

## **IC 6-3-5**

### Chapter 5. Reciprocity

#### **IC 6-3-5-1**

##### **Nonresidents; Indiana income**

Sec. 1. The tax imposed by IC 6-3-2 on the adjusted gross income derived from sources within the state of Indiana by persons who are nonresidents of this state, shall not be payable if the laws of the state or territory of residence of such persons, at the time such adjusted gross income was earned in this state, contained a reciprocal provision by which residents of this state were exempted from taxes imposed by such state on income earned in such state.

*(Formerly: Acts 1963(ss), c.32, s.501.) As amended by P.L.2-1988, SEC.12.*

#### **IC 6-3-5-2**

##### **Repealed**

*(Repealed by P.L.28-1997, SEC.31.)*

#### **IC 6-3-5-3**

##### **Indiana residents working in Illinois**

Sec. 3. The department of state revenue, with the approval of the governor and the budget agency after the review of the state budget committee, may enter into an agreement with the state of Illinois that establishes a methodology for determining individual income taxes paid by residents of each state to the other state and an obligation, in exchange for a like obligation on the part of Illinois, to make a payment to Illinois. The payment obligation by Indiana may not be greater than the difference between the amount of Indiana individual adjusted gross income taxes for the previous taxable year that would be collected from:

- (1) Indiana residents working in Illinois if there were a reciprocity agreement between Indiana and Illinois; and
- (2) Indiana residents working in Illinois and from Illinois residents working in Indiana without a reciprocity agreement between Indiana and Illinois. The amount needed to make the payment is appropriated from the state general fund.

*As added by P.L.7-1999, SEC.1.*