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# HOUSE BILL No. 1168

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.1-24-7.

**Synopsis:** Venture capital income tax credit. Provides that if the Indiana economic development corporation (IEDC) makes certain findings with respect to a business, the IEDC may certify that business as a qualified Indiana business for purposes of the venture capital investment tax credit. (Current law provides that the IEDC shall certify the business if the IEDC makes those findings.) Makes investments in a business involving professional services provided by a physician eligible for the venture capital investment tax credit. (Under current law, a business involving professional services provided by an accountant, a lawyer, or a physician is not eligible for the credit.)

**Effective:** July 1, 2013.

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January 10, 2013, read first time and referred to Committee on Commerce, Small Business and Economic Development.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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# HOUSE BILL No. 1168



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 6-3.1-24-7, AS AMENDED BY P.L.172-2011,  
2 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2013]: Sec. 7. (a) The Indiana economic development  
4 corporation ~~shall~~ **may** certify that a business is a qualified Indiana  
5 business if the corporation determines that the business:  
6 (1) has its headquarters in Indiana;  
7 (2) is primarily focused on professional motor vehicle racing,  
8 commercialization of research and development, technology  
9 transfers, or the application of new technology, or is determined  
10 by the Indiana economic development corporation to have  
11 significant potential to:  
12 (A) bring substantial capital into Indiana;  
13 (B) create jobs;  
14 (C) diversify the business base of Indiana; or  
15 (D) significantly promote the purposes of this chapter in any  
16 other way;  
17 (3) has had average annual revenues of less than ten million



1 dollars (\$10,000,000) in the two (2) years preceding the year in  
2 which the business received qualified investment capital from a  
3 taxpayer claiming a credit under this chapter;

4 (4) has:

5 (A) at least fifty percent (50%) of its employees residing in  
6 Indiana; or

7 (B) at least seventy-five percent (75%) of its assets located in  
8 Indiana; and

9 (5) is not engaged in a business involving:

10 (A) real estate;

11 (B) real estate development;

12 (C) insurance;

13 (D) professional services provided by an accountant **or** a  
14 lawyer; **or** a ~~physician~~;

15 (E) retail sales, except when the primary purpose of the  
16 business is the development or support of electronic commerce  
17 using the Internet; or

18 (F) oil and gas exploration.

19 (b) A business shall apply to be certified as a qualified Indiana  
20 business on a form prescribed by the Indiana economic development  
21 corporation.

22 (c) If a business is certified as a qualified Indiana business under  
23 this section, the Indiana economic development corporation shall  
24 provide a copy of the certification to the investors in the qualified  
25 Indiana business for inclusion in tax filings.

26 (d) Except as provided in subsection (e), the Indiana economic  
27 development corporation may impose an application fee of not more  
28 than two hundred dollars (\$200).

29 (e) The Indiana economic development corporation may not impose  
30 the application fee authorized by subsection (d) for applications  
31 submitted during the period beginning July 1, 2011, and ending June  
32 30, 2013.

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