

HOUSE BILL No. 1357

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5.

Synopsis: Sales tax exemption for college textbooks. Provides that sales of textbooks are exempt from the state sales tax if: (1) the textbooks are required for an undergraduate course at an accredited college or university; and (2) the purchaser is a student enrolled in an accredited college or university or the parent or guardian of a student enrolled in an accredited college or university.

Effective: July 1, 2012.

Candelaria Reardon

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. 1357



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



- 1 of the organization's members; and
 2 (4) the property sold is not designed or intended primarily for use
 3 in carrying on a private or proprietary business.
 4 (c) The exemption provided by this section does not apply to an
 5 accredited college or university's sales of **the following:**
 6 **(1) Books other than textbooks exempt under section 45 of this**
 7 **chapter.**
 8 **(2) Stationery.**
 9 **(3) Haberdashery.**
 10 **(4) Supplies. or**
 11 **(5) Other property.**
 12 SECTION 2. IC 6-2.5-5-45 IS ADDED TO THE INDIANA CODE
 13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 14 1, 2012]: **Sec. 45. Sales of textbooks are exempt from the state gross**
 15 **retail tax if:**
 16 **(1) the textbooks are required for an undergraduate course at**
 17 **an accredited college or university; and**
 18 **(2) the purchaser is a student enrolled in an accredited college**
 19 **or university or the parent or guardian of a student enrolled**
 20 **in an accredited college or university.**

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