~~(1) vehicle identification information for vehicles owned by the taxpayer; and~~

~~(2)~~ the amount of the taxpayer's gross income (as defined in Section 61 of the Internal Revenue Code) derived from sources within or outside Indiana using the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. The taxpayer shall itemize the amount of gross income derived from each source.

~~(b) The department shall send a list to the bureau of motor vehicles showing by taxpayer the vehicle identification information obtained by the department. However, the name, tax identification number, and the corresponding information sent to the bureau may not include income~~

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~~tax information.~~

SECTION 36. IC 6-8.1-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) The department may compile statistical studies from information derived from state tax returns and may disclose the results of those studies. In addition, the department may disclose statistical information from the state tax returns to the governor, the general assembly, or another state agency, for the purpose of allowing those governmental entities to conduct their own statistical studies. **The department shall compile data on business income, including income reported on an individual tax return. The data shall be organized in a manner that allows the data to be selected by type of business activity, federal tax status, and category of income regardless of the return used to report the income. The department shall make the data available to the legislative services agency and the budget agency in electronic database format for their use in doing studies of business income taxation.**

(b) Notwithstanding subsection (a), the department may not disclose the results of any study and may not disclose any statistical information if, as a result of that disclosure:

(1) the identity of a taxpayer who filed a return would be disclosed;

(2) the identity of a taxpayer could reasonably be associated with any of the information which was derived from his return for use in a statistical study; or

(3) the ability of the department to obtain information from federal tax returns would, in the department's judgment, be jeopardized in any manner.

(c) Subject to the rules and regulations of the department, a person may request information as to whether an individual filed an income tax return pursuant to the Indiana income tax laws for a particular taxable year. However, the department may not disclose that information with respect to any taxable year until the close of the calendar year following the year in which the return should have been filed. As soon as practicable after the close of that calendar year, the department shall inform the person making the request whether the return was filed.

SECTION 37. IC 6-8.1-9.5-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 14. (a) The department may enter into an agreement with the Secretary of the Treasury of the United States under Section 6402 of the Internal Revenue Code to recover**

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past due, legally enforceable state income tax obligations owed to Indiana.

(b) The department may enter into an agreement with the Secretary of the Treasury of the United States to set off refunds to recover past due, legally enforceable federal income tax obligations owed by Indiana residents. Only section 12 of this chapter applies to an agreement under this subsection.

SECTION 38. IC 6-8.1-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) If a person fails to file a return for any of the listed taxes, fails to pay the full amount of tax shown on his return by the due date for the return or the payment, or incurs a deficiency upon a determination by the department, the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the adjusted rate established by the commissioner under subsection (c), from the due date for payment. The interest applies to:

(1) the full amount of the unpaid tax due if the person failed to file the return;

(2) the amount of the tax that is not paid, if the person filed the return but failed to pay the full amount of tax shown on the return; or

(3) the amount of the deficiency.

(c) The commissioner shall establish an adjusted rate of interest for a failure described in subsection (a) and for an excess tax payment on or before November 1 of each year. For purposes of subsection (b), the adjusted rate of interest shall be the percentage rounded to the nearest whole number that equals two (2) percentage points above the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. For purposes of IC 6-8.1-9-2(c), the adjusted rate of interest for an excess tax payment is the percentage rounded to the nearest whole number that equals the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. The adjusted rates of interest established under this subsection shall take effect on January 1 of the immediately succeeding year.

(d) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(e) ~~Except as provided by IC 6-8.1-5-2(e)(2),~~ The department may not waive the interest imposed under this section.

(f) Subsections (a) through (c) do not apply to a motor carrier fuel

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tax return.

SECTION 39. IC 6-9-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) that establishes a medical center development agency pursuant to IC 20-12-30.3 may levy each year a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations, in any hotel, motel, inn, tourist camp, tourist cabin or any other place in which rooms, lodgings, or accommodations are regularly furnished for a consideration.

(b) Such tax:

(1) shall be at a rate of five percent (5%) on the gross retail income derived therefrom;

(2) must be imposed by the county fiscal body after January 1 and before April 1 of a year;

(3) must take effect July 1 of the year in which it is imposed; and

(4) shall be in addition to the state gross retail tax imposed on such persons by law.

The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected.

(d) All of the provisions of the state gross retail tax (IC 6-2.5) relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" shall have the same meaning in this section as they have in the state gross retail tax (IC 6-2.5). If the tax is paid to the department of state revenue, the returns to be filed for the

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payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(e) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid by the end of the next succeeding month by the treasurer of state to the county treasurer upon warrants issued by the auditor of state. The county treasurer shall deposit the revenue received under this chapter as provided in section 2 of this chapter.

(f) If the department determines after December 31, 1999, that a person's:

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 40. IC 6-9-2.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year**, the county council may **adopt an ordinance to** levy **a** tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin located in a county described in section 1 of this chapter. Such tax **takes effect July 1 of the year in which the ordinance is adopted, and the tax** shall not exceed the rate of five percent (5%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on such persons by IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail

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tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule or regulation, determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(d) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

SECTION 41. IC 6-9-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year,** the county council may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist cabin, university memorial union, or university residence hall, except state camping facilities, located in the county. The tax **takes effect July 1 of the year in which the ordinance is adopted and** shall be imposed at the rate of at least three percent (3%) but not more than five percent (5%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5. The tax does not apply to a retail transaction in which a

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student rents lodging in a university memorial union or residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5, except that "person" shall not include state supported educational institutions. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

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(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

SECTION 42. IC 6-9-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year,** the county council may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin located in the county. The tax **takes effect July 1 of the year in which the ordinance is adopted and** may not exceed three percent (3%) of the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed by this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state. **If the**

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department determines after December 31, 1999, that a person's:

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

SECTION 43. IC 6-9-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) In any county to which this chapter applies, there is levied a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings or accommodations in any commercial hotel, motel, boat motel, inn, tourist camp, or tourist cabin, except state camping facilities, located in the county. The tax shall be imposed at a rate of five percent (5%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, the terms "person" and "gross income" have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state

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revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(d) If the tax is paid to the department of state revenue, all amounts received by the state department of revenue from the tax during a month shall be paid to the county treasurer on or before the last day of the next succeeding month. All amounts received from the tax shall be paid by the treasurer of state to the county treasurer upon warrants issued by the auditor of state. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

SECTION 44. IC 6-9-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year,** the county council may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, university memorial union, university residence hall, tourist camp, or tourist cabin located in a county described in section 1 of this chapter. The county treasurer shall allocate and distribute the tax revenues as provided in section 7 of this chapter.

(b) The tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed under IC 6-2.5. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted.**

(c) The tax does not apply to gross retail income received in a transaction in which:

(1) a student rents lodgings in a university residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the

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county; or

(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

SECTION 45. IC 6-9-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) Each year a tax shall be levied on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any lodgings in any hotel,

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motel, inn, tourist camp, tourist cabin, or any other place in which lodgings are regularly furnished for a consideration.

(b) This tax shall be in addition to the state gross retail tax and use tax imposed on such persons by IC 6-2.5. The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5.

(d) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may determine by rule. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(e) If the tax is paid to the department of state revenue, the amounts received from this tax shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state.

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SECTION 46. IC 6-9-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) Except as provided in subsection (b), the tax imposed by section 2 of this chapter shall be at the rate of:

(1) before January 1, 2028, five percent (5%) on the gross income derived from lodging income only, if the fiscal body does not adopt an ordinance under subsection (b), and six percent (6%) if the fiscal body adopts an ordinance under subsection (b); and

(2) after December 31, 2027, five percent (5%).

(b) In any year subsequent to the initial year in which a tax is imposed under section 2 of this chapter, the fiscal body may, by ordinance adopted by at least two-thirds (2/3) of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter from five percent (5%) to six percent (6%). The ordinance must specify that the increase in the tax authorized under this subsection expires January 1, 2028. **If the department of state revenue is responsible for collecting the tax, the ordinance:**

(1) must be adopted after January 1 and before April 1 of a year; and

(2) takes effect on July 1 of the year in which it is adopted.

(c) The amount collected from an increase adopted under subsection (b) shall be transferred to the capital improvement board of managers established by IC 36-10-9-3. The board shall deposit the revenues received under this subsection in a special fund. Money in the special fund may be used only for the payment of obligations incurred to expand a convention center, including:

(1) principal and interest on bonds issued to finance or refinance the expansion of a convention center; and

(2) lease agreements entered into to expand a convention center.

SECTION 47. IC 6-9-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) Each year a tax shall be levied on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any lodgings in any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which lodgings are regularly furnished for a consideration.

(b) This tax shall be in addition to the state gross retail tax and use tax imposed on such persons by IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is

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collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may determine by rule. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state.

SECTION 48. IC 6-9-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) There is imposed a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodging, or accommodations in any hotel, motel, inn, university residence hall, tourist camp, or tourist cabin located in the county. However, the tax is not imposed on the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more, or on the renting or furnishing of any room, lodging, or accommodations

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in a university or college residence hall to a student participating in a course of study for which the student receives college credit from a college or university located in the county.

(b) The tax shall be imposed at the rate of three percent (3%) on the gross income derived from lodging income only. **After January 1 and before April 1 of a year,** the fiscal body of the county may **adopt an ordinance to** increase the tax rate up to a maximum rate of five percent (5%). **The increase in the tax rate is effective July 1 of the year in which the ordinance is adopted.** The tax is in addition to the state gross retail tax imposed on such persons by IC 6-2.5. **The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the foregoing sentence, the terms "person" and "gross income" have the same meaning in this section as they have in IC 6-2.5, except that "person" does not include state supported educational institutions.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as the department of state revenue may by rule determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as

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defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

SECTION 49. IC 6-9-10.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year,** the fiscal body of a county may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) inn;
(4) tourist cabin; or
(5) campground space;

located in the county. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(b) The tax may not exceed the rate of three percent (3%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment

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of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(e) If the tax is paid to the department of state revenue, the taxes the department of state revenue receives under this section during a month shall be paid, by the end of the next succeeding month, to the county treasurer upon warrants issued by the auditor of state.

SECTION 50. IC 6-9-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 30 of a year,** the county council may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, tourist cabin, university memorial union, or university residence hall, except state camping facilities, located in the county. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.** The tax shall be imposed at the rate of two percent (2%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5. The tax does not apply to:

(1) a retail transaction in which a student rents lodging in a university memorial union or residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county; **or**

(2) the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that

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the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5, except that "person" shall not include supported educational institutions. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

~~(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.~~

SECTION 51. IC 6-9-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) After January 1 but before ~~June~~ **April** 1 of ~~any~~ a year, the city-county council of a county that contains a consolidated city may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 3 of this chapter.

(b) If a city-county council adopts an ordinance under ~~subsection~~

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~~(a),~~ **this chapter,** it shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send a certified copy of the ordinance **by certified mail** to the commissioner of the department of state revenue.

(c) If a city-county council adopts an ordinance under ~~subsection (a),~~ **this chapter,** the county food and beverage tax applies to transactions that occur after June 30 of the year in which the ordinance is adopted.

SECTION 52. IC 6-9-12-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The county food and beverage tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the county food and beverage tax may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 53. IC 6-9-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) Except as provided in subsection (b), the city-county council of a county that contains a consolidated first class city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, 2028, any event and, after December 31, 2027, any professional sporting event:

(1) held in a facility financed in whole or in part by bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; and

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility.

(b) The excise tax imposed under subsection (a) does not apply to the following:

(1) An event sponsored by an educational institution or an association representing an educational institution.

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(2) An event sponsored by a religious organization.

(3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.

(4) An event sponsored by a political organization.

(c) If a city-county council adopts an ordinance under ~~subsection (a),~~ **this chapter,** it shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

(d) ~~If a city-county council adopts an ordinance under subsection (a) prior to June 1,~~ **An ordinance adopted under this chapter must be adopted after January 1 and before April 1 of a year.** The county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted. ~~If the city-county council adopts an ordinance under subsection (a) on or after June 1, the county admissions tax applies to admission charges collected after the last day of the month in which the ordinance is adopted.~~

SECTION 54. IC 6-9-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. A person who collects any county admission tax under section 3 of this chapter shall remit the tax collections to the department of state revenue. The person shall remit those revenues collected during a particular month before the ~~fifteenth~~ **twentieth** day of the following month. At the time the tax revenues are remitted, the person shall file a county admissions tax return on the form prescribed by the department of state revenue.

SECTION 55. IC 6-9-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year,** the county council may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings or accommodations in any hotel, motel, inn, conference center, retreat center, or tourist cabin located in the county. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.** However, the county council may not levy the tax on a person for:

(1) engaging in the business of providing campsites within a state or federal park or forest; **or**

(2) renting or furnishing rooms, lodgings, or accommodations

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to a person for a period of thirty (30) days or more. The tax may be imposed at any rate up to and including five percent (5%). The tax shall be imposed on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" shall have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule or regulation, determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

~~(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.~~

SECTION 56. IC 6-9-15-6 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year,** the county council may **adopt an ordinance to** impose **or increase** a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodging, or accommodations in any hotel, motel, inn, tourist camp, or tourist cabin located in the county. However, the tax may not be imposed on the renting or furnishing of:

(1) campsites at a state or federal park or forest;

(2) rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more; or

(3) any room, lodging, or accommodations in a university or college residence hall to a student participating in a course of study for which the student receives college credit from a college or university located in the county.

An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.

(b) The tax shall be imposed at the rate of ~~four~~ **not more than five** percent ~~(4%)~~ **(5%)** on the gross income derived from lodging income only. ~~The county council may increase the tax rate to five percent (5%).~~ The tax is in addition to the state gross retail tax imposed on such persons by IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" have the same meaning in this section as they have in IC 6-2.5, except that "person" does not include state supported educational institutions.

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(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as the department of state revenue may by rule determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

SECTION 57. IC 6-9-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) **After January 1 and before April 1 of a year,** the county council may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin, except state camping facilities, located in the county. The tax shall be imposed at any rate up to and including:

(1) five percent (5%) before July 1, 2007; and

(2) four percent (4%) after June 30, 2007;

on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5. **The tax imposed under this chapter does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more. An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not

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more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" have the same meaning in this section as they have in IC 6-2.5, except that "person" shall not include state supported educational institutions. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule or regulation, determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

~~(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.~~

SECTION 58. IC 6-9-18-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) **After January 1 and before April 1 of a year,** the fiscal body of a county may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;

(2) motel;

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(3) boat motel;
(4) inn;
(5) college or university memorial union;
(6) college or university residence hall or dormitory; or
(7) tourist cabin;

located in the county. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

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(2) average monthly tax liability for the preceding year; exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

SECTION 59. IC 6-9-19-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) **After January 1 and before April 1 of a year,** the fiscal body of a county may **adopt an ordinance to** levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) inn; or
(4) tourist cabin;

that has thirty (30) or more rooms for rent and is located in the county. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The county fiscal body shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue by certified mail not more than ten (10) days after the adoption of the ordinance.**

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not

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more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(f) If the tax is paid to the department of state revenue, the taxes the department of state revenue receives under this section during a month shall be paid, by the end of the next succeeding month, to the county treasurer upon warrants issued by the auditor of state.

SECTION 60. IC 6-9-20-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) **After January 1 and before April 1 of a year,** the fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 4 of this chapter. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted.**

(b) If a fiscal body adopts an ordinance under ~~subsection (a),~~ **this chapter,** it shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a fiscal body adopts an ordinance under ~~subsection (a),~~ **this chapter,** the county food and beverage tax applies to transactions that occur after ~~the last day of the month that succeeds the month~~ **June 30 of the year** in which the ordinance was adopted.

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(d) The tax terminates in a county on January 1 of the year immediately following the year in which the last of the bonds issued to finance the construction of an airport terminal and the last of any bonds issued to refund those bonds have been completely paid as to both principal and interest.

(e) Notwithstanding subsection (d), if the county fiscal body determines that the tax under this chapter should be continued in order to finance improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities, the tax does not terminate as specified in subsection (d) but instead continues until January 1 of the year following the year in which the last of the bonds issued to finance improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities, and the last of any bonds issued to refund those bonds, have been completely paid or defeased as to both principal and interest. An action to contest the validity of the determination under this subsection must be instituted not more than thirty (30) days after the determination.

SECTION 61. IC 6-9-20-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 62. IC 6-9-20-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the treasurer of the airport authority established in the county upon warrants issued by the auditor of state until the treasurer of the airport authority certifies to the treasurer of state **and to the commissioner of the department of state revenue**

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that the last of the bonds issued to finance the construction of an airport terminal and the last of any bonds issued to refund those bonds have been completely paid as to both principal and interest.

SECTION 63. IC 6-9-20-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7.5. If:

(1) the treasurer of the airport authority has certified to the treasurer of state **and to the commissioner of the department of state revenue** that the last of the bonds issued to finance the construction of an airport terminal and the last of any bonds issued to refund those bonds have been completely paid as to both principal and interest; and

(2) the county fiscal body has determined, **by adoption of an ordinance,** to continue the tax to finance improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities;

the amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

SECTION 64. IC 6-9-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) **After January 1 and before April 1 of a year,** the fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 4 of this chapter. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted.**

(b) If a fiscal body adopts an ordinance under ~~subsection (a),~~ **this chapter,** it shall ~~immediately~~ **not more than ten (10) days after the ordinance is adopted** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

~~(c) If a fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.~~

SECTION 65. IC 6-9-21-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

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(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 66. IC 6-9-23-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) After January 1 but before ~~June~~ **April** 1 of a year, the fiscal body of a county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 4 of this chapter. **An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted.**

(b) If a fiscal body adopts an ordinance under ~~subsection (a),~~ **this chapter,** it shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

~~(c) If a fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after June 30 of the year in which the ordinance is adopted.~~

~~(d)~~ **(c)** The tax terminates two (2) years after the retirement of debt that was incurred under section 8 of this chapter.

SECTION 67. IC 6-9-23-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the tax under this chapter may be made separately or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 68. IC 6-9-23-9 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. (a) Subject to the limitation of ~~section 3(d)~~ **section 3(c)** of this chapter, the county may enter into an agreement under which amounts deposited in, or to be deposited in, the coliseum expansion fund are pledged to payment of obligations issued to finance the remodeling, expansion, or maintenance of an athletic and exhibition coliseum under section 8 of this chapter.

(b) With respect to obligations for which a pledge has been made under subsection (a), the general assembly covenants with the holders of these obligations that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed under this chapter; and

(2) this chapter will not be amended in any manner that will change the purpose for which revenues from the tax imposed under this chapter may be used;

as long as the payment of any of those obligations is outstanding.

SECTION 69. IC 6-9-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) **After January 1 and before April 1 of a year,** the fiscal body of the municipality may adopt an ordinance to impose an excise tax, known as the municipal food and beverage tax, on those transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under ~~subsection (a),~~ **this chapter,** it shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

~~(c) If a fiscal body adopts an ordinance under subsection (a), the municipal food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.~~

SECTION 70. IC 6-9-24-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

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exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 71. IC 6-9-25-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) **After January 1 and before April 1 of a year,** the fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 4 of this chapter. **Except as provided in section 10.5(e) of this chapter, an ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted.**

(b) If a fiscal body adopts an ordinance under ~~subsection (a),~~ **this chapter,** it shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) ~~If a fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.~~

~~(d)~~ Notwithstanding any other law, the imposition of the tax under this chapter is prohibited upon the satisfaction by the county of all of its obligations authorized under section 11.5 of this chapter.

SECTION 72. IC 6-9-25-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

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SECTION 73. IC 6-9-25-10.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10.5. (a) The county food and beverage tax council is established in the county. The membership of the county food and beverage tax council consists of the fiscal body of the county and the fiscal body of each municipality that lies either partly or entirely within the county.

(b) The county food and beverage tax council has a total of one hundred (100) votes. Every member of the county food and beverage tax council is allocated a percentage of the total one hundred (100) votes that may be cast. The percentage that a municipality in the county is allocated for a year equals the same percentage that the population of the municipality bears to the population of the county. The percentage that the county is allocated for a year equals the same percentage that the population of all areas of the county not located in a municipality bears to the population of the county. In the case of a municipality that lies partly within the county, the allocation shall be based on the population of that portion of the municipality that lies within the county.

(c) Before January 2 of each year, the county auditor shall certify to each member of the food and beverage tax council the number of votes, rounded to the nearest one-hundredth (0.01), the member has for that year.

(d) The food and beverage tax imposed under this chapter remains in effect until the county food and beverage tax council adopts an ordinance to rescind the tax.

(e) **Notwithstanding section 3 of this chapter,** an ordinance to rescind the food and beverage tax takes effect December 31 of the year in which the ordinance is adopted.

(f) The county food and beverage tax council may not rescind the food and beverage tax if there are bonds outstanding or leases or other obligations payable under this chapter.

(g) The county food and beverage tax council is abolished on January 1, 2005.

SECTION 74. IC 6-9-26-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

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(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 75. IC 6-9-26-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. If no obligations are outstanding, the county fiscal body may repeal the ordinance adopted under section 3 of this chapter imposing the tax before ~~December 1~~ **September 30** in any year.

SECTION 76. IC 6-9-26-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. The repeal of an ordinance under section 14 of this chapter takes effect January 1 immediately following the date the repeal was adopted. If the fiscal body repeals the ordinance, the clerk shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance repealing the ordinance imposing the tax to the commissioner of the department of state revenue.

SECTION 77. IC 6-9-27-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) **After January 1 and before April 1 of a year,** the fiscal body of the town may adopt an ordinance to impose an excise tax, known as the town food and beverage tax, on transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), the fiscal body shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance to the department of state revenue.

(c) If a fiscal body adopts an ordinance under subsection (a), the town food and beverage tax applies to transactions that occur after ~~the last day of the month that succeeds the month~~ **June 30 of the year** in which the ordinance was adopted.

SECTION 78. IC 6-9-27-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue. **If the**

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department determines after December 31, 1999, that a person's:

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 79. IC 6-9-28-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) After January 1 but before ~~June~~ **April** 1 of a year, the county fiscal body may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending an amusement park.

(b) If a fiscal body adopts an ordinance under subsection (a), it shall ~~immediately~~ **not more than ten (10) days after adopting the ordinance** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a county fiscal body adopts an ordinance under subsection (a), the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted.

SECTION 80. IC 6-9-28-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. A person who collects a county admissions tax under section 4 of this chapter shall remit the tax collections to the department of state revenue. The person shall remit those revenues collected during a particular month before the fifteenth day of the following month. At the time the tax revenues are remitted, the person shall file a county admissions tax return on the form prescribed by the department of state revenue. **If the department determines after December 31, 1999, that a person's:**

(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

SECTION 81. IC 6-9-29-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies to all counties imposing an innkeeper's tax **or a food and beverage tax** under this article.

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SECTION 82. IC 6-9-29-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1.5. (a) Unless otherwise provided in this article, a county **fiscal body or other** fiscal body that adopts an ordinance to impose, rescind, or increase or decrease the rate of a county innkeeper's tax **or a food and beverage tax** must **do so after January 1 and before April 1 of a year and must** specify ~~the effective date of the ordinance to provide~~ that the ordinance takes effect

~~(1) at least thirty (30) days after the adoption of the ordinance; and~~

~~(2) on the first day of a month.~~ **July 1 of the year in which it is adopted.**

(b) If a ~~county~~ fiscal body adopts an ordinance described in subsection (a), it must, ~~immediately~~ **not more than ten (10) days after adopting the ordinance,** send **by certified mail** a certified copy of the ordinance to the commissioner of the department of state revenue.

SECTION 83. IC 6-9-29-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. An individual who:

(1) is an individual taxpayer or an employee, an officer, or a member of a corporate or partnership taxpayer; and

(2) has a duty to remit innkeeper's taxes **or food and beverage taxes** to the department of state revenue or a political subdivision;

holds those ~~innkeeper's~~ taxes in trust for the state or political subdivision and is personally liable for the payment of the ~~innkeeper's~~ taxes, plus any penalties and interest attributable to the ~~innkeeper's~~ taxes, to the state or political subdivision. An individual who knowingly fails to collect or remit the ~~innkeeper's~~ taxes to the state or political subdivision commits a Class D felony.

SECTION 84. IC 6-9-29-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. Upon a request by a county auditor or treasurer, the department of state revenue shall provide summary data regarding innkeeper's tax **and food and beverage taxes** collections for the county. This data may not include any confidential information. The department shall provide the summary data within ten (10) business days after the request is made.

SECTION 85. IC 6-9-31-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) After January 1 but before ~~June~~ **April** 1 **of a year,** the city-county council may adopt an ordinance to impose a supplemental tax, known as the capital improvement board revenue replacement supplemental tax, only for the purpose of replacing revenue lost as a result of the withdrawal by the consolidated city or the capital improvement board from a contract

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providing another entity with the right to name a facility owned by the capital improvement board under IC 36-10-9, the county convention and recreational facilities authority under IC 36-10-9.1, or the consolidated city, in response to the entity displacing at least:

(1) four hundred (400) jobs in the consolidated city; or

(2) one thousand (1,000) jobs within the state;

to another country, if the city-county council determines the revenue must be replaced.

(b) The city-county council may adopt an ordinance to impose a supplemental tax on any one (1) or all of the following:

(1) the innkeeper's tax under IC 6-9-8;

(2) the admissions tax under IC 6-9-13; and

(3) the supplemental auto rental excise tax under IC 6-6-9.7.

An ordinance adopted under this chapter takes effect July 1 of the year in which it is adopted. The city-county council shall send a certified copy of each ordinance adopted under this chapter to the commissioner of the department of state revenue not more than ten (10) days after the adoption of the ordinance.

(c) The revenue replacement supplemental tax is in addition to the state gross retail tax and use tax imposed by IC 6-2.5. The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent these provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the preceding sentence, "person" and "gross income" have the same meaning in this section as the terms have in IC 6-2.5.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either by separate return or combined with the return filed for the payment of the state gross retail tax as the department of state revenue may determine by rule. **If the department determines after December 31, 1999, that a person's:**

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(1) estimated monthly tax liability for the current year; or

(2) average monthly tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person must pay the monthly tax due under this chapter by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment must be made on or before the date the tax is due.

(f) If the tax is paid to the department of state revenue, the amounts received from this tax shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state.

SECTION 86. IC 7.1-4-6-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3.5. ~~Filing of Returns.~~ **(a) Except as provided in subsections (b) and (c),** a person who is liable for the payment of an excise tax levied by this title shall file a monthly return with the department on or before the twentieth day of the month following the month in which the liability for the tax accrues by reason of the manufacture, sale, gift, or the withdrawal for sale or gift, of alcoholic beverages within this state. Payment of the excise tax due shall accompany the return.

(b) If the department determines that a person's:

(1) estimated monthly excise tax liability for the current year; or

(2) average monthly excise tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person shall pay the monthly excise tax due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(c) If a person's excise tax payment is made by electronic funds transfer, the taxpayer is not required to file a monthly excise tax return. However, the person shall file a quarterly excise tax return before the twentieth day following the end of each calendar quarter.

SECTION 87. IC 8-2.1-24-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. This chapter applies to the certification of a motor carrier providing intrastate transportation by motor vehicle of property **or passengers** for compensation.

SECTION 88. IC 8-2.1-24-2 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. Section 18 of this chapter applies to the regulation of the following persons:

(1) A motor carrier described in section 1 of this chapter.

(2) A private carrier of property **or passengers**.

SECTION 89. IC 8-2.1-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. Except as provided in section 18 of this chapter, this chapter does not apply to the following:

(1) Motor vehicles used exclusively for carrying United States mail.

(2) Motor vehicles while being used or operated under the control, direction, and supervision of:

(A) the United States government, the state, or a political subdivision; or

(B) the board of trustees of a state institution.

(3) Motor vehicles while transporting supplies, livestock feed ingredients, fertilizer, or fertilizing materials that are in transit to or from farms.

(4) Motor vehicles:

(A) controlled and operated by a farmer when used in the transportation of the farmer's agricultural commodities and products of those commodities or in the transportation of supplies to the farm;

(B) controlled and operated by a nonprofit agricultural cooperative association (or by a federation of agricultural cooperative associations if the federation does not possess greater powers or purposes than the cooperative associations);

(C) used in carrying property consisting of livestock or agricultural commodities (not including manufactured products) if the motor vehicles are not used in carrying:

(i) other property;

(ii) agricultural commodities; or

(iii) passengers;

for compensation; or

(D) used in carrying livestock feed or feed ingredients, if those products are transported to a site of agricultural productions or to a business enterprise engaged in the sale of agricultural goods to a person engaged in agricultural production.

This chapter shall not be construed to apply to motor vehicles owned, leased, controlled, or operated by a nonprofit cooperative association, either incorporated or unincorporated, that was in existence on July 6, 1961.

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(5) The casual, occasional, or reciprocal transportation of household effects or furniture for compensation, not including the transportation for hire of new household effects or furniture to or from a factory, warehouse, or store, by a person who does not otherwise engage in the type of transportation for compensation or who is not required by this chapter to hold a certificate or permit to engage in the transportation or operation for hire who does not profess to engage in the business of transporting household effects or furniture for hire.

(6) Motor vehicles, commonly known as armored cars, used exclusively to transport, under written bilateral contract, coin, currency, bullion, securities, precious metals, jewelry, precious stones, money, legal tender, stocks and bonds, negotiable and nonnegotiable instruments and securities, postage and revenue stamps, and other valuable documents and rare objects.

(7) Trucks with a declared gross weight of not more than forty-eight thousand (48,000) pounds, transporting nonliquid bulk or bag fertilizers.

(8) Motor vehicles while being used to transport chemicals that are used to melt ice and packed snow on roads and streets if the chemicals are owned by and being delivered to the state or a political subdivision for use on roads and streets.

(9) Trucks with a declared gross weight of not more than forty-six thousand (46,000) pounds transporting aggregate materials (mineral or rock fragments) in bulk when the person providing the transportation owns or leases not more than one (1) truck for those purposes.

~~(10) Motor vehicles used for the transportation of household goods.~~

SECTION 90. IC 8-2.1-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. The department may:

(1) certify a motor carrier providing transportation of property **or passengers** for compensation; ~~and~~

(2) regulate and supervise safety, insurance, methods, and hours of operation of a motor carrier providing transportation of property **or passengers; and**

(3) impose a uniform fee on all carriers for establishing and administering the certification process created under this chapter.

SECTION 91. IC 8-2.1-24-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 15. A motor

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carrier may not operate a motor vehicle in the transportation of property **or passengers** upon a public highway in intrastate commerce until the motor carrier has:

(1) submitted forms approved by the department to be a properly certified motor carrier; and

(2) been issued an acknowledgment by the department.

An acknowledgment issued under subdivision (2) remains in effect until December 31 of the year in which the acknowledgment is issued.

SECTION 92. IC 8-2.1-24-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. (a) A person may not operate a motor vehicle for the transportation of property **or passengers** upon a public highway, and a motor carrier may not be certified, unless the motor carrier complies with the rules adopted by the department governing the filing and approval of surety bonds, policies of insurance, qualifications of a self-insurer, or other securities or agreements.

(b) A surety bond, policy of insurance, self-insurance, or security or other agreement approved under this section must be of a reasonable amount and conditioned to pay, within the amount of the surety bond, policy of insurance, self-insurance, or security or other agreement, a final judgment recovered against the motor carrier for bodily injuries to or the death of any person resulting from the negligent operation, maintenance, or use of the motor carrier's registered motor vehicle, or for loss or damage to property of others.

SECTION 93. IC 8-2.1-24-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18. (a) 49 CFR Parts 382, 385 through 387, 390 through 393, and 395 through 398 ~~is~~ **are** incorporated into Indiana law by reference, and, except as provided in subsections (d), (e), (f), and (g), must be complied with by an interstate and intrastate motor carrier of persons or property throughout Indiana. Intrastate motor carriers subject to compliance reviews under 49 CFR 385 shall be selected according to criteria determined by the superintendent which must include but is not limited to factors such as previous history of violations found in roadside compliance checks and other recorded violations. However, the provisions of 49 CFR 395 that regulate the hours of service of drivers, including requirements for the maintenance of logs, do not apply to a driver of a truck that is registered by the bureau of motor vehicles and used as a farm truck under IC 9-18, or a vehicle operated in intrastate construction or construction related service, or the restoration of public utility services interrupted by an emergency. Intrastate motor carriers not operating under authority issued by the United States Department of

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Transportation shall comply with the requirements of 49 CFR 390.21(b)(3) by registering with the department of state revenue as an intrastate motor carrier and displaying the certification number issued by the department of state revenue preceded by the letters "IN". All other requirements of 49 CFR 390.21 apply equally to interstate and intrastate motor carriers.

(b) 49 CFR 107 subpart F and subpart (G), 171 through 173, 177 through 178, and 180, is incorporated into Indiana law by reference, and every:

(1) private carrier;

(2) common carrier;

(3) contract carrier;

(4) motor carrier of property **or passengers,** intrastate;

(5) hazardous material shipper; and

(6) carrier otherwise exempt under section 3 of this chapter;

must comply with the federal regulations incorporated under this subsection, whether engaged in interstate or intrastate commerce.

(c) Notwithstanding subsection (b), nonspecification bulk and nonbulk packaging, including cargo tank motor vehicles, may be used only if all the following conditions exist:

(1) The maximum capacity of the vehicle is less than three thousand five hundred (3,500) gallons.

(2) The shipment of goods is limited to intrastate commerce.

(3) The vehicle is used only for the purpose of transporting fuel oil, kerosene, diesel fuel, gasoline, gasohol, or any combination of these substances.

All additional federal standards for the safe transportation of hazardous materials apply until July 1, 2000. After June 30, 2000, the maintenance, inspection, and marking requirements of 49 CFR 173.8 and Part 180 are applicable. In accordance with federal hazardous materials regulations, new or additional nonspecification cargo tank motor vehicles may not be placed in service under this subsection after June 30, 1998.

(d) For the purpose of enforcing this section, only:

(1) a state police officer or state police motor carrier inspector who:

(A) has successfully completed a course of instruction approved by the Federal Highway Administration; and

(B) maintains an acceptable competency level as established by the state police department; or

(2) an employee of a law enforcement agency who:

(A) before January 1, 1991, has successfully completed a

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course of instruction approved by the Federal Highway Administration; and

(B) maintains an acceptable competency level as established by the state police department;

on the enforcement of 49 CFR, may, upon demand, inspect the books, accounts, papers, records, memoranda, equipment, and premises of any carrier, including a carrier exempt under section 3 of this chapter.

(e) A person hired before September 1, 1985, who operates a motor vehicle intrastate incidentally to the person's normal employment duties and who is not employed as a chauffeur (as defined in IC 9-13-2-21(a)) is exempt from 49 CFR 391 as incorporated by this section.

(f) Notwithstanding any provision of 49 CFR 391 to the contrary, a person at least eighteen (18) years of age and less than twenty-one (21) years of age may be employed as a driver to operate a commercial motor vehicle intrastate. However, a person employed under this subsection is not exempt from any other provision of 49 CFR 391.

(g) Notwithstanding subsection (b), the following provisions of 49 CFR do not apply to private carriers of property **or passengers** operated only in intrastate commerce or any carriers of property **or passengers** operated only in intrastate commerce while employed in construction or construction related service:

(1) Subpart 391.41 as it applies to physical qualifications of drivers hired before September 1, 1985.

(2) Subpart 391.41(b)(3) as it applies to physical qualifications of a driver who has held a commercial driver's license (as defined in IC 9-13-2-29) before April 1, 1992, diagnosed as an insulin dependent diabetic, if the driver has filed an annual statement with the bureau of motor vehicles completed, and signed by a certified endocrinologist attesting that the driver:

(A) is otherwise physically qualified under Subpart 391.41 to operate a motor vehicle and is not likely to suffer any diminution in driving ability due to the driver's diabetic condition;

(B) is free of severe hypoglycemia or hypoglycemia unawareness, and has had less than one (1) documented, symptomatic hypoglycemic reaction per month;

(C) has demonstrated the ability and willingness to properly monitor and manage the driver's diabetic condition;

(D) has agreed to and, to the endocrinologist's knowledge, has carried a source of rapidly absorbable glucose at all times while driving a motor vehicle, has self monitored blood glucose levels one (1) hour before driving and at least once

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every four (4) hours while driving or on duty before driving using a portable glucose monitoring device equipped with a computerized memory; and

(E) has submitted the blood glucose logs from the monitoring device to the endocrinologist at the time of the annual medical examination.

A copy of the blood glucose logs shall be filed along with the annual statement from the endocrinologist with the bureau of motor vehicles for review by the driver licensing advisory committee established under IC 9-14-4. A copy of the annual statement shall also be provided to the driver's employer for retention in the driver's qualification file and a copy shall be retained and held by the driver while driving for presentation to an authorized federal, state, or local law enforcement official.

(3) Subpart 396.9 as it applies to inspection of vehicles carrying or loaded with a perishable product. However, this exemption does not prohibit a law enforcement officer from stopping these vehicles for an obvious violation that poses an imminent threat of an accident or incident. The exemption is not intended to include refrigerated vehicles loaded with perishables when the refrigeration unit is working.

(4) Subpart 396.11 as it applies to driver vehicle inspection reports.

(5) Subpart 396.13 as it applies to driver inspection.

(h) For purposes of 49 CFR 395.1(l), "planting and harvesting season" refers to the period between January 1 and December 31 of each year. The intrastate commerce exception set forth in 49 CFR 395.1(l), as it applies to the transportation of agricultural commodities and farm supplies, is restricted to single vehicles and cargo tank motor vehicles with a capacity of not more than five thousand four hundred (5,400) gallons.

(i) The superintendent of state police may adopt rules under IC 4-22-2 governing the parts and subparts of 49 CFR incorporated by reference under this section.

SECTION 94. IC 8-2.1-24-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 20. Before a motor carrier engaged in the transportation of property for compensation may operate a motor vehicle upon a public highway providing intrastate transportation, the motor carrier must be properly registered as required under the single state registration system in accordance with rules adopted by the department under IC 4-22-2. This section does not apply to a person exclusively engaged in the private

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transportation of property **or passengers.**

SECTION 95. IC 8-2.1-24-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 25. (a) The department or the state police department may impound a motor vehicle operated for hire if:

(1) the motor carrier of property **or passengers** has not obtained the required certification from the department; and

(2) the vehicle is being operated on an Indiana highway.

(b) To obtain possession of a motor vehicle impounded under subsection (a), the motor carrier that operates the motor vehicle must either:

(1) obtain the required certification from the department; or

(2) remove from the vehicle all cargo for which the required certification has not been obtained.

(c) If the motor carrier that operates a motor vehicle impounded under subsection (a) is not the owner of the vehicle, the department or the state police department shall release the motor vehicle to the owner unless the owner was aware that the motor vehicle was being operated without the required certification.

(d) Cargo held in a motor vehicle impounded under subsection (a) must be released if the cargo is loaded into a motor vehicle operated in compliance with this chapter.

SECTION 96. IC 9-18-26-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) The bureau may issue an interim license plate to a dealer or manufacturer who is licensed and has been issued a license plate under section 1 of this chapter.

(b) The bureau shall prescribe the form of an interim license plate issued under this section. However, a plate must bear the assigned registration number and provide sufficient space for the expiration date as provided in subsection (c).

(c) Whenever a dealer or manufacturer sells a motor vehicle, the dealer or manufacturer may provide the buyer with an interim license plate. The dealer shall, in the manner provided by the bureau, affix on the plate in numerals and letters at least three (3) inches high the date on which the interim license plate expires.

(d) An interim license plate authorizes a motor vehicle owner to operate the vehicle for a maximum period of thirty-one (31) days after the date of delivery of the vehicle to the vehicle's owner or until a regular license plate is issued, whichever occurs first.

(e) A motor vehicle that is required by law to display license plates on the front and rear of the vehicle is only required to display a single

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interim plate.

(f) A dealer, manufacturer, or employee of a dealer or manufacturer may not sell or loan an interim license plate to another dealer, manufacturer, or employee of a dealer or manufacturer.

SECTION 97. IC 34-55-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This section does not apply to judgments obtained before October 1, 1977.

(b) The following property of a judgment debtor domiciled in Indiana is not subject to levy or sale on execution or any other final process from a court, for a judgment founded upon an express or implied contract or a tort claim:

(1) Real estate or personal property constituting the personal or family residence of the judgment debtor or a dependent of the judgment debtor, or estates or rights in that real estate or personal property, of not more than seven thousand five hundred dollars ($7,500). The exemption under this subsection is individually available to joint judgment debtors concerning property held by them as tenants by the entireties.

(2) Other real estate or tangible personal property of four thousand dollars ($4,000).

(3) Intangible personal property, including choses in action (but excluding debts owing and income owing), of one hundred dollars ($100).

(4) Professionally prescribed health aids for the judgment debtor or a dependent of the judgment debtor.

(5) Any interest that the judgment debtor has in real estate held as a tenant by the entireties on the date of the filing of the petition for relief under the bankruptcy code, unless a joint petition for relief is filed by the judgment debtor and spouse, or individual petitions of the judgment debtor and spouse are subsequently consolidated.

(6) An interest, whether vested or not, that the judgment debtor has in a retirement plan to the extent of:

(A) contributions, or portions of contributions, that were made to the retirement plan:

(i) by or on behalf of the debtor; and

(ii) which were not subject to federal income taxation to the debtor at the time of the contribution;

(B) earnings on contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment; and

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(C) roll-overs of contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment.

(7) Money that is in a medical care savings account established under IC 6-8-11.

(8) An interest, including:

(A) contributions;

(B) portions of contributions; and

(C) earnings on contributions;

whether vested or not, that the judgment debtor has in a retirement plan if contributions to the retirement plan are subject to federal income tax to the debtor, but earnings on contributions to the plan are not subject to federal income tax to the debtor.

(c) The total value of the property exempted under subsection (b)(1) through (b)(3) may not exceed ten thousand dollars ($10,000).

(d) Real estate or personal property upon which a debtor has voluntarily granted a lien is not, to the extent of the balance due on the debt secured by the lien:

(1) subject to this chapter; or

(2) exempt from levy or sale on execution or any other final process from a court.

SECTION 98. IC 36-7-31.3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. **(a)** A city or county legislative body may establish as part of a professional sports and convention development area any facility that is:

(1) owned by the city, the county, a school corporation, or a board under IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used by a professional sports franchise; or

(2) owned by the city, the county, or a board under IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used **principally** for convention or tourism related events **serving national or regional markets.**

The tax area must include at least one (1) facility described in subdivision (1). The tax area may include only facilities described in this section and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the city or county.

(b) The tax area may contain facilities not owned by the designating body, if:

(1) the facility is owned by the city, the county, or a board established under IC 36-10-8, IC 36-10-10, or IC 36-10-11; and

(2) an agreement exists specifying the distribution and uses of

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the covered taxes to be allocated under this chapter.

SECTION 99. IC 36-7-31.3-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17. The department shall notify the county auditor of the amount of taxes to be distributed to the county treasurer. **For tax areas covered by section 8(c) of this chapter, the department shall notify the county auditor of the amount of taxes to be distributed to each participant in the agreement specifying the distribution and uses of covered taxes to be allocated under this chapter.**

SECTION 100. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2000]: IC 6-8.1-10-11; IC 8-2.1-22.

SECTION 101. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)] **IC 6-3-2.5-4 and IC 6-8-11-2, both as amended by this act, and IC 6-8.1-9.5-14, as added by this act, apply to taxable years beginning after December 31, 1998.**

SECTION 102. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)] **IC 6-3-1-11, as amended by this act, applies to taxable years beginning after December 31, 1998.**

SECTION 103. [EFFECTIVE JANUARY 1, 2000] **(a) Except as otherwise provided by this act, act applies to tax payments due after December 31, 1999.**

(b) This SECTION expires January 1, 2002.

SECTION 104. **An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1868, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 31 and 32, begin a new paragraph and insert the following:

"SECTION 2. IC 6-2.1-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A taxpayer shall pay the gross income taxes imposed on the sale or transfer of an interest in real estate by paying the tax to the treasurer of the county in which the real estate is located. The treasurer shall stamp the instrument of transfer with a rubber stamp, supplied by the department, which marks the instrument of transfer "gross income tax paid" and provides spaces for inscribing the name of the seller or grantor, the amount and date of payment, and any other information which the department may require.

(b) The county treasurer shall remit the proceeds to the department on the ~~fifteenth~~ **twentieth** day of January, April, July, and October for the preceding quarterly period.

(c) If the department determines that the average monthly amount due for the preceding year exceeds ten thousand dollars ($10,000), the county treasurer shall pay the taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(d) As compensation for collecting the gross income tax, the county treasurer may retain one percent (1%) of any payment due to the department under this section. Any amount the county treasurer retains shall be deposited in that county's general fund.

SECTION 3. IC 6-2.5-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) An excise tax, known as the use tax, is imposed on the storage, use, or consumption of tangible personal property in Indiana if the property was acquired in a retail transaction, regardless of the location of that transaction or of the retail merchant making that transaction.

(b) The use tax is also imposed on the storage, use, or consumption of a vehicle, an aircraft, or a watercraft if the vehicle, aircraft, or watercraft:

(1) is acquired in a transaction that is an isolated or occasional sale; and

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(2) is required to be titled, licensed, or registered by this state for use in Indiana.

(c) The use tax is imposed on the addition of tangible personal property to a structure or facility if, after its addition, the property becomes part of the real estate on which the structure or facility is located. However, the use tax does not apply to additions of tangible personal property described in this subsection if:

(1) the state gross retail or use tax has been previously imposed on the sale or use of that property or

(2) the ultimate purchaser or recipient of that property would have been exempt from the state gross retail and use taxes if that purchaser or recipient had directly purchased the property from the supplier for addition to the structure or facility.

(d) Notwithstanding any other provision of this section, the use tax is not imposed on the keeping, retaining, or exercising of any right or power over tangible personal property if:

(1) the property is delivered ~~into~~ **from within or outside** Indiana by or for the purchaser of the property;

(2) the property is delivered ~~in~~ **from within or outside** Indiana for the sole purpose of being processed, printed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property; and

(3) the property is subsequently transported out of state for use solely outside Indiana.".

Page 2, delete lines 34 through 42.

Delete page 3.

Page 4, delete lines 1 through 16 and insert the following:

"liable for collecting the state gross retail or use tax shall ~~file a return for each calendar month and~~ pay the state gross retail and use taxes that the person collects during ~~that~~ **each calendar** month. **The payment shall be made not later than twenty (20) days after the end of the following month.** A person shall file the person's return ~~for a particular month~~ with the department ~~and make the person's tax payment for that month to the department not more than thirty (30) days after the end of that month, if that person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year did not exceed one thousand dollars ($1,000). If a person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year exceeded one thousand dollars ($1,000), that person shall file the person's return for a particular month and make the person's tax payment for that~~

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~~month to the department not more than twenty (20) days after the end of that month.~~ **for each calendar quarter. The return shall be filed not later than thirty (30) days after the end of each quarter.**

(b) If a person files a combined sales and withholding tax report and either this section or IC 6-3-4-8.1 requires sales or withholding tax reports to be filed and remittances to be made within twenty (20) days after the end of each month, then the person shall file the combined report and remit the sales and withholding taxes due within twenty (20) days after the end of each month.

~~(b) Instead of twelve (12) monthly reporting periods required under subsection (a), the department may permit a person to divide a year into a different number of reporting periods. Each return and payment for those reporting periods is due not more than thirty (30) days after the end of the respective period.~~

(c) Instead of the reporting periods required under subsection (a), the department may permit a retail merchant to report and pay the merchant's state gross retail and use taxes for a period covering:

(1) a calendar year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed ten dollars ($10); **or**

(2) a calendar half year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed twenty-five dollars ($25). ~~or~~

~~(3) a calendar quarter, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed seventy-five dollars ($75).~~

A retail merchant using a reporting period allowed under this subsection must file the merchant's return and pay the merchant's tax for a reporting period no later than ~~the last day of the month immediately~~ **twenty (20) days** following the close of that reporting period.

(d) If a retail merchant reports the merchant's gross income tax, or the tax the merchant pays in place of the gross income tax, over a fiscal year or fiscal quarter not corresponding to the calendar year or calendar quarter, the merchant may, without prior departmental approval, report and pay the merchant's state gross retail and use taxes over the merchant's fiscal period that corresponds to the calendar period the merchant is permitted to use under subsection (c). However, the department may, at any time, require the retail merchant to stop using the fiscal reporting period.

(e) If a retail merchant files a combined sales and withholding tax report, the reporting period for the combined report is the shortest

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period required under:

(1) this section;

(2) IC 6-3-4-8; or

(3) IC 6-3-4-8.1.

(f) If the department determines that a person's:

(1) estimated monthly gross retail and use tax liability for the current year; or

(2) average monthly gross retail and use tax liability for the preceding year;

exceeds, **before January 1, 2000,** ten thousand dollars ($10,000) **or, after December 31, 1999, five thousand dollars ($5,000),** the person shall pay the monthly gross retail and use taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.".

Page 4, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 3. IC 6-3-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, ~~1998.~~ **1999.**

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~1998,~~ **1999,** that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~1998,~~ **1999,** shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, ~~1998,~~ **1999,** that is effective for any taxable year that began before January 1, ~~1998,~~ **1999,** and that affects:

(1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);

(2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);

(3) trust and estate taxable income (as defined in Section 641(b)

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of the Internal Revenue Code);

(4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);

(5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or

(6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under IC 6-3-1-3.5 and net income under IC 6-3-8-2(b).

SECTION 4. IC 6-3-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. As used in this chapter, "Indiana total income" means the sum of the following for an individual taxpayer, and if the individual taxpayer files a joint return, the individual taxpayer's spouse, for a taxable year:

(1) Adjusted gross income (as defined in Section 62 of the Internal Revenue Code).

(2) Taxes deducted on a federal income tax return, as described in IC 6-3-1-3.5(a)(2).

(3) Any net operating loss carried forward from a prior year and reported on the taxpayer's federal income tax return for the taxable year.

(4) The total ordinary income portion of a lump sum distribution described in ~~IC 6-3-1-3.5(a)(6).~~ **IC 6-3-1-3.5(a)(7).**

(5) Any other taxable income not described in subdivision (1).

SECTION 5. IC 6-3-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 4. As used in this chapter, "qualifying child" means an individual ~~who:~~

~~(1) is the child, stepchild, or foster child of the individual taxpayer;~~

~~(2) resides in Indiana with the individual taxpayer, including the individual taxpayer's spouse in the case of a joint return, for more than one-half (1/2) of the taxable year;~~

~~(3) is dependent on the individual taxpayer, including the individual taxpayer's spouse in the case of a joint return, for more than one-half (1/2) of the individual's support;~~

~~(4) is less than nineteen (19) years of age on the last day of the taxable year; and~~

~~(5) is not married on the last day of the taxable year.~~

for whom the taxpayer is entitled to an exemption under Section 151(c)(1)(B) of the Internal Revenue Code.".

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Page 21, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 28. IC 6-8-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 2. As used in this chapter, "dependent" means any of the following:

(1) The spouse of an employee.

(2) An employee's child ~~who is one (1) of the following:~~

~~(A) Less than nineteen (19) years of age.~~

~~(B) Less than twenty-three (23) years of age and enrolled as a full-time student at an accredited college or university.~~

~~(C) Legally entitled to the provision by the employee of proper or necessary subsistence, education, medical care, or other care necessary for the child's health, guidance, or well-being, and not otherwise emancipated, self-supporting, married, or a member of the armed forces of the United States.~~

~~(D) Mentally or physically incapacitated to the extent that the child is not self-sufficient.~~ **for whom the taxpayer is entitled to an exemption under Section 151(c)(1)(B) of the Internal Revenue Code.**

SECTION 29. IC 6-8.1-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 19. The department shall print and include a voter registration form designed by the Indiana election commission under IC 3-7-23 in ~~each~~ **any** state adjusted gross income tax booklet that is **not** mailed to a taxpayer. ~~using a preprinted mailing label with an Indiana address.~~

SECTION 30. IC 6-8.1-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. ~~(a)~~ The department shall request from each taxpayer

~~(1) vehicle identification information for vehicles owned by the taxpayer; and~~

~~(2)~~ the amount of the taxpayer's gross income (as defined in Section 61 of the Internal Revenue Code) derived from sources within or outside Indiana using the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. The taxpayer shall itemize the amount of gross income derived from each source.

~~(b) The department shall send a list to the bureau of motor vehicles showing by taxpayer the vehicle identification information obtained by the department. However, the name, tax identification number, and the corresponding information sent to the bureau may not include income tax information.~~

SECTION 31. IC 6-8.1-7-2 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) The department may compile statistical studies from information derived from state tax returns and may disclose the results of those studies. In addition, the department may disclose statistical information from the state tax returns to the governor, the general assembly, or another state agency, for the purpose of allowing those governmental entities to conduct their own statistical studies. **The department shall compile data on business income, including income reported on an individual tax return. The data shall be organized in a manner that allows the data to be selected by type of business activity, federal tax status, and category of income regardless of the return used to report the income. The department shall make the data available to the legislative services agency and the budget agency in electronic database format for their use in doing studies of business income taxation.**

(b) Notwithstanding subsection (a), the department may not disclose the results of any study and may not disclose any statistical information if, as a result of that disclosure:

(1) the identity of a taxpayer who filed a return would be disclosed;

(2) the identity of a taxpayer could reasonably be associated with any of the information which was derived from his return for use in a statistical study; or

(3) the ability of the department to obtain information from federal tax returns would, in the department's judgment, be jeopardized in any manner.

(c) Subject to the rules and regulations of the department, a person may request information as to whether an individual filed an income tax return pursuant to the Indiana income tax laws for a particular taxable year. However, the department may not disclose that information with respect to any taxable year until the close of the calendar year following the year in which the return should have been filed. As soon as practicable after the close of that calendar year, the department shall inform the person making the request whether the return was filed.

SECTION 32. IC 6-8.1-9.5-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 14. (a) The department may enter into an agreement with the Secretary of the Treasury of the United States under Section 6402 of the Internal Revenue Code to recover past due, legally enforceable state income tax obligations owed to Indiana.**

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(b) The department may enter into an agreement with the Secretary of the Treasury of the United States to set off refunds to recover past due, legally enforceable federal income tax obligations owed by Indiana residents. Only section 12 of this chapter applies to an agreement under this subsection.

SECTION 33. IC 6-8.1-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) If a person fails to file a return for any of the listed taxes, fails to pay the full amount of tax shown on his return by the due date for the return or the payment, or incurs a deficiency upon a determination by the department, the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the adjusted rate established by the commissioner under subsection (c), from the due date for payment. The interest applies to:

(1) the full amount of the unpaid tax due if the person failed to file the return;

(2) the amount of the tax that is not paid, if the person filed the return but failed to pay the full amount of tax shown on the return; or

(3) the amount of the deficiency.

(c) The commissioner shall establish an adjusted rate of interest for a failure described in subsection (a) and for an excess tax payment on or before November 1 of each year. For purposes of subsection (b), the adjusted rate of interest shall be the percentage rounded to the nearest whole number that equals two (2) percentage points above the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. For purposes of IC 6-8.1-9-2(c), the adjusted rate of interest for an excess tax payment is the percentage rounded to the nearest whole number that equals the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. The adjusted rates of interest established under this subsection shall take effect on January 1 of the immediately succeeding year.

(d) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(e) ~~Except as provided by IC 6-8.1-5-2(e)(2),~~ The department may not waive the interest imposed under this section.

(f) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.".

Page 56, between lines 32 and 33, begin a new paragraph and insert:

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"SECTION 76. IC 8-2.1-24-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. This chapter applies to the certification of a motor carrier providing intrastate transportation by motor vehicle of property **or passengers** for compensation.

SECTION 77. IC 8-2.1-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. Section 18 of this chapter applies to the regulation of the following persons:

(1) A motor carrier described in section 1 of this chapter.

(2) A private carrier of property **or passengers**.

SECTION 78. IC 8-2.1-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. Except as provided in section 18 of this chapter, this chapter does not apply to the following:

(1) Motor vehicles used exclusively for carrying United States mail.

(2) Motor vehicles while being used or operated under the control, direction, and supervision of:

(A) the United States government, the state, or a political subdivision; or

(B) the board of trustees of a state institution.

(3) Motor vehicles while transporting supplies, livestock feed ingredients, fertilizer, or fertilizing materials that are in transit to or from farms.

(4) Motor vehicles:

(A) controlled and operated by a farmer when used in the transportation of the farmer's agricultural commodities and products of those commodities or in the transportation of supplies to the farm;

(B) controlled and operated by a nonprofit agricultural cooperative association (or by a federation of agricultural cooperative associations if the federation does not possess greater powers or purposes than the cooperative associations);

(C) used in carrying property consisting of livestock or agricultural commodities (not including manufactured products) if the motor vehicles are not used in carrying:

(i) other property;

(ii) agricultural commodities; or

(iii) passengers;

for compensation; or

(D) used in carrying livestock feed or feed ingredients, if those products are transported to a site of agricultural productions or

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to a business enterprise engaged in the sale of agricultural goods to a person engaged in agricultural production.

This chapter shall not be construed to apply to motor vehicles owned, leased, controlled, or operated by a nonprofit cooperative association, either incorporated or unincorporated, that was in existence on July 6, 1961.

(5) The casual, occasional, or reciprocal transportation of household effects or furniture for compensation, not including the transportation for hire of new household effects or furniture to or from a factory, warehouse, or store, by a person who does not otherwise engage in the type of transportation for compensation or who is not required by this chapter to hold a certificate or permit to engage in the transportation or operation for hire who does not profess to engage in the business of transporting household effects or furniture for hire.

(6) Motor vehicles, commonly known as armored cars, used exclusively to transport, under written bilateral contract, coin, currency, bullion, securities, precious metals, jewelry, precious stones, money, legal tender, stocks and bonds, negotiable and nonnegotiable instruments and securities, postage and revenue stamps, and other valuable documents and rare objects.

(7) Trucks with a declared gross weight of not more than forty-eight thousand (48,000) pounds, transporting nonliquid bulk or bag fertilizers.

(8) Motor vehicles while being used to transport chemicals that are used to melt ice and packed snow on roads and streets if the chemicals are owned by and being delivered to the state or a political subdivision for use on roads and streets.

(9) Trucks with a declared gross weight of not more than forty-six thousand (46,000) pounds transporting aggregate materials (mineral or rock fragments) in bulk when the person providing the transportation owns or leases not more than one (1) truck for those purposes.

~~(10) Motor vehicles used for the transportation of household goods.~~

SECTION 79. IC 8-2.1-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. The department may:

(1) certify a motor carrier providing transportation of property **or passengers** for compensation; ~~and~~

(2) regulate and supervise safety, insurance, methods, and hours of operation of a motor carrier providing transportation of

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property **or passengers; and**

(3) impose a uniform fee on all carriers for establishing and administering the certification process created under this chapter.

SECTION 80. IC 8-2.1-24-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 15. A motor carrier may not operate a motor vehicle in the transportation of property **or passengers** upon a public highway in intrastate commerce until the motor carrier has:

(1) submitted forms approved by the department to be a properly certified motor carrier; and

(2) been issued an acknowledgment by the department.

An acknowledgment issued under subdivision (2) remains in effect until December 31 of the year in which the acknowledgment is issued.

SECTION 81. IC 8-2.1-24-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. (a) A person may not operate a motor vehicle for the transportation of property **or passengers** upon a public highway, and a motor carrier may not be certified, unless the motor carrier complies with the rules adopted by the department governing the filing and approval of surety bonds, policies of insurance, qualifications of a self-insurer, or other securities or agreements.

(b) A surety bond, policy of insurance, self-insurance, or security or other agreement approved under this section must be of a reasonable amount and conditioned to pay, within the amount of the surety bond, policy of insurance, self-insurance, or security or other agreement, a final judgment recovered against the motor carrier for bodily injuries to or the death of any person resulting from the negligent operation, maintenance, or use of the motor carrier's registered motor vehicle, or for loss or damage to property of others.

SECTION 82. IC 8-2.1-24-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18. (a) 49 CFR Parts 382, 385 through 387, 390 through 393, and 395 through 398 ~~is~~ **are** incorporated into Indiana law by reference, and, except as provided in subsections (d), (e), (f), and (g), must be complied with by an interstate and intrastate motor carrier of persons or property throughout Indiana. Intrastate motor carriers subject to compliance reviews under 49 CFR 385 shall be selected according to criteria determined by the superintendent which must include but is not limited to factors such as previous history of violations found in roadside compliance checks and other recorded violations. However, the provisions of 49 CFR 395 that regulate the hours of service of drivers, including requirements for the

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maintenance of logs, do not apply to a driver of a truck that is registered by the bureau of motor vehicles and used as a farm truck under IC 9-18, or a vehicle operated in intrastate construction or construction related service, or the restoration of public utility services interrupted by an emergency. Intrastate motor carriers not operating under authority issued by the United States Department of Transportation shall comply with the requirements of 49 CFR 390.21(b)(3) by registering with the department of state revenue as an intrastate motor carrier and displaying the certification number issued by the department of state revenue preceded by the letters "IN". All other requirements of 49 CFR 390.21 apply equally to interstate and intrastate motor carriers.

(b) 49 CFR 107 subpart F and subpart (G), 171 through 173, 177 through 178, and 180, is incorporated into Indiana law by reference, and every:

(1) private carrier;

(2) common carrier;

(3) contract carrier;

(4) motor carrier of property **or passengers,** intrastate;

(5) hazardous material shipper; and

(6) carrier otherwise exempt under section 3 of this chapter;

must comply with the federal regulations incorporated under this subsection, whether engaged in interstate or intrastate commerce.

(c) Notwithstanding subsection (b), nonspecification bulk and nonbulk packaging, including cargo tank motor vehicles, may be used only if all the following conditions exist:

(1) The maximum capacity of the vehicle is less than three thousand five hundred (3,500) gallons.

(2) The shipment of goods is limited to intrastate commerce.

(3) The vehicle is used only for the purpose of transporting fuel oil, kerosene, diesel fuel, gasoline, gasohol, or any combination of these substances.

All additional federal standards for the safe transportation of hazardous materials apply until July 1, 2000. After June 30, 2000, the maintenance, inspection, and marking requirements of 49 CFR 173.8 and Part 180 are applicable. In accordance with federal hazardous materials regulations, new or additional nonspecification cargo tank motor vehicles may not be placed in service under this subsection after June 30, 1998.

(d) For the purpose of enforcing this section, only:

(1) a state police officer or state police motor carrier inspector who:

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(A) has successfully completed a course of instruction approved by the Federal Highway Administration; and

(B) maintains an acceptable competency level as established by the state police department; or

(2) an employee of a law enforcement agency who:

(A) before January 1, 1991, has successfully completed a course of instruction approved by the Federal Highway Administration; and

(B) maintains an acceptable competency level as established by the state police department;

on the enforcement of 49 CFR, may, upon demand, inspect the books, accounts, papers, records, memoranda, equipment, and premises of any carrier, including a carrier exempt under section 3 of this chapter.

(e) A person hired before September 1, 1985, who operates a motor vehicle intrastate incidentally to the person's normal employment duties and who is not employed as a chauffeur (as defined in IC 9-13-2-21(a)) is exempt from 49 CFR 391 as incorporated by this section.

(f) Notwithstanding any provision of 49 CFR 391 to the contrary, a person at least eighteen (18) years of age and less than twenty-one (21) years of age may be employed as a driver to operate a commercial motor vehicle intrastate. However, a person employed under this subsection is not exempt from any other provision of 49 CFR 391.

(g) Notwithstanding subsection (b), the following provisions of 49 CFR do not apply to private carriers of property **or passengers** operated only in intrastate commerce or any carriers of property **or passengers** operated only in intrastate commerce while employed in construction or construction related service:

(1) Subpart 391.41 as it applies to physical qualifications of drivers hired before September 1, 1985.

(2) Subpart 391.41(b)(3) as it applies to physical qualifications of a driver who has held a commercial driver's license (as defined in IC 9-13-2-29) before April 1, 1992, diagnosed as an insulin dependent diabetic, if the driver has filed an annual statement with the bureau of motor vehicles completed, and signed by a certified endocrinologist attesting that the driver:

(A) is otherwise physically qualified under Subpart 391.41 to operate a motor vehicle and is not likely to suffer any diminution in driving ability due to the driver's diabetic condition;

(B) is free of severe hypoglycemia or hypoglycemia unawareness, and has had less than one (1) documented, symptomatic hypoglycemic reaction per month;

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(C) has demonstrated the ability and willingness to properly monitor and manage the driver's diabetic condition;

(D) has agreed to and, to the endocrinologist's knowledge, has carried a source of rapidly absorbable glucose at all times while driving a motor vehicle, has self monitored blood glucose levels one (1) hour before driving and at least once every four (4) hours while driving or on duty before driving using a portable glucose monitoring device equipped with a computerized memory; and

(E) has submitted the blood glucose logs from the monitoring device to the endocrinologist at the time of the annual medical examination.

A copy of the blood glucose logs shall be filed along with the annual statement from the endocrinologist with the bureau of motor vehicles for review by the driver licensing advisory committee established under IC 9-14-4. A copy of the annual statement shall also be provided to the driver's employer for retention in the driver's qualification file and a copy shall be retained and held by the driver while driving for presentation to an authorized federal, state, or local law enforcement official.

(3) Subpart 396.9 as it applies to inspection of vehicles carrying or loaded with a perishable product. However, this exemption does not prohibit a law enforcement officer from stopping these vehicles for an obvious violation that poses an imminent threat of an accident or incident. The exemption is not intended to include refrigerated vehicles loaded with perishables when the refrigeration unit is working.

(4) Subpart 396.11 as it applies to driver vehicle inspection reports.

(5) Subpart 396.13 as it applies to driver inspection.

(h) For purposes of 49 CFR 395.1(l), "planting and harvesting season" refers to the period between January 1 and December 31 of each year. The intrastate commerce exception set forth in 49 CFR 395.1(l), as it applies to the transportation of agricultural commodities and farm supplies, is restricted to single vehicles and cargo tank motor vehicles with a capacity of not more than five thousand four hundred (5,400) gallons.

(i) The superintendent of state police may adopt rules under IC 4-22-2 governing the parts and subparts of 49 CFR incorporated by reference under this section.

SECTION 83. IC 8-2.1-24-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 20. Before a

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motor carrier engaged in the transportation of property for compensation may operate a motor vehicle upon a public highway providing intrastate transportation, the motor carrier must be properly registered as required under the single state registration system in accordance with rules adopted by the department under IC 4-22-2. This section does not apply to a person exclusively engaged in the private transportation of property **or passengers.**

SECTION 84. IC 8-2.1-24-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 25. (a) The department or the state police department may impound a motor vehicle operated for hire if:

(1) the motor carrier of property **or passengers** has not obtained the required certification from the department; and

(2) the vehicle is being operated on an Indiana highway.

(b) To obtain possession of a motor vehicle impounded under subsection (a), the motor carrier that operates the motor vehicle must either:

(1) obtain the required certification from the department; or

(2) remove from the vehicle all cargo for which the required certification has not been obtained.

(c) If the motor carrier that operates a motor vehicle impounded under subsection (a) is not the owner of the vehicle, the department or the state police department shall release the motor vehicle to the owner unless the owner was aware that the motor vehicle was being operated without the required certification.

(d) Cargo held in a motor vehicle impounded under subsection (a) must be released if the cargo is loaded into a motor vehicle operated in compliance with this chapter.

SECTION 85. IC 9-18-26-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) The bureau may issue an interim license plate to a dealer or manufacturer who is licensed and has been issued a license plate under section 1 of this chapter.

(b) The bureau shall prescribe the form of an interim license plate issued under this section. However, a plate must bear the assigned registration number and provide sufficient space for the expiration date as provided in subsection (c).

(c) Whenever a dealer or manufacturer sells a motor vehicle, the dealer or manufacturer may provide the buyer with an interim license plate. The dealer shall, in the manner provided by the bureau, affix on the plate in numerals and letters at least three (3) inches high the date on which the interim license plate expires.

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(d) An interim license plate authorizes a motor vehicle owner to operate the vehicle for a maximum period of thirty-one (31) days after the date of delivery of the vehicle to the vehicle's owner or until a regular license plate is issued, whichever occurs first.

(e) A motor vehicle that is required by law to display license plates on the front and rear of the vehicle is only required to display a single interim plate.

(f) A dealer, manufacturer, or employee of a dealer or manufacturer may not sell or loan an interim license plate to another dealer, manufacturer, or employee of a dealer or manufacturer.

SECTION 86. IC 34-55-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This section does not apply to judgments obtained before October 1, 1977.

(b) The following property of a judgment debtor domiciled in Indiana is not subject to levy or sale on execution or any other final process from a court, for a judgment founded upon an express or implied contract or a tort claim:

(1) Real estate or personal property constituting the personal or family residence of the judgment debtor or a dependent of the judgment debtor, or estates or rights in that real estate or personal property, of not more than seven thousand five hundred dollars ($7,500). The exemption under this subsection is individually available to joint judgment debtors concerning property held by them as tenants by the entireties.

(2) Other real estate or tangible personal property of four thousand dollars ($4,000).

(3) Intangible personal property, including choses in action (but excluding debts owing and income owing), of one hundred dollars ($100).

(4) Professionally prescribed health aids for the judgment debtor or a dependent of the judgment debtor.

(5) Any interest that the judgment debtor has in real estate held as a tenant by the entireties on the date of the filing of the petition for relief under the bankruptcy code, unless a joint petition for relief is filed by the judgment debtor and spouse, or individual petitions of the judgment debtor and spouse are subsequently consolidated.

(6) An interest, whether vested or not, that the judgment debtor has in a retirement plan to the extent of:

(A) contributions, or portions of contributions, that were made to the retirement plan:

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(i) by or on behalf of the debtor; and

(ii) which were not subject to federal income taxation to the debtor at the time of the contribution;

(B) earnings on contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment; and

(C) roll-overs of contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment.

(7) Money that is in a medical care savings account established under IC 6-8-11.

(8) An interest, including:

(A) contributions;

(B) portions of contributions; and

(C) earnings on contributions;

whether vested or not, that the judgment debtor has in a retirement plan if contributions to the retirement plan are subject to federal income tax to the debtor, but earnings on contributions to the plan are not subject to federal income tax to the debtor.

(c) The total value of the property exempted under subsection (b)(1) through (b)(3) may not exceed ten thousand dollars ($10,000).

(d) Real estate or personal property upon which a debtor has voluntarily granted a lien is not, to the extent of the balance due on the debt secured by the lien:

(1) subject to this chapter; or

(2) exempt from levy or sale on execution or any other final process from a court.

SECTION 87. IC 36-7-31.3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. **(a)** A city or county legislative body may establish as part of a professional sports and convention development area any facility that is:

(1) owned by the city, the county, a school corporation, or a board under IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used by a professional sports franchise; or

(2) owned by the city, the county, or a board under IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used **principally** for convention or tourism related events **serving national or regional markets.**

The tax area must include at least one (1) facility described in subdivision (1). The tax area may include only facilities described in this section and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the city or county.

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(b) The tax area may contain facilities not owned by the designating body, if:

(1) the facility is owned by the city, the county, or a board established under IC 36-10-8, IC 36-10-10, or IC 36-10-11; and

(2) an agreement exists specifying the distribution and uses of the covered taxes to be allocated under this chapter.

SECTION 88. IC 36-7-31.3-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17. The department shall notify the county auditor of the amount of taxes to be distributed to the county treasurer. **For tax areas covered by section 8(c) of this chapter, the department shall notify the county auditor of the amount of taxes to be distributed to each participant in the agreement specifying the distribution and uses of covered taxes to be allocated under this chapter.**

SECTION 89. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2000]: IC 6-8.1-10-11; IC 8-2.1-22.

SECTION 90. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)] **IC 6-3-2.5-4 and IC 6-8-11-2, both as amended by this act, and IC 6-8.1-9.5-14, as added by this act, apply to taxable years beginning after December 31, 1998.**

SECTION 91. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)] **IC 6-3-1-11, as amended by this act, applies to taxable years beginning after December 31, 1998.**".

Page 56, line 33, delete "This" and insert "**Except as otherwise provided by this act,**".

Page 56, after line 35, begin a new paragraph and insert:

"SECTION 93. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1868 as introduced.)

BAUER, Chair

Committee Vote: yeas 26, nays 0.

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