

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1983 be amended to read as follows:

- 1 Page 7, between lines 39 and 40, begin a new paragraph and
2 insert:
3 "SECTION 5. IC 6-3.1-7-2 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) A taxpayer
5 is entitled to a credit against his state tax liability for a taxable year if
6 he receives interest on a qualified loan in that taxable year.
7 (b) The amount of the credit to which a taxpayer is entitled under
8 this section is five percent (5%) multiplied by the amount of interest
9 received by the taxpayer during the taxable year from qualified loans.
10 (c) **If a pass through entity is entitled to a credit under**
11 **subsection (a) but does not have state tax liability against which the**
12 **tax credit may be applied, an individual who is a shareholder,**
13 **partner, beneficiary, or member of the pass through entity is**
14 **entitled to a tax credit equal to:**
15 (1) **the tax credit determined for the pass through entity for**
16 **the taxable year; multiplied by**
17 (2) **the percentage of the pass through entity's distributive**
18 **income to which the shareholder, partner, beneficiary, or**
19 **member is entitled.**
20 **The credit provided under this subsection is in addition to a tax**
21 **credit to which a shareholder, partner, beneficiary, or member of**
22 **a pass through entity is entitled. However, a pass through entity**
23 **and an individual who is a shareholder, partner, beneficiary, or**

- 1 **member of a pass through entity may not claim more than one (1)**
- 2 **credit for the qualified expenditure."**
- 3 Renumber all SECTIONS consecutively.

(Reference is to EHB 1983 as printed March 24, 1999.)

Senator HARRISON