



Reprinted  
April 18, 2011

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**ENGROSSED  
SENATE BILL No. 39**

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DIGEST OF SB 39 (Updated April 15, 2011 2:21 pm - DI 51)

**Citations Affected:** Noncode.

**Synopsis:** Tax structure study. Requires the commission on state tax and financing policy to study how the Indiana income tax structure, including existing and potentially new income tax credits and deductions, may influence a senior's decision on residency in Indiana after retirement. Requires the commission to study whether each of the local option income taxes affect the ability of political subdivisions to provide services to (1) a facility that employs a significant number of individuals who reside in another county; and (2) the individuals who reside outside the county and commute to jobs at the facility. Requires the commission to study whether political subdivisions should be provided additional financing options for providing such services. Requires the commission to study how local option income taxes should be distributed within a county to local units of government.

**Effective:** Upon passage.

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**Landske, Mrvan, Steele, Becker**  
(HOUSE SPONSORS — CLERE, KOCH, BURTON, KERSEY, MOSES,  
CHERRY)

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January 5, 2011, read first time and referred to Committee on Appropriations.  
January 27, 2011, amended, reported favorably — Do Pass.  
January 31, 2011, read second time, ordered engrossed.  
February 3, 2011, engrossed. Read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

March 28, 2011, read first time and referred to Committee on Ways and Means.  
April 13, 2011, amended, reported — Do Pass.  
April 15, 2011, read second time, amended, ordered engrossed.

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ES 39—LS 6095/DI 116+



First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 39

A BILL FOR AN ACT concerning taxation.

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

1 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this  
2 SECTION, "commission" means the commission on state tax and  
3 financing policy established under IC 2-5-3.

4 (b) The commission shall study the following:

5 (1) How the Indiana income tax structure, including existing  
6 and potentially new income tax credits and deductions, may  
7 influence a senior's decision on residency in Indiana after  
8 retirement.

9 (2) How each of the local option income taxes imposed under  
10 IC 6-3.5 affects the ability of political subdivisions to provide  
11 services to:

12 (A) a facility that employs a significant number of  
13 individuals who reside outside the county in which the  
14 facility is located; and

15 (B) the individuals who reside outside the county in which  
16 a facility described in clause (A) is located and commute to  
17 a job at that facility.

18 (3) Whether counties and other political subdivisions should

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1           **be provided additional financing options for providing**  
2           **services to the facilities and individuals described in**  
3           **subdivision (2).**  
4           **(4) How local option income taxes should be distributed**  
5           **within a county to local units of government.**  
6           **(c) The commission shall report its findings and**  
7           **recommendations to the legislative council before November 1,**  
8           **2011.**  
9           **(d) This SECTION expires January 1, 2012.**  
10           **SECTION 2. An emergency is declared for this act.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 39, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning taxation.

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. [EFFECTIVE UPON PASSAGE] **(a) The commission on state tax and financing policy established under IC 2-5-3 shall, during the interim in 2011 between sessions of the general assembly, study how the Indiana income tax structure, including existing and potentially new income tax credits and deductions, may influence a senior's decision on residency in Indiana after retirement. The commission shall report its findings and recommendations to the legislative council before November 1, 2011.**

**(b) This SECTION expires January 1, 2012.**

SECTION 2. **An emergency is declared for this act."**

Delete page 2.

and when so amended that said bill do pass.

(Reference is to SB 39 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 11, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 39, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 1, delete "The commission" and insert "**As used in this SECTION, "commission" means the commission on state tax and financing policy established under IC 2-5-3.**"

Page 1, delete lines 2 through 9, begin a new paragraph and insert:

**"(b) The commission shall study the following:**

- (1) How the Indiana income tax structure, including existing and potentially new income tax credits and deductions, may**



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**influence a senior's decision on residency in Indiana after retirement.**

**(2) How each of the local option income taxes imposed under IC 6-3.5 affects the ability of political subdivisions to provide services to:**

**(A) a facility that employs a significant number of individuals who reside outside the county in which the facility is located; and**

**(B) the individuals who reside outside the county in which a facility described in clause (A) is located and commute to a job at that facility.**

**(3) Whether counties and other political subdivisions should be provided additional financing options for providing services to the facilities and individuals described in subdivision (2).**

**(c) The commission shall report its findings and recommendations to the legislative council before November 1, 2011."**

Page 1, line 10, delete "(b)" and insert "(d)".

and when so amended that said bill do pass.

(Reference is to SB 39 as printed January 28, 2011.)

ESPICH, Chair

Committee Vote: yeas 21, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 39 be amended to read as follows:

Page 2, between lines 3 and 4, begin a new line blocked indented and insert:

**"(4) How local option income taxes should be distributed within a county to local units of government."**

(Reference is to ESB 39 as printed April 13, 2011.)

THOMPSON

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