

HOUSE BILL No. 1213

DIGEST OF INTRODUCED BILL

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

Synopsis: Sales tax exemption for data warehouse equipment. Provides a state sales tax exemption for the sale or lease of certain enterprise information technology equipment. Requires that the investment in the equipment must be at least \$100,000,000. Specifies that the investment must be in a high technology district area established by a municipality or county fiscal body. Requires that the exemption must be preapproved by the Indiana economic development corporation. Requires the equipment purchase to be made after June 30, 2013, and before July 1, 2017.

Effective: July 1, 2013.

Messmer, Hale

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. 1213



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 JULY
 3 1, 2013]: **Sec. 47. (a) As used in this section, "eligible business"**
 4 **means an entity that meets the following requirements:**
 5 **(1) The entity is engaged in a business that:**
 6 **(A) operates; or**
 7 **(B) leases;**
 8 **enterprise information technology equipment for use in a data**
 9 **center dedicated to computing, networking, or data storage**
 10 **activities.**
 11 **(2) The entity's enterprise information technology equipment**
 12 **is located in a high technology district area established under**
 13 **IC 6-1.1-10-44, and the designating body has entered into an**
 14 **agreement under IC 6-1.1-10-44(i) with the entity.**
 15 **(3) The entity, the lessor of enterprise information technology**
 16 **equipment (if the entity is a lessee), and all lessees of**
 17 **enterprise information technology equipment invest in the**



1 aggregate at least one hundred million dollars (\$100,000,000)
2 in enterprise information technology equipment that will be
3 located at one (1) or more data centers.

4 (b) As used in this section, "enterprise information technology
5 equipment" means the following:

6 (1) Hardware supporting computing, networking, or data
7 storage functions, including servers and routers.

8 (2) Networking systems having an industry designation as
9 equipment within the "enterprise" or "data center" class of
10 networking systems that support the computing, networking,
11 or data storage functions.

12 (3) Generators and other equipment used to ensure an
13 uninterrupted power supply to equipment described in
14 subdivision (1) or (2).

15 The term does not include computer hardware designed for single
16 user, workstation, or departmental level use.

17 (c) An entity that proposes to purchase or lease enterprise
18 information technology equipment and desires to be an eligible
19 business under this section must file with the Indiana economic
20 development corporation an application for exemption. The
21 Indiana economic development corporation shall review the
22 application to determine if the applicant qualifies as an eligible
23 business under this section. The Indiana economic development
24 corporation shall provide its determination to the applicant and to
25 the department.

26 (d) A transaction involving enterprise information technology
27 equipment is exempt from the state gross retail tax if the
28 department has received, before the date of the transaction, the
29 determination of the Indiana economic development corporation
30 that the transaction is by an eligible business.

31 (e) The exemption provided by this section may be obtained by
32 issuing the eligible business a specific transaction exemption
33 certificate or by the eligible business applying for a refund after
34 paying the state gross retail tax.

35 (f) This section applies to transactions that occur after June 30,
36 2013, and before July 1, 2017.

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