

Adopted Rejected

COMMITTEE REPORT

YES: 10
NO: 1

MR. SPEAKER:

*Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1241, 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:*

- 1 Page 6, line 8, delete "Tax Incentive Financing" and insert "**Area**
- 2 **Development Incentives**".
- 3 Page 6, between lines 36 and 37, begin a new a paragraph and insert:
- 4 "**Sec. 6. As used in this chapter, "area" refers to a rural**
- 5 **entrepreneurship area development incentive area established**
- 6 **under this chapter.**".
- 7 Page 6, delete lines 37 through 39.
- 8 Page 6, between lines 41 and 42, begin a new paragraph and insert:
- 9 "**Sec. 8. As used in this chapter, "fund":**
- 10 **(1) for purposes of section 20 of this chapter, refers to the**
- 11 **rural entrepreneurship area development incentives fund**
- 12 **established by the treasurer of state for a county; and**
- 13 **(2) for purposes of sections of this chapter other than section**

1 **20 of this chapter, refers to a rural entrepreneurship area**
2 **development incentives fund established by a rural county."**

3 Page 6, delete line 42.

4 Page 7, delete lines 1 through 22, begin a new paragraph and insert:

5 **"Sec. 9. As used in this chapter, "income tax incremental**
6 **revenue" means the remainder of:**

7 **(1) the sum of:**

8 **(A) the total amount of state adjusted gross income taxes**
9 **paid by employees of new businesses employed in any part**
10 **of the territory comprising an area (other than a tax**
11 **incentive zone) with respect to wages and salary earned for**
12 **work in the area (other than in a tax incentive zone) for a**
13 **particular state fiscal year; plus**

14 **(B) the total amount of state adjusted gross income taxes**
15 **paid by new businesses located in any part of the territory**
16 **comprising an area (other than a tax incentive zone) with**
17 **respect to income sourced to the area (other than a tax**
18 **incentive zone) for a particular state fiscal year; minus**

19 **(2) the tax credits awarded by the economic development for**
20 **a growing economy board under IC 6-3.1-13 to new businesses**
21 **operating in the territory in an area (other than a tax**
22 **incentive zone) that is not part of a tax incentive zone as the**
23 **result of wages earned for work in any part of the territory**
24 **comprising an area (other than in a tax incentive zone) for the**
25 **state fiscal year;**

26 **as determined by the department of state revenue."**

27 Page 8, line 2, delete "tax incentive" and insert "**area development**
28 **incentives area."**

29 Page 8, line 3, delete "financing area."

30 Page 9, line 2, delete "the:" and insert "**the income tax incremental**
31 **revenue attributable to an area established in a county"**.

32 Page 9, delete lines 3 through 10.

33 Page 9, run in lines 2 through 11.

34 Page 9, line 20, delete "tax incentive financing" and insert "**area**
35 **development incentives"**.

36 Page 9, between lines 23 and 24, begin a new paragraph and insert:

37 **"Sec. 21. (a) Each county that establishes an area under this**
38 **chapter shall establish a rural entrepreneurship area development**

1 incentives fund for the county to receive money distributed to the
2 county under this chapter.

3 (b) Money deposited in the fund may be used by the county only
4 for one (1) or more of the following purposes:

5 (1) Transferring money to a revolving fund established under
6 section 22 of this chapter for purposes of the revolving fund.

7 (2) Transferring money to a regional venture capital fund
8 established under IC 6-3.5-7-13.5 or a local venture capital
9 fund established under IC 6-3.5-7-13.6 for purposes of the
10 funds.

11 (3) Incubator development and operation.

12 (4) Accelerator development and operation.

13 (5) Small business support services.

14 (6) Direct incentives and cost reimbursement to assist with the
15 start-up of new businesses approved by the county legislative
16 body.

17 (c) The fund may not be used for the administrative expenses of
18 the fund."

19 Page 9, delete lines 24 through 42.

20 Page 10, line 39, delete "between".

21 Page 10, line 40, delete "20," and insert "30,".

22 Page 11, line 5, delete "county" and insert "state".

(Reference is to HB 1241 as introduced.)

and when so amended that said bill do pass.

Representative Stemler