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DEPARTMENT OF STATE REVENUE

Information Bulletin #112  
Income Tax  
October 2015  
Effective Date: January 1, 2016

**SUBJECT:** Income Tax Credit for Property Tax Paid by a For Profit Hospital

**REFERENCE:** [IC 6-3-3-14.6](#)

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**INTRODUCTION**

[IC 6-3-3-14.6](#) as added by HEA 1001, SECTION 83 provides an income tax credit for property taxes paid by a for profit acute care hospital. The credit is effective for taxable years beginning after December 31, 2015.

**HOSPITAL DEFINED**

A "hospital" means an acute care hospital that is licensed under [IC 16-21-2](#); is operated on a for-profit basis; is subject to the adjusted gross income tax at the corporate income tax rate; provides health care, accommodations, facilities, and equipment, in connection with the services of a physician, to individuals who need medical care or surgical services; and is not primarily providing care and treatment of patients with a cardiac condition, an orthopedic condition, or receiving a surgical procedure.

**AMOUNT OF CREDIT**

A hospital is entitled to a credit against the hospital's adjusted gross income tax liability for the taxable year equal to 10 percent of the property taxes paid in Indiana on property used as a hospital.

The credit may not exceed the taxpayer's adjusted gross income tax liability for the taxable year, reduced by the sum of all credits applied before the application of this credit for the taxable year. The amount of any unused credit for a taxable year may not be carried forward to a succeeding taxable year, carried back to a preceding taxable year, or refunded.

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Andrew Kossack  
Commissioner

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