

HOUSE BILL No. 1277

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28-16; IC 6-1.1-10-45.

Synopsis: Indiana nanotechnology initiative. Allows the award of grants or loans from the Indiana twenty-first century research and technology fund to support proposals for economic development in nanotechnology. Provides a personal property tax exemption for certain nanotechnology equipment.

Effective: July 1, 2012.

Dvorak

January 11, 2012, read first time and referred to Committee on Commerce, Small Business and Economic Development.

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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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HOUSE BILL No. 1277



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 5-28-16-1.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2012]: **Sec. 1.5. As used in this chapter, "nanotechnology" means**
4 **the sciences and technologies that:**

- 5 (1) **enable understanding, measuring, manipulating, and**
- 6 **manufacturing at the atomic, molecular, and supramolecular**
- 7 **levels; and**
- 8 (2) **are aimed at creating materials, devices, and systems with**
- 9 **fundamentally new molecular organization, properties, and**
- 10 **functions.**

11 SECTION 2. IC 5-28-16-2, AS AMENDED BY P.L.127-2007,
12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2012]: Sec. 2. (a) The Indiana twenty-first century research
14 and technology fund is established within the state treasury to provide
15 grants or loans to support proposals for economic development in one
16 (1) or more of the following areas:

- 17 (1) To increase the capacity of Indiana postsecondary educational



1 institutions, Indiana businesses, and Indiana nonprofit
 2 corporations and organizations to compete successfully for federal
 3 or private research and development funding.

4 (2) To stimulate the transfer of research and technology into
 5 marketable products.

6 (3) To assist with diversifying Indiana's economy by focusing
 7 investment in biomedical research and biotechnology, information
 8 technology, **nanotechnology**, development of alternative fuel
 9 technologies, development and production of fuel efficient
 10 vehicles, and other high technology industry clusters requiring
 11 high skill, high wage employees.

12 (4) To encourage an environment of innovation and cooperation
 13 among universities and businesses to promote research activity.

14 (b) The fund consists of:

15 (1) appropriations from the general assembly;

16 (2) proceeds of bonds issued by the Indiana finance authority
 17 under IC 4-4-11.4 for deposit in the fund; and

18 (3) loan repayments.

19 (c) The corporation shall administer the fund. The following may be
 20 paid from money in the fund:

21 (1) Expenses of administering the fund.

22 (2) Nonrecurring administrative expenses incurred to carry out the
 23 purposes of this chapter.

24 (d) Earnings from loans made under this chapter shall be deposited
 25 in the fund.

26 (e) The budget agency shall review each recommendation. The
 27 budget agency, after review by the budget committee, may approve,
 28 deny, or modify grants and loans recommended by the board. Money
 29 in the fund may not be used to provide a recurring source of revenue
 30 for the normal operating expenditures of any project.

31 (f) The treasurer of state shall invest the money in the fund not
 32 currently needed to meet the obligations of the fund in the same
 33 manner as other public funds may be invested. Interest that accrues
 34 from these investments shall be deposited in the state general fund.

35 (g) The money in the fund at the end of a state fiscal year does not
 36 revert to the state general fund but remains in the fund to be used
 37 exclusively for the purposes of this chapter.

38 SECTION 3. IC 6-1.1-10-45 IS ADDED TO THE INDIANA CODE
 39 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 40 1, 2012]: **Sec. 45. (a) As used in this section, "nanotechnology"**
 41 **means the sciences and technologies that:**

42 (1) **enable understanding, measuring, manipulating, and**

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1 **manufacturing at the atomic, molecular, and supramolecular**
 2 **levels; and**
 3 **(2) are aimed at creating materials, devices, and systems with**
 4 **fundamentally new molecular organization, properties, and**
 5 **functions.**
 6 **(b) Nanotechnology equipment is exempt from property**
 7 **taxation if the equipment is:**
 8 **(1) directly related to nanotechnology research; or**
 9 **(2) primarily used in a project, program, or business based on**
 10 **nanotechnology.**
 11 **(c) An owner of nanotechnology equipment who wishes to obtain**
 12 **the exemption provided in subsection (b) shall claim the exemption**
 13 **on the owner's annual personal property return. On the return, the**
 14 **owner shall describe the property and state the assessed value of**
 15 **the property for which the exemption is claimed.**
 16 **(d) The township or county assessor shall:**
 17 **(1) review the exemption claim; and**
 18 **(2) allow or deny the exemption claim in whole or in part.**
 19 **In making the decision on an exemption claim under this**
 20 **subsection, the township or county assessor shall consider the**
 21 **requirements stated in subsection (b).**
 22 **(e) A township or county assessor who allows an exemption**
 23 **claim under this section shall reduce the assessed value of the**
 24 **personal property that is subject to the exemption for the year for**
 25 **which the exemption is claimed by the amount of exemption**
 26 **allowed.**

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