

Adopted	Rejected
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COMMITTEE REPORT

YES:	9
NO:	0

MR. SPEAKER:

*Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1412, 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 Replace the effective dates in SECTIONS 1 through 4 with
- 2 "[EFFECTIVE UPON PASSAGE]".
- 3 Page 2, between lines 23 and 24, begin a new paragraph and insert:
- 4 "SECTION 3. IC 6-3.1-13-15.5, AS AMENDED BY P.L.110-2010,
- 5 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 6 UPON PASSAGE]: Sec. 15.5. **(a) Except as provided in subsection**
- 7 **(b)**, this section applies to an application proposing to retain existing
- 8 jobs in Indiana. After receipt of an application, the corporation may
- 9 enter into an agreement with the applicant for a credit under this
- 10 chapter if the corporation determines that all the following conditions
- 11 exist:
- 12 (1) The applicant's project will retain existing jobs performed by

- 1 the employees of the applicant in Indiana.
- 2 (2) The applicant is engaged in research and development,
- 3 manufacturing, or business services, according to the NAICS
- 4 Manual of the United States Office of Management and Budget.
- 5 (3) The average compensation (including benefits) provided to the
- 6 applicant's employees during the applicant's previous fiscal year
- 7 exceeds the greater of the following:
 - 8 (A) If there is more than one (1) business in the same NAICS
 - 9 industry sector as the applicant's business in the county in
 - 10 which the applicant's business is located, the average
 - 11 compensation paid during that same period to all employees
 - 12 working in that NAICS industry sector in that county
 - 13 multiplied by one hundred five percent (105%).
 - 14 (B) If there is more than one (1) business in the same NAICS
 - 15 industry sector as the applicant's business in Indiana, the
 - 16 average compensation paid during that same period to all
 - 17 employees working in that NAICS industry sector throughout
 - 18 Indiana multiplied by one hundred five percent (105%).
 - 19 (C) The compensation for that same period corresponding to
 - 20 the federal minimum wage multiplied by two hundred percent
 - 21 (200%).
- 22 (4) For taxable years beginning before January 1, 2010, the
- 23 applicant employs at least thirty-five (35) employees in Indiana.
- 24 (5) The applicant has prepared a plan for the use of the credits
- 25 under this chapter for:
 - 26 (A) investment in facility improvements or equipment and
 - 27 machinery upgrades, repairs, or retrofits; or
 - 28 (B) other direct business related investments, including but not
 - 29 limited to training.
- 30 (6) Receiving the tax credit is a major factor in the applicant's
- 31 decision to go forward with the project, and not receiving the tax
- 32 credit will increase the likelihood of the applicant reducing jobs
- 33 in Indiana.
- 34 (7) Awarding the tax credit will result in an overall positive fiscal
- 35 impact to the state, as certified by the budget agency using the
- 36 best available data.
- 37 (8) The applicant's business and project are economically sound
- 38 and will benefit the people of Indiana by increasing or

- 1 maintaining opportunities for employment and strengthening the
2 economy of Indiana.
- 3 (9) The communities affected by the potential reduction in jobs or
4 relocation of jobs to another site outside Indiana have committed
5 local incentives with respect to the retention of jobs in an amount
6 determined by the corporation. For purposes of this subdivision,
7 local incentives include, but are not limited to, cash grants, tax
8 abatements, infrastructure improvements, investment in facility
9 rehabilitation, construction, and training investments.
- 10 (10) The credit is not prohibited by section 16 of this chapter.
- 11 (11) If the business is located in a community revitalization
12 enhancement district established under IC 36-7-13 or a certified
13 technology park established under IC 36-7-32, the legislative
14 body of the political subdivision establishing the district or park
15 has adopted an ordinance recommending the granting of a credit
16 amount that is at least equal to the credit amount provided in the
17 agreement.
- 18 **(b) The corporation shall evaluate an application submitted by**
19 **a qualified taxpayer (as defined in IC 6-3.1-13.1-5) who proposes**
20 **to retain existing jobs in Indiana under IC 6-3.1-13.1-8. The**
21 **corporation shall determine under IC 6-3.1-13.1-8 whether to enter**
22 **into a credit agreement with the qualified taxpayer."**
- 23 Page 3, line 15, delete "in a".
- 24 Page 3, line 16, delete "taxable year beginning".
- 25 Page 3, line 16, delete "December 31, 2012, and ending" and insert
26 **"May 15, 2013, and"**.
- 27 Page 3, line 17, delete "January 1, 2017." and insert **"May 15,**
28 **2018."**
- 29 Page 3, between lines 17 and 18, begin a new paragraph and insert:
30 **"Sec. 2. The purpose of this chapter is to mitigate the affect that**
31 **the federal medical device excise tax under 26 I.R.C. 4191 may**
32 **have on the Indiana medical device industry."**
- 33 Page 3, line 18, delete "2." and insert **"3."**
- 34 Page 3, line 20, delete "3." and insert **"4."**
- 35 Page 3, line 21, delete "7" and insert **"9"**.
- 36 Page 3, line 23, delete "4." and insert **"5."**
- 37 Page 3, line 26, delete "5." and insert **"6."**
- 38 Page 3, line 28, delete "6. A" and insert **"7. (a) Subject to**

1 subsections (b) and (c), a".

2 Page 3, between lines 33 and 34, begin a new paragraph and insert:

3 **"(b) A qualified taxpayer may not apply to the corporation for**
 4 **an EDGE+ bonus after the date on which the federal medical**
 5 **device excise tax is repealed or expires under the Internal Revenue**
 6 **Code.**

7 **(c) The corporation may not:**

8 **(1) accept an application; or**

9 **(2) take any action on an application;**

10 **submitted after the date on which the federal medical device excise**
 11 **tax expires under the Internal Revenue Code or is repealed.**

12 **Sec. 8. This section applies to an application submitted by a**
 13 **qualified taxpayer who proposes to retain existing jobs in Indiana.**
 14 **After receipt of an application, the corporation may enter into an**
 15 **agreement with the applicant for a credit under IC 6-3.1-13 and an**
 16 **EDGE+ bonus under this chapter if the corporation determines**
 17 **that one (1) or more of the following conditions exist:**

18 **(1) The applicant's project will retain existing jobs performed**
 19 **by the employees of the applicant in Indiana.**

20 **(2) The applicant is engaged in research and development or**
 21 **manufacturing, according to the NAICS Manual of the United**
 22 **States Office of Management and Budget.**

23 **(3) The average compensation (including benefits) provided**
 24 **to the applicant's employees during the applicant's previous**
 25 **fiscal year exceeds the greater of the following:**

26 **(A) If there is more than one (1) business in the same**
 27 **NAICS industry sector as the applicant's business in the**
 28 **county in which the applicant's business is located, the**
 29 **average compensation paid during that same period to all**
 30 **employees working in that NAICS industry sector in that**
 31 **county multiplied by one hundred five percent (105%).**

32 **(B) If there is more than one (1) business in the same**
 33 **NAICS industry sector as the applicant's business in**
 34 **Indiana, the average compensation paid during that same**
 35 **period to all employees working in that NAICS industry**
 36 **sector throughout Indiana multiplied by one hundred five**
 37 **percent (105%).**

38 **(C) The compensation for that same period corresponding**

- 1 to the federal minimum wage multiplied by two hundred
- 2 percent (200%).
- 3 **(4) The applicant employs at least thirty-five (35) employees**
- 4 **in Indiana.**
- 5 **(5) The applicant has prepared a plan for the use of the**
- 6 **credits under this chapter for:**
- 7 **(A) investment in facility improvements or equipment and**
- 8 **machinery upgrades, repairs, or retrofits; or**
- 9 **(B) other direct business related investments, including but**
- 10 **not limited to training.**
- 11 **(6) Receiving the tax credit is a major factor in the applicant's**
- 12 **decision to go forward with the project, and not receiving the**
- 13 **tax credit will increase the likelihood of the applicant**
- 14 **reducing jobs in Indiana.**
- 15 **(7) Awarding the tax credit will result in an overall positive**
- 16 **fiscal impact to the state, as certified by the budget agency**
- 17 **using the best available data.**
- 18 **(8) The applicant's business and project are economically**
- 19 **sound and will benefit the people of Indiana by increasing or**
- 20 **maintaining opportunities for employment and strengthening**
- 21 **the economy of Indiana.**
- 22 **(9) The communities affected by the potential reduction in**
- 23 **jobs or relocation of jobs to another site outside Indiana have**
- 24 **committed local incentives with respect to the retention of**
- 25 **jobs in an amount determined by the corporation. For**
- 26 **purposes of this subdivision, local incentives include, but are**
- 27 **not limited to, cash grants, tax abatements, infrastructure**
- 28 **improvements, investment in facility rehabilitation,**
- 29 **construction, and training investments.**
- 30 **(10) The credit is not prohibited by IC 6-3.1-13-16.**
- 31 **(11) If the business is located in a community revitalization**
- 32 **enhancement district established under IC 36-7-13 or a**
- 33 **certified technology park established under IC 36-7-32, the**
- 34 **legislative body of the political subdivision establishing the**
- 35 **district or park has adopted an ordinance recommending the**
- 36 **granting of a credit amount that is at least equal to the credit**
- 37 **amount provided in the agreement."**

Page 3, line 34, delete "7." and insert "9."

- 1 Page 3, delete lines 38 through 42, begin a new paragraph and
- 2 insert:
- 3 **"(b) The amount of the EDGE+ bonus for creating jobs is equal**
- 4 **to the product of:**
- 5 **(1) the number of jobs created in the taxable year by the**
- 6 **qualified taxpayer; multiplied by**
- 7 **(2) five thousand dollars (\$5,000).**
- 8 **(c) The amount of the EDGE+ bonus for retaining jobs is equal**
- 9 **to the product of:**
- 10 **(1) the number of jobs retained in the taxable year by the**
- 11 **qualified taxpayer; multiplied by**
- 12 **(2) two thousand five hundred dollars (\$2,500)."**
- 13 Page 4, delete lines 1 through 15.
- 14 Page 4, line 16, delete "8." and insert "10."
- 15 Page 4, line 16, after "to" insert "**a qualified taxpayer who applies**
- 16 **for**".
- 17 Page 4, line 16, delete "applied".
- 18 Page 4, delete lines 22 through 23, begin a new line block indented
- 19 and insert:
- 20 **"(3) Any limit on a credit amount set forth in IC 6-3.1-13-18."**
- 21 Renumber all SECTIONS consecutively.
(Reference is to HB 1412 as introduced.)

and when so amended that said bill do pass.

Representative Messmer