



February 16, 2011

SENATE BILL No. 222

DIGEST OF SB 222 (Updated February 15, 2011 10:42 am - DI 58)

Citations Affected: IC 6-3.1.

Synopsis: Hoosier Business investment tax credit. Provides a Hoosier business investment tax credit for implementing homeland security measures to comply with federal homeland security requirements. Limits the Hoosier business investment tax credit to \$10,000,000 per year for all taxpayers.

Effective: January 1, 2012.

**Wyss, Hershman, Banks, Arnold,
Becker, Grooms, Lanane, Paul,
Rogers, Smith J**

January 5, 2011, read first time and referred to Committee on Tax and Fiscal Policy.
January 10, 2011, pursuant to Senate Rule 68(b); reassigned to Homeland Security,
Transportation & Veterans Affairs.
January 31, 2011, amended, reported favorably — Do Pass; reassigned to Committee on
Tax and Fiscal Policy.
February 15, 2011, amended, reported favorably — Do Pass.

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February 16, 2011

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.

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SENATE BILL No. 222



A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

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

- 1 SECTION 1. IC 6-3.1-26-8, AS AMENDED BY P.L.137-2006,
- 2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JANUARY 1, 2012]: Sec. 8. (a) As used in this chapter, "qualified
- 4 investment" means the amount of the taxpayer's expenditures in Indiana
- 5 for:
- 6 (1) the purchase of new telecommunications, production,
- 7 manufacturing, fabrication, assembly, extraction, mining,
- 8 processing, refining, finishing, distribution, transportation, or
- 9 logistical distribution equipment;
- 10 (2) the purchase of new computers and related equipment;
- 11 (3) costs associated with the modernization of existing
- 12 telecommunications, production, manufacturing, fabrication,
- 13 assembly, extraction, mining, processing, refining, finishing,
- 14 distribution, transportation, or logistical distribution facilities;
- 15 (4) onsite infrastructure improvements;
- 16 (5) the construction of new telecommunications, production,
- 17 manufacturing, fabrication, assembly, extraction, mining,

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1 processing, refining, finishing, distribution, transportation, or
 2 logistical distribution facilities;
 3 (6) costs associated with retooling existing machinery and
 4 equipment;
 5 (7) costs associated with the construction of special purpose
 6 buildings and foundations for use in the computer, software,
 7 biological sciences, or telecommunications industry; ~~and~~
 8 (8) costs associated with the purchase of machinery, equipment,
 9 or special purpose buildings used to make motion pictures or
 10 audio productions; **and**
 11 **(9) costs associated with implementing a homeland security**
 12 **measure to comply with federal homeland security**
 13 **recommendations or requirements, limited to:**

- 14 (A) gates, fencing, and checkpoints;
- 15 (B) tank and grain elevator access restrictions;
- 16 (C) tunnel emergency access restrictions;
- 17 (D) security alarms;
- 18 (E) lighting and motion sensors;
- 19 (F) heavy duty locks;
- 20 (G) valve locks for anhydrous ammonia nurse tanks; and
- 21 (H) employee security training;

22 that are certified by the corporation under this chapter as being eligible
 23 for the credit under this chapter.

24 (b) The term does not include property that can be readily moved
 25 outside Indiana.

26 SECTION 2. IC 6-3.1-26-26, AS AMENDED BY P.L.182-2009(ss),
 27 SECTION 202, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JANUARY 1, 2012]: Sec. 26. (a) This chapter applies to
 29 taxable years beginning after December 31, 2003.

30 (b) Notwithstanding the other provisions of this chapter, the
 31 corporation may not approve a credit for a qualified investment made
 32 after December 31, 2013. **In addition, the amount of the total credits**
 33 **that may be approved by the corporation for a year for all**
 34 **qualified investments made after December 31, 2011, may not**
 35 **exceed ten million dollars (\$10,000,000) per year.** However, this
 36 section may not be construed to prevent a taxpayer from carrying an
 37 unused tax credit attributable to a qualified investment made before
 38 January 1, 2014, forward to a taxable year beginning after December
 39 31, 2013, in the manner provided by section 15 of this chapter.

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COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred Senate Bill No. 222, 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:

Page 6, line 32, after "security" insert "**recommendations or**".

Page 6, delete line 42, begin a new line block indented and insert:

"A taxpayer must submit to the department written documentation identifying the federal homeland security recommendation or requirement pertaining to each qualifying expenditure, together with a written explanation of how the qualifying expenditure implements a homeland security measure that complies with the federal homeland security recommendation or requirement."

Page 7, delete lines 1 through 7.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Tax and Fiscal Policy.

(Reference is to SB 222 as introduced.)

WYSS, Chairperson

Committee Vote: Yeas 9, Nays 0.

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COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 222, 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:

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

"SECTION 1. IC 6-3.1-26-8, AS AMENDED BY P.L.137-2006, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: Sec. 8. (a) As used in this chapter, "qualified investment" means the amount of the taxpayer's expenditures in Indiana for:

- (1) the purchase of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution equipment;

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- (2) the purchase of new computers and related equipment;
- (3) costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities;
- (4) onsite infrastructure improvements;
- (5) the construction of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities;
- (6) costs associated with retooling existing machinery and equipment;
- (7) costs associated with the construction of special purpose buildings and foundations for use in the computer, software, biological sciences, or telecommunications industry; ~~and~~
- (8) costs associated with the purchase of machinery, equipment, or special purpose buildings used to make motion pictures or audio productions; ~~and~~
- (9) costs associated with implementing a homeland security measure to comply with federal homeland security recommendations or requirements, limited to:**
 - (A) gates, fencing, and checkpoints;**
 - (B) tank and grain elevator access restrictions;**
 - (C) tunnel emergency access restrictions;**
 - (D) security alarms;**
 - (E) lighting and motion sensors;**
 - (F) heavy duty locks;**
 - (G) valve locks for anhydrous ammonia nurse tanks; and**
 - (H) employee security training;**

that are certified by the corporation under this chapter as being eligible for the credit under this chapter.

(b) The term does not include property that can be readily moved outside Indiana.

SECTION 2. IC 6-3.1-26-26, AS AMENDED BY P.L.182-2009(ss), SECTION 202, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: Sec. 26. (a) This chapter applies to taxable years beginning after December 31, 2003.

(b) Notwithstanding the other provisions of this chapter, the corporation may not approve a credit for a qualified investment made after December 31, 2013. **In addition, the amount of the total credits that may be approved by the corporation for a year for all qualified investments made after December 31, 2011, may not**

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exceed ten million dollars (\$10,000,000) per year. However, this section may not be construed to prevent a taxpayer from carrying an unused tax credit attributable to a qualified investment made before January 1, 2014, forward to a taxable year beginning after December 31, 2013, in the manner provided by section 15 of this chapter."

Delete pages 2 through 9.

and when so amended that said bill do pass.

(Reference is to SB 222 as printed February 1, 2011.)

HERSHMAN, Chairperson

Committee Vote: Yeas 8, Nays 2.

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