

HOUSE BILL No. 1295

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-45.

Synopsis: Exemption of farm drainage components from sales tax. Provides that a component of a farm drainage system is exempt from sales tax if a farmer acquires the component. Provides that equipment used to install, repair, or maintain a farm drainage system is exempt from sales tax if the equipment is acquired by a farmer.

Effective: July 1, 2012.

Heaton, Cherry, Gutwein

January 11, 2012, read first time and referred to Committee on Ways and Means.

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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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HOUSE BILL No. 1295



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 6-2.5-5-45 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2012]: **Sec. 45. (a) As used in this section, "farm drainage**
4 **system" means a system of drainage tubing, drainage tiles, and**
5 **related control systems designed to facilitate the drainage of**
6 **agricultural land.**
7 **(b) Transactions involving a component of a farm drainage**
8 **system are exempt from the state gross retail tax if the person**
9 **acquiring the component is engaged in the business of agriculture.**
10 **(c) Transactions involving equipment used to install, repair, or**
11 **maintain farm drainage systems are exempt from the state gross**
12 **retail tax if the person acquiring the equipment is engaged in the**
13 **business of agriculture.**

