

SENATE MOTION

MADAM PRESIDENT:

I move that Senate Bill 589 be amended to read as follows:

- 1 Page 42, between lines 18 and 19, begin a new paragraph and insert:
2 "SECTION 16. IC 6-3.1-19-3, AS AMENDED BY P.L.113-2010,
3 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 3. (a) Except as provided in section 5 ~~or 5.5~~
5 of this chapter, a taxpayer is entitled to a credit against the taxpayer's
6 state and local tax liability for a taxable year if the taxpayer makes a
7 qualified investment in that year.
8 (b) The amount of the credit to which a taxpayer is entitled is the
9 qualified investment made by the taxpayer during the taxable year
10 multiplied by twenty-five percent (25%).
11 (c) A taxpayer may assign any part of the credit to which the
12 taxpayer is entitled under this chapter to a lessee of property
13 redeveloped or rehabilitated under section 2 of this chapter. A credit
14 that is assigned under this subsection remains subject to this chapter.
15 (d) An assignment under subsection (c) must be in writing and both
16 the taxpayer and the lessee must report the assignment on their state tax
17 return for the year in which the assignment is made, in the manner
18 prescribed by the department. The taxpayer may not receive value in
19 connection with the assignment under subsection (c) that exceeds the
20 value of the part of the credit assigned.
21 (e) If a pass through entity is entitled to a credit under this chapter
22 but does not have state and local tax liability against which the tax
23 credit may be applied, a shareholder, partner, or member of the pass
24 through entity is entitled to a tax credit equal to:
25 (1) the tax credit determined for the pass through entity for the
26 taxable year; multiplied by
27 (2) the percentage of the pass through entity's distributive income
28 to which the shareholder, partner, or member is entitled.
29 The credit provided under this subsection is in addition to a tax credit
30 to which a shareholder, partner, or member of a pass through entity is

1 otherwise entitled under this chapter. However, a pass through entity
 2 and an individual who is a shareholder, partner, or member of the pass
 3 through entity may not claim more than one (1) credit for the same
 4 investment.

5 (f) A taxpayer that is otherwise entitled to a credit under this chapter
 6 for a taxable year may claim the credit regardless of whether any
 7 income tax incremental amount or gross retail incremental amount has
 8 been:

9 (1) deposited in the incremental tax financing fund established for
 10 the community revitalization enhancement district; or

11 (2) allocated to the district."

12 Page 59, between lines 7 and 8, begin a new paragraph and insert:

13 "SECTION 32. IC 36-7-13-12.3 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JANUARY 1, 2011 (RETROACTIVE)]: **Sec. 12.3. (a)**
 16 **Notwithstanding any other provision of this chapter, the**
 17 **designation of any district after December 31, 2010, is subject to**
 18 **the requirements of this section.**

19 (b) An advisory commission on industrial development may not
 20 designate a district under section 12 or 12.1 of this chapter unless
 21 the advisory commission makes the following findings of fact:

22 (1) That the county or municipality applying for the
 23 designation satisfies each of the following requirements:

24 (A) That, as reported by the Indiana Real Estate Markets
 25 Report, the average selling price of homes located in the
 26 county or municipality has declined by at least fourteen
 27 percent (14%) over a one (1) year period occurring within
 28 the four (4) calendar years preceding the calendar year in
 29 which the application of the county or municipality is filed
 30 with the advisory commission on industrial development.

31 (B) That, as reported by the Indiana department of
 32 workforce development, the unemployment rate of the
 33 county or municipality was at least ten and four-tenths
 34 percent (10.4%) for any calendar month occurring in the
 35 calendar year preceding the calendar year in which the
 36 application of the county or municipality is filed with the
 37 advisory commission on industrial development.

38 (2) That the proposed district contains a site that is suitable
 39 for revitalization under this chapter and satisfies the following
 40 requirements:

41 (A) The site contains a vacated industrial building
 42 consisting of at least one million three hundred thousand
 43 (1,300,000) square feet of space.

44 (B) The vacated industrial building described by clause (A)
 45 contains at least eighty thousand (80,000) square feet of
 46 office space.

47 (C) The site contains a reinforced concrete pad suitable for

- 1 expanding the vacated industrial building by at least two
2 hundred thousand (200,000) square feet.
- 3 **(D) The site is serviced by a water treatment facility**
4 **capable of treating all of the effluent discharged from the**
5 **site.**
- 6 **(E) The site consists of at least one hundred twenty (120)**
7 **acres of land.**
- 8 **(c) The legislative body of a county or municipality may not**
9 **adopt an ordinance designating a district under section 10.5 of this**
10 **chapter unless the legislative body makes the following findings of**
11 **fact:**
- 12 **(1) That the county or municipality governed by the legislative**
13 **body satisfies each of the following requirements:**
- 14 **(A) That, as reported by the Indiana Real Estate Markets**
15 **Report, the average selling price of homes located in the**
16 **county or municipality has declined by at least fourteen**
17 **percent (14%) over a one (1) year period occurring within**
18 **the four (4) calendar years preceding the calendar year in**
19 **which proposed ordinance is adopted.**
- 20 **(B) That, as reported by the Indiana department of**
21 **workforce development, the unemployment rate of the**
22 **county or municipality was at least ten and four-tenths**
23 **percent (10.4%) for any calendar month occurring in the**
24 **calendar year preceding the calendar year in which the**
25 **proposed ordinance is adopted.**
- 26 **(2) That the proposed district contains a site that is suitable**
27 **for revitalization under this chapter and satisfies the following**
28 **requirements:**
- 29 **(A) The site contains a vacated industrial building**
30 **consisting of at least one million three hundred thousand**
31 **(1,300,000) square feet of space.**
- 32 **(B) The vacated industrial building described by clause (A)**
33 **contains at least eighty thousand (80,000) square feet of**
34 **office space.**
- 35 **(C) The site contains a reinforced concrete pad suitable for**
36 **expanding the vacated industrial building by at least two**
37 **hundred thousand (200,000) square feet.**
- 38 **(D) The site is serviced by a water treatment facility**
39 **capable of treating all of the effluent discharged from the**
40 **site.**
- 41 **(E) The site consists of at least one hundred twenty (120)**
42 **acres of land.**
- 43 **(d) An advisory commission on industrial development or a**
44 **legislative body that designates a district under this chapter shall**
45 **include a copy of the findings made under subsection (b) or (c)**
46 **when sending a copy of the resolution or ordinance designating the**
47 **district to the budget agency for its approval.**

1 **(e) The budget agency may not approve the designation of a**
 2 **district until it confirms the findings of fact submitted under this**
 3 **section. If a resolution or ordinance is submitted to the budget**
 4 **agency without the findings of fact required by this section, the**
 5 **time in which the budget agency must take action on the resolution**
 6 **or ordinance as set forth in sections 10.5, 12, and 12.1 of this**
 7 **chapter is tolled until the findings of fact are submitted to the**
 8 **budget agency.**

9 SECTION 33. IC 36-7-13-14, AS AMENDED BY P.L.113-2010,
 10 SECTION 132, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE UPON PASSAGE]: Sec. 14. ~~(a) This section does not~~
 12 ~~apply to a district that:~~

13 ~~(1) is described in section 23(a) of this chapter; and~~

14 ~~(2) is not selected by the advisory commission to receive an~~
 15 ~~allocation of income tax incremental amount and the gross retail~~
 16 ~~incremental amount under this chapter.~~

17 ~~(b) (a)~~ Before the first business day in October of each year, the
 18 department shall calculate the income tax incremental amount and the
 19 gross retail incremental amount for the preceding state fiscal year for
 20 each district designated under this chapter.

21 ~~(c) (b)~~ Businesses operating in the district shall report, in the
 22 manner and in the form prescribed by the department, information that
 23 the department determines necessary to calculate incremental gross
 24 retail, use, and income taxes.

25 ~~(d) (c)~~ Not later than sixty (60) days after receiving a certification
 26 of a district's modified boundaries under section 12.5(c) of this chapter,
 27 the department shall recalculate the income tax incremental amount
 28 and the gross retail incremental amount for the preceding state fiscal
 29 year for a district modified under section 12.5 of this chapter.

30 SECTION 34. IC 36-7-13-15, AS AMENDED BY P.L.113-2010,
 31 SECTION 133, IS AMENDED TO READ AS FOLLOWS
 32 [EFFECTIVE UPON PASSAGE]: Sec. 15. ~~(a) This section does not~~
 33 ~~apply to a district that:~~

34 ~~(1) is described in section 23(a) of this chapter; and~~

35 ~~(2) is not selected by the advisory commission to receive an~~
 36 ~~allocation of income tax incremental amount and the gross retail~~
 37 ~~incremental amount under this chapter.~~

38 ~~(b) (a)~~ If an advisory commission on industrial development
 39 designates a district under this chapter or the legislative body of a
 40 county or municipality adopts an ordinance designating a district under
 41 section 10.5 of this chapter, the treasurer of state shall establish an
 42 incremental tax financing fund for the district. The fund shall be
 43 administered by the treasurer of state. Money in the fund does not
 44 revert to the state general fund at the end of a state fiscal year.

45 ~~(c) (b)~~ Subject to subsection ~~(d); (c)~~, the following amounts shall be
 46 deposited during each state fiscal year in the incremental tax financing

- 1 fund established for the district under subsection (a):
- 2 (1) The aggregate amount of state gross retail and use taxes that
- 3 are remitted under IC 6-2.5 by businesses operating in the district,
- 4 until the amount of state gross retail and use taxes deposited
- 5 equals the gross retail incremental amount for the district.
- 6 (2) The aggregate amount of state and local income taxes paid by
- 7 employees employed in the district with respect to wages earned
- 8 for work in the district, until the amount of state and local income
- 9 taxes deposited equals the income tax incremental amount.
- 10 ~~(d)~~ **(c) Except as provided in subsection (e), the aggregate amount**
- 11 **of revenues that is:**
- 12 (1) attributable to:
- 13 (A) the state gross retail and use taxes established under
- 14 IC 6-2.5; and
- 15 (B) the adjusted gross income tax established under IC 6-3-1
- 16 through IC 6-3-7; and
- 17 (2) deposited during any state fiscal year in each incremental tax
- 18 financing fund established for a district;
- 19 may not exceed one million dollars (\$1,000,000) per district designated
- 20 under section 10.5 or 12 of this chapter and seven hundred fifty
- 21 thousand dollars (\$750,000) per district for a district designated under
- 22 section 10.1 or 12.1 of this chapter.
- 23 ~~(e)~~ **(d) On or before the twentieth day of each month, all amounts**
- 24 **held in the incremental tax financing fund established for a district**
- 25 **shall be distributed to the district's advisory commission on industrial**
- 26 **development for deposit in the industrial development fund of the unit**
- 27 **that requested designation of the district.**
- 28 **(e) The aggregate amount of revenues that is:**
- 29 **(1) attributable to:**
- 30 **(A) the state gross retail and use taxes established under**
- 31 **IC 6-2.5; and**
- 32 **(B) the adjusted gross income tax established under**
- 33 **IC 6-3-1 through IC 6-3-7; and**
- 34 **(2) deposited during any state fiscal year in the incremental**
- 35 **tax financing funds established for the districts located in**
- 36 **Delaware County;**
- 37 **may not exceed two million dollars (\$2,000,000)."**
- 38 Page 62, between lines 8 and 9, begin a new paragraph and insert:

- 1 "SECTION 4. THE FOLLOWING ARE REPEALED [EFFECTIVE
- 2 UPON PASSAGE]: IC 6-3.1-19-5.5; IC 36-7-13-23."
- 3 Renumber all SECTIONS consecutively.
(Reference is to SB 589 as printed February 18, 2011.)

Senator HERSHMAN