

IC 6-2.3-5

Chapter 5. Deductions

IC 6-2.3-5-1

Annual operating deduction

Sec. 1. (a) Each taxable year a taxpayer is entitled to deduct from the taxpayer's gross receipts an amount equal to the product of:

- (1) one thousand dollars (\$1,000); multiplied by
- (2) a fraction.

The numerator of the fraction is the number of days in the taxpayer's taxable year for which the taxpayer is subject to the utility receipts tax, and the denominator of the fraction is the number of days in the taxpayer's taxable year.

(b) If a taxpayer files quarterly gross receipts tax returns the taxpayer may use a proportionate part of the deduction provided by subsection (a) for each return filed.

(c) A taxpayer is entitled to only one (1) deduction under this section each taxable year, regardless of the number of partners or participants in the organization.

(d) An affiliated group that files a consolidated return under IC 6-2.3-6-5 is entitled to only one (1) deduction under this section on that consolidated return.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-2

Bad debts

Sec. 2. Each taxable year, a taxpayer that reports the taxpayer's gross receipts on an accrual basis is entitled to deduct bad debts from the taxpayer's gross receipts in the same manner provided in IC 6-2.5-6-9.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-3

Resource recovery system

Sec. 3. (a) Except as provided in subsection (b), if:

- (1) for federal income tax purposes a taxpayer is allowed a depreciation deduction for a particular taxable year with respect to a resource recovery system; and
- (2) the resource recovery system processes solid waste or hazardous waste;

the taxpayer is entitled to a deduction from the taxpayer's gross receipts for that same taxable year. The amount of the deduction equals the total depreciation deductions that the taxpayer is allowed, with respect to the system, for that taxable year under Sections 167 and 179 of the Internal Revenue Code.

(b) A taxpayer is not entitled to the deduction provided by this section for a particular taxable year with respect to a resource recovery system that is directly used to dispose of hazardous waste if during that taxable year the taxpayer:

- (1) is convicted of any criminal violation under IC 13, including

IC 13-7-13-3 (before its repeal) or IC 13-7-13-4 (before its repeal); or

(2) is subject to an order or consent decree based upon a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

As added by P.L.192-2002(ss), SEC.47. Amended by P.L.137-2007, SEC.4.

IC 6-2.3-5-4

Amount received for return of empty containers

Sec. 4. (a) Each taxable year a taxpayer is entitled to deduct from the taxpayer's gross receipts the amount paid by the taxpayer during that taxable year for the return of an empty container of the type customarily returned by the buyer of the contents for reuse as a container.

(b) If a taxpayer is required to file quarterly gross receipts tax returns, the taxpayer may claim the deduction provided by this section on those returns.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-5

Interstate mobile telecommunications

Sec. 5. A taxpayer is entitled to a deduction for gross receipts exempt from taxation under IC 6-8.1-15 and the Mobile Telecommunications Sourcing Act (4 U.S.C. 116 et seq.).

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-6

Bottled water or gas

Sec. 6. A taxpayer is entitled to a deduction for retail sales of bottled water or gas to the extent that the purchase of the water or gas was treated as a retail transaction under IC 6-2.3-3-6.

As added by P.L.192-2002(ss), SEC.47.