
SENATE BILL No. 333

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-2-1; IC 6-3.1.

Synopsis: State taxes. Phases the corporate income tax rate down from 8.5% to 2% by June 30, 2013. Provides that the following state tax credits may not be awarded after December 30, 2012: (1) Research expense credit. (2) Prison investment credit. (3) Enterprise zone loan interest credit. (4) Neighborhood assistance credit. (5) Enterprise zone investment cost credit. (6) Industrial recovery tax credit. (7) Military base recovery credit. (8) Military base investment cost credit. (9) Economic development for a growing economy credit. (10) Capital investment credit. (11) Indiana riverboat building credit. (12) Individual development account credit. (13) Community revitalization enhancement district credit. (14) Venture capital investment credit. (15) Coal combustion product credit. (16) Hoosier business investment credit. (17) Blended biodiesel credit. (18) Ethanol production credit. (19) Coal gasification technology investment credit. (20) Headquarters relocation credit. (21) New employer tax credit. Provides that the computer equipment donations credit, historic rehabilitation credit, and school scholarship credit may not be awarded after December 31, 2012, to a taxpayer other than an individual.

Effective: July 1, 2012.

Smith J

January 9, 2012, read first time and referred to Committee on Tax and Fiscal Policy.

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Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

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SENATE BILL No. 333



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

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

1 SECTION 1. IC 6-3-2-1, AS AMENDED BY P.L.172-2011,
2 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2012]: Sec. 1. (a) Each taxable year, a tax at the rate of three
4 and four-tenths percent (3.4%) of adjusted gross income is imposed
5 upon the adjusted gross income of every resident person, and on that
6 part of the adjusted gross income derived from sources within Indiana
7 of every nonresident person.
8 (b) Except as provided in section 1.5 of this chapter, each taxable
9 year, a tax at the following rate of adjusted gross income is imposed on
10 that part of the adjusted gross income derived from sources within
11 Indiana of every corporation:
12 (1) Before July 1, 2012, eight and five-tenths percent (8.5%).
13 (2) After June 30, 2012, and before July 1, 2013, ~~eight percent~~
14 ~~(8.0%)~~; **five percent (5%)**.
15 (3) ~~After June 30, 2013, and before July 1, 2014, seven and~~
16 ~~five-tenths percent (7.5%)~~.
17 (4) ~~After June 30, 2014, and before July 1, 2015, seven percent~~



1 (7.0%):
 2 (5) After June 30, 2015, six and five-tenths percent (6.5%):
 3 (3) After June 30, 2013, two percent (2%).
 4 (c) If for any taxable year a taxpayer is subject to different tax rates
 5 under subsection (b), the taxpayer's tax rate for that taxable year is the
 6 rate determined in the last STEP of the following STEPS:
 7 STEP ONE: Multiply the number of months in the taxpayer's
 8 taxable year that precede the month the rate changed by the rate
 9 in effect before the rate change.
 10 STEP TWO: Multiply the number of months in the taxpayer's
 11 taxable year that follow the month before the rate changed by the
 12 rate in effect after the rate change.
 13 STEP THREE: Divide the sum of the amounts determined under
 14 STEPS ONE and TWO by twelve (12).
 15 However, the rate determined under this subsection shall be rounded
 16 to the nearest one-hundredth of one percent (0.01%).
 17 SECTION 2. IC 6-3.1-4-8 IS ADDED TO THE INDIANA CODE
 18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 19 1, 2012]: **Sec. 8. (a) A tax credit may not be awarded under this
 20 chapter after December 31, 2012. However, a credit awarded
 21 under this chapter before January 1, 2013, may be carried forward
 22 as provided in this chapter.**
 23 **(b) This chapter expires January 1, 2023.**
 24 SECTION 3. IC 6-3.1-6-7 IS ADDED TO THE INDIANA CODE
 25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 26 1, 2012]: **Sec. 7. (a) A tax credit may not be awarded under this
 27 chapter after December 31, 2012.**
 28 **(b) This chapter expires January 1, 2014.**
 29 SECTION 4. IC 6-3.1-7-8 IS ADDED TO THE INDIANA CODE
 30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 31 1, 2012]: **Sec. 8. (a) A tax credit may not be awarded under this
 32 chapter after December 31, 2012. However, a credit awarded
 33 under this chapter before January 1, 2013, may be carried forward
 34 as provided in this chapter.**
 35 **(b) This chapter expires January 1, 2023.**
 36 SECTION 5. IC 6-3.1-9-7 IS ADDED TO THE INDIANA CODE
 37 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 38 1, 2012]: **Sec. 7. (a) A tax credit may not be awarded under this
 39 chapter after December 31, 2012.**
 40 **(b) This chapter expires January 1, 2014.**
 41 SECTION 6. IC 6-3.1-10-10 IS ADDED TO THE INDIANA CODE
 42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1 1, 2012]: **Sec. 10. (a) A tax credit may not be awarded under this**
 2 **chapter after December 31, 2012. However, a credit awarded**
 3 **under this chapter before January 1, 2013, may be carried forward**
 4 **as provided in this chapter.**

5 **(b) This chapter expires January 1, 2023.**

6 SECTION 7. IC 6-3.1-11-24 IS ADDED TO THE INDIANA CODE
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 8 1, 2012]: **Sec. 24. (a) A tax credit may not be awarded under this**
 9 **chapter after December 31, 2012. However, a credit awarded**
 10 **under this chapter before January 1, 2013, may be carried forward**
 11 **as provided in this chapter.**

12 **(b) This chapter expires January 1, 2023.**

13 SECTION 8. IC 6-3.1-11.5-27 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2012]: **Sec. 27. (a) A tax credit may not be**
 16 **awarded under this chapter after December 31, 2012. However, a**
 17 **credit awarded under this chapter before January 1, 2013, may be**
 18 **carried forward as provided in this chapter.**

19 **(b) This chapter expires January 1, 2023.**

20 SECTION 9. IC 6-3.1-11.6-15 IS ADDED TO THE INDIANA
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2012]: **Sec. 15. (a) A tax credit may not be**
 23 **awarded under this chapter after December 31, 2012. However, a**
 24 **credit awarded under this chapter before January 1, 2013, may be**
 25 **carried forward as provided in this chapter.**

26 **(b) This chapter expires January 1, 2023.**

27 SECTION 10. IC 6-3.1-13-28 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2012]: **Sec. 28. (a) A tax credit may not be**
 30 **awarded under this chapter after December 31, 2012. However, a**
 31 **credit awarded under this chapter before January 1, 2013, may be**
 32 **carried forward as provided in this chapter.**

33 **(b) This chapter expires January 1, 2023.**

34 SECTION 11. IC 6-3.1-13.5-14 IS ADDED TO THE INDIANA
 35 CODE AS A NEW SECTION TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2012]: **Sec. 14. (a) A tax credit may not be**
 37 **awarded under this chapter after December 31, 2012. However, a**
 38 **credit awarded under this chapter before January 1, 2013, may be**
 39 **carried forward as provided in this chapter.**

40 **(b) This chapter expires January 1, 2023.**

41 SECTION 12. IC 6-3.1-15-18 IS ADDED TO THE INDIANA
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2012]: **Sec. 18. A tax credit may not be**
2 **awarded under this chapter after December 31, 2012, to a taxpayer**
3 **other than an individual.**

4 SECTION 13. IC 6-3.1-16-16 IS ADDED TO THE INDIANA
5 CODE AS A NEW SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2012]: **Sec. 16. A tax credit may not be**
7 **awarded under this chapter after December 31, 2012, to a taxpayer**
8 **other than an individual. However, a credit awarded under this**
9 **chapter before January 1, 2013, to a taxpayer other than an**
10 **individual may be carried forward as provided in this chapter.**

11 SECTION 14. IC 6-3.1-17-10 IS ADDED TO THE INDIANA
12 CODE AS A NEW SECTION TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2012]: **Sec. 10. (a) A tax credit may not be**
14 **awarded under this chapter after December 31, 2012. However, a**
15 **credit awarded under this chapter before January 1, 2013, may be**
16 **carried forward as provided in this chapter.**

17 **(b) This chapter expires January 1, 2023.**

18 SECTION 15. IC 6-3.1-18-12 IS ADDED TO THE INDIANA
19 CODE AS A NEW SECTION TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2012]: **Sec. 12. (a) A tax credit may not be**
21 **awarded under this chapter after December 31, 2012.**

22 **(b) This chapter expires January 1, 2014.**

23 SECTION 16. IC 6-3.1-19-7 IS ADDED TO THE INDIANA CODE
24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
25 1, 2012]: **Sec. 7. (a) A tax credit may not be awarded under this**
26 **chapter after December 31, 2012. However, a credit awarded**
27 **under this chapter before January 1, 2013, may be carried forward**
28 **as provided in this chapter.**

29 **(b) This chapter expires January 1, 2023.**

30 SECTION 17. IC 6-3.1-24-9, AS AMENDED BY P.L.172-2011,
31 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2012]: **Sec. 9. (a) The total amount of tax credits that may be**
33 **allowed under this chapter in a particular calendar year for qualified**
34 **investment capital provided during that calendar year may not exceed**
35 **twelve million five hundred thousand dollars (\$12,500,000). The**
36 **Indiana economic development corporation may not certify a proposed**
37 **investment plan under section 12.5 of this chapter if the proposed**
38 **investment would result in the total amount of the tax credits certified**
39 **for the calendar year exceeding twelve million five hundred thousand**
40 **dollars (\$12,500,000). An amount of an unused credit carried over by**
41 **a taxpayer from a previous calendar year may not be considered in**
42 **determining the amount of proposed investments that the Indiana**

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1 economic development corporation may certify under this chapter.

2 (b) Notwithstanding the other provisions of this chapter, a taxpayer
3 is not entitled to a credit for providing qualified investment capital to
4 a qualified Indiana business after December 31, ~~2014~~. **2012**. However,
5 this subsection may not be construed to prevent a taxpayer from
6 carrying over to a taxable year beginning after December 31, ~~2014~~;
7 **2012**, an unused tax credit attributable to an investment occurring
8 before January 1, ~~2015~~. **2013**.

9 SECTION 18. IC 6-3.1-25.2-11 IS ADDED TO THE INDIANA
10 CODE AS A NEW SECTION TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2012]: **Sec. 11. (a) A tax credit may not be**
12 **awarded under this chapter after December 31, 2012. However, a**
13 **credit awarded under this chapter before January 1, 2013, may be**
14 **carried forward as provided in this chapter.**

15 **(b) This chapter expires January 1, 2023.**

16 SECTION 19. IC 6-3.1-26-26, AS AMENDED BY
17 P.L.182-2009(ss), SECTION 202, IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2012]: **Sec. 26. (a) This chapter**
19 **applies to taxable years beginning after December 31, 2003.**

20 (b) Notwithstanding the other provisions of this chapter, the
21 corporation may not approve a credit for a qualified investment made
22 after December 31, ~~2013~~. **2012**. However, this section may not be
23 construed to prevent a taxpayer from carrying an unused tax credit
24 attributable to a qualified investment made before January 1, ~~2014~~;
25 **2013**, forward to a taxable year beginning after December 31, ~~2013~~;
26 **2012**, in the manner provided by section 15 of this chapter.

27 **(c) This chapter expires January 1, 2023.**

28 SECTION 20. IC 6-3.1-27-14 IS ADDED TO THE INDIANA
29 CODE AS A NEW SECTION TO READ AS FOLLOWS
30 [EFFECTIVE JULY 1, 2012]: **Sec. 14. (a) A tax credit may not be**
31 **awarded under this chapter after December 31, 2012. However, a**
32 **credit awarded under this chapter before January 1, 2013, may be**
33 **carried forward as provided in this chapter.**

34 **(b) This chapter expires January 1, 2020.**

35 SECTION 21. IC 6-3.1-28-12 IS ADDED TO THE INDIANA
36 CODE AS A NEW SECTION TO READ AS FOLLOWS
37 [EFFECTIVE JULY 1, 2012]: **Sec. 12. (a) A tax credit may not be**
38 **awarded under this chapter after December 31, 2012. However, a**
39 **credit awarded under this chapter before January 1, 2013, may be**
40 **carried forward as provided in this chapter.**

41 **(b) This chapter expires January 1, 2023.**

42 SECTION 22. IC 6-3.1-29-22 IS ADDED TO THE INDIANA

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1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2012]: **Sec. 22. A tax credit may not be**
 3 **awarded under this chapter after December 31, 2012. However, a**
 4 **credit awarded under this chapter before January 1, 2013, may be**
 5 **taken in annual installments as provided in this chapter.**

6 SECTION 23. IC 6-3.1-30-14 IS ADDED TO THE INDIANA
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2012]: **Sec. 14. (a) A tax credit may not be**
 9 **awarded under this chapter after December 31, 2012. However, a**
 10 **credit awarded under this chapter before January 1, 2013, may be**
 11 **carried forward as provided in this chapter.**

12 **(b) This chapter expires January 1, 2023.**

13 SECTION 24. IC 6-3.1-30.5-16 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2012]: **Sec. 16. A tax credit may not be**
 16 **awarded under this chapter after December 31, 2012, to a taxpayer**
 17 **other than individual.**

18 SECTION 25. IC 6-3.1-33-15 IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2012]: **Sec. 15. (a) A tax credit may not be**
 21 **awarded under this chapter after December 31, 2012. However, a**
 22 **credit awarded under this chapter before January 1, 2013, may be**
 23 **carried forward as provided in this chapter.**

24 **(b) This chapter expires January 1, 2023.**

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