

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WITHDRAWN	Noes _____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

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 143 be amended to read as follows:

- 1 Page 1, line 12, reset in roman "ten".
- 2 Page 1, line 12, delete "twelve".
- 3 Page 1, line 13, reset in roman "(10%)".
- 4 Page 1, line 13, delete "(12%)".
- 5 Page 4, between lines 28 and 29, begin a new paragraph and insert:
- 6 "SECTION 5. IC 6-2.5-5-26 IS AMENDED TO READ AS
- 7 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 26. (a) Sales of tangible
- 8 personal property are exempt from the state gross retail tax, if:
- 9 (1) the seller is an organization that is described in section
- 10 21(b)(1) of this chapter;
- 11 (2) the organization makes the sale to make money to carry on a
- 12 not-for-profit purpose; and
- 13 (3) the organization does not make those sales during more than
- 14 thirty (30) days in a calendar year.
- 15 (b) Sales of tangible personal property are exempt from the state
- 16 gross retail tax, if:
- 17 (1) the seller is an organization described in section 21(b)(1) of
- 18 this chapter;
- 19 (2) the seller is not operated predominantly for social purposes;
- 20 (3) the property sold is designed and intended primarily either for
- 21 the organization's educational, cultural, or religious purposes, or
- 22 for improvement of the work skills or professional qualifications
- 23 of the organization's members; and
- 24 (4) the property sold is not designed or intended primarily for use

- 1 in carrying on a private or proprietary business.
- 2 (c) The exemption provided by this section does not apply to an
- 3 accredited college or university's sales of **the following:**
- 4 (1) Books **other than textbooks exempt under section 46 of this**
- 5 **chapter.**
- 6 (2) Stationery.
- 7 (3) Haberdashery.
- 8 (4) Supplies. ~~or~~
- 9 (5) Other property.
- 10 SECTION 6. IC 6-2.5-5-45 IS ADDED TO THE INDIANA CODE
- 11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
- 12 UPON PASSAGE]: **Sec. 45. (a) This section applies to transactions**
- 13 **occurring during the period:**
- 14 (1) beginning at 12:01 a.m. on the Friday immediately
- 15 preceding the first Saturday in August; and
- 16 (2) ending at 11:59 p.m. on the Sunday immediately following
- 17 the first Saturday in August.
- 18 (b) As used in this section, "clothing" means all human wearing
- 19 apparel for general use, including the following:
- 20 (1) Bathing caps.
- 21 (2) Belts and suspenders.
- 22 (3) Coats and jackets.
- 23 (4) Diapers.
- 24 (5) Dresses.
- 25 (6) Footwear.
- 26 (7) Gloves or mittens.
- 27 (8) Hats or caps.
- 28 (9) Neckties.
- 29 (10) Pants.
- 30 (11) Scarves.
- 31 (12) Shirts.
- 32 (13) Skirts.
- 33 (14) Socks or hosiery.
- 34 (15) Undergarments.
- 35 (16) Uniforms.
- 36 (c) As used in this section, "clothing accessories or equipment"
- 37 means incidental items worn on the person or in conjunction with
- 38 clothing, including the following:
- 39 (1) Briefcases.
- 40 (2) Cosmetics.
- 41 (3) Hair notions, including the following:
- 42 (A) Barrettes.
- 43 (B) Hair bows.
- 44 (C) Hair nets.
- 45 (4) Handbags.
- 46 (5) Handkerchiefs.

- 1 **(6) Jewelry.**
 2 **(7) Nonprescription sunglasses.**
 3 **(8) Umbrellas.**
 4 **(9) Wallets.**
 5 **(10) Watches.**
 6 **(11) Wigs and hair pieces.**
 7 **(d) As used in this section, "school instructional materials"**
 8 **means written materials commonly used by a student in a course**
 9 **of study as a reference and to learn the subject being taught. The**
 10 **term is limited to the following:**
 11 **(1) Reference books.**
 12 **(2) Reference maps and globes.**
 13 **(3) Textbooks.**
 14 **(4) Workbooks.**
 15 **(e) As used in this section, "school supplies" means an item**
 16 **commonly used by a student in a course of study. The term is**
 17 **limited to the following:**
 18 **(1) Binders.**
 19 **(2) Book bags.**
 20 **(3) Calculators.**
 21 **(4) Cellophane tape.**
 22 **(5) Blackboard chalk.**
 23 **(6) Compasses.**
 24 **(7) Composition books.**
 25 **(8) Crayons.**
 26 **(9) Erasers.**
 27 **(10) Folders, limited to the following:**
 28 **(A) Expandable folders.**
 29 **(B) Pocket folders.**
 30 **(C) Plastic folders.**
 31 **(D) Manila folders.**
 32 **(11) Glue, paste, and paste sticks.**
 33 **(12) Highlighters.**
 34 **(13) Index cards.**
 35 **(14) Index card boxes.**
 36 **(15) Legal pads.**
 37 **(16) Lunch boxes.**
 38 **(17) Markers.**
 39 **(18) Notebooks.**
 40 **(19) Paper, limited to the following:**
 41 **(A) Loose leaf ruled notebook paper.**
 42 **(B) Copy paper.**
 43 **(C) Graph paper.**
 44 **(D) Tracing paper.**
 45 **(E) Manila paper.**
 46 **(F) Colored paper.**
 47 **(G) Poster board.**

- 1 **(H) Construction paper.**
 2 **(20) Pencil boxes and other school supply boxes.**
 3 **(21) Pencil sharpeners.**
 4 **(22) Pencils.**
 5 **(23) Pens.**
 6 **(24) Protractors.**
 7 **(25) Rulers.**
 8 **(26) Scissors.**
 9 **(27) Writing tablets.**
 10 **(f) Sales of:**
 11 **(1) clothing;**
 12 **(2) clothing accessories or equipment;**
 13 **(3) school instructional materials; and**
 14 **(4) school supplies;**
 15 are exempt from the state gross retail tax during the period
 16 described in subsection (a), if the sales price of the item purchased
 17 does not exceed one hundred dollars (\$100).
 18 **(g) The department may adopt rules under IC 4-22-2 to**
 19 **implement this section.**
 20 SECTION 7. IC 6-2.5-5-46 IS ADDED TO THE INDIANA CODE
 21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 22 1, 2012]: **Sec. 46. Sales of textbooks are exempt from the state gross**
 23 **retail tax if:**
 24 **(1) the textbooks are required for an undergraduate course at**
 25 **an accredited college or university; and**
 26 **(2) the purchaser is a student enrolled in an accredited college**
 27 **or university or the parent or guardian of a student enrolled**
 28 **in an accredited college or university.**
 29 SECTION 8. IC 6-3-3-13 IS ADDED TO THE INDIANA CODE
 30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 31 1, 2012]: **Sec. 13. (a) This section applies only to taxable years**
 32 **beginning after December 31, 2012.**
 33 **(b) The following definitions apply throughout this section:**
 34 **(1) "Dependent child" has the meaning set forth in**
 35 **IC 6-3-2-22(a)(1).**
 36 **(2) "Private elementary or high school education program"**
 37 **has the meaning set forth in IC 6-3-2-22(a)(3).**
 38 **(c) Each taxable year, an individual is entitled to a credit against**
 39 **the individual's adjusted gross income tax liability for expenditures**
 40 **incurred during the taxable year for textbooks or workbooks, or**
 41 **both, that are required for a course of instruction furnished:**
 42 **(1) by an Indiana school corporation; or**
 43 **(2) through a private elementary or high school education**
 44 **program;**
 45 **in which a dependent child of the individual is enrolled.**
 46 **(d) The amount of the credit provided by this section may**
 47 **include amounts expended for:**

- 1 **(1) textbook rentals; and**
- 2 **(2) state gross retail or use tax imposed on the rental or**
- 3 **purchase of textbooks or workbooks.**
- 4 **(e) For any specified taxable year, a taxpayer may not claim**
- 5 **both:**
- 6 **(1) the deduction provided by IC 6-3-2-22; and**
- 7 **(2) the credit provided by this section;**
- 8 **on the taxpayer's annual return for the taxable year."**
- 9 Renumber all SECTIONS consecutively.
 (Reference is to ESB 143 as printed February 21, 2012.)

Representative VanDenburgh