

**CONFERENCE COMMITTEE REPORT  
DIGEST FOR SB 234**

**Citations Affected:** IC 6-1.1-8-35; IC 6-1.1-8.2; IC 6-2.5-10-1.

**Synopsis:** Taxation of railroad car companies. Provides that the property taxes derived from indefinite-situs distributable property of railroad car companies shall be deposited in the state general fund, instead of the commuter rail service fund. Provides that 0.17% of state sales tax revenue shall be distributed to the commuter rail service fund. Grants railroad car companies a credit against indefinite-situs property tax liability for railroad car maintenance and improvement expenditures made in Indiana. Provides that the credit is equal to the lesser of: (1) 25% of the qualified expenditures made by the taxpayer in the preceding calendar year; or (2) the taxpayer's total indefinite-situs property tax liability for the calendar year. Provides that the total amount of credits in a calendar year may not exceed \$2,800,000. This conference committee report restores the bill to the version passed by the senate, except that the conference committee report provides that the maximum amount of credits in a calendar year may not exceed \$2,800,000. (The house version provided that the credit is equal to the lesser of: (1) a railroad car company's qualified expenditures; or (2) 25% of the company's tax liability for indefinite-situs distributable property, and that not more than \$2,000,000 in credits may be provided in a calendar year.)

**Effective:** July 1, 1999; January 1, 2000.

# CONFERENCE COMMITTEE REPORT

**MR. PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill No. 234 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1           Page 2, delete lines 41 through 42, begin a new paragraph and  
2 insert:  
3           **"Sec. 1. (a) As used in this chapter, "qualified expenditures"**  
4 **means expenditures made by a taxpayer during a particular**  
5 **calendar year on the maintenance or improvement in Indiana of**  
6 **railroad cars owned or used by the taxpayer."**  
7           Page 3, delete lines 1 through 4.  
8           Page 3, delete lines 25 through 39, begin a new line block indented  
9 and insert:  
10           **"(1) twenty-five percent (25%) of the qualified expenditures**  
11 **made by the taxpayer in the calendar year immediately**  
12 **preceding the calendar year in which the tax liability is**  
13 **imposed; or**  
14 **(2) the taxpayer's total tax liability for the calendar year.**  
15           **(b) The total amount of credits provided under this chapter in**  
16 **a calendar year may not exceed two million eight hundred**  
17 **thousand dollars (\$2,800,000). If the total amount of credits applied**  
18 **for in a calendar year exceeds the maximum provided under this**  
19 **subsection, each taxpayer's credit shall be reduced by an amount**  
20 **determined under the following STEPS:**  
21           **STEP ONE: Divide the maximum amount of credits**  
22 **provided by this chapter for the year by the total amount of**  
23 **credits applied for under this chapter for the year.**  
24           **STEP TWO: Multiply the STEP ONE result by the total**  
25 **amount of credits applied for by the taxpayer for the year."**

(Reference is to ESB 234 as printed April 6, 1999.)

**Conference Committee Report**  
**on**  
**Engrossed Senate Bill 234**

**S**igned by:

\_\_\_\_\_  
Senator Weatherwax

\_\_\_\_\_  
Representative Harris

\_\_\_\_\_  
Senator Rogers

\_\_\_\_\_  
Representative McClain

**Senate Conferees**

**House Conferees**