

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WITHDRAWN	Noes _____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

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1729 be amended to read as follows:

- 1 Page 4, after line 26, begin a new paragraph and insert:
- 2 "SECTION 4. IC 6-3.1-33 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 JANUARY 1, 2009 (RETROACTIVE)]:
- 5 **Chapter 33. Distressed Business Income Tax Credit**
- 6 **Sec. 1. This chapter applies to taxable years beginning after**
- 7 **December 31, 2008, and ending before January 1, 2014.**
- 8 **Sec. 2. As used in this chapter, "distressed business" means a**
- 9 **business that has gross receipts for a taxable year that are at least**
- 10 **thirty percent (30%) lower than the gross receipts realized by the**
- 11 **business in its previous taxable year.**
- 12 **Sec. 3. As used in this chapter, "pass through entity" means:**
- 13 **(1) a corporation that is exempt from the adjusted gross**
- 14 **income tax under IC 6-3-2-2.8(2);**
- 15 **(2) a partnership;**
- 16 **(3) a limited liability company; or**
- 17 **(4) a limited liability partnership.**
- 18 **Sec. 4. As used in this chapter, "state tax liability" means a**
- 19 **taxpayer's total tax liability that is incurred under:**
- 20 **(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);**
- 21 **(2) IC 6-5.5 (the financial institutions tax); and**
- 22 **(3) IC 27-1-18-2 (the insurance premiums tax);**
- 23 **as computed after the application of the credits that under**
- 24 **IC 6-3.1-1-2 are to be applied before the credit provided by this**

1 chapter.

2 Sec. 5. As used in this chapter, "taxpayer" means a corporation
3 or pass through entity that has state tax liability. The term does not
4 include an individual.

5 Sec. 6. For each taxable year described in section 1 of this
6 chapter that a taxpayer is a distressed business, the taxpayer is
7 entitled to a credit against the taxpayer's state tax liability. The
8 amount of the taxpayer's credit is equal to:

- 9 (1) the amount of the taxpayer's state tax liability; multiplied
- 10 by
- 11 (2) eighteen percent (18%).

12 Sec. 7. (a) If:

- 13 (1) a pass through entity does not have state tax liability
- 14 against which the credit may be applied; and
- 15 (2) the pass through entity would be eligible for a credit if the
- 16 pass through entity were a taxpayer;

17 a shareholder, partner, or member of the pass through entity is
18 entitled to a credit under this chapter.

19 (b) The amount of the credit to which a shareholder, partner, or
20 member of a pass through entity is entitled is equal to:

- 21 (1) the credit determined for the pass through entity for the
- 22 taxable year; multiplied by
- 23 (2) the percentage of the pass through entity's distributive
- 24 income to which the shareholder, partner, or member is
- 25 entitled.

26 Sec. 8. To apply a credit against the taxpayer's state tax liability,
27 a taxpayer must claim the credit on the taxpayer's annual state tax
28 return or returns in the manner prescribed by the department. The
29 taxpayer shall submit to the department the information that the
30 department determines is necessary for the department to
31 determine whether the taxpayer is eligible for the credit.

32 SECTION 5. An emergency is declared for this act."

33 Renumber all SECTIONS consecutively.

(Reference is to HB 1729 as printed February 17, 2009.)

Representative Turner