

# HOUSE BILL No. 1429

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-7-32.

**Synopsis:** Certified technology parks. Allows the Indiana economic development corporation and a redevelopment commission to agree to exclude county adjusted gross income tax, county option income tax, and county economic development income tax from the income tax capture amount for the redevelopment commission's certified technology park. Provides that if two or more redevelopment commissions agree to undertake joint economic development projects in their respective certified technology parks, a participating redevelopment commission may assign part of the available sales and income tax capture limit for the redevelopment commission's certified technology park to another cooperating certified technology park. Provides that the sales and income tax capture limit specified in statute for a certified technology park may not be reduced by rule or agreement, except for an assignment agreement between cooperating redevelopment commissions. Makes appropriations to the Daviess County, Greene County, and Martin County redevelopment commissions for the development of infrastructure at the Westgate@Crane technology park.

**Effective:** July 1, 2013.

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## Ubelhor, Messmer

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January 23, 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. 1429



A BILL FOR AN ACT to amend the Indiana Code concerning local government and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 36-7-32-8 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 8. As used in this
- 3 chapter, "income tax base period amount" means the aggregate amount
- 4 of the following taxes paid by employees employed in the territory
- 5 comprising a certified technology park with respect to wages and salary
- 6 earned for work in the certified technology park for the state fiscal year
- 7 that precedes the date on which the certified technology park was
- 8 designated under section 11 of this chapter:
- 9 (1) The adjusted gross income tax.
- 10 (2) The county adjusted gross income tax, **unless excluded by**
- 11 **agreement as described in section 12(b) of this chapter.**
- 12 (3) The county option income tax, **unless excluded by agreement**
- 13 **as described in section 12(b) of this chapter.**
- 14 (4) The county economic development income tax, **unless**
- 15 **excluded by agreement as described in section 12(b) of this**
- 16 **chapter.**
- 17 SECTION 2. IC 36-7-32-8.5, AS ADDED BY P.L.199-2005,



1 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2013]: Sec. 8.5. As used in this chapter, "income tax  
3 incremental amount" means the remainder of:

4 (1) the total amount of:

5 (A) state adjusted gross income taxes;

6 (B) county adjusted gross income tax, **unless excluded by  
7 agreement as described in section 12(b) of this chapter;**

8 (C) county option income taxes, **unless excluded by  
9 agreement as described in section 12(b) of this chapter;** and

10 (D) county economic development income taxes, **unless  
11 excluded by agreement as described in section 12(b) of this  
12 chapter;**

13 paid by employees employed in the territory comprising the  
14 certified technology park with respect to wages and salary earned  
15 for work in the territory comprising the certified technology park  
16 for a particular state fiscal year; minus

17 (2) the sum of the:

18 (A) income tax base period amount; and

19 (B) tax credits awarded by the economic development for a  
20 growing economy board under IC 6-3.1-13 to businesses  
21 operating in a certified technology park as the result of wages  
22 earned for work in the certified technology park for the state  
23 fiscal year;

24 as determined by the department of state revenue.

25 SECTION 3. IC 36-7-32-12, AS AMENDED BY P.L.154-2007,  
26 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JULY 1, 2013]: Sec. 12. (a) A redevelopment commission and the  
28 legislative body of the unit that established the redevelopment  
29 commission may enter into an agreement with the Indiana economic  
30 development corporation establishing the terms and conditions  
31 governing a certified technology park designated under section 11 of  
32 this chapter. Upon designation of the certified technology park under  
33 the terms of the agreement, the subsequent failure of any party to  
34 comply with the terms of the agreement may result in the termination  
35 or rescission of the designation of the area as a certified technology  
36 park. The agreement must include the following provisions:

37 (1) A description of the area to be included within the certified  
38 technology park.

39 (2) Covenants and restrictions, if any, upon all or a part of the  
40 properties contained within the certified technology park and  
41 terms of enforcement of any covenants or restrictions.

42 (3) The financial commitments of any party to the agreement and

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1 of any owner or developer of property within the certified  
2 technology park.

3 (4) The terms of any commitment required from a postsecondary  
4 educational institution or private research based institute for  
5 support of the operations and activities within the certified  
6 technology park.

7 (5) The terms of enforcement of the agreement, which may  
8 include the definition of events of default, cure periods, legal and  
9 equitable remedies and rights, and penalties and damages, actual  
10 or liquidated, upon the occurrence of an event of default.

11 (6) The public facilities to be developed for the certified  
12 technology park and the costs of those public facilities, as  
13 approved by the Indiana economic development corporation.

14 **(b) An agreement between a redevelopment commission and the**  
15 **Indiana economic development corporation described in subsection**  
16 **(a) may include a provision excluding the following taxes from the**  
17 **calculation of the income tax base period amount and the income**  
18 **tax incremental amount for the certified technology park:**

19 (1) **The county adjusted gross income tax.**

20 (2) **The county option income tax.**

21 (3) **The county economic development income tax.**

22 SECTION 4. IC 36-7-32-22 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 22. (a) The treasurer of  
24 state shall establish an incremental tax financing fund for each certified  
25 technology park designated under this chapter. The fund shall be  
26 administered by the treasurer of state. Money in the fund does not  
27 revert to the state general fund at the end of a state fiscal year.

28 (b) Subject to subsection (c), the following amounts shall be  
29 deposited during each state fiscal year in the incremental tax financing  
30 fund established for a certified technology park under subsection (a):

31 (1) The aggregate amount of state gross retail and use taxes that  
32 are remitted under IC 6-2.5 by businesses operating in the  
33 certified technology park, until the amount of state gross retail  
34 and use taxes deposited equals the gross retail incremental  
35 amount for the certified technology park.

36 (2) The aggregate amount of the following taxes paid by  
37 employees employed in the certified technology park with respect  
38 to wages earned for work in the certified technology park, until  
39 the amount deposited equals the income tax incremental amount:

40 (A) The adjusted gross income tax.

41 (B) The county adjusted gross income tax, **unless excluded by**  
42 **agreement as described in section 12(b) of this chapter.**

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- 1 (C) The county option income tax, **unless excluded by**  
 2 **agreement as described in section 12(b) of this chapter.**
- 3 (D) The county economic development income tax, **unless**  
 4 **excluded by agreement as described in section 12(b) of this**  
 5 **chapter.**
- 6 (c) ~~Not more than a total of five million dollars (\$5,000,000)~~ **The**  
 7 **amount that** may be deposited in a particular incremental tax  
 8 financing fund for a certified technology park over the life of the  
 9 certified technology park **may not exceed:**
- 10 (1) **five million dollars (\$5,000,000); plus**
- 11 (2) **the sum of all amounts assigned to the certified technology**  
 12 **park under section 26(b)(4) of this chapter; minus**
- 13 (3) **the sum of all amounts assigned by the certified technology**  
 14 **park under section 26(b)(4) of this chapter.**
- 15 (d) On or before the twentieth day of each month, all amounts held  
 16 in the incremental tax financing fund established for a certified  
 17 technology park shall be distributed to the redevelopment commission  
 18 for deposit in the certified technology park fund established under  
 19 section 23 of this chapter.
- 20 (e) **Except as provided in section 26(b)(4) of this chapter, the**  
 21 **limit specified by subsection (c) may not be reduced by rule or**  
 22 **agreement. If a rule or agreement adopted or entered into before**  
 23 **July 1, 2013, includes a provision reducing the limit specified by**  
 24 **subsection (c), the provision in the rule or agreement is void.**  
 25 **However, a redevelopment commission, or a unit establishing the**  
 26 **redevelopment commission, is barred from making any claim**  
 27 **concerning revenue that was not distributed to the redevelopment**  
 28 **commission before July 1, 2013, because of a provision of a rule or**  
 29 **agreement that is voided by this subsection.**
- 30 SECTION 5. IC 36-7-32-26, AS ADDED BY P.L.203-2005,  
 31 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2013]: Sec. 26. (a) Two (2) or more redevelopment  
 33 commissions may enter into a written agreement under this section to  
 34 jointly undertake economic development projects in the certified  
 35 technology parks established by the redevelopment commissions that  
 36 are parties to the agreement.
- 37 (b) A party to an agreement under this section may do one (1) or  
 38 more of the following:
- 39 (1) Except as provided in subsection (c), grant one (1) or more of  
 40 its powers to another party to the agreement.
- 41 (2) Exercise any power granted to it by a party to the agreement.
- 42 (3) Pledge any of its revenues, including taxes or allocated taxes

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1 under section 17 of this chapter, to the bonds or lease rental  
2 obligations of another party to the agreement under IC 5-1-14-4.

3 **(4) Assign any available part of the limit specified in section**  
4 **22(c) of this chapter from the party's certified technology**  
5 **park to the certified technology park of another party to the**  
6 **agreement.**

7 (c) A redevelopment commission may not grant to another  
8 redevelopment commission the power to tax or to establish an  
9 allocation area under this chapter.

10 **(d) If a redevelopment commission enters into an agreement, or**  
11 **an amendment to an agreement, under this section that includes a**  
12 **provision described in subsection (b)(4), the redevelopment**  
13 **commission shall promptly notify the treasurer of state, the**  
14 **Indiana economic development corporation, and the department**  
15 **of state revenue by certified mail of:**

16 **(1) the details of the provision; and**

17 **(2) the effect of the provision on the limit specified in section**  
18 **22(c) of this chapter for the redevelopment commission's**  
19 **certified technology park.**

20 ~~(d)~~ (e) An action to challenge the validity of an agreement under this  
21 section must be brought not more than thirty (30) days after the  
22 agreement has been approved by all the parties to the agreement. After  
23 that period has passed, the agreement is not contestable for any cause.

24 SECTION 6. [EFFECTIVE JULY 1, 2013] (a) **There is**  
25 **appropriated two million dollars (\$2,000,000) to the redevelopment**  
26 **commission of Daviess County from the state general fund for the**  
27 **commission's use in developing infrastructure at the**  
28 **Westgate@Crane technology park beginning July 1, 2013, and**  
29 **ending June 30, 2015.**

30 (b) **There is appropriated two million dollars (\$2,000,000) to the**  
31 **redevelopment commission of Greene County from the state**  
32 **general fund for the commission's use in developing infrastructure**  
33 **at the Westgate@Crane technology park beginning July 1, 2013,**  
34 **and ending June 30, 2015.**

35 (c) **There is appropriated two million dollars (\$2,000,000) to the**  
36 **redevelopment commission of Martin County from the state**  
37 **general fund for the commission's use in developing infrastructure**  
38 **at the Westgate@Crane technology park beginning July 1, 2013,**  
39 **and ending June 30, 2015.**

40 (d) **This SECTION expires July 1, 2015.**

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