
HOUSE BILL No. 1546

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5; IC 6-3-4; IC 6-4.1; IC 6-6-5.5; IC 6-8.1; IC 7.1-3-21-15; IC 9-18-2; IC 34-24-1-1; IC 35-43-5-4.4.

Synopsis: Tax administration. Makes numerous changes concerning the administration of the state gross retail tax, the adjusted gross income tax, the inheritance tax, the commercial vehicle excise tax, tax collection, penalties and refunds, and the registering and plating of certain commercial vehicles. Restores provisions repealed in 2012 concerning the deduction and credits provided to retail merchants with respect to prepaid sales taxes on gasoline and special fuel. Authorizes the disclosure of taxpayer information to a member of the general assembly or an employee of the house of representatives or the senate if the member or employee is acting on behalf of the taxpayer and certain conditions are met. Repeals obsolete provisions in the commercial vehicle excise tax law.

Effective: July 1, 2012 (retroactive); January 1, 2013 (retroactive); July 1, 2013; January 1, 2014.

Turner

January 22, 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. 1546



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 6-2.5-5-16 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 16. Transactions
3 involving tangible personal property, **accommodations**, public utility
4 commodities, and public utility service are exempt from the state gross
5 retail tax, if the person acquiring the property, **accommodations**,
6 commodities, or service:

7 (1) is the state of Indiana, an agency or instrumentality of the
8 state, a political subdivision of the state, or an agency or
9 instrumentality of a political subdivision of the state, including a
10 county solid waste management district or a joint solid waste
11 management district established under IC 13-21 or IC 13-9.5-2
12 (before its repeal); and

13 (2) predominantly uses the property, **accommodations**,
14 commodities, or service to perform its governmental functions.

15 SECTION 2. IC 6-2.5-5-21, AS AMENDED BY P.L.2-2007,
16 SECTION 119, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JULY 1, 2013]: Sec. 21. (a) For purposes of this section,



1 "private benefit or gain" does not include reasonable compensation
2 paid to an employee for work or services actually performed.

3 (b) Sales of food and food ingredients are exempt from the state
4 gross retail tax if:

5 (1) the seller meets the filing requirements under subsection (d)
6 and is any of the following:

7 (A) A fraternity, a sorority, or a student cooperative housing
8 organization that is connected with and under the supervision
9 of a postsecondary educational institution if no part of its
10 income is used for the private benefit or gain of any member,
11 trustee, shareholder, employee, or associate.

12 (B) Any:

- 13 (i) institution;
- 14 (ii) trust;
- 15 (iii) group;
- 16 (iv) united fund;
- 17 (v) affiliated agency of a united fund;
- 18 (vi) nonprofit corporation;
- 19 (vii) cemetery association; or
- 20 (viii) organization;

21 that is organized and operated exclusively for religious,
22 charitable, scientific, literary, educational, or civic purposes if
23 no part of its income is used for the private benefit or gain of
24 any member, trustee, shareholder, employee, or associate.

25 (C) A group, an organization, or a nonprofit corporation that
26 is organized and operated for fraternal or social purposes, or
27 as a business league or association, and not for the private
28 benefit or gain of any member, trustee, shareholder, employee,
29 or associate.

30 (D) A:

- 31 (i) hospital licensed by the state department of health;
- 32 (ii) shared hospital services organization exempt from
33 federal income taxation by Section 501(c)(3) or 501(e) of
34 the Internal Revenue Code;
- 35 (iii) labor union;
- 36 (iv) church;
- 37 (v) monastery;
- 38 (vi) convent;
- 39 (vii) school that is a part of the Indiana public school
40 system;
- 41 (viii) parochial school regularly maintained by a recognized
42 religious denomination; or

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- 1 (ix) trust created for the purpose of paying pensions to
 2 members of a particular profession or business who created
 3 the trust for the purpose of paying pensions to each other;
 4 if the taxpayer is not organized or operated for private profit or
 5 gain;
- 6 (2) the purchaser is a person confined to ~~his~~ **the purchaser's**
 7 home because of age, sickness, or infirmity;
- 8 (3) the seller delivers the food and food ingredients to the
 9 purchaser; and
- 10 (4) the delivery is prescribed as medically necessary by a
 11 physician licensed to practice medicine in Indiana.
- 12 (c) Sales of food and food ingredients are exempt from the state
 13 gross retail tax if the seller is an organization described in subsection
 14 (b)(1), and the purchaser is a patient in a hospital operated by the
 15 seller.
- 16 (d) To obtain the exemption provided by this section, a taxpayer
 17 must file an application for exemption with the department
 18 ~~(1) before January 1, 2003, under IC 6-2.1-3-19 (repealed); or~~
 19 ~~(2) not later than one hundred twenty (120) days after the~~
 20 ~~taxpayer's formation.~~
- 21 In addition, the taxpayer must file an annual report with the department
 22 on or before the fifteenth day of the fifth month following the close of
 23 each taxable year. If a taxpayer fails to file the report, the department
 24 shall notify the taxpayer of the failure. If within sixty (60) days after
 25 receiving such notice the taxpayer does not provide the report, the
 26 taxpayer's exemption shall be canceled. However, the department may
 27 reinstate the taxpayer's exemption if the taxpayer shows by petition that
 28 the failure was due to excusable neglect.
- 29 SECTION 3. IC 6-2.5-5-25 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 25. (a)
 31 Transactions involving tangible personal property, **accommodations**,
 32 or service are exempt from the state gross retail tax, if the person
 33 acquiring the property, **accommodations**, or service:
- 34 (1) is an organization described in section 21(b)(1) of this
 35 chapter;
- 36 (2) primarily uses the property, **accommodations**, or service to
 37 carry on or to raise money to carry on its not-for-profit purpose;
 38 and
- 39 (3) is not an organization operated predominantly for social
 40 purposes.
- 41 (b) Transactions ~~occurring after December 31, 1976, and~~ involving
 42 tangible personal property or service are exempt from the state gross

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1 retail tax, if the person acquiring the property or service:

- 2 (1) is a fraternity, sorority, or student cooperative housing
3 organization described in section 21(b)(1)(A) of this chapter; and
4 (2) uses the property or service to carry on its ordinary and usual
5 activities and operations as a fraternity, sorority, or student
6 cooperative housing organization.

7 SECTION 4. IC 6-2.5-6-14.1 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 14.1. ~~Notwithstanding~~
9 ~~the refund provisions of this article as incorporated from the gross~~
10 ~~income tax law (IC 6-2.1, repealed);~~ A retail merchant is not entitled
11 to a refund of state gross retail or use taxes ~~unless~~ **until** the retail
12 merchant refunds those taxes to the person from whom they were
13 collected.

14 SECTION 5. IC 6-2.5-7-5, AS AMENDED BY P.L.98-2012,
15 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2012 (RETROACTIVE)]: Sec. 5. (a) Each retail merchant
17 who dispenses gasoline or special fuel from a metered pump shall, in
18 the manner prescribed in IC 6-2.5-6, report to the department the
19 following information:

- 20 (1) The total number of gallons of gasoline sold from a metered
21 pump during the period covered by the report.
22 (2) The total amount of money received from the sale of gasoline
23 described in subdivision (1) during the period covered by the
24 report.
25 (3) That portion of the amount described in subdivision (2) which
26 represents state and federal taxes imposed under this article,
27 IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.
28 (4) The total number of gallons of special fuel sold from a
29 metered pump during the period covered by the report.
30 (5) The total amount of money received from the sale of special
31 fuel during the period covered by the report.
32 (6) That portion of the amount described in subdivision (5) that
33 represents state and federal taxes imposed under this article,
34 IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.
35 (7) The total number of gallons of E85 sold from a metered pump
36 during the period covered by the report.

37 (b) Concurrently with filing the report, the retail merchant shall
38 remit the state gross retail tax in an amount which equals six and
39 fifty-four hundredths percent (6.54%) of the gross receipts, including
40 state gross retail taxes but excluding Indiana and federal gasoline and
41 special fuel taxes, received by the retail merchant from the sale of the
42 gasoline and special fuel that is covered by the report and on which the

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1 retail merchant was required to collect state gross retail tax. The retail
 2 merchant shall remit that amount regardless of the amount of state
 3 gross retail tax which the merchant has actually collected under this
 4 chapter. However, the retail merchant is entitled to deduct and retain
 5 the amounts prescribed in **subsection (c)**, IC 6-2.5-6-10, and
 6 IC 6-2.5-6-11.

7 **(c) A retail merchant is entitled to deduct from the amount of**
 8 **state gross retail tax required to be remitted under subsection (b)**
 9 **an amount equal to:**

10 **(1) the sum of the prepayment amounts made during the**
 11 **period covered by the retail merchant's report; minus**

12 **(2) the sum of prepayment amounts collected by the retail**
 13 **merchant, in the merchant's capacity as a qualified**
 14 **distributor, during the period covered by the retail**
 15 **merchant's report.**

16 **For purposes of this section, a prepayment of the gross retail tax is**
 17 **presumed to occur on the date on which it is invoiced.**

18 SECTION 6. IC 6-2.5-7-6.5 IS ADDED TO THE INDIANA CODE
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 20 1, 2012 (RETROACTIVE)]: **Sec. 6.5. (a) If the deduction under**
 21 **section 5(c) of this chapter exceeds the amount of gross retail tax**
 22 **required to be remitted under section 5(b) of this chapter, the retail**
 23 **merchant is entitled to a credit. The credit shall be used as follows:**

24 **(1) First, the credit shall be applied against gross retail and**
 25 **use tax liability of the retail merchant that is required to be**
 26 **remitted under IC 6-2.5-6.**

27 **(2) Second, any amount remaining shall be applied against the**
 28 **gasoline tax liability of the retail merchant, as determined**
 29 **under IC 6-6-1.1, excluding any liability for gasoline delivered**
 30 **to a taxable marine facility.**

31 **A retail merchant may file a claim for a refund instead of taking a**
 32 **credit or for a refund of any excess tax payment remaining after**
 33 **the credits allowed by this section. In addition, a retail merchant**
 34 **may file a claim for a refund under section 12 of this chapter.**

35 **(b) A retail merchant that is entitled to a refund under this**
 36 **section must file a claim for the refund on the refund claim form**
 37 **approved by the department and must include any supporting**
 38 **documentation reasonably required by the department. If a retail**
 39 **merchant files a completed refund claim form that includes all**
 40 **supporting documentation, the excess tax payment that is not**
 41 **refunded within ninety (90) days accrues interest as provided in**
 42 **IC 6-8.1-9-2.**

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1 (c) Before the fifth day of each month, the department shall
 2 determine and notify the treasurer of state of the amount of credits
 3 applied during the preceding month against the gasoline tax under
 4 this section. The treasurer of state shall transfer from the general
 5 fund:

- 6 (1) to the highway, road and street fund, twenty-five percent
 7 (25%) of the amount set forth in the department's notice; and
 8 (2) to the motor fuel tax fund of the motor vehicle highway
 9 account, seventy-five percent (75%) of the amount set forth in
 10 the department's notice.

11 SECTION 7. IC 6-2.5-7-12, AS AMENDED BY P.L.98-2012,
 12 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2012 (RETROACTIVE)]: Sec. 12. (a) Except as provided in
 14 subsection (b), a distributor that prepays the state gross retail tax under
 15 this chapter shall separately state the amount of tax prepaid on the
 16 invoice the distributor issues to its purchaser or recipient. The
 17 purchaser or recipient shall pay to the distributor an amount equal to
 18 the prepaid tax.

19 (b) A distributor that:

- 20 (1) prepays the state gross retail tax under this chapter;
 21 (2) is a retail merchant; and
 22 (3) sells gasoline that is exempt from the gross retail tax, as
 23 evidenced by a purchaser's exemption certificate issued by the
 24 department;

25 may not require the exempt purchaser to pay the gross retail taxes
 26 prepaid in the gasoline sold to the exempt purchaser. A distributor that
 27 has prepaid gross retail taxes and has not been reimbursed because the
 28 gasoline is sold to an exempt purchaser may file a claim for a refund
 29 **(in addition to any claim for a refund filed under section 6.5 of this**
 30 **chapter)**, if the amount of unreimbursed prepaid gross retail taxes
 31 exceeds five hundred dollars (\$500). A claim for a refund must be on
 32 the form approved by the department and include all supporting
 33 documentation reasonably required by the department. If a distributor
 34 files a completed refund claim form that includes all supporting
 35 documentation, the department shall authorize the auditor of state to
 36 issue a warrant for the refund.

37 SECTION 8. IC 6-2.5-8-1, AS AMENDED BY P.L.172-2011,
 38 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JANUARY 1, 2014]: Sec. 1. (a) A retail merchant may not make a
 40 retail transaction in Indiana, unless the retail merchant has applied for
 41 a registered retail merchant's certificate.

42 (b) A retail merchant may obtain a registered retail merchant's

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1 certificate by filing an application with the department and paying a
2 registration fee of twenty-five dollars (\$25) for each place of business
3 listed on the application. The retail merchant shall also provide such
4 security for payment of the tax as the department may require under
5 IC 6-2.5-6-12.

6 (c) The retail merchant shall list on the application the location
7 (including the township) of each place of business where the retail
8 merchant makes retail transactions. However, if the retail merchant
9 does not have a fixed place of business, the retail merchant shall list the
10 retail merchant's residence as the retail merchant's place of business. In
11 addition, a public utility may list only its principal Indiana office as its
12 place of business for sales of public utility commodities or service, but
13 the utility must also list on the application the places of business where
14 it makes retail transactions other than sales of public utility
15 commodities or service.

16 (d) Upon receiving a proper application, the correct fee, and the
17 security for payment, if required, the department shall issue to the retail
18 merchant a separate registered retail merchant's certificate for each
19 place of business listed on the application. Each certificate shall bear
20 a serial number and the location of the place of business for which it is
21 issued.

22 (e) If a retail merchant intends to make retail transactions during a
23 calendar year at a new Indiana place of business, the retail merchant
24 must file a supplemental application and pay the fee for that place of
25 business.

26 (f) **Except as provided in subsection (h)**, a registered retail
27 merchant's certificate is valid for two (2) years after the date the
28 registered retail merchant's certificate is originally issued or renewed.
29 If the retail merchant has filed all returns and remitted all taxes the
30 retail merchant is currently obligated to file or remit, the department
31 shall renew the registered retail merchant's certificate within thirty (30)
32 days after the expiration date, at no cost to the retail merchant.

33 (g) The department may not renew a registered retail merchant
34 certificate of a retail merchant who is delinquent in remitting
35 withholding taxes required to be remitted under IC 6-3-4 or sales or use
36 tax. The department, at least sixty (60) days before the date on which
37 a retail merchant's registered retail merchant's certificate expires, shall
38 notify a retail merchant who is delinquent in remitting withholding
39 taxes required to be remitted under IC 6-3-4 or sales or use tax that the
40 department will not renew the retail merchant's registered retail
41 merchant's certificate.

42 (h) **If:**

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1 (1) a retail merchant has been notified by the department that
 2 the retail merchant is delinquent in remitting withholding
 3 taxes or sales or use tax in accordance with subsection (g);
 4 and

5 (2) the retail merchant pays the outstanding liability before
 6 the expiration of the retail merchant's registered retail
 7 merchant's certificate;

8 the department shall renew the retail merchant's registered retail
 9 merchant's certificate for one (1) year.

10 ~~(i)~~ (i) A retail merchant engaged in business in Indiana as defined
 11 in IC 6-2.5-3-1(c) who makes retail transactions that are only subject
 12 to the use tax must obtain a registered retail merchant's certificate
 13 before making those transactions. The retail merchant may obtain the
 14 certificate by following the same procedure as a retail merchant under
 15 subsections (b) and (c), except that the retail merchant must also
 16 include on the application:

17 (1) the names and addresses of the retail merchant's principal
 18 employees, agents, or representatives who engage in Indiana in
 19 the solicitation or negotiation of the retail transactions;

20 (2) the location of all of the retail merchant's places of business in
 21 Indiana, including offices and distribution houses; and

22 (3) any other information that the department requests.

23 ~~(j)~~ (j) The department may permit an out-of-state retail merchant to
 24 collect the use tax. However, before the out-of-state retail merchant
 25 may collect the tax, the out-of-state retail merchant must obtain a
 26 registered retail merchant's certificate in the manner provided by this
 27 section. Upon receiving the certificate, the out-of-state retail merchant
 28 becomes subject to the same conditions and duties as an Indiana retail
 29 merchant and must then collect the use tax due on all sales of tangible
 30 personal property that the out-of-state retail merchant knows is
 31 intended for use in Indiana.

32 ~~(k)~~ (k) Except as provided in subsection ~~(k)~~, (l), the department shall
 33 submit to the township assessor, or the county assessor if there is no
 34 township assessor for the township, before July 15 of each year:

35 (1) the name of each retail merchant that has newly obtained a
 36 registered retail merchant's certificate between March 2 of the
 37 preceding year and March 1 of the current year for a place of
 38 business located in the township or county; and

39 (2) the address of each place of business of the taxpayer in the
 40 township or county.

41 ~~(l)~~ (l) If the duties of the township assessor have been transferred
 42 to the county assessor as described in IC 6-1.1-1-24, the department

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1 shall submit the information listed in subsection (j) (k) to the county
2 assessor.

3 SECTION 9. IC 6-2.5-9-2 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. A retail merchant
5 who makes a retail transaction without having applied for or obtained
6 a registered retail merchant's certificate or a renewal of a registered
7 retail merchant's certificate or after the retail merchant's certificate has
8 been revoked or suspended by the department commits a ~~Class B Class~~
9 **A** misdemeanor.

10 SECTION 10. IC 6-3-4-8, AS AMENDED BY P.L.137-2012,
11 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JANUARY 1, 2013 (RETROACTIVE)]: Sec. 8. (a) Except as provided
13 in subsection (d), every employer making payments of wages subject
14 to tax under this article, regardless of the place where such payment is
15 made, who is required under the provisions of the Internal Revenue
16 Code to withhold, collect, and pay over income tax on wages paid by
17 such employer to such employee, shall, at the time of payment of such
18 wages, deduct and retain therefrom the amount prescribed in
19 withholding instructions issued by the department. The department
20 shall base its withholding instructions on the adjusted gross income tax
21 rate for persons, on the total rates of any income taxes that the taxpayer
22 is subject to under IC 6-3.5, and on the total amount of exclusions the
23 taxpayer is entitled to under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4).
24 However, the withholding instructions on the adjusted gross income of
25 a nonresident alien (as defined in Section 7701 of the Internal Revenue
26 Code) are to be based on applying not more than one (1) withholding
27 exclusion, regardless of the total number of exclusions that
28 IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply
29 on the taxpayer's final return for the taxable year. Such employer
30 making payments of any wages:

31 (1) shall be liable to the state of Indiana for the payment of the tax
32 required to be deducted and withheld under this section and shall
33 not be liable to any individual for the amount deducted from the
34 individual's wages and paid over in compliance or intended
35 compliance with this section; and

36 (2) shall make return of and payment to the department monthly
37 of the amount of tax which under this article and IC 6-3.5 the
38 employer is required to withhold.

39 (b) An employer shall pay taxes withheld under subsection (a)
40 during a particular month to the department no later than thirty (30)
41 days after the end of that month. However, in place of monthly
42 reporting periods, the department may permit an employer to report and

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1 pay the tax for a calendar year reporting period, if the average monthly
 2 amount of all tax required to be withheld by the employer in the
 3 previous calendar year does not exceed one thousand dollars (\$1,000).
 4 An employer using a reporting period (other than a monthly reporting
 5 period) must file the employer's return and pay the tax for a reporting
 6 period no later than the last day of the month immediately following
 7 the close of the reporting period.

8 (c) For purposes of determining whether an employee is subject to
 9 taxation under IC 6-3.5, an employer is entitled to rely on the statement
 10 of an employee as to the employee's county of residence as represented
 11 by the statement of address in forms claiming exemptions for purposes
 12 of withholding, regardless of when the employee supplied the forms.
 13 Every employee shall notify the employee's employer within five (5)
 14 days after any change in the employee's county of residence.

15 (d) A county that makes payments of wages subject to tax under this
 16 article:

17 (1) to a precinct election officer (as defined in IC 3-5-2-40.1); and
 18 (2) for the performance of the duties of the precinct election
 19 officer imposed by IC 3 that are performed on election day;
 20 is not required, at the time of payment of the wages, to deduct and
 21 retain from the wages the amount prescribed in withholding
 22 instructions issued by the department.

23 (e) Every employer shall, at the time of each payment made by the
 24 employer to the department, deliver to the department a return upon the
 25 form prescribed by the department showing:

26 (1) the total amount of wages paid to the employer's employees;
 27 (2) the amount deducted therefrom in accordance with the
 28 provisions of the Internal Revenue Code;
 29 (3) the amount of adjusted gross income tax deducted therefrom
 30 in accordance with the provisions of this section;
 31 (4) the amount of income tax, if any, imposed under IC 6-3.5 and
 32 deducted therefrom in accordance with this section; and
 33 (5) any other information the department may require.

34 Every employer making a declaration of withholding as provided in this
 35 section shall furnish the employer's employees annually, but not later
 36 than thirty (30) days after the end of the calendar year, a record of the
 37 total amount of adjusted gross income tax and the amount of each
 38 income tax, if any, imposed under IC 6-3.5, withheld from the
 39 employees, on the forms prescribed by the department.

40 (f) All money deducted and withheld by an employer shall
 41 immediately upon such deduction be the money of the state, and every
 42 employer who deducts and retains any amount of money under the

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1 provisions of this article shall hold the same in trust for the state of
2 Indiana and for payment thereof to the department in the manner and
3 at the times provided in this article. Any employer may be required to
4 post a surety bond in the sum the department determines to be
5 appropriate to protect the state with respect to money withheld pursuant
6 to this section.

7 (g) The provisions of IC 6-8.1 relating to additions to tax in case of
8 delinquency and penalties shall apply to employers subject to the
9 provisions of this section, and for these purposes any amount deducted
10 or required to be deducted and remitted to the department under this
11 section shall be considered to be the tax of the employer, and with
12 respect to such amount the employer shall be considered the taxpayer.
13 In the case of a corporate or partnership employer, every officer,
14 employee, or member of such employer, who, as such officer,
15 employee, or member is under a duty to deduct and remit such taxes
16 shall be personally liable for such taxes, penalties, and interest.

17 (h) Amounts deducted from wages of an employee during any
18 calendar year in accordance with the provisions of this section shall be
19 considered to be in part payment of the tax imposed on such employee
20 for the employee's taxable year which begins in such calendar year, and
21 a return made by the employer under subsection (b) shall be accepted
22 by the department as evidence in favor of the employee of the amount
23 so deducted from the employee's wages. Where the total amount so
24 deducted exceeds the amount of tax on the employee as computed
25 under this article and IC 6-3.5, the department shall, after examining
26 the return or returns filed by the employee in accordance with this
27 article and IC 6-3.5, refund the amount of the excess deduction.
28 However, under rules promulgated by the department, the excess or any
29 part thereof may be applied to any taxes or other claim due from the
30 taxpayer to the state of Indiana or any subdivision thereof. No refund
31 shall be made to an employee who fails to file the employee's return or
32 returns as required under this article and IC 6-3.5 within two (2) years
33 from the due date of the return or returns. In the event that the excess
34 tax deducted is less than one dollar (\$1), no refund shall be made.

35 (i) This section shall in no way relieve any taxpayer from the
36 taxpayer's obligation of filing a return or returns at the time required
37 under this article and IC 6-3.5, and, should the amount withheld under
38 the provisions of this section be insufficient to pay the total tax of such
39 taxpayer, such unpaid tax shall be paid at the time prescribed by
40 section 5 of this chapter.

41 (j) Notwithstanding subsection (b), an employer of a domestic
42 service employee that enters into an agreement with the domestic

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1 service employee to withhold federal income tax under Section 3402
2 of the Internal Revenue Code may withhold Indiana income tax on the
3 domestic service employee's wages on the employer's Indiana
4 individual income tax return in the same manner as allowed by Section
5 3510 of the Internal Revenue Code.

6 (k) To the extent allowed by Section 1137 of the Social Security
7 Act, an employer of a domestic service employee may report and remit
8 state unemployment insurance contributions on the employee's wages
9 on the employer's Indiana individual income tax return in the same
10 manner as allowed by Section 3510 of the Internal Revenue Code.

11 (l) A person who knowingly fails to remit trust fund money as set
12 forth in this section commits a Class D felony.

13 SECTION 11. IC 6-3-4-12, AS AMENDED BY P.L.137-2012,
14 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2013]: Sec. 12. (a) Every partnership shall, at the time that the
16 partnership pays or credits amounts to any of its nonresident partners
17 on account of their distributive shares of partnership income, for a
18 taxable year of the partnership, deduct and retain therefrom the amount
19 prescribed in the withholding instructions referred to in section 8 of
20 this chapter. Such partnership so paying or crediting any nonresident
21 partner:

22 (1) shall be liable to the state of Indiana for the payment of the tax
23 required to be deducted and retained under this section and shall
24 not be liable to such partner for the amount deducted from such
25 payment or credit and paid over in compliance or intended
26 compliance with this section; and

27 (2) shall make return of and payment to the department monthly
28 whenever the amount of tax due under IC 6-3 and IC 6-3.5
29 exceeds an aggregate amount of fifty dollars (\$50) per month with
30 such payment due on the thirtieth day of the following month,
31 unless an earlier date is specified by section 8.1 of this chapter.

32 Where the aggregate amount due under IC 6-3 and IC 6-3.5 does not
33 exceed fifty dollars (\$50) per month, then such partnership shall make
34 return and payment to the department quarterly, on such dates and in
35 such manner as the department shall prescribe, of the amount of tax
36 which, under IC 6-3 and IC 6-3.5, it is required to withhold.

37 (b) Every partnership shall, at the time of each payment made by it
38 to the department pursuant to this section, deliver to the department a
39 return upon such form as shall be prescribed by the department
40 showing the total amounts paid or credited to its nonresident partners,
41 the amount deducted therefrom in accordance with the provisions of
42 this section, and such other information as the department may require.

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1 Every partnership making the deduction and retention provided in this
2 section shall furnish to its nonresident partners annually, but not later
3 than the fifteenth day of the third month after the end of its taxable
4 year, a record of the amount of tax deducted and retained from such
5 partners on forms to be prescribed by the department.

6 (c) All money deducted and retained by the partnership, as provided
7 in this section, shall immediately upon such deduction be the money of
8 the state of Indiana and every partnership which deducts and retains
9 any amount of money under the provisions of IC 6-3 shall hold the
10 same in trust for the state of Indiana and for payment thereof to the
11 department in the manner and at the times provided in IC 6-3. Any
12 partnership may be required to post a surety bond in such sum as the
13 department shall determine to be appropriate to protect the state of
14 Indiana with respect to money deducted and retained pursuant to this
15 section.

16 (d) The provisions of IC 6-8.1 relating to additions to tax in case of
17 delinquency and penalties shall apply to partnerships subject to the
18 provisions of this section, and for these purposes any amount deducted,
19 or required to be deducted and remitted to the department under this
20 section, shall be considered to be the tax of the partnership, and with
21 respect to such amount it shall be considered the taxpayer.

22 (e) Amounts deducted from payments or credits to a nonresident
23 partner during any taxable year of the partnership in accordance with
24 the provisions of this section shall be considered to be in part payment
25 of the tax imposed on such nonresident partner for the nonresident
26 partner's taxable year within or with which the partnership's taxable
27 year ends. A return made by the partnership under subsection (b) shall
28 be accepted by the department as evidence in favor of the nonresident
29 partner of the amount so deducted for the nonresident partner's
30 distributive share.

31 (f) This section shall in no way relieve any nonresident partner from
32 the nonresident partner's obligations of filing a return or returns at the
33 time required under IC 6-3 or IC 6-3.5, and any unpaid tax shall be paid
34 at the time prescribed by section 5 of this chapter.

35 (g) Instead of the reporting periods required under subsection (a),
36 the department may permit a partnership to file one (1) return and
37 payment each year if the partnership pays or credits amounts to its
38 nonresident partners only one (1) time each year. The return and
39 payment are due on or before the fifteenth day of the fourth month after
40 the end of the year.

41 (h) A partnership shall file a composite adjusted gross income tax
42 return on behalf of all nonresident individual partners. The composite

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1 return must include each nonresident individual partner regardless of
2 whether or not the nonresident individual partner has other Indiana
3 source income.

4 (i) If a partnership does not include all nonresident partners in the
5 composite return, the partnership is subject to the penalty imposed
6 under IC 6-8.1-10-2.1(j).

7 **(j) For taxable years beginning after December 31, 2013, the**
8 **department may not impose a late payment penalty on a**
9 **partnership for the failure to file a return, pay the full amount of**
10 **the tax shown on the partnership's return, or pay the deficiency of**
11 **the withholding taxes due under this section if the partnership pays**
12 **the department at least:**

13 **(1) eighty percent (80%) of the withholding tax due for the**
14 **current year; or**

15 **(2) one hundred percent (100%) of the withholding tax due**
16 **for the preceding year before the fifteenth day of the fourth**
17 **month after the end of the partnership's taxable year.**

18 SECTION 12. IC 6-3-4-13, AS AMENDED BY P.L.137-2012,
19 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2013]: Sec. 13. (a) Every corporation which is exempt from
21 tax under IC 6-3 pursuant to IC 6-3-2-2.8(2) shall, at the time that it
22 pays or credits amounts to any of its nonresident shareholders as
23 dividends or as their share of the corporation's undistributed taxable
24 income, withhold the amount prescribed by the department. Such
25 corporation so paying or crediting any nonresident shareholder:

26 (1) shall be liable to the state of Indiana for the payment of the tax
27 required to be withheld under this section and shall not be liable
28 to such shareholder for the amount withheld and paid over in
29 compliance or intended compliance with this section; and

30 (2) when the aggregate amount due under IC 6-3 and IC 6-3.5
31 exceeds one hundred fifty dollars (\$150) per quarter, then such
32 corporation shall make return and payment to the department
33 quarterly, on such dates and in such manner as the department
34 shall prescribe, of the amount of tax which, under IC 6-3 and
35 IC 6-3.5, it is required to withhold.

36 (b) Every corporation shall, at the time of each payment made by it
37 to the department pursuant to this section, deliver to the department a
38 return upon such form as shall be prescribed by the department
39 showing the total amounts paid or credited to its nonresident
40 shareholders, the amount withheld in accordance with the provisions
41 of this section, and such other information as the department may
42 require. Every corporation withholding as provided in this section shall

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1 furnish to its nonresident shareholders annually, but not later than the
 2 fifteenth day of the third month after the end of its taxable year, a
 3 record of the amount of tax withheld on behalf of such shareholders on
 4 forms to be prescribed by the department.

5 (c) All money withheld by a corporation, pursuant to this section,
 6 shall immediately upon being withheld be the money of the state of
 7 Indiana and every corporation which withholds any amount of money
 8 under the provisions of this section shall hold the same in trust for the
 9 state of Indiana and for payment thereof to the department in the
 10 manner and at the times provided in IC 6-3. Any corporation may be
 11 required to post a surety bond in such sum as the department shall
 12 determine to be appropriate to protect the state of Indiana with respect
 13 to money withheld pursuant to this section.

14 (d) The provisions of IC 6-8.1 relating to additions to tax in case of
 15 delinquency and penalties shall apply to corporations subject to the
 16 provisions of this section, and for these purposes any amount withheld,
 17 or required to be withheld and remitted to the department under this
 18 section, shall be considered to be the tax of the corporation, and with
 19 respect to such amount it shall be considered the taxpayer.

20 (e) Amounts withheld from payments or credits to a nonresident
 21 shareholder during any taxable year of the corporation in accordance
 22 with the provisions of this section shall be considered to be a part
 23 payment of the tax imposed on such nonresident shareholder for ~~his~~ **the**
 24 **shareholder's** taxable year within or with which the corporation's
 25 taxable year ends. A return made by the corporation under subsection
 26 (b) shall be accepted by the department as evidence in favor of the
 27 nonresident shareholder of the amount so withheld from the
 28 shareholder's distributive share.

29 (f) This section shall in no way relieve any nonresident shareholder
 30 from the shareholder's obligation of filing a return or returns at the time
 31 required under IC 6-3 or IC 6-3.5, and any unpaid tax shall be paid at
 32 the time prescribed by section 5 of this chapter.

33 (g) Instead of the reporting periods required under subsection (a),
 34 the department may permit a corporation to file one (1) return and
 35 payment each year if the corporation pays or credits amounts to its
 36 nonresident shareholders only one (1) time each year. The withholding
 37 return and payment are due on or before the fifteenth day of the fourth
 38 month after the end of the taxable year of the corporation.

39 (h) If a distribution will be made with property other than money or
 40 a gain is realized without the payment of money, the corporation shall
 41 not release the property or credit the gain until it has funds sufficient
 42 to enable it to pay the tax required to be withheld under this section. If

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1 necessary, the corporation shall obtain such funds from the
2 shareholders.

3 (i) If a corporation fails to withhold and pay any amount of tax
4 required to be withheld under this section and thereafter the tax is paid
5 by the shareholders, such amount of tax as paid by the shareholders
6 shall not be collected from the corporation but it shall not be relieved
7 from liability for interest or penalty otherwise due in respect to such
8 failure to withhold under IC 6-8.1-10.

9 (j) A corporation described in subsection (a) shall file a composite
10 adjusted gross income tax return on behalf of all nonresident
11 shareholders. The composite return must include each nonresident
12 individual shareholder regardless of whether or not the nonresident
13 individual shareholder has other Indiana source income.

14 (k) If a corporation described in subsection (a) does not include all
15 nonresident shareholders in the composite return, the corporation is
16 subject to the penalty imposed under IC 6-8.1-10-2.1(j).

17 **(l) For taxable years beginning after December 31, 2013, the**
18 **department may not impose a late payment penalty on a**
19 **corporation for the failure to file a return, pay the full amount of**
20 **the tax shown on the corporation's return, or pay the deficiency of**
21 **the withholding taxes due under this section if the corporation pays**
22 **the department at least:**

23 **(1) eighty percent (80%) of the withholding tax due for the**
24 **current year; or**

25 **(2) one hundred percent (100%) of the withholding tax due**
26 **for the preceding year before the fifteenth day of the fourth**
27 **month after the end of the corporation's taxable year.**

28 SECTION 13. IC 6-4.1-1-0.5, AS ADDED BY P.L.157-2012,
29 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2013]: Sec. 0.5. **(a) Except as provided in subsection (b),**
31 **this chapter does not apply to a property interest transferred by a**
32 **decendent whose death occurs after December 31, 2021.**

33 **(b) For purposes of IC 6-4.1-11 and IC 6-4.1-11.5, the following**
34 **statutes apply with respect to a property interest transferred by a**
35 **decendent whose death occurs after December 31, 2021:**

36 **(1) Section 4 of this chapter.**

37 **(2) Section 5 of this chapter.**

38 **(3) Section 8 of this chapter.**

39 **(4) Section 11 of this chapter.**

40 **(5) Section 13 of this chapter.**

41 SECTION 14. IC 6-4.1-1-4 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4. "Federal **state** death

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1 tax credit" means the maximum federal estate tax credit provided, with
 2 respect to estate, inheritance, legacy, or succession taxes, under Section
 3 2011 or Section 2102 of the Internal Revenue Code.

4 SECTION 15. IC 6-4.1-10-1, AS AMENDED BY P.L.182-2009(ss),
 5 SECTION 232, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JANUARY 1, 2014]: Sec. 1. (a) A person may file with
 7 the department of state revenue a claim for the refund of inheritance or
 8 Indiana estate tax which has been erroneously or illegally collected.
 9 Except as provided in section 2 of this chapter, the person must file the
 10 claim within:

11 (1) three (3) years after the tax is paid; or
 12 ~~within~~ (2) one (1) year after the tax is finally determined **under**
 13 **IC 6-4.1-5-10, IC 6-4.1-5-15, or IC 6-4.1-5-16;**
 14 whichever is later.

15 **(b) A person shall file a claim for a refund on a form prescribed**
 16 **by the department of state revenue that must include:**

- 17 **(1) the amount of the refund claimed; and**
 18 **(2) the reason the person is entitled to a refund.**

19 ~~(b)~~ (c) The amount of the refund that a person is entitled to receive
 20 under this chapter equals the amount of the erroneously or illegally
 21 collected tax, plus interest calculated as specified in subsection ~~(e)~~: **(d).**

22 ~~(e)~~ (d) If a tax payment that has been erroneously or illegally
 23 collected is not refunded within ninety (90) days after the later of the
 24 date on which:

- 25 (1) the refund claim is filed with the department of state revenue;
 26 or
 27 (2) **the department of state revenue receives:**
 28 **(A) the inheritance tax return is received by the department of**
 29 **state revenue; and order required under IC 6-4.1-5-10, in**
 30 **the case of a resident decedent; or**
 31 **(B) the inheritance tax return, in the case of a nonresident**
 32 **decedent;**

33 interest accrues at the rate of six percent (6%) per annum computed
 34 from the date under subdivision (1) or (2), whichever applies, until the
 35 tax payment is refunded.

36 SECTION 16. IC 6-4.1-11-6, AS AMENDED BY P.L.157-2012,
 37 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2013]: Sec. 6. (a) The department of state revenue shall
 39 collect the Indiana estate tax and the interest charges imposed under
 40 this chapter. The department shall remit the money which it collects
 41 under this chapter to the state treasurer, and the state treasurer shall
 42 deposit the money in the state general fund.



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1 (b) Except as provided in subsection ~~(e)~~; **(d)**, the treasurer of state
2 shall annually distribute to each county the amount determined under
3 subsection (c) ~~or (d)~~ for the county. The distribution **for with respect**
4 **to inheritance tax collections in** a particular state fiscal year must be
5 made before August 15 of the following state fiscal year. There is
6 appropriated from the state general fund the amount necessary to make
7 the distributions under this subsection.

8 (c) ~~For a state fiscal year ending before July 1, 2012,~~ The
9 department of state revenue shall determine the inheritance tax
10 replacement amount for each county using the following formula:

11 STEP ONE: Determine the amount of inheritance tax revenue
12 retained by each county in each state fiscal year beginning with
13 the state fiscal year that began July 1, 1990, and ending with the
14 state fiscal year that ends June 30, 1997.

15 STEP TWO: Determine the average annual amount of inheritance
16 tax revenue retained by each county using five (5) of the seven (7)
17 state fiscal years described in STEP ONE after excluding the two
18 (2) years in which each county retained its highest and lowest
19 totals of inheritance tax revenue.

20 STEP THREE: Determine the remainder of the STEP TWO
21 amount minus the amount of inheritance taxes retained by the
22 county during the immediately preceding state fiscal year.

23 ~~(d) For a state fiscal year beginning after June 30, 2012, and ending~~
24 ~~before July 1, 2022,~~ the department of state revenue shall determine the
25 inheritance tax replacement amount for each county using the
26 following formula:

27 ~~STEP ONE: Determine the inheritance tax replacement amount~~
28 ~~distributed to the county for the state fiscal year that began on~~
29 ~~July 1, 2011.~~

30 ~~STEP TWO:~~ **FOUR:** Multiply the amount determined under
31 ~~STEP ONE~~ **THREE** by the appropriate percentage as follows:

32 (A) Ninety-one percent (91%) for the state fiscal year
33 beginning July 1, 2012: **distributions made in 2013.**

34 (B) Eighty-two percent (82%) for the state fiscal year
35 beginning July 1, 2013: **distributions made in 2014.**

36 (C) Seventy-three percent (73%) for the state fiscal year
37 beginning July 1, 2014: **distributions made in 2015.**

38 (D) Sixty-four percent (64%) for the state fiscal year beginning
39 July 1, 2015: **distributions made in 2016.**

40 (E) Fifty-five percent (55%) for the state fiscal year beginning
41 July 1, 2016: **distributions made in 2017.**

42 (F) Forty-five percent (45%) for the state fiscal year beginning

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- 1 ~~July 1, 2017. distributions made in 2018.~~
- 2 (G) ~~Thirty-six percent (36%) for the state fiscal year beginning~~
- 3 ~~July 1, 2018. distributions made in 2019.~~
- 4 (H) ~~Twenty-seven percent (27%) for the state fiscal year~~
- 5 ~~beginning July 1, 2019. distributions made in 2020.~~
- 6 (I) ~~Eighteen percent (18%) for the state fiscal year beginning~~
- 7 ~~July 1, 2020. distributions made in 2021.~~
- 8 (J) ~~Nine percent (9%) for the state fiscal year beginning July~~
- 9 ~~1, 2021. distributions made in 2022.~~

10 ~~(e) (d)~~ A county is not entitled to a distribution under subsection (b)
 11 ~~for a state fiscal year beginning after June 30, after December 31,~~
 12 ~~2022.~~

13 SECTION 17. IC 6-6-5.5-3 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 3. (a) There is
 15 imposed an annual license excise tax upon commercial vehicles, which
 16 tax shall be in lieu of the ad valorem property tax levied for state or
 17 local purposes, but in addition to any registration fees imposed on such
 18 vehicles.

19 (b) Owners of commercial vehicles paying an apportioned
 20 registration to the state under the International Registration Plan shall
 21 pay an apportioned excise tax calculated by dividing in-state actual
 22 miles by total fleet miles generated during the preceding year. If
 23 in-state miles are estimated for purposes of proportional registration,
 24 these miles are divided by total actual and estimated fleet miles.

25 (c) The tax imposed by this chapter is a listed tax and subject to the
 26 provisions of IC 6-8.1.

27 (d) No commercial vehicle subject to taxation under this chapter
 28 shall be assessed as personal property for the purpose of the assessment
 29 and levy of personal property taxes or shall be subject to ad valorem
 30 taxes, ~~first due and payable in 2001 or thereafter,~~ whether or not such
 31 vehicle is in fact registered pursuant to the motor vehicle registration
 32 laws. No person shall be required to give proof of the payment of ad
 33 valorem property taxes as a condition to the registration of any vehicle
 34 that is subject to the tax imposed by this chapter.

35 SECTION 18. IC 6-6-5.5-4 IS REPEALED [EFFECTIVE
 36 JANUARY 1, 2014]. ~~Sec. 4: For calendar year 2000, the excise tax for~~
 37 ~~a truck and a tractor not used with a semitrailer, a traction engine, or~~
 38 ~~other similar vehicle used for hauling purposes is as follows, based on~~
 39 ~~the declared gross weight of the vehicle:~~

40 **DECLARED GROSS WEIGHT (Pounds)**

41 Greater than	Equal to or less than	Tax
42 11,000 lbs	16,000 lbs	\$ 11

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1	16,000 lbs	20,000 lbs	\$ 14
2	20,000 lbs	23,000 lbs	\$ 19
3	23,000 lbs	26,000 lbs	\$ 19
4	26,000 lbs	30,000 lbs	\$ 23
5	30,000 lbs	36,000 lbs	\$ 33
6	36,000 lbs	42,000 lbs	\$ 40
7	42,000 lbs	48,000 lbs	\$ 50
8	48,000 lbs	54,000 lbs	\$ 58
9	54,000 lbs	60,000 lbs	\$ 64
10	60,000 lbs	66,000 lbs	\$ 68
11	Over 66,000 lbs		\$ 76

12 SECTION 19. IC 6-6-5.5-5 IS REPEALED [EFFECTIVE
 13 JANUARY 1, 2014]. Sec. 5: For calendar year 2000, the excise tax for
 14 a tractor used with a semitrailer is as follows, based on the declared
 15 gross weight of the tractor-semitrailer combination:

16 DECLARED GROSS WEIGHT (Pounds)

17	Greater than	Equal to or less than	Tax
18	0 lbs	20,000 lbs	\$13
19	20,000 lbs	26,000 lbs	\$25
20	26,000 lbs	30,000 lbs	\$31
21	30,000 lbs	36,000 lbs	\$39
22	36,000 lbs	42,000 lbs	\$43
23	42,000 lbs	48,000 lbs	\$52
24	48,000 lbs	54,000 lbs	\$57
25	54,000 lbs	60,000 lbs	\$63
26	60,000 lbs	66,000 lbs	\$69
27	66,000 lbs	72,000 lbs	\$77
28	72,000 lbs	74,000 lbs	\$83
29	74,000 lbs	76,000 lbs	\$92
30	76,000 lbs	78,000 lbs	\$98
31	Over 78,000 lbs		\$107

32 SECTION 20. IC 6-6-5.5-6 IS REPEALED [EFFECTIVE
 33 JANUARY 1, 2014]. Sec. 6: (a) For calendar year 2000, the excise tax
 34 for a semitrailer, including a semitrailer converted to a full trailer
 35 through the use of a converter dolly, is one dollar (\$1):

36 (b) For calendar year 2000, the excise tax for a trailer having a gross
 37 weight in excess of three thousand (3,000) pounds is as follows, based
 38 on the declared gross weight of the trailer:

39 DECLARED GROSS WEIGHT (Pounds)

40	Greater than	Equal to or less than	Tax
41	3,000 lbs	5,000 lbs	\$1

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1	5,000 lbs	7,000 lbs	\$2
2	7,000 lbs	9,000 lbs	\$2
3	9,000 lbs	12,000 lbs	\$6
4	12,000 lbs	16,000 lbs	\$9
5	16,000 lbs	22,000 lbs	\$13
6	Over 22,000 lbs		\$18

7 SECTION 21. IC 6-6-5.5-7, AS AMENDED BY P.L.182-2009(ss),
 8 SECTION 239, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JANUARY 1, 2014]: Sec. 7. (a) For calendar years that
 10 begin after December 31, 2000; The annual excise tax for a commercial
 11 vehicle will be determined by the motor carrier services division on or
 12 before October 1 of each year in accordance with the following
 13 formula:

14 STEP ONE: Determine the total amount of base revenue to be
 15 distributed from the commercial vehicle excise tax fund to all
 16 taxing units in Indiana during the calendar year for which the tax
 17 is first due and payable. For calendar year 2001, the total amount
 18 of base revenue for all taxing units shall be determined as
 19 provided in section 19 of this chapter. For calendar years that
 20 begin after December 31, 2001, and before January 1, 2009, the
 21 total amount of base revenue for all taxing units shall be
 22 determined by multiplying the previous year's base revenue for all
 23 taxing units by one hundred five percent (105%). For calendar
 24 years that begin after December 31, 2008, the total amount of
 25 base revenue for all taxing units shall be determined as provided
 26 in for all taxing units using the base revenue determined for
 27 each taxing unit under section 19 of this chapter.

28 STEP TWO: Determine the sum of fees paid to register the
 29 following commercial vehicles in Indiana under the following
 30 statutes during the fiscal year that ends June 30 immediately
 31 preceding the calendar year for which the tax is first due and
 32 payable:

- 33 (A) Total registration fees collected under IC 9-29-5-3 for
- 34 commercial vehicles with a declared gross weight in excess of
- 35 eleven thousand (11,000) pounds, including trucks, tractors
- 36 not used with semitrailers, traction engines, and other similar
- 37 vehicles used for hauling purposes;
- 38 (B) Total registration fees collected under IC 9-29-5-5 for
- 39 tractors used with semitrailers;
- 40 (C) Total registration fees collected under IC 9-29-5-6 for
- 41 semitrailers used with tractors;
- 42 (D) Total registration fees collected under IC 9-29-5-4 for

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1 trailers having a declared gross weight in excess of three
2 thousand (3,000) pounds; and

3 (E) Total registration fees collected under IC 9-29-5-13 for
4 trucks, tractors and semitrailers used in connection with
5 agricultural pursuits usual and normal to the user's farming
6 operation, multiplied by two hundred percent (200%).

7 STEP THREE: Determine the tax factor by dividing the STEP
8 ONE result by the STEP TWO result.

9 (b) Except as otherwise provided in this chapter, the annual excise
10 tax for commercial vehicles with a declared gross weight in excess of
11 eleven thousand (11,000) pounds, including trucks, tractors not used
12 with semitrailers, traction engines, and other similar vehicles used for
13 hauling purposes, shall be determined by multiplying the registration
14 fee under IC 9-29-5-3 by the tax factor determined in subsection (a).

15 (c) Except as otherwise provided in this chapter, the annual excise
16 tax for tractors used with semitrailers shall be determined by
17 multiplying the registration fee under IC 9-29-5-5 by the tax factor
18 determined in subsection (a).

19 (d) Except as otherwise provided in this chapter, the annual excise
20 tax for trailers having a declared gross weight in excess of three
21 thousand (3,000) pounds shall be determined by multiplying the
22 registration fee under IC 9-29-5-4 by the tax factor determined in
23 subsection (a).

24 (e) The annual excise tax for a semitrailer shall be determined by
25 multiplying the average annual registration fee under IC 9-29-5-6 by
26 the tax factor determined in subsection (a). The average annual
27 registration fee for a semitrailer under IC 9-29-5-6 is sixteen dollars
28 and seventy-five cents (\$16.75).

29 (f) The annual excise tax determined under this section shall be
30 rounded upward to the next full dollar amount.

31 SECTION 22. IC 6-6-5.5-9 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 9. (a) The excise
33 tax on a semitrailer that is registered on a permanent basis shall be due
34 on or before the regular date each year in which the owner is required
35 to renew such registration under the terms of the International
36 Registration Plan or under rules adopted by the bureau under
37 IC 9-18-10-3. The excise tax shall be paid at the time the registration
38 is renewed by the owner. The payment of the excise tax imposed by
39 this chapter shall be a condition of the right to renew the permanent
40 registration and shall be in addition to all other conditions prescribed
41 by law.

42 ~~(b) The excise tax on a semitrailer that is registered on a five (5)~~

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1 year basis under IC 9-18-10-2 is due before February 1 of each year.

2 (c) The excise tax on a semitrailer that is subject to the International
3 Registration Plan and is registered on a five (5) year basis is due before
4 April 1 of each year. If the department adopts staggered registration
5 under IC 9-18-2-7, the excise tax on a semitrailer that is subject to the
6 International Registration Plan and is registered on a five (5) year basis
7 is due on or before the first day of the month in which the owner is
8 required to purchase or renew the apportioned plate.

9 (d) (b) A voucher from the department showing payment of the
10 excise tax imposed by this chapter may be accepted by the bureau in
11 lieu of a payment under subsection (a).

12 SECTION 23. IC 6-8.1-7-1, AS AMENDED BY P.L.182-2009(ss),
13 SECTION 254, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JANUARY 1, 2014]: Sec. 1. (a) This subsection does not
15 apply to the disclosure of information concerning a conviction on a tax
16 evasion charge. Unless in accordance with a judicial order or as
17 otherwise provided in this chapter, the department, its employees,
18 former employees, counsel, agents, or any other person may not divulge
19 the amount of tax paid by any taxpayer, terms of a settlement
20 agreement executed between a taxpayer and the department,
21 investigation records, investigation reports, or any other information
22 disclosed by the reports filed under the provisions of the law relating
23 to any of the listed taxes, including required information derived from
24 a federal return, except to:

25 (1) members and employees of the department;

26 (2) the governor;

27 **(3) a member of the general assembly or an employee of the**
28 **house of representatives or the senate when acting on behalf**
29 **of a taxpayer located in the member's legislative district who**
30 **has provided sufficient information to the member or**
31 **employee for the department to determine that the member**
32 **or employee is acting on behalf of the taxpayer;**

33 (3) (4) the attorney general or any other legal representative of the
34 state in any action in respect to the amount of tax due under the
35 provisions of the law relating to any of the listed taxes; or

36 (4) (5) any authorized officers of the United States;

37 when it is agreed that the information is to be confidential and to be
38 used solely for official purposes.

39 (b) The information described in subsection (a) may be revealed
40 upon the receipt of a certified request of any designated officer of the
41 state tax department of any other state, district, territory, or possession
42 of the United States when:

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1 (1) the state, district, territory, or possession permits the exchange
2 of like information with the taxing officials of the state; and

3 (2) it is agreed that the information is to be confidential and to be
4 used solely for tax collection purposes.

5 (c) The information described in subsection (a) relating to a person
6 on public welfare or a person who has made application for public
7 welfare may be revealed to the director of the division of family
8 resources, and to any director of a county office of the division of
9 family resources located in Indiana, upon receipt of a written request
10 from either director for the information. The information shall be
11 treated as confidential by the directors. In addition, the information
12 described in subsection (a) relating to a person who has been
13 designated as an absent parent by the state Title IV-D agency shall be
14 made available to the state Title IV-D agency upon request. The
15 information shall be subject to the information safeguarding provisions
16 of the state and federal Title IV-D programs.

17 (d) The name, address, Social Security number, and place of
18 employment relating to any individual who is delinquent in paying
19 educational loans owed to a postsecondary educational institution may
20 be revealed to that institution if it provides proof to the department that
21 the individual is delinquent in paying for educational loans. This
22 information shall be provided free of charge to approved postsecondary
23 educational institutions (as defined by IC 21-7-13-6(a)). The
24 department shall establish fees that all other institutions must pay to the
25 department to obtain information under this subsection. However, these
26 fees may not exceed the department's administrative costs in providing
27 the information to the institution.

28 (e) The information described in subsection (a) relating to reports
29 submitted under IC 6-6-1.1-502 concerning the number of gallons of
30 gasoline sold by a distributor and IC 6-6-2.5 concerning the number of
31 gallons of special fuel sold by a supplier and the number of gallons of
32 special fuel exported by a licensed exporter or imported by a licensed
33 transporter may be released by the commissioner upon receipt of a
34 written request for the information.

35 (f) The information described in subsection (a) may be revealed
36 upon the receipt of a written request from the administrative head of a
37 state agency of Indiana when:

38 (1) the state agency shows an official need for the information;
39 and

40 (2) the administrative head of the state agency agrees that any
41 information released will be kept confidential and will be used
42 solely for official purposes.

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1 (g) The information described in subsection (a) may be revealed
 2 upon the receipt of a written request from the chief law enforcement
 3 officer of a state or local law enforcement agency in Indiana when it is
 4 agreed that the information is to be confidential and to be used solely
 5 for official purposes.

6 (h) The name and address of retail merchants, including township,
 7 as specified in ~~IC 6-2.5-8-1(j)~~ **IC 6-2.5-8-1(k)** may be released solely
 8 for tax collection purposes to township assessors and county assessors.

9 (i) The department shall notify the appropriate innkeepers' tax
 10 board, bureau, or commission that a taxpayer is delinquent in remitting
 11 innkeepers' taxes under IC 6-9.

12 (j) All information relating to the delinquency or evasion of the
 13 motor vehicle excise tax may be disclosed to the bureau of motor
 14 vehicles in Indiana and may be disclosed to another state, if the
 15 information is disclosed for the purpose of the enforcement and
 16 collection of the taxes imposed by IC 6-6-5.

17 (k) All information relating to the delinquency or evasion of
 18 commercial vehicle excise taxes payable to the bureau of motor
 19 vehicles in Indiana may be disclosed to the bureau and may be
 20 disclosed to another state, if the information is disclosed for the
 21 purpose of the enforcement and collection of the taxes imposed by
 22 IC 6-6-5.5.

23 (l) All information relating to the delinquency or evasion of
 24 commercial vehicle excise taxes payable under the International
 25 Registration Plan may be disclosed to another state, if the information
 26 is disclosed for the purpose of the enforcement and collection of the
 27 taxes imposed by IC 6-6-5.5.

28 (m) All information relating to the delinquency or evasion of the
 29 excise taxes imposed on recreational vehicles and truck campers that
 30 are payable to the bureau of motor vehicles in Indiana may be disclosed
 31 to the bureau and may be disclosed to another state if the information
 32 is disclosed for the purpose of the enforcement and collection of the
 33 taxes imposed by IC 6-6-5.1.

34 (n) This section does not apply to:

- 35 (1) the beer excise tax, including brand and packaged type (IC
 36 7.1-4-2);
- 37 (2) the liquor excise tax (IC 7.1-4-3);
- 38 (3) the wine excise tax (IC 7.1-4-4);
- 39 (4) the hard cider excise tax (IC 7.1-4-4.5);
- 40 (5) the malt excise tax (IC 7.1-4-5);
- 41 (6) the motor vehicle excise tax (IC 6-6-5);
- 42 (7) the commercial vehicle excise tax (IC 6-6-5.5); and

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1 (8) the fees under IC 13-23.

2 (o) The name and business address of retail merchants within each

3 county that sell tobacco products may be released to the division of

4 mental health and addiction and the alcohol and tobacco commission

5 solely for the purpose of the list prepared under IC 6-2.5-6-14.2.

6 SECTION 24. IC 6-8.1-8-2, AS AMENDED BY P.L.6-2012,

7 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

8 JULY 1, 2013]: Sec. 2. (a) Except as provided in IC 6-8.1-5-3 and

9 ~~section sections~~ **sections 16 and 17** of this chapter, the department must issue

10 a demand notice for the payment of a tax and any interest or penalties

11 accrued on the tax, if a person files a tax return without including full

12 payment of the tax or if the department, after ruling on a protest, finds

13 that a person owes the tax before the department issues a tax warrant.

14 The demand notice must state the following:

15 (1) That the person has ten (10) days from the date the department

16 mails the notice to either pay the amount demanded or show

17 reasonable cause for not paying the amount demanded.

18 (2) The statutory authority of the department for the issuance of

19 a tax warrant.

20 (3) The earliest date on which a tax warrant may be filed and

21 recorded.

22 (4) The statutory authority for the department to levy against a

23 person's property that is held by a financial institution.

24 (5) The remedies available to the taxpayer to prevent the filing

25 and recording of the judgment.

26 If the department files a tax warrant in more than one (1) county, the

27 department is not required to issue more than one (1) demand notice.

28 (b) If the person does not pay the amount demanded or show

29 reasonable cause for not paying the amount demanded within the ten

30 (10) day period, the department may issue a tax warrant for the amount

31 of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs,

32 and fees established under section 4(b) of this chapter when applicable.

33 When the department issues a tax warrant, a collection fee of ten

34 percent (10%) of the unpaid tax is added to the total amount due.

35 (c) When the department issues a tax warrant, it may not file the

36 warrant with the circuit court clerk of any county in which the person

37 owns property until at least twenty (20) days after the date the demand

38 notice was mailed to the taxpayer. The department may also send the

39 warrant to the sheriff of any county in which the person owns property

40 and direct the sheriff to file the warrant with the circuit court clerk:

41 (1) at least twenty (20) days after the date the demand notice was

42 mailed to the taxpayer; and

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- 1 (2) no later than five (5) days after the date the department issues
 2 the warrant.
- 3 (d) When the circuit court clerk receives a tax warrant from the
 4 department or the sheriff, the clerk shall record the warrant by making
 5 an entry in the judgment debtor's column of the judgment record,
 6 listing the following:
- 7 (1) The name of the person owing the tax.
 8 (2) The amount of the tax, interest, penalties, collection fee,
 9 sheriff's costs, clerk's costs, and fees established under section
 10 4(b) of this chapter when applicable.
 11 (3) The date the warrant was filed with the clerk.
- 12 (e) When the entry is made, the total amount of the tax warrant
 13 becomes a judgment against the person owing the tax. The judgment
 14 creates a lien in favor of the state that attaches to all the person's
 15 interest in any:
- 16 (1) chose in action in the county; and
 17 (2) real or personal property in the county;
 18 excepting only negotiable instruments not yet due.
- 19 (f) A judgment obtained under this section is valid for ten (10) years
 20 from the date the judgment is filed. The department may renew the
 21 judgment for additional ten (10) year periods by filing an alias tax
 22 warrant with the circuit court clerk of the county in which the judgment
 23 previously existed.
- 24 (g) A judgment arising from a tax warrant in a county shall be
 25 released by the department:
- 26 (1) after the judgment, including all accrued interest to the date of
 27 payment, has been fully satisfied; or
 28 (2) if the department determines that the tax assessment or the
 29 issuance of the tax warrant was in error.
- 30 (h) If the department determines that the filing of a tax warrant was
 31 in error, the department shall mail a release of the judgment to the
 32 taxpayer and the circuit court clerk of each county where the warrant
 33 was filed. The circuit court clerk of each county where the warrant was
 34 filed shall expunge the warrant from the judgment debtor's column of
 35 the judgment record. The department shall mail the release and the
 36 order for the warrant to be expunged as soon as possible but no later
 37 than seven (7) days after:
- 38 (1) the determination by the department that the filing of the
 39 warrant was in error; and
 40 (2) the receipt of information by the department that the judgment
 41 has been recorded under subsection (d).
 42 (i) If the department determines that a judgment described in

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1 subsection (h) is obstructing a lawful transaction, the department shall
2 immediately upon making the determination mail:

- 3 (1) a release of the judgment to the taxpayer; and
4 (2) an order requiring the circuit court clerk of each county where
5 the judgment was filed to expunge the warrant.

6 (j) A release issued under subsection (h) or (i) must state that the
7 filing of the tax warrant was in error. Upon the request of the taxpayer,
8 the department shall mail a copy of a release and the order for the
9 warrant to be expunged issued under subsection (h) or (i) to each major
10 credit reporting company located in each county where the judgment
11 was filed.

12 (k) The commissioner shall notify each state agency or officer
13 supplied with a tax warrant list of the issuance of a release under
14 subsection (h) or (i).

15 (l) If the sheriff collects the full amount of a tax warrant, the sheriff
16 shall disburse the money collected in the manner provided in section
17 3(c) of this chapter. If a judgment has been partially or fully satisfied
18 by a person's surety, the surety becomes subrogated to the department's
19 rights under the judgment. If a sheriff releases a judgment:

- 20 (1) before the judgment is fully satisfied;
21 (2) before the sheriff has properly disbursed the amount collected;
22 or
23 (3) after the sheriff has returned the tax warrant to the department;
24 the sheriff commits a Class B misdemeanor and is personally liable for
25 the part of the judgment not remitted to the department.

26 (m) A lien on real property described in subsection (e)(2) is void if
27 both of the following occur:

- 28 (1) The person owing the tax provides written notice to the
29 department to file an action to foreclose the lien.
30 (2) The department fails to file an action to foreclose the lien not
31 later than one hundred eighty (180) days after receiving the
32 notice.

33 (n) A person who gives notice under subsection (m) by registered
34 or certified mail to the department may file an affidavit of service of the
35 notice to file an action to foreclose the lien with the circuit court clerk
36 in the county in which the property is located. The affidavit must state
37 the following:

- 38 (1) The facts of the notice.
39 (2) That more than one hundred eighty (180) days have passed
40 since the notice was received by the department.
41 (3) That no action for foreclosure of the lien is pending.
42 (4) That no unsatisfied judgment has been rendered on the lien.

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1 (o) Upon receipt of the affidavit described in subsection (n), the
 2 circuit court clerk shall make an entry showing the release of the
 3 judgment lien in the judgment records for tax warrants.

4 SECTION 25. IC 6-8.1-8-17 IS ADDED TO THE INDIANA CODE
 5 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY
 6 1, 2013]: **Sec. 17. (a) This section applies when the department**
 7 **issues a tax warrant to a taxpayer who has not filed a tax return**
 8 **with respect to the reporting period for which the taxpayer's**
 9 **unpaid tax liability has accrued.**

10 (b) **A taxpayer described in subsection (a) is not entitled to a**
 11 **demand notice under section 2(a) of this chapter that would negate**
 12 **the tax warrant if the taxpayer:**

13 (1) **files a tax return subsequent to the issuance of the tax**
 14 **warrant; and**

15 (2) **fails to remit the amount of the tax liability subject to the**
 16 **warrant.**

17 SECTION 26. IC 6-8.1-9-1, AS AMENDED BY P.L.137-2012,
 18 SECTION 109, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JANUARY 1, 2014]: **Sec. 1. (a) If a person has paid**
 20 **more tax than the person determines is legally due for a particular**
 21 **taxable period, the person may file a claim for a refund with the**
 22 **department. Except as provided in subsections (f) and (g), in order to**
 23 **obtain the refund, the person must file the claim with the department**
 24 **within three (3) years after the latter of the following:**

25 (1) **The due date of the return.**

26 (2) **The date of payment.**

27 For purposes of this section, the due date for a return filed for the state
 28 gross retail or use tax, the gasoline tax, the special fuel tax, the motor
 29 carrier fuel tax, the oil inspection fee, or the petroleum severance tax
 30 is the end of the calendar year which contains the taxable period for
 31 which the return is filed. The claim must set forth the amount of the
 32 refund to which the person is entitled and the reasons that the person
 33 is entitled to the refund. **The person filing the claim for a refund**
 34 **shall use the form prescribed by the department for claiming a**
 35 **refund unless the return filed to remit the tax provides an**
 36 **alternative method for claiming a refund for the overpayment.**

37 (b) After considering the claim and all evidence relevant to the
 38 claim, the department shall issue a decision on the claim, stating the
 39 part, if any, of the refund allowed and containing a statement of the
 40 reasons for any part of the refund that is denied. The department shall
 41 mail a copy of the decision to the person who filed the claim. If the
 42 person disagrees with a part of the decision, the person may file a

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1 protest and request a hearing with the department. The department
 2 shall mail a copy of the decision to the person who filed the protest. If
 3 the department allows the full amount of the refund claim, a warrant for
 4 the payment of the claim is sufficient notice of the decision.

5 (c) If the person disagrees with any part of the department's
 6 decision, the person may appeal the decision, regardless of whether or
 7 not the person protested the tax payment or whether or not the person
 8 has accepted a refund. The person must file the appeal with the tax
 9 court. The tax court does not have jurisdiction to hear a refund appeal
 10 suit, if:

11 (1) the appeal is filed more than ninety (90) days after the later of
 12 the date the department mails:

13 (A) the decision of denial of the claim to the person; or

14 (B) the decision made on the protest filed under subsection
 15 (b); or

16 (2) the appeal is filed both before the decision is issued and
 17 before the one hundred eighty-first day after the date the person
 18 files the claim for refund with the department.

19 (d) The tax court shall hear the appeal de novo and without a jury,
 20 and after the hearing may order or deny any part of the appealed
 21 refund. The court may assess the court costs in any manner that it feels
 22 is equitable. The court may enjoin the collection of any of the listed
 23 taxes under IC 33-26-6-2. The court may also allow a refund of taxes,
 24 interest, and penalties that have been paid to and collected by the
 25 department.

26 (e) With respect to the motor vehicle excise tax, this section applies
 27 only to penalties and interest paid on assessments of the motor vehicle
 28 excise tax. Any other overpayment of the motor vehicle excise tax is
 29 subject to IC 6-6-5.

30 (f) If a taxpayer's federal income tax liability for a taxable year is
 31 modified by the Internal Revenue Service, and the modification would
 32 result in a reduction of the tax legally due, the due date by which the
 33 taxpayer must file a claim for refund with the department is the later of:

34 (1) the date determined under subsection (a); or

35 (2) the date that is one hundred eighty (180) days after the date on
 36 which the taxpayer is notified of the modification by the Internal
 37 Revenue Service.

38 (g) If an agreement to extend the assessment time period is entered
 39 into under IC 6-8.1-5-2(h), the period during which a person may file
 40 a claim for a refund under subsection (a) is extended to the same date
 41 to which the assessment time period is extended.

42 SECTION 27. IC 6-8.1-10-2.1, AS AMENDED BY

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1 P.L.182-2009(ss), SECTION 258, IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2.1. (a) ~~¶~~ **Except as**
 3 **provided in IC 6-3-4-12(j) and IC 6-3-4-13(l)**, a person **that:**

- 4 (1) fails to file a return for any of the listed taxes;
 5 (2) fails to pay the full amount of tax shown on the person's return
 6 on or before the due date for the return or payment;
 7 (3) incurs, upon examination by the department, a deficiency that
 8 is due to negligence;
 9 (4) fails to timely remit any tax held in trust for the state; or
 10 (5) is required to make a payment by electronic funds transfer (as
 11 defined in IC 4-8.1-2-7), overnight courier, or personal delivery
 12 and the payment is not received by the department by the due date
 13 in funds acceptable to the department;

14 ~~the person~~ is subject to a penalty.

15 (b) Except as provided in subsection (g), the penalty described in
 16 subsection (a) is ten percent (10%) of:

- 17 (1) the full amount of the tax due if the person failed to file the
 18 return;
 19 (2) the amount of the tax not paid, if the person filed the return
 20 but failed to pay the full amount of the tax shown on the return;
 21 (3) the amount of the tax held in trust that is not timely remitted;
 22 (4) the amount of deficiency as finally determined by the
 23 department; or
 24 (5) the amount of tax due if a person failed to make payment by
 25 electronic funds transfer, overnight courier, or personal delivery
 26 by the due date.

27 (c) For purposes of this section, the filing of a substantially blank or
 28 unsigned return does not constitute a return.

29 (d) If a person subject to the penalty imposed under this section can
 30 show that the failure to file a return, pay the full amount of tax shown
 31 on the person's return, timely remit tax held in trust, or pay the
 32 deficiency determined by the department was due to reasonable cause
 33 and not due to willful neglect, the department shall waive the penalty.

34 (e) A person who wishes to avoid the penalty imposed under this
 35 section must make an affirmative showing of all facts alleged as a
 36 reasonable cause for the person's failure to file the return, pay the
 37 amount of tax shown on the person's return, pay the deficiency, or
 38 timely remit tax held in trust, in a written statement containing a
 39 declaration that the statement is made under penalty of perjury. The
 40 statement must be filed with the return or payment within the time
 41 prescribed for protesting departmental assessments. A taxpayer may
 42 also avoid the penalty imposed under this section by obtaining a ruling

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1 from the department before the end of a particular tax period on the
2 amount of tax due for that tax period.

3 (f) The department shall adopt rules under IC 4-22-2 to prescribe the
4 circumstances that constitute reasonable cause and negligence for
5 purposes of this section.

6 (g) A person who fails to file a return for a listed tax that shows no
7 tax liability for a taxable year, other than an information return (as
8 defined in section 6 of this chapter), on or before the due date of the
9 return shall pay a penalty of ten dollars (\$10) for each day that the
10 return is past due, up to a maximum of two hundred fifty dollars
11 (\$250).

12 (h) A:

13 (1) corporation which otherwise qualifies under IC 6-3-2-2.8(2);

14 (2) partnership; or

15 (3) trust;

16 that fails to withhold and pay any amount of tax required to be withheld
17 under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15 shall pay a penalty
18 equal to twenty percent (20%) of the amount of tax required to be
19 withheld under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15. This penalty
20 shall be in addition to any penalty imposed by section 6 of this chapter.

21 (i) Subsections (a) through (c) do not apply to a motor carrier fuel
22 tax return.

23 (j) If a partnership or an S corporation fails to include all
24 nonresidential individual partners or nonresidential individual
25 shareholders in a composite return as required by IC 6-3-4-12(h) or
26 IC 6-3-4-13(j), a penalty of five hundred dollars (\$500) per partnership
27 or S corporation is imposed on the partnership or S corporation.

28 SECTION 28. IC 6-8.1-10-5, AS AMENDED BY P.L.182-2009(ss),
29 SECTION 259, IS AMENDED TO READ AS FOLLOWS
30 [EFFECTIVE JANUARY 1, 2014]: Sec. 5. (a) If a person makes a tax
31 payment with a check, credit card, debit card, or electronic funds
32 transfer, and the department is unable to obtain payment on the check,
33 credit card, debit card, or electronic funds transfer for its full face
34 amount when the check, credit card, debit card, or electronic funds
35 transfer is presented for payment through normal banking channels, a
36 penalty of ten percent (10%) of the unpaid tax or the value of the
37 check, credit card, debit card, or electronic funds transfer, whichever
38 is smaller, is imposed.

39 (b) When a penalty is imposed under subsection (a), the department
40 shall notify the person by mail that the check, credit card, debit card,
41 or electronic funds transfer was not honored and that the person has ten
42 (10) days after the date the notice is mailed to pay the tax and the

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1 penalty either in cash, by certified check, or other guaranteed payment.
2 If the person fails to make the payment within the ten (10) day period,
3 the penalty is increased to ~~one hundred percent (100%)~~ **(30%)**
4 multiplied by the value of the check, credit card, debit card, or
5 electronic funds transfer, or the unpaid tax, whichever is smaller.

6 (c) If a person has been assessed a penalty under subsection (a)
7 more than one (1) time, the department may require all future payments
8 for all listed taxes to be remitted with guaranteed funds.

9 (d) If the person subject to the penalty under this section can show
10 that there is reasonable cause for the check, credit card, debit card, or
11 electronic funds transfer not being honored, the department may waive
12 the penalty imposed under this section.

13 SECTION 29. IC 7.1-3-21-15, AS AMENDED BY P.L.172-2011,
14 SECTION 112, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2013]: Sec. 15. (a) The commission shall not
16 issue, renew, or transfer a wholesaler, retailer, dealer, or other permit
17 of any type if the applicant:

18 (1) is seeking a renewal and the applicant has not paid all the
19 property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9
20 that are due currently;

21 (2) is seeking a transfer and the applicant has not paid all the
22 property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9 for
23 the assessment periods during which the transferor held the
24 permit; or

25 **(3) is seeking a renewal or transfer and is at least thirty (30)**
26 **days delinquent in remitting state gross retail taxes under**
27 **IC 6-2.5 or withholding taxes required to be remitted under**
28 **IC 6-3-4; or**

29 ~~(3)~~ **(4)** is on the most recent tax warrant list supplied to the
30 commission by the department of state revenue.

31 (b) The commission shall issue, renew, or transfer a permit that the
32 commission denied under subsection (a) when the appropriate one (1)
33 of the following occurs:

34 (1) The person, if seeking a renewal, provides to the commission
35 a statement from the county treasurer of the county in which the
36 property of the applicant was assessed indicating that all the
37 property taxes under IC 6-1.1 and, in a county where the county
38 treasurer collects the innkeeper's tax, the innkeeper's tax under
39 IC 6-9 that were delinquent have been paid.

40 (2) The person, if seeking a transfer of ownership, provides to the
41 commission a statement from the county treasurer of the county
42 in which the property of the transferor was assessed indicating

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1 that all the property taxes under IC 6-1.1 and, in a county where
2 the county treasurer collects the innkeeper's tax, the innkeeper's
3 tax under IC 6-9 have been paid for the assessment periods during
4 which the transferor held the permit.

5 (3) The person provides to the commission a statement from the
6 commissioner of the department of state revenue indicating that
7 the person's tax warrant has been satisfied, including any
8 delinquency in innkeeper's tax if the state collects the innkeeper's
9 tax for the county in which the person seeks the permit.

10 (4) The commission receives a notice from the commissioner of
11 the department of state revenue under IC 6-8.1-8-2(k).

12 **(5) The commission receives a notice from the commissioner**
13 **of the department of state revenue stating that the state gross**
14 **retail and withholding taxes described in subsection (a)(3)**
15 **have been remitted to the department.**

16 (c) An applicant may not be considered delinquent in the payment
17 of listed taxes if the applicant has filed a proper protest under
18 IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant
19 shall be considered delinquent in the payment of those taxes if the
20 applicant does not remit the taxes owed to the state department of
21 revenue after a final determination on the protest is made by the
22 department of state revenue.

23 (d) The commission may require that an applicant for the issuance,
24 renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other
25 permit of any type furnish proof of the payment of a listed tax (as
26 defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by IC 6-1.1.

27 SECTION 30. IC 9-18-2-4.5 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 4.5. (a) Upon
29 payment of the annual registration fee under IC 9-29-5, and any
30 applicable commercial vehicle excise tax under IC 6-6-5.5, the ~~bureau~~
31 **department of state revenue** may issue a license plate for each
32 commercial vehicle registered to the registered owner of at least
33 twenty-five (25) commercial vehicles. The license plate issued under
34 this section for a commercial vehicle is **permanently valid. for five (5)**
35 **years.**

36 (b) If the registered owner of at least twenty-five (25) commercial
37 vehicles submits the application of registration for the commercial
38 vehicles on an aggregate basis by electronic means, the ~~bureau~~
39 **department of state revenue** shall issue a certificate of registration
40 that shall be carried at all times in the vehicle for which it is issued.

41 (c) The registration for a commercial vehicle is void when the
42 registered owner:

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1 (1) sells;
 2 (2) disposes of; or
 3 (3) does not renew the registration of;
 4 the commercial vehicle. Neither the certificate of registration nor the
 5 plate may be transferred to another vehicle.

6 (d) This section does not relieve the owner of the vehicle from
 7 payment of any applicable commercial vehicle excise tax under
 8 IC 6-6-5.5 on a yearly basis.

9 (e) The ~~bureau~~ **department of state revenue** shall adopt rules under
 10 IC 4-22-2 necessary to administer this section.

11 SECTION 31. IC 9-18-2-14 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 14. (a) A:

13 (1) government agency, dealer, or person who owns a bus shall
 14 apply directly to the bureau in the state central office to register
 15 a vehicle; and

16 (2) person who is registered under the International Registration
 17 Plan shall apply to the department of state revenue under rules
 18 adopted under IC 4-22-2.

19 (b) A person who registers a vehicle under subsection (a)(1) shall
 20 file with the bureau or a license branch an application for the
 21 registration of the vehicle upon an appropriate form furnished by the
 22 bureau.

23 (c) A person who registers a vehicle under subsection (a)(2) shall
 24 file **electronically** with the department of state revenue an application
 25 for the registration of the vehicle. ~~upon an appropriate form furnished~~
 26 ~~by the department of state revenue.~~

27 SECTION 32. IC 34-24-1-1, AS AMENDED BY P.L.125-2012,
 28 SECTION 411, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2013]: Sec. 1. (a) The following may be seized:

30 (1) All vehicles (as defined by IC 35-31.5-2-346), if they are used
 31 or are intended for use by the person or persons in possession of
 32 them to transport or in any manner to facilitate the transportation
 33 of the following:

34 (A) A controlled substance for the purpose of committing,
 35 attempting to commit, or conspiring to commit any of the
 36 following:

37 (i) Dealing in or manufacturing cocaine or a narcotic drug
 38 (IC 35-48-4-1).

39 (ii) Dealing in methamphetamine (IC 35-48-4-1.1).

40 (iii) Dealing in a schedule I, II, or III controlled substance
 41 (IC 35-48-4-2).

42 (iv) Dealing in a schedule IV controlled substance (IC

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- 1 35-48-4-3).
- 2 (v) Dealing in a schedule V controlled substance (IC
- 3 35-48-4-4).
- 4 (vi) Dealing in a counterfeit substance (IC 35-48-4-5).
- 5 (vii) Possession of cocaine or a narcotic drug (IC 35-48-4-6).
- 6 (viii) Possession of methamphetamine (IC 35-48-4-6.1).
- 7 (ix) Dealing in paraphernalia (IC 35-48-4-8.5).
- 8 (x) Dealing in marijuana, hash oil, hashish, salvia, or a
- 9 synthetic cannabinoid (IC 35-48-4-10).
- 10 (B) Any stolen (IC 35-43-4-2) or converted property (IC
- 11 35-43-4-3) if the retail or repurchase value of that property is
- 12 one hundred dollars (\$100) or more.
- 13 (C) Any hazardous waste in violation of IC 13-30-10-1.5.
- 14 (D) A bomb (as defined in IC 35-31.5-2-31) or weapon of
- 15 mass destruction (as defined in IC 35-31.5-2-354) used to
- 16 commit, used in an attempt to commit, or used in a conspiracy
- 17 to commit an offense under IC 35-47 as part of or in
- 18 furtherance of an act of terrorism (as defined by
- 19 IC 35-31.5-2-329).
- 20 (2) All money, negotiable instruments, securities, weapons,
- 21 communications devices, or any property used to commit, used in
- 22 an attempt to commit, or used in a conspiracy to commit an
- 23 offense under IC 35-47 as part of or in furtherance of an act of
- 24 terrorism or commonly used as consideration for a violation of
- 25 IC 35-48-4 (other than items subject to forfeiture under
- 26 IC 16-42-20-5 or IC 16-6-8.5-5.1 before its repeal):
- 27 (A) furnished or intended to be furnished by any person in
- 28 exchange for an act that is in violation of a criminal statute;
- 29 (B) used to facilitate any violation of a criminal statute; or
- 30 (C) traceable as proceeds of the violation of a criminal statute.
- 31 (3) Any portion of real or personal property purchased with
- 32 money that is traceable as a proceed of a violation of a criminal
- 33 statute.
- 34 (4) A vehicle that is used by a person to:
- 35 (A) commit, attempt to commit, or conspire to commit;
- 36 (B) facilitate the commission of; or
- 37 (C) escape from the commission of;
- 38 murder (IC 35-42-1-1), kidnapping (IC 35-42-3-2), criminal
- 39 confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting
- 40 (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense
- 41 under IC 35-47 as part of or in furtherance of an act of terrorism.
- 42 (5) Real property owned by a person who uses it to commit any of

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- 1 the following as a Class A felony, a Class B felony, or a Class C
 2 felony:
- 3 (A) Dealing in or manufacturing cocaine or a narcotic drug (IC
 4 35-48-4-1).
- 5 (B) Dealing in methamphetamine (IC 35-48-4-1.1).
- 6 (C) Dealing in a schedule I, II, or III controlled substance (IC
 7 35-48-4-2).
- 8 (D) Dealing in a schedule IV controlled substance (IC
 9 35-48-4-3).
- 10 (E) Dealing in marijuana, hash oil, hashish, salvia, or a
 11 synthetic cannabinoid (IC 35-48-4-10).
- 12 (6) Equipment and recordings used by a person to commit fraud
 13 under IC 35-43-5-4(10).
- 14 (7) Recordings sold, rented, transported, or possessed by a person
 15 in violation of IC 24-4-10.
- 16 (8) Property (as defined by IC 35-31.5-2-253) or an enterprise (as
 17 defined by IC 35-45-6-1) that is the object of a corrupt business
 18 influence violation (IC 35-45-6-2).
- 19 (9) Unlawful telecommunications devices (as defined in
 20 IC 35-45-13-6) and plans, instructions, or publications used to
 21 commit an offense under IC 35-45-13.
- 22 (10) Any equipment, including computer equipment and cellular
 23 telephones, used for or intended for use in preparing,
 24 photographing, recording, videotaping, digitizing, printing,
 25 copying, or disseminating matter in violation of IC 35-42-4.
- 26 (11) Destructive devices used, possessed, transported, or sold in
 27 violation of IC 35-47.5.
- 28 (12) Tobacco products that are sold in violation of IC 24-3-5,
 29 tobacco products that a person attempts to sell in violation of
 30 IC 24-3-5, and other personal property owned and used by a
 31 person to facilitate a violation of IC 24-3-5.
- 32 (13) Property used by a person to commit counterfeiting or
 33 forgery in violation of IC 35-43-5-2.
- 34 (14) After December 31, 2005, if a person is convicted of an
 35 offense specified in IC 25-26-14-26(b) or IC 35-43-10, the
 36 following real or personal property:
- 37 (A) Property used or intended to be used to commit, facilitate,
 38 or promote the commission of the offense.
- 39 (B) Property constituting, derived from, or traceable to the
 40 gross proceeds that the person obtained directly or indirectly
 41 as a result of the offense.
- 42 (15) Except as provided in subsection (e), a vehicle used by a

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- person who operates the vehicle:
 - (A) while intoxicated, in violation of IC 9-30-5-1 through IC 9-30-5-5, if in the previous five (5) years the person has two (2) or more prior unrelated convictions:
 - (i) for operating a motor vehicle while intoxicated in violation of IC 9-30-5-1 through IC 9-30-5-5; or
 - (ii) for an offense that is substantially similar to IC 9-30-5-1 through IC 9-30-5-5 in another jurisdiction; or
 - (B) on a highway while the person's driving privileges are suspended in violation of IC 9-24-19-2 through IC 9-24-19-4, if in the previous five (5) years the person has two (2) or more prior unrelated convictions:
 - (i) for operating a vehicle while intoxicated in violation of IC 9-30-5-1 through IC 9-30-5-5; or
 - (ii) for an offense that is substantially similar to IC 9-30-5-1 through IC 9-30-5-5 in another jurisdiction.

If a court orders the seizure of a vehicle under this subdivision, the court shall transmit an order to the bureau of motor vehicles recommending that the bureau not permit a vehicle to be registered in the name of the person whose vehicle was seized until the person possesses a current driving license (as defined in IC 9-13-2-41).

- (16) The following real or personal property:
 - (A) Property used or intended to be used to commit, facilitate, or promote the commission of an offense specified in IC 23-14-48-9, IC 30-2-9-7(b), IC 30-2-10-9(b), or IC 30-2-13-38(f).
 - (B) Property constituting, derived from, or traceable to the gross proceeds that a person obtains directly or indirectly as a result of an offense specified in IC 23-14-48-9, IC 30-2-9-7(b), IC 30-2-10-9(b), or IC 30-2-13-38(f).

(17) An automated sales suppression device (as defined in IC 35-43-5-4.4(a)(1)) or phantom-ware (as defined in IC 35-43-5-4.4(a)(3)).

- (b) A vehicle used by any person as a common or contract carrier in the transaction of business as a common or contract carrier is not subject to seizure under this section, unless it can be proven by a preponderance of the evidence that the owner of the vehicle knowingly permitted the vehicle to be used to engage in conduct that subjects it to seizure under subsection (a).
- (c) Equipment under subsection (a)(10) may not be seized unless it can be proven by a preponderance of the evidence that the owner of the

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1 equipment knowingly permitted the equipment to be used to engage in
2 conduct that subjects it to seizure under subsection (a)(10).

3 (d) Money, negotiable instruments, securities, weapons,
4 communications devices, or any property commonly used as
5 consideration for a violation of IC 35-48-4 found near or on a person
6 who is committing, attempting to commit, or conspiring to commit any
7 of the following offenses shall be admitted into evidence in an action
8 under this chapter as prima facie evidence that the money, negotiable
9 instrument, security, or other thing of value is property that has been
10 used or was to have been used to facilitate the violation of a criminal
11 statute or is the proceeds of the violation of a criminal statute:

12 (1) IC 35-48-4-1 (dealing in or manufacturing cocaine or a
13 narcotic drug).

14 (2) IC 35-48-4-1.1 (dealing in methamphetamine).

15 (3) IC 35-48-4-2 (dealing in a schedule I, II, or III controlled
16 substance).

17 (4) IC 35-48-4-3 (dealing in a schedule IV controlled substance).

18 (5) IC 35-48-4-4 (dealing in a schedule V controlled substance)
19 as a Class B felony.

20 (6) IC 35-48-4-6 (possession of cocaine or a narcotic drug) as a
21 Class A felony, Class B felony, or Class C felony.

22 (7) IC 35-48-4-6.1 (possession of methamphetamine) as a Class
23 A felony, Class B felony, or Class C felony.

24 (8) IC 35-48-4-10 (dealing in marijuana, hashish, salvia,
25 or a synthetic cannabinoid) as a Class C felony.

26 (e) A vehicle operated by a person who is not:

27 (1) an owner of the vehicle; or

28 (2) the spouse of the person who owns the vehicle;

29 is not subject to seizure under subsection (a)(15) unless it can be
30 proven by a preponderance of the evidence that the owner of the
31 vehicle knowingly permitted the vehicle to be used to engage in
32 conduct that subjects it to seizure under subsection (a)(15).

33 SECTION 33. IC 35-43-5-4.4 IS ADDED TO THE INDIANA
34 CODE AS A NEW SECTION TO READ AS FOLLOWS
35 [EFFECTIVE JULY 1, 2013]: **Sec. 4.4. (a) The following definitions**
36 **apply throughout this section:**

37 (1) "Automated sales suppression device" means a software
38 program:

39 (A) carried on a memory stick or removable compact disc;

40 (B) accessed through an Internet link; or

41 (C) accessed through any other means;

42 that falsifies the electronic records of electronic cash registers

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1 and other point-of-sale systems, including transaction data
2 and transaction reports.

3 (2) "Electronic cash register" means a device that keeps a
4 register or supporting documents through the means of an
5 electronic device or a computer system designed to record
6 transaction data for the purpose of computing, compiling, or
7 processing retail sales transaction data in any manner.

8 (3) "Phantom-ware" means a hidden, a pre-installed, or an
9 installed at a later time programming option embedded in the
10 operating system of an electronic cash register or hardwired
11 into the electronic cash register that:

12 (A) can be used to create a virtual second till; or

13 (B) may eliminate or manipulate transaction records that
14 may or may not be preserved in digital formats to
15 represent the true or manipulated record of transactions
16 in the electronic cash register.

17 (4) "Transaction data" includes information regarding:

18 (A) items purchased by a customer;

19 (B) the price for each item;

20 (C) a taxability determination for each item;

21 (D) a segregated tax amount for each of the taxed items;

22 (E) the amount of cash or credit tendered;

23 (F) the net amount returned to the customer in change;

24 (G) the date and time of the purchase;

25 (H) the name, address, and identification number of the
26 vendor; and

27 (I) the receipt or invoice number of the transaction.

28 (5) "Transaction report" means:

29 (A) a report that includes:

30 (i) the sales;

31 (ii) taxes collected;

32 (iii) media totals; and

33 (iv) discount voids;

34 at an electronic cash register that is printed on cash
35 register tape at the end of a day or shift; or

36 (B) a report documenting every action at an electronic cash
37 register that is stored electronically.

38 (6) "Zapper" refers to an automated sales suppression device.

39 (b) A person who knowingly or intentionally sells, purchases,
40 installs, transfers, or possesses:

41 (1) an automated sales suppression device or a zapper; or

42 (2) phantom-ware;

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1 **after June 30, 2013, commits unlawful sale or possession of a**
2 **transaction manipulation device, a Class C felony.**
3 **SECTION 34. An emergency is declared for this act.**

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