

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 274 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new  
2 paragraph and insert:  
3 "SECTION 1. IC 6-1.1-3-23, AS ADDED BY P.L.120-2003,  
4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2004]: Sec. 23. (a) For purposes of this section:  
6 (1) "adjusted cost" refers to the adjusted cost established in 50  
7 IAC 4.2-4-4 (as in effect on January 1, 2003);  
8 (2) "depreciable personal property" has the meaning set forth in 50  
9 IAC 4.2-4-1 (as in effect on January 1, 2003);  
10 (3) "integrated steel mill" means a person that produces steel by  
11 processing iron ore and other raw materials in a blast furnace;  
12 (4) "oil refinery/petrochemical company" means a person that  
13 produces a variety of petroleum products by processing an annual  
14 average of at least one hundred thousand (100,000) barrels of  
15 crude oil per day;  
16 (5) "permanently retired depreciable personal property" has the  
17 meaning set forth in 50 IAC 4.2-4-3 (as in effect on January 1,  
18 2003);  
19 (6) "pool" refers to a pool established in 50 IAC 4.2-4-5(a) (as in  
20 effect on January 1, 2003);  
21 (7) "special integrated steel mill or oil refinery/petrochemical  
22 equipment" means depreciable personal property, other than  
23 special tools and permanently retired depreciable personal  
24 property:

- 1 (A) that:
- 2 (i) is owned, leased, or used by an integrated steel mill or an
- 3 entity that is at least fifty percent (50%) owned by an
- 4 affiliate of an integrated steel mill; and
- 5 (ii) falls within Asset Class 33.4 as set forth in IRS Rev.
- 6 Proc. 87-56, 1987-2, C.B. 647; or
- 7 (B) that:
- 8 (i) is owned, leased, or used as an integrated part of an oil
- 9 refinery/petrochemical company or its affiliate; and
- 10 (ii) falls within Asset Class 13.3 or 28.0 as set forth in IRS
- 11 Rev. Proc. 87-56, 1987-2, C.B. 647;
- 12 (8) "special tools" has the meaning set forth in 50 IAC 4.2-6-2 (as
- 13 in effect on January 1, 2003); and
- 14 (9) "year of acquisition" refers to the year of acquisition
- 15 determined under 50 IAC 4.2-4-6 (as in effect on January 1,
- 16 2003).

17 (b) Notwithstanding 50 IAC 4.2-4-4, 50 IAC 4.2-4-6, and 50  
 18 IAC 4.2-4-7, **and except as provided in subsection (h)**, a taxpayer  
 19 may elect to calculate the true tax value of the taxpayer's special  
 20 integrated steel mill or oil refinery/petrochemical equipment by  
 21 multiplying the adjusted cost of that equipment by the percentage set  
 22 forth in the following table:

23 Year of Acquisition	Percentage
24 1	40%
25 2	56%
26 3	42%
27 4	32%
28 5	24%
29 6	18%
30 7	15%
31 8 and older	10%

32 (c) The department of local government finance shall designate the  
 33 table under subsection (b) as "Pool No. 5" on the business personal  
 34 property tax return.

35 (d) The percentage factors in the table under subsection (b)  
 36 automatically reflect all adjustments for depreciation and obsolescence,  
 37 including abnormal obsolescence, for special integrated steel mill or oil  
 38 refinery/petrochemical equipment. The equipment is entitled to all  
 39 exemptions, credits, and deductions for which it qualifies.

40 (e) The minimum valuation limitations under 50 IAC 4.2-4-9 do not  
 41 apply to special integrated steel mill or oil refinery/petrochemical  
 42 equipment valued under this section. The value of the equipment is not  
 43 included in the calculation of that minimum valuation limitation for the  
 44 taxpayer's other assessable depreciable personal property in the taxing  
 45 district.

46 (f) An election to value special integrated steel mill or oil

- 1 refinery/petrochemical equipment under this section:
- 2 (1) must be made by reporting the equipment under this section on  
3 a business personal property tax return;
- 4 (2) applies to all of the taxpayer's special integrated steel mill or oil  
5 refinery/petrochemical equipment located in the state (whether  
6 owned or leased, or used as an integrated part of the equipment);  
7 and
- 8 (3) is binding on the taxpayer for the assessment date for which  
9 the election is made.

10 The department of local government finance shall prescribe the forms  
11 to make the election beginning with the March 1, 2003, assessment  
12 date. Any special integrated steel mill or oil refinery/petrochemical  
13 equipment acquired by a taxpayer that has made an election under this  
14 section is valued under this section.

15 (g) If fifty percent (50%) or more of the adjusted cost of a  
16 taxpayer's property that would, notwithstanding this section, be  
17 reported in a pool other than Pool No. 5 is attributable to special  
18 integrated steel mill or oil refinery/petrochemical equipment, the  
19 taxpayer may elect to calculate the true tax value of all of that property  
20 as special integrated steel mill or oil refinery/petrochemical equipment.  
21 The true tax value of property for which an election is made under this  
22 subsection is calculated under subsections (b) through (f).

23 **(h) This subsection applies after December 31, 2004. A taxpayer**  
24 **may not make an election under subsection (b) if the taxpayer**  
25 **displaces jobs involving production or manufacturing at or related**  
26 **to the special integrated steel mill or oil refinery/petrochemical**  
27 **equipment from Indiana to another country during the calendar**  
28 **year immediately preceding the assessment date for which the**  
29 **election would be made. If a taxpayer makes an election under**  
30 **subsection (b) and displaces jobs involving production or**  
31 **manufacturing at or related to the special integrated steel mill or**  
32 **oil refinery/petrochemical equipment from Indiana to another**  
33 **country while the election is in effect, the election is invalid for**  
34 **the assessment date for which the election is made. This**  
35 **subsection does not apply to a taxpayer that is a party, or that has**  
36 **employees in Indiana who are a party, to a labor agreement under**  
37 **which the displacement of jobs from Indiana to another country**  
38 **is permitted."**

- 1 Page 2, after line 32, begin a new paragraph and insert:
- 2 "SECTION 2. [EFFECTIVE JULY 1, 2004] **IC 6-1.1-3-23, as**
- 3 **amended by this act, applies after December 31, 2004.**".
- 4 Renumber all SECTIONS consecutively.  
(Reference is to ESB 274 as printed February 13, 2004.)

---

Representative Aguilera