

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 1999 General Assembly.

HOUSE ENROLLED ACT No. 1214

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-3.1-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000 (RETROACTIVE)]:

Sec. 2. (a) A taxpayer who incurs Indiana qualified research expense in a particular taxable year is entitled to a research expense tax credit for the taxable year

(b) A taxpayer who does not have income apportioned to this state for a taxable year under IC 6-3-2-2 is entitled to a research expense tax credit for the taxable year in the amount of the product of:

- (1) five percent (5%); multiplied by
- (2) the remainder of the taxpayer's Indiana qualified research expenses for the taxable year, minus:
 - (A) the taxpayer's base period Indiana qualified research expenses, for taxable years beginning before January 1, 1990; or
 - (B) the taxpayer's base amount, for taxable years beginning after December 31, 1989.

(c) A taxpayer who has income apportioned to this state for a taxable year under IC 6-3-2-2 is entitled to a research expense tax credit for the taxable year in the amount of the lesser of:

- (1) the amount determined under subsection (b); or
- (2) five percent (5%) multiplied by the remainder of the taxpayer's total qualified research expenses for the taxable year, minus:

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(A) the taxpayer's base period research expenses, for taxable years beginning before January 1, 1990; or

(B) the taxpayer's base amount, for taxable years beginning after December 31, 1989;

further multiplied by the percentage determined under IC 6-3-2-2 for the apportionment of the taxpayer's income for the taxable year to this state.

SECTION 2. IC 6-3.1-4-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000 (RETROACTIVE)]: **Sec. 8. (a) To be entitled to a credit under this chapter for a taxable year, a taxpayer must file with the department of commerce an informational statement indicating the following:**

- (1) The taxpayer's name as it will be shown on the tax return.
- (2) The amount of expenditures for which the credit is being claimed.
- (3) The amount of credit that will be claimed for the taxable year. The amount of the credit to be claimed must include any amount being carried over to the taxable year.

The statement must be filed not later than the date that the taxpayer's adjusted gross income tax return is filed. The taxpayer's name and the amount of the credit that will be claimed is a public record under IC 5-14-3.

(b) To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department a copy of the statement filed under subsection (a). The department of commerce shall annually report to the department the names and credit amounts covered by statements filed under subsection (a). The department may disallow any credit claimed under this chapter for which a statement is not filed under subsection (a).

SECTION 3. [EFFECTIVE JANUARY 1, 2000 (RETROACTIVE)] IC 6-3.1-4-2, as amended by this act, applies to taxable years beginning after December 31, 1999.

SECTION 4. An emergency is declared for this act.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Approved: _____

Governor of the State of Indiana

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