
HOUSE BILL No. 1185

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-47.

Synopsis: Sales tax holiday. Provides a sales and use tax exemption each year beginning on the second Friday of August 2013, and August 2014, through the following Sunday (sales tax holiday) for the following items: (1) Clothing, if the sales price does not exceed \$125. (2) A school supply, school art supply, or school instructional material, if the sales price does not exceed \$15. (3) A computer or school computer supply, if the sales price does not exceed \$500. Incorporates the definitions of these items as set forth in the May 24, 2012, Streamlined Sales and Use Tax Agreement.

Effective: Upon passage.

Steuerwald, Battles

January 10, 2013, read first time and referred to Committee on Ways and Means.

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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. 1185



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 6-2.5-5-47 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 47. (a) As used in this section, "clothing"**
4 **means all human wearing apparel for general use, including the**
5 **following:**
6 (1) **Bathing caps.**
7 (2) **Belts and suspenders.**
8 (3) **Coats and jackets.**
9 (4) **Diapers.**
10 (5) **Dresses.**
11 (6) **Footwear.**
12 (7) **Gloves or mittens.**
13 (8) **Hats or caps.**
14 (9) **Neckties.**
15 (10) **Pants.**
16 (11) **Scarves.**
17 (12) **Shirts.**



- 1 **(13) Skirts.**
 2 **(14) Socks or hosiery.**
 3 **(15) Undergarments.**
 4 **(16) Uniforms.**
 5 **(b) As used in this section, "computer" means an electronic**
 6 **device that accepts information in digital or similar form and**
 7 **manipulates it for a result based on a sequence of instructions.**
 8 **(c) As used in this section, "sales tax holiday" means the period:**
 9 **(1) beginning at 12:01 a.m. on the second Friday of each**
 10 **August; and**
 11 **(2) ending at 11:59 p.m. on the immediately following Sunday.**
 12 **(d) As used in this section, "school art supply" means an item**
 13 **commonly used by a student in a course of study for artwork. The**
 14 **term is limited to the following:**
 15 **(1) Clay and glazes.**
 16 **(2) Paints, such as acrylic, tempera, and oil.**
 17 **(3) Paintbrushes for artwork.**
 18 **(4) Sketch and drawing pads.**
 19 **(5) Watercolors.**
 20 **(e) As used in this section, "school computer supply" means an**
 21 **item commonly used by a student in a course of study in which a**
 22 **computer is used. The term is limited to the following:**
 23 **(1) Computer storage media, such as diskettes and compact**
 24 **disks.**
 25 **(2) Handheld electronic schedulers, except devices that are**
 26 **cellular telephones.**
 27 **(3) Personal digital assistants, except devices that are cellular**
 28 **telephones.**
 29 **(4) Computer printers.**
 30 **(5) Printer supplies for computers, such as printer paper and**
 31 **printer ink.**
 32 **(f) As used in this section, "school instructional materials"**
 33 **means written materials commonly used by a student in a course**
 34 **of study as a reference and to learn the subject being taught. The**
 35 **term is limited to the following:**
 36 **(1) Reference books.**
 37 **(2) Reference maps and globes.**
 38 **(3) Textbooks.**
 39 **(4) Workbooks.**
 40 **(g) As used in this section, "school supply" means an item**
 41 **commonly used by a student in a course of study. The term is**
 42 **limited to the following:**

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- 1 (1) Binders.
 2 (2) Book bags.
 3 (3) Calculators.
 4 (4) Cellophane tape.
 5 (5) Blackboard chalk.
 6 (6) Compasses.
 7 (7) Composition books.
 8 (8) Crayons.
 9 (9) Erasers.
 10 (10) Folders, limited to the following:
 11 (A) Expandable folders.
 12 (B) Pocket folders.
 13 (C) Plastic folders.
 14 (D) Manila folders.
 15 (11) Glue, paste, and paste sticks.
 16 (12) Highlighters.
 17 (13) Index cards.
 18 (14) Index card boxes.
 19 (15) Legal pads.
 20 (16) Lunch boxes.
 21 (17) Markers.
 22 (18) Notebooks.
 23 (19) Paper, limited to the following:
 24 (A) Loose leaf ruled notebook paper.
 25 (B) Copy paper.
 26 (C) Graph paper.
 27 (D) Tracing paper.
 28 (E) Manila paper.
 29 (F) Colored paper.
 30 (G) Poster board.
 31 (H) Construction paper.
 32 (20) Pencil boxes and other school supply boxes.
 33 (21) Pencil sharpeners.
 34 (22) Pencils.
 35 (23) Pens.
 36 (24) Protractors.
 37 (25) Rulers.
 38 (26) Scissors.
 39 (27) Writing tablets.
 40 (h) During each sales tax holiday, the following items of tangible
 41 personal property sold in a retail transaction are exempt from the
 42 state gross retail tax if the individual item is purchased for a

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- 1 **nonbusiness use and the item is one (1) of the following:**
- 2 **(1) Clothing, if the sales price does not exceed one hundred**
- 3 **twenty-five dollars (\$125).**
- 4 **(2) A school supply, school art supply, or school instructional**
- 5 **material, if the sales price does not exceed fifteen dollars**
- 6 **(\$15).**
- 7 **(3) A computer or school computer supply, if the sales price**
- 8 **does not exceed five hundred dollars (\$500).**
- 9 **(i) The department may adopt rules under IC 4-22-2 to**
- 10 **implement this section.**
- 11 **(j) This section expires July 1, 2015.**
- 12 **SECTION 2. An emergency is declared for this act.**

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