SECTION 3. IC 6-2.3 IS REPEALED [EFFECTIVE JULY 1, 2022]. (Utility Receipts Tax)

SECTION 15. IC 8-1-2-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 4.2. (a) This section applies to a utility that is subject to the:

(1) utility receipts tax under IC 6-2.3; and

(2) jurisdiction of the commission for the approval of rates and charges; on January 1, 2022.

(b) Not later than May 1, 2022, a utility shall file with the commission a rate adjustment that adjusts the utility's rates and charges to reflect the repeal of the utility receipts tax (IC 6-2.3, before its repeal) in HEA 1002-2022 by the general assembly, independent of any other matters related to the utility's revenue requirement. A rate adjustment approved under this section shall operate on a prospective basis.

(c) A rate adjustment under this section:

(1) applies to each rate or charge in effect at the time of the filing that includes recovery of the utility receipts tax; and

(2) shall be calculated to remove the amount of the utility receipts tax that each existing rate or charge was designed to recover based on the utility receipts tax rate in effect at the time the rate or charge was approved.

(d) The commission shall approve a rate adjustment under this section if the commission finds that the rate adjustment has been calculated correctly under subsection (c)(2). If the rate adjustment under this section has not been calculated correctly under subsection (c)(2), the commission shall notify the utility of the defect and require the utility to correct the calculation.

(e) A rate adjustment under this section takes effect upon the effective date of the repeal of the utility receipts tax (IC 6-2.3, before its repeal) in HEA 1002-2022, pending approval of a utility's filing under this section.

(f) Upon a rate adjustment taking effect under subsection (e), the utility shall provide notice to all affected customers in each of the next two (2) regular billing cycles that the adjustment in rates or charges reflects the repeal of the utility receipts tax (IC 6-2.3, before its repeal) in HEA 1002-2022 by the general assembly. Notice provided under this subsection must include the amount of the adjustment reflected in the bill.

(g) This section shall not be construed to limit the commission's authority to:

(1) initiate proceedings; or

(2) take actions;
to ensure just and reasonable rates in connection with the repeal of the utility receipts tax (IC 6-2.3, before its repeal) in HEA1002-2022 by the general assembly.

SECTION 16. IC 8-1-2-4.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 4.3. (a) This section applies to a utility that is:

(1) subject to the utility receipts tax under IC 6-2.3; and

(2) not under the jurisdiction of the commission for the approval of rates and charges; on January 1, 2022.

(b) A utility shall adjust the utility's rates and charges to reflect the repeal of the utility receipts tax (IC 6-2.3, before its repeal) in HEA 1002-2022 by the general assembly. A rate or charge adjustment under this section shall operate on a prospective basis.

(c) A rate or charge adjustment under this section:

(1) applies to each rate or charge in effect at the time of the adjustment that includes recovery of the utility receipts tax; and

(2) shall be calculated to remove the amount of the utility receipts tax that each existing rate or charge was designed to recover based on the utility receipts tax rate in effect at the time the rate or charge was established.

(d) The utility shall provide notice to all affected customers in each of the next two (2) regular billing cycles that the adjustment in rates or charges reflects the repeal of the utility receipts tax (IC6-2.3, before its repeal) in HEA 1002-2022 by the general assembly. Notice provided under this subsection must include the amount of the adjustment reflected in the bill.