

IC 6-6-9.7

Chapter 9.7. Marion County Supplemental Auto Rental Excise Tax

IC 6-6-9.7-1

"Department" defined

Sec. 1. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-2

"Gross retail income" defined

Sec. 2. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5, except that the term does not include taxes imposed under IC 6-2.5.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-3

"Passenger motor vehicle" defined

Sec. 3. As used in this chapter, "passenger motor vehicle" has the meaning set forth in IC 9-13-2-123.

As added by P.L.256-1997(ss), SEC.1. Amended by P.L.214-2007, SEC.4.

IC 6-6-9.7-4

"Person" defined

Sec. 4. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-5

"Retail merchant" defined

Sec. 5. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-6

"Truck" defined

Sec. 6. As used in this chapter, "truck" has the meaning set forth in IC 9-13-2-188(a).

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-7

Imposition of tax; amount; notice to department of state revenue; effective dates

Sec. 7. (a) The city-county council of a county that contains a consolidated city may adopt an ordinance to impose an excise tax, known as the county supplemental auto rental excise tax, upon the rental of passenger motor vehicles and trucks in the county for periods of less than thirty (30) days. The ordinance must specify that

the tax expires December 31, 2027.

(b) Except as provided in subsection (c), the county supplemental auto rental excise tax that may be imposed upon the rental of a passenger motor vehicle or truck equals two percent (2%) of the gross retail income received by the retail merchant for the rental.

(c) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the tax imposed under subsection (a) from two percent (2%) to four percent (4%). The ordinance must specify that:

(1) if on December 31, 2027, there are obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the original two percent (2%) rate imposed under subsection (a) continues to be levied after its original expiration date set forth in subsection (a) and through December 31, 2040; and

(2) the additional rate authorized under this subsection expires on:

(A) January 1, 2041;

(B) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under IC 5-1-17-26; or

(C) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.

(d) The amount collected from that portion of county supplemental auto rental excise tax imposed under:

(1) subsection (b) and collected after December 31, 2027; and

(2) under subsection (c);

shall, in the manner provided by section 11 of this chapter, be distributed to the capital improvement board of managers operating in a consolidated city or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

(e) After January 1, 2013, and before March 1, 2013, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the tax rate imposed under subsection (a) by not more than two percent (2%).

The amount collected from an increase adopted under this subsection shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16.

(f) If a city-county council adopts an ordinance under subsection (a), (c), or (e), the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(g) If a city-county council adopts an ordinance under subsection (a), (c), or (e) on or before the fifteenth day of a month, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a), (c), or (e) after the fifteenth day of a month, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month following the month in which the ordinance is adopted.

As added by P.L.256-1997(ss), SEC.1. Amended by P.L.214-2005, SEC.23; P.L.182-2009(ss), SEC.244.

IC 6-6-9.7-8

Exemptions

Sec. 8. (a) The rental of a truck is exempt from the county supplemental auto rental excise tax if the declared gross weight of the rented truck exceeds eleven thousand (11,000) pounds.

(b) The rental of a passenger motor vehicle or truck by a funeral director licensed under IC 25-15 is exempt from the county supplemental auto rental excise tax if the rental is part of the services provided by the director for a funeral.

(c) The temporary rental of a passenger motor vehicle or truck is exempt from the county supplemental auto rental excise tax if the rental is:

- (1) made or reimbursed under a contract or agreement between a provider and person given for consideration over and above the lease or purchase price of a motor vehicle that undertakes to perform or provide repair or replacement service, or indemnification for that service, for the operational or structural failure of a motor vehicle due to a defect in materials or skill of work or normal wear and tear;
- (2) made or reimbursed under a contract for mechanical breakdown insurance;
- (3) made or reimbursed under a contract for automobile collision insurance or automobile comprehensive insurance that covers the temporary lease of a vehicle to the person after the person's vehicle is damaged or destroyed in a collision; or
- (4) otherwise provided to a person as a replacement vehicle:
 - (A) while the person's vehicle is repaired or serviced due to a defect in materials or skill of work, normal wear and tear, or other damage; or
 - (B) until the person permanently replaces a vehicle that has been destroyed.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-9

Liability for tax

Sec. 9. The person that rents a passenger motor vehicle or truck is liable for the county supplemental auto rental excise tax. The person shall pay the tax to the retail merchant as a separate amount added to the consideration for the rental. The retail merchant shall collect the tax as an agent for the state.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-10

Manner of imposition, payment, and collection; filing of returns

Sec. 10. (a) Except as otherwise provided in this section, the county supplemental auto rental excise tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(b) Each retail merchant filing a return for the auto rental excise tax shall indicate in the return:

(1) all locations in the county containing a consolidated city where the retail merchant collected county supplemental auto rental excise taxes; and

(2) the amount of auto rental excise taxes collected at each location.

(c) The return to be filed for the payment of the county supplemental auto rental excise tax may be a separate return, combined with the return filed for the payment of the auto rental excise tax under IC 6-6-9, or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-11

Auto rental excise tax account; distributions

Sec. 11. (a) All revenues collected from the county supplemental auto rental excise tax shall be deposited in a special account of the state general fund called the county supplemental auto rental excise tax account.

(b) On or before the twentieth day of each month, all amounts held in the county supplemental auto rental excise tax account shall be distributed to the capital improvement board of managers operating in a consolidated city.

(c) The amount to be distributed to the capital improvement board of managers operating in a consolidated city equals the total county supplemental auto rental excise taxes that were initially imposed and collected from within the county in which the consolidated city is located. The department shall notify the county auditor of the amount of taxes to be distributed to the board.

(d) All distributions from the county supplemental auto rental excise tax account shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the capital improvement board of managers operating in a consolidated

city.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-12

Expiration

Sec. 12. This chapter expires January 1, 2041.

*As added by P.L.256-1997(ss), SEC.1. Amended by P.L.214-2005,
SEC.24.*