

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1001 be amended to read as follows:

- 1 Page 137, between lines 25 and 26, begin a new line block indented
2 and insert:
3 **"(40) Add the amount excluded from federal gross income**
4 **under Section 103 of the Internal Revenue Code for interest**
5 **received on an obligation of a state other than Indiana or a**
6 **political subdivision of such a state."**
7 Page 139, between lines 10 and 11, begin a new line block indented
8 and insert:
9 **"(21) Add the amount excluded from federal gross income**
10 **under Section 103 of the Internal Revenue Code for interest**
11 **received on an obligation of a state other than Indiana or a**
12 **political subdivision of such a state."**
13 Page 140, between lines 42 and 43, begin a new line block indented
14 and insert:
15 **"(20) Add the amount excluded from federal gross income**
16 **under Section 103 of the Internal Revenue Code for interest**
17 **received on an obligation of a state other than Indiana or a**
18 **political subdivision of such a state."**
19 Page 142, between lines 24 and 25, begin a new line block indented
20 and insert:
21 **"(20) Add the amount excluded from federal gross income**
22 **under Section 103 of the Internal Revenue Code for interest**
23 **received on an obligation of a state other than Indiana or a**
24 **political subdivision of such a state."**
25 Page 143, after line 49, begin a new line block indented and insert:
26 **"(18) Add the amount excluded from federal gross income**
27 **under Section 103 of the Internal Revenue Code for interest**
28 **received on an obligation of a state other than Indiana or a**
29 **political subdivision of such a state."**
30 Page 153, line 10, after "income" insert ", **plus the amount**

1 **excluded from federal gross income under Section 103 of the**
 2 **Internal Revenue Code for interest received on an obligation of a**
 3 **state other than Indiana or a political subdivision of such a state,".**

4 Page 158, between lines 28 and 29, begin a new paragraph and
 5 insert:

6 "SECTION 92. IC 6-8-5-1, AS AMENDED BY P.L.2-2007,
 7 SECTION 128, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JANUARY 1, 2012]: Sec. 1. (a) All bonds issued after
 9 March 11, 1959, or notes, warrants, or other evidences of indebtedness
 10 issued in the state of Indiana by or in the name of any **Indiana** county,
 11 township, city, incorporated town, school corporation, state educational
 12 institution, or any other **Indiana** political, municipal, public or
 13 quasi-public corporation or body, or in the name of any special
 14 assessment or taxing district or in the name of any authorized body of
 15 any such corporation or district, the interest thereon, the proceeds
 16 received by a holder from the sale of such obligations to the extent of
 17 the holder's cost of acquisition, or proceeds received upon redemption
 18 prior to maturity, or proceeds received at maturity, and the receipt of
 19 such interest and proceeds, shall be exempt from taxation in the state
 20 of Indiana for all purposes except a state inheritance tax imposed under
 21 IC 6-4.1.

22 (b) All bonds issued after March 11, 1933, and before March 12,
 23 1959, by any municipality in this state under the provisions of any
 24 statute whereby the terms thereof provide for the payment of such
 25 bonds out of the funds derived from the revenues of any municipally
 26 owned utility or which are to be paid by pledging the physical property
 27 of any such municipally owned utility, or any bonds issued pledging
 28 both the physical property and the revenues of such utility, or any
 29 bonds issued for additions to or improvements to be made to such
 30 municipally owned utility, or any bonds issued by any municipality to
 31 be paid out of taxes levied by such municipality for the acquiring,
 32 purchase, construction, or the reconstruction of a utility, or any part
 33 thereof, shall be exempt from taxation for all purposes except a state
 34 inheritance tax imposed under IC 6-4.1.

35 (c) This section does not apply to measuring the franchise tax
 36 imposed on the privilege of transacting the business of a financial
 37 institution in Indiana under IC 6-5.5.

38 (d) No other statute exempting interest paid on debt obligations of:

39 (1) a state or local public entity, including an agency, a
 40 government corporation, or an authority; or

41 (2) a corporation or other entity leasing real or personal property
 42 to an entity described in subdivision (1);

43 applies to measuring of the franchise tax imposed on financial
 44 institutions under IC 6-5.5."

45 Page 263, line 27, delete "and".

46 Page 263, line 27, after "IC 6-5.5-1-2," insert "**and IC 6-8-5-1,**".

- 1 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1001 as printed April 19, 2011.)

Senator BRODEN