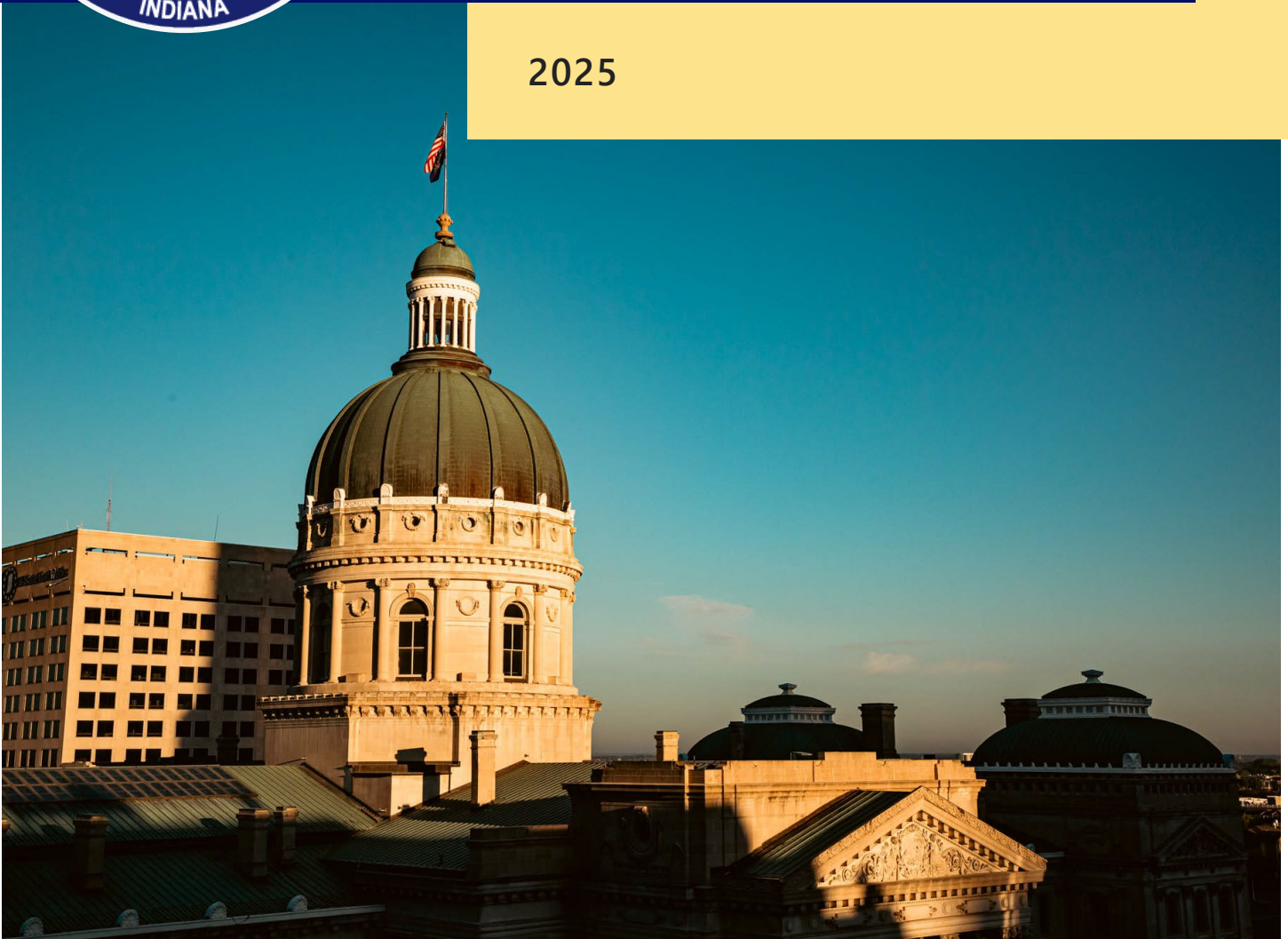




Legislative Synopsis

2025



Last revised: June 2025

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Introduction

The Legislative Synopsis contains a list of legislation passed by the 2025 Indiana General Assembly affecting the Indiana Department of Revenue (DOR).

DOR's synopsis has been divided into two parts, each presenting the same information but organized differently. The first part is organized by tax type and the second by bill number.

For each legislative change, the synopsis includes the heading (the relevant tax type in the first part; the Enrolled Act number in the second part), a short Summary, the Effective date, affected Indiana Code citations (IC), and Section of the bill where the language appears.

Finding Indiana Code and Legislation Online

To find laws contained in Indiana Code, learn more about recently passed legislation, and read bills in their entirety, [visit the Indiana General Assembly's website](#).

Indiana Code is arranged by Title, Article, Chapter, and Section. Follow the steps below when searching for a code:

1. At the top of the page, select "Laws," then "Indiana Code."
Every Title of the Indiana Code appears on this page.
2. Select the Title you want, then the Article.
3. All the Chapters in the Article are listed on the left side of the page.
4. Select the Chapter you want, the Section(s).

To view the bill containing the specific language, follow these steps:

1. At the top of the page, select "Legislation," then "Bills."
2. Find the Bill you want and select its "Latest Version," found on the left side of the page.
 - a. Bills that pass into law are labeled as Enrolled Acts.
 - b. Bills that fail to pass show up in a gray font.
3. The Latest Version will open in your browser; you may download it as a PDF.
4. Search for the Section you want.

Disclaimer

Legislative synopses are intended to provide nontechnical assistance to the general public. Every attempt is made to provide information that is consistent with the appropriate Enrolled Acts. Any information or guidance not consistent with the appropriate Enrolled Acts is not binding on the Indiana Department of Revenue. The information provided herein should serve only as a foundation for further investigation and study of the current law and procedures related to the subject matter covered herein. This document does not meet the definition of a "statement" required to be published in the Indiana Register under IC 4-22-2-7.

Part I: Legislation by Tax Type

Attorney General (IC 4-6)

Code: IC 4-6-10-4

Enrolled Act: HEA 1003, Sec. 2

Effective date: July 1, 2025

- Permits the office of the attorney general (OAG) to enter into a data sharing agreement with four specific state agencies, including DOR, in order to investigate Medicaid fraud.

Appropriations Management (IC 4-12)

Code: IC 4-12-1-7.5

Enrolled Act: SEA 5, Sec. 1

Effective date: July 1, 2025

- Provides that a state agency may use artificial intelligence software to prepare a statement required under IC 4-12-1-7 or any budget projections for the state agency.

Code: IC 4-12-19

Enrolled Act: SEA 5, Sec. 2

Effective date: July 1, 2025

- Provides that IC 4-12-19 does not apply to a request for new federal funds that is subject to a nondisclosure agreement to prevent the disclosure of confidential or proprietary business information.
- Defines "new federal funds," which means federal assistance or other funds that are available from the federal government, which the state is not currently receiving, or a federal assistance program or other federal program, in which the state is not currently participating.
- Requires state agencies to provide a report to the budget committee not later than January 1, April 1, July 1, and October 1 of each year that details the requests for new federal funds or to participate in a new federal program submitted by the state agency since the date of the state agency's last report under these requirements.
- Stipulates that a state agency may not:
 - accept an award of new federal funds if acceptance of the federal funds:
 - requires a state match of funding;
 - would require additional permanent full-time employees related to the funding; or
 - would mandate new requirements that must be met by the state of Indiana; or
 - participate in a new federal program;
 - before the report under the provision below has been reviewed by the budget committee.
- However, provides that budget committee is not required before the acceptance of an award of new federal funds if the acceptance does not entail any of the requirements described above, but the request for new federal funds must nevertheless be included in the report to the budget committee.

- To obtain budget committee review, a state agency shall submit a report containing:
 - the amount of money that is being requested or is available to be received by the state from the federal government for the new federal funds request;
 - the amount of new state money, if any, that will be required to receive the new federal funds or to participate in the new federal program;
 - the number of additional permanent full-time employees, if any, the state agency estimates are necessary to receive the new federal funds or to participate in the new federal program;
 - any requirement the state must meet as a condition for receiving the new federal funds or participating in the new federal program; and
 - the state agency's application for the new federal funds or the new federal program.
- A state agency shall submit a report required in IC 4-12-19 in the form and manner designated by the budget committee.

Administrative Management of State Services, Employees, Purchases, and Property (IC 4-13)

Code: IC 4-13-1-29

Enrolled Act: SEA 5, Sec. 3

Effective date: July 1, 2025

- Provides that to the extent a contract entered into by a state agency is required to be posted on the Indiana transparency website, the state agency shall provide the contract to the department of administration (DOA) for inclusion on the Indiana transparency website no later than 30 days after the contract is fully executed.
- Requires all contracts provided to the DOA for inclusion on the Indiana transparency website to be electronically downloadable, and that the information contained in a search of the contracts on the Indiana transparency website must be available to download in an accessible spreadsheet format regardless of the maximum number of rows.

Indiana Economic Development Corporation (IC 5-28)

Code: IC 5-28-2-1.5

Enrolled Act: HEA 1001, Sec. 68

Effective date: July 1, 2025

- Adds the Historic Rehabilitation Tax Credit under IC 6-3.1-17.1 to the definition of “applicable tax credit” for purposes of the \$300 million aggregate limit of applicable tax credits that the Indiana economic development corporation (IEDC) may award for a state fiscal year.

Code: IC 5-28-6-9

Enrolled Act: HEA 1001, Sec. 69

Effective date: July 1, 2025

- Increases the aggregate limit of applicable tax credits that the IEDC may award for a state fiscal year from \$250 million to \$300 million for each state fiscal year ending on or after July 1, 2025.
- Stipulates that each certification is subject to budget committee review.
- Provides that this statute will expire December 31, 2032.

Fiscal Integrity and Contract Accountability (IC 5-35.7)

Code: IC 5-35.7

Enrolled Act: SEA 5, Sec. 6

Effective date: Upon Passage

- Requires that not later than January 1, 2026, and not later than each January 1, April 1, July 1, and October 1 thereafter, a state agency must submit a report in an electronic format to the budget committee that provides information regarding the following contracts (with the maximum contract amount of not less than \$500,000) of the state agency:
 - For a report due January 1, active contracts as of December 1 of the prior year.
 - For a report due April 1, active contracts as of March 1 of that year.
 - For a report due July 1, active contracts as of June 1 of that year.
 - For a report due October 1, active contracts as of September 1 of that year.
- Stipulates that the report must include the following information:
 - The current contract expenditures compared with the maximum contract amount of the contract.
 - Any changes made to the terms of the initial contract since the prior report, including amendments or change orders, with an explanation of necessity.
 - The metrics used by the state agency to assess the success and performance of the contract.
- Provides that, starting with a state fiscal year that begins on or after July 1, 2025, and unless otherwise provided by law, any funds appropriated by the general assembly to a state agency for an expense related to a contract that remain unused 90 days after the end of the term of the contract:
 - must be unallotted by the budget agency and no longer available for the state agency's use; and
 - on the June 30 after the funds are unallotted, revert to the fund from which they were appropriated.
- Provides that a contract between a state agency and a contractor that is entered into, renewed, or amended after June 30, 2026, and has a maximum contract amount of not less than \$500,000 in the initial contract, must contain the following provisions:
 - To the extent practicable, clearly defined scopes and success metrics.
 - Liquidated damages or other remedies for missed deadlines or overages.
 - A requirement for either of the following:
 - An independent third party review verifying that the parties to the contract performed their obligations under the contract in compliance with the terms of the contract.
 - Other appropriate methods or means for verification and validation of the terms of the contract.

Provides that not later than March 1, 2026, the DOA shall provide contract language in its contract templates for state agencies to include the provisions required above.

- Requires a state agency to provide a report to the budget committee not later than January 1, April 1, July 1, and October 1 of each year, in the form and manner designated by the budget committee, that details the amendments for contracts entered into, renewed, or amended after June 30, 2025 and entered into by the state agency since the date of the last report under this statute to which at least one of the following applies:
 - For any contract, increase the maximum contract amount by an amount that is not less than \$500,000.

- For an initial contract with a maximum contract amount of not less than \$500,000, extend the term of the initial contract for a period of not less than six months
- Provides that all active contracts that are funded in part or in full by state appropriated funds, including state, federal, and dedicated funds, shall within 30 days of entering into the contract be submitted to the state budget agency and the DOA for inclusion on the state transparency portal under IC 5-14-3.5-2. Further provides that the state budget agency shall on or before June 1, 2026, and June 1 each year thereafter compile a report of all contracts submitted for the immediately preceding calendar year and submit the report to the state budget committee. However, this requirement does not apply to a contract solely entered into for licensed legal counsel.
- Requires that all contract opportunities of state agencies must be posted in the form of a request for proposals or a request for quotations on the DOA's website at least 30 days prior to the contract being awarded. However, this requirement does not apply to the following:
 - A contract solely entered into for licensed legal counsel.
 - A purchase subject to the small purchase policies established by a state agency under IC 5-22-8.
 - A contract for services provided by a bank holding company or its subsidiaries or for investments, investment services, or financial services entered into by the treasurer of state under IC 4-8.1, IC 5-13, or IC 10-12.
 - A contract entered into with a program established under IC 11-10-7-2.
- Mandates that except as otherwise required by law, a state agency shall not enter into a nonpublic contract. Defines a "nonpublic contract," which means a contract that is entered into without solicitation of proposals or competitive procurement. However, the term does not include a contract entered into under the following:
 - IC 5-22-10.
 - IC 4-13.6-5-5 (Emergency conditions).
 - An agreement or contract described in IC 31-25-4-13.1.

Sales and Use Tax (IC 6-2.5)

Code: IC 6-2.5-1-5

Enrolled Act: SEA 453, Sec. 1

Effective date: January 1, 2026

- Provides that the gross retail income received on the sale of kerosene (as defined in IC 16-44-2-2) is the total sales price of the kerosene minus the part of that price attributable to tax imposed under IC 6-6-2.5 (in the case of special fuel) or Section 4041 or Section 4081 of the Internal Revenue Code.

Code: IC 6-2.5-3-10

Enrolled Act: HEA 1050, Sec. 94

Effective date: July 1, 2025

- Changes a reference from "web site" to "website."

Code: IC 6-2.5-3-11

Enrolled Act: SEA 453, Sec. 2

Effective date: July 1, 2025

- Provides that if a person purchases services or items other than tangible personal property in a retail transaction subject to sales tax where the person does not remit the full amount of sales tax on the transaction, and the transaction is not exempt, then the person is liable for the tax not collected.
- Further provides that any tax due as a result of this statute shall be reported and remitted in the same manner as prescribed by DOR for the use tax under IC 6-2.5-3.

Code: IC 6-2.5-3.5-15

Enrolled Act: HEA 1050, Sec. 95

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Code: IC 6-2.5-3.5-17

Enrolled Act: HEA 1050, Sec. 96

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Code: IC 6-2.5-3.5-20

Enrolled Act: SEA 453, Sec. 3

Effective date: January 1, 2026

- Changes the reporting requirement for gasoline use tax, so that instead of filing returns on the tenth and twenty fifth-day of each for gasoline sold between those two dates, as well as reconciliation report due before the end of the month, refiners, terminal operators, and qualified distributors are required to file one return before the twentieth day of each month that contains any information reasonably necessary by DOR to determine the tax due.

Code: IC 6-2.5-3.5-27

Enrolled Act: SEA 453, Sec. 4

Effective date: July 1, 2025

- Provides that if a person purchases gasoline that is subject to gasoline use tax and claims an exemption from tax under IC 6-2.5 or otherwise causes the gasoline use tax to not be remitted to DOR, then the person purchasing the gasoline shall be liable for any unpaid gasoline use tax that otherwise would be due on the gasoline so purchased. For purposes of this statute, gasoline for which tax was paid but subsequently refunded shall be considered gasoline for which tax was not remitted to DOR.
- Stipulates that any tax due under this statute shall be reported and remitted on forms and in the manner prescribed by DOR.
- Further provides that any tax due under this statute shall be imposed at the rate for which the gasoline use tax otherwise would have been imposed, which shall be due on the twentieth day of the month immediately following the month of the purchase of gasoline.

Code: IC 6-2.5-5-58

Enrolled Act: HEA 1427, Sec. 65

Effective date: July 1, 2025

- Provides a new sales tax exemption for agricultural commodities sold by an agricultural commodity trade association if:
 - the transaction is conducted at the state fair; and
 - the transaction is conducted to make money to carry on the agricultural commodity trade association's nonprofit purpose.
- Stipulates that in order to obtain the exemption, an agricultural commodity trade association must be either registered as a retail merchant under IC 6-2.5-8-1 or establish that the agricultural commodity trade association is not required to be registered as a retail merchant under this article at the time of the transaction.
- Provides that for the purposes of this statute, the following definitions apply:
 - "Agricultural commodity" means dairy products, pork products, beef products, poultry products, and products from other livestock, as well as and crops, that are raised and harvested to provide food and food ingredients. The term includes items described in IC 6-2.5-5-20(c)(1), 20(c)(3), 20(c)(4), 20(c)(5), and 20(c)(6).
 - "Agricultural commodity trade association" means an agricultural or horticultural organization exempt from federal income taxation under IRC § 501(c)(5) or an organization exempt from federal income taxation under IRC § 501(c)(6) of the as a business league for agricultural commodity or horticultural interests.

Code: IC 6-2.5-7-1

Enrolled Act: SEA 453, Sec. 5

Effective date: January 1, 2026

- Repeals IC 6-2.5-7-1, which provided definitions of fuel pertinent to this chapter (IC 6-2.5-7) dealing with metered pump reporting.

Code: IC 6-2.5-7-3

Enrolled Act: SEA 453, Sec. 6

Effective date: January 1, 2026

- Repeals IC 6-2.5-7-3, which provided instructions for metered pump reporting.

Code: IC 6-2.5-8-7

Enrolled Act: SEA 80, Sec. 65

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-9.3 to IC 35-48-1.1-8.

Code: IC 6-2.5-8-8

Enrolled Act: HEA 1050, Sec. 97

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Note: While HEA 1601 provides that the effective date of the following sections in IC 6-2.5-15 are upon passage, HEA 1001 (2025) supersedes that directive and provides that the effective date of the following sections is actually January 1, 2026.

Code: IC 6-2.5-15-0.5

Enrolled Act: HEA 1601, Sec. 2

Effective date: January 1, 2026

- Creates a definition of "advanced computing," which means a computational method or technology, including hardware, software, and quantum safe fiber network equipment, that is designed, engineered, and installed to solve large, complex problems or process large data sets, including quantum computing, artificial intelligence, edge computing, and computational sets that use entanglement nodes that are beyond the capability of classical digital computational computing.

Code: IC 6-2.5-15-3

Enrolled Act: HEA 1001, Sec. 71

Effective date: January 1, 2026

- Moves the effective date of the eligible costs of expenditures for the development, acquisition, construction, and operation of a facility to be used as part of a quantum computing research, advanced computing, and defense infrastructure network to January 1, 2026.

Code: IC 6-2.5-15-3

Enrolled Act: HEA 1601, Sec. 3

Effective date: January 1, 2026

- For purposes of IC 6-2.5-15, redefines "eligible data center costs" to be "eligible costs."
- Adds to the definition of "eligible costs" to mean, after May 1, 2025, expenditures made for the development, acquisition, construction, and operation of a facility to be used as part of a quantum computing research, advanced computing, and defense infrastructure network that is connected by quantum safe fiber network equipment and used for quantum research or advanced computing at, or related to, a qualified military installation in Indiana or the I-Light network, including costs of all quantum safe fiber network equipment, rights-of-way, conduit, other required access, land, buildings, site improvements, modular data centers, computer data center equipment acquisition and permitting, lease payments, site characterization and assessment, engineering, and design used directly and exclusively as part of a quantum computing research, advanced computing, and defense infrastructure network.

Code: IC 6-2.5-15-5

Enrolled Act: HEA 1601, Sec. 4

Effective date: January 1, 2026

- Adds to the definition of "facility" a structure or building contained on one or more tracts of land in Indiana used specifically for: quantum research or commercialization; quantum safe fiber network equipment; advanced computing; quantum research or advanced computing for the defense industry; the qualified equipment that is placed in the structure or building; or one or more quantum safe fiber networks. It also includes any structures and personal property contained on the land that is required to operate a quantum safe fiber network.

Code: IC 6-2.5-15-5.7

Enrolled Act: HEA 1601, Sec. 5

Effective date: January 1, 2026

- Adds a definition of "I-Light," which has the meaning set forth in IC 8-1-32.7-3.

Code: IC 6-2.5-15-6.5

Enrolled Act: HEA 1601, Sec. 6

Effective date: January 1, 2026

- Adds a definition of "interest in a quantum computing research, advanced computing, and defense infrastructure network," which means an entity that is the owner of, the operator of, or a qualified colocation tenant in, any element of a quantum safe fiber network or a quantum computing, advanced computing, and defense infrastructure network. The term also includes an interest in a portion of a quantum computing research, advanced computing, and defense infrastructure network.

Code: IC 6-2.5-15-7

Enrolled Act: HEA 1601, Sec. 7

Effective date: January 1, 2026

- Adds to the definition of "operator" entities operating a quantum computing research, advanced computing, and defense infrastructure network.

Code: IC 6-2.5-15-9

Enrolled Act: HEA 1601, Sec. 8

Effective date: January 1, 2026

- Adds to the definition of "qualified colocation tenant" entities contracting with the owner of a quantum computing research, advanced computing, and defense infrastructure network.

Code: IC 6-2.5-15-11

Enrolled Act: HEA 1601, Sec. 9

Effective date: January 1, 2026

- For purposes of IC 6-2.5-15, redefines "eligible data center equipment" to be "eligible equipment."
- Adds to the definition of "eligible equipment" quantum computing research, advanced computing, and defense infrastructure network equipment in a quantum computing research, advanced computing, and defense infrastructure network.

Code: IC 6-2.5-15-13

Enrolled Act: HEA 1601, Sec. 10

Effective date: January 1, 2026

- Adds to the definition of "qualified investment" the aggregate nonduplicative eligible costs expended by any entity with an interest in the quantum computing research, advanced computing, and defense infrastructure network for purposes of a quantum computing research, advanced computing, and defense infrastructure network.

Code: IC 6-2.5-15-13.2

Enrolled Act: HEA 1601, Sec. 11

Effective date: January 1, 2026

- Adds a definition of "quantum safe fiber network," which means a fiber network that includes each of the following attributes:
 - A deployed fiber infrastructure comprised of: standard single mode optical fibers (G.652.D) that are compliant with the federal Trade Agreements Act of 1979 (Public Law 96-39, 93 Stat. 144, as amended); and flexgrid reconfigurable photonic layer; and (C) only coherent optical transponders with FIPS 140-3 certified L1 encryption (OTNsec) with support for external key from quantum key distribution servers that are compliant with the federal Trade Agreements Act of 1979 (Public Law 96-39, 93 Stat. 144, as amended); on electronics and glass.
 - A fiber infrastructure that is connected to: a military installation of the United States of America; the Indiana National Guard; another military outlet or I-Light; or an institution of higher learning conducting quantum computing research or advanced computing research.
 - A network engineered with physical intermediate access points (nodes) not more than sixty (60) miles apart.
 - A network with physical intermediate access points (nodes) equipped with physical access control and remote monitoring.
 - A network with quantum key distribution (QKD) servers deployed on every fiber span.
 - A network that is not used for residential broadband and limited in use to less fifteen percent (15%) for commercial broadband (ISP) applications.
 - A network that complies with the federal Trade Agreements Act of 1979 (Public Law 96-39, 93 Stat. 144) as amended.

Code: IC 6-2.5-15-13.3

Enrolled Act: HEA 1601, Sec. 12

Effective date: January 1, 2026

- Adds a definition of "quantum safe fiber network equipment," which means optical gear, transmission equipment, fiber, computer equipment, software, or any other equipment or software of any type purchased or leased for the processing, storage, retrieval, communication, or transmission of data over a quantum safe fiber network that meets certain enumerated conditions.

Code: IC 6-2.5-15-13.4

Enrolled Act: HEA 1601, Sec. 13

Effective date: January 1, 2026

- Adds a definition of "quantum computing research, advanced computing, and defense infrastructure network," which means the quantum safe fiber network between two or more facilities using qualified equipment to create and connect qualified facilities to a quantum safe fiber network that create a minimum qualified investment of at least \$50,000,000 on or before the fifth anniversary of the issuance of the specific transaction award certificate by the IEDC.
- The term includes the land, buildings, site improvements, permitting, lease payments, site characterization and assessment, engineering and design, quantum safe fiber network equipment, rights-of-way, and any other required access, used directly to be a part of:
 - a qualified advanced computing or a qualified quantum computing research initiative within Indiana;

- the deployment or expansion of advanced computing, within Indiana;
- the expansion of the defense industry within Indiana; or
- the quantum computing research, advanced computing and defense infrastructure network connected to and used for: quantum research (including computing, communication, and networking); advanced computing; or defense infrastructure network;
- at or related to the federal or state of Indiana military installations, research universities, I-Light, or any other Department of Defense or Indiana National Guard installation within Indiana.

Code: IC 6-2.5-15-14

Enrolled Act: HEA 1601, Sec. 14

Effective date: January 1, 2026

- Permits a quantum computing research, advanced computing, and defense infrastructure network operator that holds an interest in an interest in a quantum computing research, advanced computing, and defense infrastructure network to apply to the corporation for a specific transaction award certificate to make purchases, other than the purchase of utilities described in IC 6-2.5-4-5, that are exempt under IC 6-2.5-15.
- Modifies the expiration of the award certificates for data centers and quantum computing research, advanced computing, and defense infrastructure networks. Award certificates expire 25 years after the date of issuance, or the later of:
 - In the case of a qualified data center user, 50 years after the date of issuance if the qualified investment is \$750,000,000 or greater.
 - In the case of a quantum computing research, advanced computing, and defense infrastructure network operator, the award certificate expires 50 years after the date of issuance if the qualified investment is \$50,000,000 or greater within three years of the issuance of the transaction award certificate.

Code: IC 6-2.5-15-15

Enrolled Act: HEA 1601, Sec. 15

Effective date: January 1, 2026

- Modifies the section dealing with entering into an agreement with the corporation concerning the sales tax exemption under IC 6-2.5-15 to include quantum computing research, advanced computing, and defense infrastructure networks and associated equipment.
- Requires the agreement to include documentation of compliance with the requirement that the investment be specific to infrastructure for the Indiana defense industry or quantum computing research or advanced computing.

Code: IC 6-2.5-15-16

Enrolled Act: HEA 1601, Sec. 16

Effective date: January 1, 2026

- Modifies the sales tax exemption for data centers to include quantum computing research, advanced computing, and defense infrastructure network equipment.

Code: IC 6-2.5-15-17

Enrolled Act: HEA 1601, Sec. 17

Effective date: January 1, 2026

- Modifies the section dealing with claiming the sales tax exemption under IC 6-2.5-15 with vendors to include quantum computing research, advanced computing, and defense infrastructure networks.

Code: IC 6-2.5-15-18

Enrolled Act: HEA 1601, Sec. 18

Effective date: January 1, 2026

- Modifies the section dealing with notice of noncompliance procedures for the sales tax exemption under IC 6-2.5-15 to include quantum computing research, advanced computing, and defense infrastructure networks.

Code: IC 6-2.5-15-19

Enrolled Act: HEA 1601, Sec. 19

Effective date: January 1, 2026

- Modifies the section dealing with continuing effect of the sales tax exemption under IC 6-2.5-15 in the event of a disposition to include quantum computing research, advanced computing, and defense infrastructure networks.

Code: IC 6-2.5-15-20

Enrolled Act: HEA 1601, Sec. 20

Effective date: January 1, 2026

- Modifies the section dealing with the economic and fiscal impact study for the sales tax exemption under IC 6-2.5-15 to include quantum computing research, advanced computing, and defense infrastructure networks.

Income Taxes (IC 6-3)

Code: IC 6-3-1-3.5

Enrolled Act: HEA 1002, Sec. 2

Effective date: July 1, 2025

- Removes career scholarship account annual grant amounts distributed to an Indiana student enrichment scholarship account under IC 20-52 that is used for qualified expenses from the definition of adjusted gross income. Student enrichment grants are repealed in SECTION 154 of this bill, effective July 1, 2025.

Code: IC 6-3-1-34

Enrolled Act: HEA 1280, Sec. 1

Effective date: January 1, 2025 (Retroactive)

- Adds the United States Space Force to the definition of "qualified military income" for reserve components, as well as for purposes of the 100% exemption for active military pay.
- Adds to the definition of "qualified military income" wages paid to a member of the United States Public Health Service Commissioned Corps or the National Oceanic and Atmospheric Administration Commissioned Officer Corps for the member's service.

Code: IC 6-3-1-41

Enrolled Act: HEA 1427, Sec. 66

Effective date: January 1, 2026

- Defines the term "investment partnership" for purposes of adjusted gross income tax.
- Provides that the term means a partnership that meets the following criteria:
 - Has at least 90% of its assets from qualifying securities, deposits at banks and similar financial institutions, and office space and equipment reasonably necessary to carry out investment partnership activities.
 - Has at least 90% of its income from interest, dividends, gains from sale or exchange of qualifying investment securities, and the distributive share of partnership income from partnership interests that are themselves qualifying securities. For this purpose, gross income does not include income from partnerships operating at a federal taxable loss. Provides a safe harbor that the partnership has met the criteria in 3 of the 5 most recent taxable years.
 - The partnership is not a dealer in qualifying investment securities.

Code: IC 6-3-1-42

Enrolled Act: HEA 1427, Sec. 67

Effective date: January 1, 2026

- Provides a definition for the term "qualifying investment securities" means the following: (1) Common stock, including preferred or debt securities convertible into common stock, and preferred stock. (2) Bonds, debentures, and other debt securities. (3) Foreign and domestic currency deposits secured by federal, state, or local governmental agencies. (4) Mortgage or asset-backed securities secured by federal, state, or local governmental agencies. (5) Repurchase agreements and loan participations. (6) Foreign currency exchange contracts and forward and futures contracts on foreign currencies. (7) Stock and bond index securities and futures contracts and other similar financial securities and futures contracts on those securities. (8) Options for the purchase or sale of any of the securities, currencies, contracts, or financial instruments described in subdivisions (1) through (7). (9) Regulated futures contracts. (10) Commodities (not described in IRC § 1221(a)(1)) or futures, forwards, and options with respect to such commodities, provided, however, that any item of a physical commodity to which title is actually acquired in the partnership's capacity as a dealer in such commodity shall not be a qualifying investment security. (11) Derivatives. (12) A partnership interest in another partnership that is an investment partnership. (13) A partnership interest that, in the hands of the partnership, qualifies as a security within the meaning of 15 U.S.C. 77b(a)(1).

Code: IC 6-3-1-43

Enrolled Act: HEA 1427, Sec. 68

Effective date: January 1, 2026

- Provides a definition for the term "qualifying investment partnership income," meaning the adjusted gross income from qualifying investment securities, excluding any income or loss from an asset described in IC 6-3-1-42(13).

Code: IC 6-3-2-1

Enrolled Act: SEA 451, Sec. 1

Effective date: July 1, 2025

- Adds a new definition of “state fiscal year” to mean the annual period commencing July 1 of a given year and ending June 30 of the following year.
- Makes an expiration date for the 2.9% individual income tax rate before January 1, 2030.
- Provides that for taxable years beginning after December 31, 2029, and before January 1, 2032, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2025; June 30, 2026; June 30, 2027; and June 30, 2028, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2029, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2028.
- Provides that for taxable years beginning after December 31, 2033, and before January 1, 2036, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2029; June 30, 2030; June 30, 2031; and June 30, 2032, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2033, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2032.
- Provides that for taxable years beginning after December 31, 2035, and before January 1, 2038, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2031; June 30, 2032; June 30, 2033; and June 30, 2034, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2035, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2034.

- Provides that for taxable years beginning after December 31, 2037, and before January 1, 2040, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2033; June 30, 2034; June 30, 2035; and June 30, 2036, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2037, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2036.
- Provides that for taxable years beginning after December 31, 2039, and before January 1, 2042, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2035; June 30, 2036; June 30, 2037; and June 30, 2038, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2039, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2038.
- Provides that for taxable years beginning after December 31, 2041, and before January 1, 2044, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2037; June 30, 2038; June 30, 2039; and June 30, 2040, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2041, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2040.
- Provides that for taxable years beginning after December 31, 2043, the tax rate in effect in taxable years beginning after December 31, 2042, remains in effect.
- Requires the state budget agency at the end of each even-numbered state fiscal year to calculate and compare the percentage of revenue growth in state general fund revenue collections between state fiscal years as described in the items above, including the comparison of the percentage of revenue growth between the amount of forecasted state general fund revenue collections for particular state fiscal years and the actual state general fund revenue collections for particular state fiscal years, to determine whether the conditions described in the items above are satisfied. The budget agency shall make these calculations not later than 30 days after the end of each even-numbered state fiscal year.

- Further requires the state budget agency not later than September 1 of each even-numbered calendar year to certify the results to DOR and to the legislative council, and report to the state budget committee for review the percentage of revenue and the adjusted gross income tax rate determination made for the following even-numbered year under these requirements.
- Requires DOR not later than November 1 of each odd-numbered calendar year to provide notice of the determination and the applicable tax rates for each even-numbered calendar year on DOR's website in a departmental notice.

Code: IC 6-3-2-1.7

Enrolled Act: SEA 451, Sec. 2

Effective date: July 1, 2025

- Changes a reference to a subsection in IC 6-3-2-1 that was renumbered as a result of SECTION 1 of this bill.

Code: IC 6-3-2-3.1

Enrolled Act: SEA 80, Sec. 66

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

Code: IC 6-3-2-3.3

Enrolled Act: HEA 1427, Sec. 69

Effective date: January 1, 2026

- Provides that for nonresident partners in a qualifying investment partnership, qualifying investment income generally is allocated to the nonresident's state of residence (for individuals, estates, and trusts) or state of commercial domicile (for other entities).
- Provides that for a nonresident partner that earns qualifying investment income from a partnership and the investment activity (1) is directly or integrally related to any other business activity conducted in this state by the nonresident partner, (2) serves an operational function to any other business activity of the nonresident partner, or (3) is attributable to assets of the investment partnership that were acquired with working capital from a trade or business activity conducted in this state in which the nonresident partner owns an interest, the income is considered business income to the partner for apportionment business.
- Stipulates that the tests in (1)-(3) also apply to the partner if the activity is the result of another corporation that is unitary with the nonresident partner.
- Requires the exclusion of receipts resulting from qualifying investment partnership income if the income is treated as allocable income.
- Requires the inclusion of receipts resulting from qualifying investment partnership income if the partner treats the income as apportionable business income.
- Provides that the unitary treatment of entities is determined without regard to whether the entity would qualify as a foreign operating company and that a unitary relationship is determined without regard to the partner's ownership interest in the partnership.
- Stipulates that the provisions of the section only apply to qualifying investment partnership income from investment partnerships.

- Requires the waiver of estimated tax and late-payment penalties for owners on an underpayment arises if:
 - the owner reasonably determines that it received qualifying investment partnership income from a partnership, and
 - the partnership is later determined to not be an investment partnership.

Code: IC 6-3-2-4

Enrolled Act: HEA 1280, Sec. 2

Effective date: January 1, 2025 (Retroactive)

- Amends the income tax deduction for income from military retirement or survivor's benefit to include the United States Space Force, the United States Public Health Service Commissioned Corps, and the National Oceanic and Atmospheric Administration Commissioned Officer Corps.

Code: IC 6-3-2-4

Enrolled Act: HEA 1637, Sec. 11

Effective date: July 1, 2025

- Inserts "United States" before each listed military branch within this statute.

Code: IC 6-3-2-27.5

Enrolled Act: SEA 1, Sec. 86

Effective date: July 1, 2027

- Changes reference to the definition of a "local taxpayer" to IC 6-3.6 generally.

Code: IC 6-3-2.1-4

Enrolled Act: HEA 1427, Sec. 70

Effective date: January 1, 2025 (Retroactive)

- Splits subsection (a)(2) into two subparts and renumbers accordingly.
- Clarifies that the tax rate of pass through entity tax (PTET) shall be the tax rate specified in IC 6-3-2-1(a) (before July 1, 2025) or IC 6-3-2-1(b) (after June 30, 2025).

Code: IC 6-3-2.1-5

Enrolled Act: HEA 1427, Sec. 71

Effective date: January 1, 2025 (Retroactive)

- Removes prohibition from claiming most credits against PTET.
- Allows a pass through entity to elect to claim credits for out-of-state taxes and for certain non-refundable credits against PTET.
- Restricts any election to the originally filed PTET return. Provides that for resident owners, income taxed by another state is subject to a credit equal to the income taxed by the other state multiplied the highest individual tax rate imposed by that state.
- Provides that the income attributable to residents of reverse credit states (Arizona, Oregon, and Washington DC) is subject to a credit for the tax at the highest individual tax rate in those states.
- Provides that for other non-refundable credits that can be passed through, a credit equal to the owner's share of the passed through credit can be applied against PTET.
- Limits the credits applicable against the PTET for an owner to the PTET for that owner.
- Requires an ordering of credits when the credits exceed an owner's PTET.
- Allows credits that can be passed through to be available to the pass through entity's owners.

Code: IC 6-3-2.1-6

Enrolled Act: HEA 1001, Sec. 72

Effective date: Upon Passage

- For 2025 and later, provides that the penalty for PTET is based on the failure to make a quarterly estimated payment of 25% of the prior-year tax or 20% of the current-year tax, whichever is less.
- Provides that the penalty is based on the underpayment for each quarterly payment as opposed to the payments made during the year. Clarifies that the penalty on the underpayment is based on the rate provided in IC 6-8.1-10-2.1(b) (10% penalty rate).

Code: IC 6-3-2.1-6

Enrolled Act: SEA 453, Sec. 7

Effective date: January 1, 2026

- Changes references to a subsection in IC 6-3-4-4.1 that was renumbered as a result of SECTION 10 of this bill.

Code: IC 6-3-3-12

Enrolled Act: SEA 453, Sec. 8

Effective date: January 1, 2026

- Replaces references to "college choice 529" with "Indiana529."
- Revises the amount of a credit that a taxpayer is entitled to. The new amount is 20% multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of an Indiana529 plan during the taxable year. The previous amount was 20% multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified higher education expenses that are not qualified K-12 education expenses, plus 20% multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified K-12 education expenses.
- Removes the requirement that at the time a contribution is made to, or a withdrawal is made from, an account or accounts of a college choice 529 education savings plan, the person making the contribution or withdrawal must designate whether the contribution is made for, or the withdrawal will be used for, qualified higher education expenses that are not qualified K-12 education expenses or qualified K-12 education expenses. The Indiana education savings authority (IC 21-9-3) shall use subaccounting to track the designations.

Code: IC 6-3-3-12.1

Enrolled Act: SEA 453, Sec. 9

Effective date: January 1, 2026

- Replaces references to "college choice 529" with "Indiana529."

Code: IC 6-3-4-4.1

Enrolled Act: SEA 453, Sec. 10

Effective date: January 1, 2026

- Provides that if an individual does not file a return for the preceding taxable year and the individual can establish that the individual did not have a liability under IC 6-3 and IC 6-3.6, then Section 6654 of the Internal Revenue Code shall be applied as if the tax liability for the preceding taxable year under IC 6-3 9 and IC 6-3.6 was \$0.

Enrolled Act: SEA 453, Sec. 11

Code: IC 6-3-4-4.2

Effective date: January 1, 2026

- Adds a new definition of “final tax liability” as the reported tax liability for a taxable year with three exceptions.
- Provides that a final tax liability for a short taxable year is the liability divided by the number of estimated payments required and multiplied by four.
- Clarifies that when a return is properly not filed for a taxable year, the final tax liability for that year is zero.
- Provides that when a previous year’s reported liability is zero, the current tax year’s liability for estimated tax purposes is zero.
- Adds a new definition of “reported tax liability” as the tax liability reported by the taxpayer after application of credits other than payments.
- Clarifies that the tax for a period includes any recaptured tax credits.
- Provides that in the case of an improperly unfiled return, the reported tax liability is the greater of that year’s tax liability as determined by the department or the following year’s tax liability.
- Clarifies application of withholding and PTET payments for estimated tax purposes.
- Clarifies that reduced estimated tax payments resulting from using an annualization method must be recaptured in the manner provided by IRC section 6655.
- Provides that a corporation cannot use a disallowed annualization method.
- Provides that the penalty on underpayments is based only on the shortfall in the estimated tax payment (previously this was based on the current-year tax minus any estimated payment).
- Otherwise recodifies the corporate estimated tax provisions previously in IC 6-3-4-4.1.

Code: IC 6-3-4-8

Enrolled Act: SEA 80, Sec. 67

Effective date: July 1, 2025

- Updates a reference of IC 3-5-2-40.1 to IC 3-5-2.1-82.

Code: IC 6-3-4-17

Enrolled Act: SEA 453, Sec. 12

Effective date: January 1, 2026

- Changes references to a subsection in IC 6-3-4-4.1 that was renumbered as a result of SECTION 10 of this bill.

Code: IC 6-3-4.5-1

Enrolled Act: SEA 451, Sec. 3

Effective date: July 1, 2025

- Changes references to subsections in IC 6-3-2-1 that were renumbered as a result of SECTION 1 of this bill.

Code: IC 6-3-4.5-9

Enrolled Act: SEA 451, Sec. 4

Effective date: July 1, 2025

- Changes references to subsections in IC 6-3-2-1 that were renumbered as a result of SECTION 1 of this bill.

Code: IC 6-3-4.5-18

Enrolled Act: SEA 451, Sec. 5

Effective date: July 1, 2025

- Changes references to subsections in IC 6-3-2-1 that were renumbered as a result of SECTION 1 of this bill.

Code: IC 6-3-5-5

Enrolled Act: HEA 1001, Sec. 73

Effective date: January 1, 2025 (Retroactive)

- Removes the ability for the IEDC to make a payment under this statute from funds appropriated from the statewide innovation development district fund established by IC 36-7-32.5-20.

Tax Credits (IC 6-3.1)

Code: IC 6-3.1-13-20

Enrolled Act: HEA 1001, Sec. 74

Effective date: January 1, 2025 (Retroactive)

- Removes the ability for the IEDC to make a payment for an economic development for a growing economy (EDGE) tax credit from funds appropriated from the statewide innovation development district fund established by IC 36-7-32.5-20.

Code: IC 6-3.1-13-29

Enrolled Act: HEA 1001, Sec. 75

Effective date: July 1, 2025

- Provides that an EDGE tax credit awarded under IC 6-3.1-13 is subject to the limitations set forth in IC 5-28-6-9.

Code: IC 6-3.1-19-3

Enrolled Act: HEA 1001, Sec. 76

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a community revitalization enhancement district (CRED) tax credits awarded during a taxable year are subject to IC 5-28-6-9.

Code: IC 6-3.1-19-7

Enrolled Act: HEA 1001, Sec. 77

Effective date: July 1, 2025

- Provides that a CRED tax credit awarded under IC 6-3.1-19 is subject to the limitations set forth in IC 5-28-6-9.

Code: IC 6-3.1-22-8

Enrolled Act: HEA 1616, Sec. 2

Effective date: July 1, 2025

- Adds a \$10,000 limit to the amount which a taxpayer may be entitled to for the residential historic rehabilitation credit.
- Adds a caveat referencing IC 6-3.1-22-15.5, which is created in SECTION 4 of this bill.

Code: IC 6-3.1-22-15

Enrolled Act: HEA 1616, Sec. 3

Effective date: July 1, 2025

- Adds language confirming that if the total residential historic rehabilitation credits approved by the office of community and rural affairs ("office") in a state fiscal year equals the maximum amount allowable in the state fiscal year of \$250,000, the office shall not approve an additional application for the credits in that state fiscal year.
- Adds additional language confirming that if a taxpayer is allowed a credit which results in credits being granted in excess of the maximum amount allowable in a state fiscal year, the office shall approve a credit of the maximum amount allowable under this statute for that state fiscal year minus the previously approved credits for that state fiscal year.
- Provides that if a credit allowed for qualified expenditures incurred before July 1, 2024, and was approved by the office before March 10, 2025, the credit shall be treated as being allowed for a state fiscal year beginning before July 1, 2024.

Code: IC 6-3.1-22-15.5

Enrolled Act: HEA 1616, Sec. 4

Effective date: July 1, 2025

- Provides that if a taxpayer was granted a residential historic rehabilitation credit by the office before March 10, 2025, for a qualified expenditure, and the expenditure was claimed in a taxable year other than the year in which the preservation or rehabilitation of the historic property was performed, then that credit may be claimed in the first taxable year beginning after December 31, 2024, and may be carried forward as set forth in IC 6-3.1-22-14.

Code: IC 6-3.1-26-14

Enrolled Act: HEA 1001, Sec. 78

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a Hoosier business investment tax (HBIT) tax credit that may be claimed during a taxable year is subject to IC 5-28-6-9.

Code: IC 6-3.1-26-27

Enrolled Act: HEA 1001, Sec. 79

Effective date: July 1, 2025

- Provides that a HBIT tax credit awarded under IC 6-3.1-26 is subject to the limitations set forth in IC 5-28-6-9.

Code: IC 6-3.1-30-8

Enrolled Act: HEA 1001, Sec. 80

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a headquarters relocation tax credit that may be claimed during a taxable year is subject to IC 5-28-6-9.

Code: IC 6-3.1-30-17

Enrolled Act: HEA 1001, Sec. 81

Effective date: July 1, 2025

- Provides that a headquarters relocation tax credit awarded under IC 6-3.1-30 is subject to the limitations set forth in IC 5-28-6-9.

Code: IC 6-3.1-30.5-14

Enrolled Act: HEA 1050, Sec. 98

Effective date: July 1, 2025

- Changes a reference from "an Internet web site" to "a website."

Code: IC 6-3.1-34-11

Enrolled Act: HEA 1001, Sec. 82

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a redevelopment tax credit that may be claimed during a taxable year is subject to IC 5-28-6-9.

Code: IC 6-3.1-34-23

Enrolled Act: HEA 1001, Sec. 83

Effective date: July 1, 2025

- Provides that a head redevelopment quarters relocation tax credit awarded under IC 6-3.1-34 is subject to the limitations set forth in IC 5-28-6-9.

Code: IC 6-3.1-36-11.5

Enrolled Act: SEA 306, Sec. 1

Effective date: January 1, 2026

- Provides a taxpayer may assign any part of the film and media production tax credit that the taxpayer may claim. A credit that is assigned remains subject to the requirements of the remainder of IC 6-3.1-36.
- Further provides that a taxpayer may make only one assignment of a credit and that if a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another taxpayer.
- Requires that the taxpayer must notify the corporation of the assignment of the credit in the manner prescribed by the corporation before a credit may be assigned.
- Requires that an assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and the assignee's state tax returns for the year in which the assignment is made in a manner prescribed by DOR.
- Further provides that a taxpayer may not receive value in connection with an assignment that exceeds the value of the part of the credit assigned.

Code: IC 6-3.1-36-11.7

Enrolled Act: SEA 306, Sec. 2

Effective date: July 1, 2025

- Provides that any single film and media production tax credit may not exceed \$250,000, and that the aggregate amount of credits may not exceed \$2,000,000.

Code: IC 6-3.1-36-13

Enrolled Act: SEA 306, Sec. 3

Effective date: July 1, 2025

- Extends the expiration date of the film and media production tax credit chapter to July 1, 2031, from July 1, 2027.

Code: IC 6-3.1-38.1

Enrolled Act: HEA 1461, Sec. 2

Effective date: January 1, 2025 (Retroactive)

- Establishes a new railroad tax credit for taxpayers that make qualified infrastructure investments.
- Provides that the amount of the credit is a taxpayer's qualified railroad expenditures or qualified new rail infrastructure expenditures multiplied by 50%, but may not exceed:
 - For qualified railroad expenditures, the number of miles of Class II or Class III railroad track owned or leased by the taxpayer in Indiana at the close of the taxable year multiplied by \$3,500.
 - For qualified new rail infrastructure expenditures, the lesser of:
 - 50% of the qualified new rail expenditures for each new rail served customer project completed by the taxpayer in the taxable year; or
 - \$500,000 per rail served customer project.
- Directs that the credit must be claimed in a manner prescribed by DOR on the taxpayer's state tax return, and that DOR must evaluate a taxpayer's eligibility to be certified the credit based on a taxpayer submitting the following:
 - the number of miles of railroad track owned or leased in Indiana; and

- a description and certification of the amount of the taxpayer's qualified railroad expenditures or qualified new rail infrastructure expenditures.
- Provides that if a pass through entity does not have state tax liability against which to apply the credit, the credit flows through on a pro rata basis to the shareholders, partners, or beneficiaries. Further provides that although each credit is in addition to a credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one credit for the same qualified railroad expenditure or qualified new rail infrastructure expenditure.
- Permits the credit to be assigned. Provides that a taxpayer may make only one assignment of a credit and that an assignee may not subsequently assign all or part of the credit to another taxpayer.
- Requires that an assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and the assignee's state tax returns for the year in which the assignment is made in a manner prescribed by DOR.
- Provides that if the transferor of an assignment is a tax exempt entity (meaning a government agency or an organization that is recognized as exempt under section 501(c)(3) of the Internal Revenue Code), the transfer must be completed on or before the date that is one year after the close of the tax year for which the credit was certified.
- Allows credit in excess of a taxpayer's state tax liability to be carried forward for up to five years. However, the credit may not be carried back or refunded.
- Limits the aggregate amount of the credit for each state fiscal year beginning after June 30, 2025, to the following:
 - Qualified railroad expenditures may not exceed \$9,500,000.
 - Qualified new rail infrastructure may not exceed \$5,000,000.
- Directs DOR to provide the Indiana department of transportation and the state comptroller the total amount of state tax credits certified for the immediately preceding taxable year.
- Expires the credit after December 31, 2027.

Code: IC 6-3.1-39.5-15

Enrolled Act: SEA 463, Sec. 1

Effective date: Upon Passage

- Changes the deadline for expiration for the employer child care expenditure credit to July 1, 2027.

Code: IC 6-3.1-40-3

Enrolled Act: HEA 1427, Sec. 72

Effective date: January 1, 2025 (Retroactive)

- Repeals 6-3.1-40-3, which provided a definition of "primary care physician."

Code: IC 6-3.1-40-5

Enrolled Act: HEA 1427, Sec. 73

Effective date: January 1, 2025 (Retroactive)

- Revises the definition of a "taxpayer" by removing references to "primary care physician" for purposes of the credit under IC 6-3.1-40. Instead, the physician needs to be engaged in the practice of medicine.

Code: IC 6-3.1-40-6

Enrolled Act: HEA 1427, Sec. 74

Effective date: January 1, 2025 (Retroactive)

- Splits subsection (a) into several new subdivisions and renumbers accordingly.
- Removes references to “primary care physician” for purposes of the credit under IC 6-3.1-40.
- Clarifies that the taxpayer must provide health care service to patients in a calendar year, as opposed to a taxable year.
- Requires that the taxpayer has an ownership interest in the income of the physician owned medical practice that is at least:
 - for a physician owned medical practice with not more than 10 owners, 5% of the physician owned medical practice's income; and
 - for a physician owned medical practice with more than 10 owners, 50% of the physician owned medical practice's income divided by the number of physicians who own an interest in the physician owned medical practice.
- Requires that the taxpayer provided health care services in the physician owned medical practice for at least 6 months of a calendar year.
- Includes references to IC 6-3.1-40-9.5 and 11 as necessary for the taxpayer to comply with in order to receive the credit under IC 6-3.1-40. Both statutes are created as a result of SECTIONS 77 and 78 of this bill, respectively.
- Clarifies that the total amount of the credit allowed under IC 6-3.1-40 is available in the particular calendar year, as opposed to a taxable year.

Code: IC 6-3.1-40-7

Enrolled Act: HEA 1427, Sec. 75

Effective date: January 1, 2025 (Retroactive)

- Makes a minor technical change to wording.

Code: IC 6-3.1-40-9

Enrolled Act: HEA 1427, Sec. 76

Effective date: January 1, 2025 (Retroactive)

- Repeals IC 6-3.1-40-9, which provided the process for claiming the credit under IC 6-3.1-40 on a tax return.

Code: IC 6-3.1-40-9.5

Enrolled Act: HEA 1427, Sec. 77

Effective date: January 1, 2025 (Retroactive)

- Provides a new process for claiming the credit under IC 6-3.1-40 on a tax return, by requiring:
 - the physician owned medical practice must apply for DOR's approval of the tax credit for its owners for a calendar year in the manner prescribed by DOR after June 30 of that calendar year, but not later than June 30 of the subsequent calendar year;
 - the physician owned medical practice must submit with the application a certified list of each of the physicians who has an ownership interest in the legal entity described in IC 6-3.1-40-6 and any additional information that DOR determines is necessary for the calculation of the credit under IC 6-3.1-40;
 - the taxpayer must attach proof of DOR's approval of the tax credit to the taxpayer's state tax return or returns; and

- the taxpayer must claim the approved tax credit on the taxpayer's state tax return or returns in the manner prescribed by DOR.
- Requires DOR to record the time of filing of each application for DOR's approval of a tax credit and shall, except as provided below, approve granting the credit to the taxpayer, if the taxpayer otherwise qualifies for a credit under IC 6-3.1-40, in the chronological order in which the application for DOR's approval is filed in the year.
- Stipulates that if the total credits approved under this statute equal the maximum amount allowable in the year, DOR may not approve an application for the credit filed later in that year.

Code: IC 6-3.1-40-11

Enrolled Act: HEA 1427, Sec. 78

Effective date: January 1, 2025 (Retroactive)

- Provides that subject to the provision below, the total amount of tax credits awarded under IC 6-3.1-40 may not exceed \$10,000,000 in the state fiscal year beginning July 1, 2025, and ending June 30, 2026, and in each state fiscal year thereafter.
- Further provides that for a taxable year beginning after December 31, 2024, and before January 1, 2026, only that part of a taxpayer's tax credit that is attributable to the period of time beginning after June 30, 2025, and before January 1, 2026, is subject to the maximum amount provided above.

Code: IC 6-3.1-40-12

Enrolled Act: HEA 1427, Sec. 79

Effective date: January 1, 2025 (Retroactive)

- Requires DOR to provide the following information to the public on a website used by DOR for such purposes:
 - The application for the credit provided in IC 6-3.1-40.
 - A timeline for receiving the credit provided in IC 6-3.1-40.
 - The total amount of credits awarded under IC 6-3.1-40 during the current state fiscal year.

Code: IC 6-3.1-45

Enrolled Act: HEA 1007, Sec. 1

Effective date: January 1, 2025 (Retroactive)

- Establishes a new small modular nuclear reactor manufacturing expense credit for taxpayers that make qualified infrastructure investments.
- Provides that the amount of the credit is equal to 20% of the amount of a taxpayer's qualified investment, which are a taxpayer's expenditures incurred in the manufacture of a small modular nuclear reactor in Indiana.
- Directs that the credit must be claimed in a manner prescribed by DOR on the taxpayer's state tax return, and a taxpayer must submit the following:
 - information verifying that the taxpayer's qualified investment was made with respect to a small modular nuclear reactor that will be manufactured in Indiana; and
 - all information that DOR determines is necessary for the calculation of the credit provided by IC 6-3.1-45.
- Provides that if a pass through entity does not have state tax liability against which to apply the credit, the credit flows through on a pro rata basis to the shareholders, partners, or beneficiaries. Further provides that although each credit is in addition to a credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled, a pass through

entity and a shareholder, partner, or member of the pass through entity may not claim more than one credit for the same qualified expenditure.

- Allows credit in excess of a taxpayer's state tax liability to be carried forward. However, the credit may not be carried back or refunded.

Local Taxation (IC 6-3.5)

Code: IC 6-3.5-4-1

Enrolled Act: SEA 1, Sec. 87

Effective date: July 1, 2027

- Changes the definition of "adopting entity" to the adopting body specified in IC 6-3.6-3-1(a).

Code: IC 6-3.5-4-1.1

Enrolled Act: SEA 1, Sec. 88

Effective date: July 1, 2027

- Removes reference to the local income tax council and replaces it with "adopting entity."

Code: IC 6-3.5-4-2

Enrolled Act: HEA 1461, Sec. 3

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the county vehicle excise tax either:
 - at a rate of at least 2% and not more than 20%; or
 - at a specific amount of at least \$7.50 and not more than \$150.
- However, the surtax on a vehicle may not be less than \$7.50.
- The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

Code: IC 6-3.5-4-12

Enrolled Act: HEA 1461, Sec. 4

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, the city-county council of a county that contains a consolidated city must appropriate money derived from the county vehicle excise tax for the purposes allowed under IC 8-14-1-4(c).

Code: IC 6-3.5-5-1

Enrolled Act: SEA 1, Sec. 89

Effective date: July 1, 2027

- Changes the definition of "adopting entity" to the adopting body specified in IC 6-3.6-3-1(a).

Code: IC 6-3.5-5-1

Enrolled Act: SEA 80, Sec. 68

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

Code: IC 6-3.5-5-1.1

Enrolled Act: SEA 1, Sec. 90

Effective date: July 1, 2027

- Removes reference to the local income tax council and replaces it with “adopting entity.”

Code: IC 6-3.5-5-2

Enrolled Act: HEA 1461, Sec. 5

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the wheel tax rate for a particular class or weight classification of vehicles may not be less than \$5 and may not exceed \$240.

Code: IC 6-3.5-5-14

Enrolled Act: HEA 1461, Sec. 6

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, the city-county council of a county that contains a consolidated city must appropriate money derived from the wheel tax for the purposes allowed under IC 8-14-1-4(c).

Code: IC 6-3.5-11-1

Enrolled Act: SEA 80, Sec. 69

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

Local Income Taxes (IC 6-3.6)

Code: IC 6-3.6-1-1

Enrolled Act: SEA 1, Sec. 91

Effective date: July 1, 2027

- Adds a parenthetical to a reference to IC 6-3.6-5 clarifying it applies before its expiration.

Code: IC 6-3.6-1-1.5

Enrolled Act: SEA 1, Sec. 92

Effective date: July 1, 2027

- Adds parentheticals to references to IC 6-3.6-5 clarifying it applies before its expiration.
- Removes a stipulation that the approval of the local income tax council is not required for the transition of the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to a property tax relief rate as set forth in this statute.
- Provides that this statute expires July 1, 2028.

Code: IC 6-3.6-1-3

Enrolled Act: SEA 1, Sec. 93

Effective date: July 1, 2027

- Provides that notwithstanding any provision of IC 6-3.6, a property tax relief rate imposed in a county under IC 6-3.6-5 (before its expiration) expires December 31, 2027.

Code: IC 6-3.6-1-4

Enrolled Act: SEA 1, Sec. 94

Effective date: July 1, 2027

- Adds a parenthetical to a reference to IC 6-3.6-5 clarifying it applies before its expiration.

Code: IC 6-3.6-2-2

Enrolled Act: SEA 1, Sec. 95

Effective date: January 1, 2028

- Modifies the definition of “adjusted gross income” to remove the exclusion that in the case of a local taxpayer who is not treated as a resident local taxpayer of a county, the term includes only adjusted gross income derived from the taxpayer's principal place of business or employment.
- Clarifies that in the case of a local taxpayer described in IC 6-3.6-2-13(3) (meaning a team member under IC 6-3-2-2.7 or a race team member under IC 6-3-2-3.2), the term “adjusted gross income” includes only that part of the individual's total income that is paid to the individual as compensation for services rendered not just rendered in the county, but also a municipality in the case of a local income tax imposed under IC 6-3.6-6-22.

Code: IC 6-3.6-2-4

Enrolled Act: SEA 1, Sec. 96

Effective date: July 1, 2027

- Repeals the definition of “attributed allocation amount.”

Code: IC 6-3.6-2-5

Enrolled Act: SEA 1, Sec. 97

Effective date: July 1, 2027

- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of SECTION 158 of this bill.

Code: IC 6-3.6-2-7.4

Enrolled Act: SEA 1, Sec. 98

Effective date: Upon Passage

- Changes the expiration date of this statute to May 31, 2027, from the same date in 2025.

Code: IC 6-3.6-2-12

Enrolled Act: SEA 1, Sec. 99

Effective date: July 1, 2027

- Repeals the definition of “local income tax council.”

Code: IC 6-3.6-2-13

Enrolled Act: SEA 1, Sec. 100

Effective date: January 1, 2028

- Amends the definition of “local taxpayer” to include references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.
- Provides that for purposes of a local income tax imposed by a municipality under IC 6-3.6-6-22, the term “local taxpayer” does not include an individual who maintains the taxpayer's principal place of business or employment in that county on the date specified in IC 6-3.6-8-3 and who does not reside on that same date in another county in Indiana in which a tax under this article is in effect.
- Clarifies that “local taxpayer” as it relates to a team member under IC 6-3-2-2.7 or a race team member under IC 6-3-2-3.2 only applies to a tax imposed by a county and only for purposes of a rate imposed by a county under 6-3.6-6-2(b)(3).

Code: IC 6-3.6-2-15

Enrolled Act: SEA 1, Sec. 101

Effective date: January 1, 2028

- Amends the definition of “resident local taxpayer” to include references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.

Code: IC 6-3.6-3-1

Enrolled Act: SEA 1, Sec. 102

Effective date: July 1, 2027

- Changes the meaning of an adopting body for purposes of imposing a local income tax, so that the fiscal body of the county is the adopting body for a county and the fiscal body of the city or town is the adopting body for a city or town for purposes of adopting a municipal rate under IC 6-3.6-6-22.

Code: IC 6-3.6-3-3

Enrolled Act: SEA 1, Sec. 103

Effective date: July 1, 2027

- Amends the effective date rules for local income tax ordinances and clarifies that this statute only applies to counties. All Effective dates are tied to whether the ordinance is adopted before or after October 1, whereas previous rules referenced dates than October 1.
- Adds a parenthetical to a reference to IC 6-3.6-5 in the subsection concerning ordinances that grant, increase, decrease, rescind, or change a credit against the property tax liability, clarifying it applies before its expiration. Further provides that this subsection (c) expires on December 31, 2027.
- Provides that an ordinance that adopts, increases, decreases, or rescinds a tax or a tax rate takes effect as follows:
 - An ordinance adopted on or before October 1 of a calendar year shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted.
 - An ordinance adopted after October 1 of a calendar year shall take effect on January 1 of the second succeeding calendar year following the year the ordinance is adopted.
- However, an ordinance adopted to impose a tax rate under IC 6-3.6-6-2(b)(3) or IC 6-3.6-6-2(b)(4) must be adopted on or before October 1 of a calendar year.

- Provides that an ordinance that grants, increases, decreases, rescinds, or changes a distribution or allocation of taxes takes effect as follows:
 - An ordinance adopted on or before October 1 of a calendar year shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted.
 - An ordinance adopted after October 1 of a calendar year shall take effect on January 1 of the second succeeding calendar year following the year the ordinance is adopted.

Code: IC 6-3.6-3-3

Enrolled Act: SEA 1, Sec. 104

Effective date: July 1, 2027

- Adds a new section concerning the Effective date rules for local income tax ordinances adopted, increased, decreased, or rescinded by municipalities under IC 6-3.6-6-22.
- Provides that an ordinance adopted by a city or town on or before October 1 of a calendar year shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted.
- Provides that an ordinance adopted by a city or town after October 1 of a calendar year shall take effect on January 1 of the second succeeding calendar year following the year the ordinance is adopted.

Code: IC 6-3.6-3-4

Enrolled Act: SEA 1, Sec. 105

Effective date: July 1, 2027

- Provides that a local income tax expenditure tax rate that is imposed in a county under IC 6-3.6-6 continues in effect after December 31, 2027, only if the adopting body adopts an ordinance to renew the expenditure tax rate beginning January 1, 2028. Such an ordinance must be adopted by the adopting body on or before October 1, 2027, as set forth in section IC 6-3.6-3-3(b)(1). However, this does not prohibit an adopting body that fails to adopt an ordinance to continue an expenditure tax rate after December 31, 2027, from adopting an ordinance under IC 6-3.6 to impose, renew, or modify an expenditure tax rate under IC 6-3.6-6 beginning January 1, 2029, or any year thereafter.

Code: IC 6-3.6-3-5

Enrolled Act: SEA 1, Sec. 106

Effective date: July 1, 2027

- Amends the voting rules for local income tax ordinances to include references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.
- Repeals language concerning local income tax councils sending certified copies of the voting records.

Code: IC 6-3.6-3-6

Enrolled Act: SEA 1, Sec. 107

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-6, which provided rules concerning the allocation of votes for local income tax councils.

Code: IC 6-3.6-3-7

Enrolled Act: SEA 1, Sec. 108

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-7, which provided rules concerning the procedures for proposing ordinances for local income tax councils, as well as notice and public hearing rules concerning such ordinances.

Code: IC 6-3.6-3-8

Enrolled Act: SEA 1, Sec. 109

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-8, which provided rules concerning resolutions to propose an ordinance for local income tax councils.

Code: IC 6-3.6-3-9

Enrolled Act: SEA 1, Sec. 110

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-9, which provided rules concerning local income tax councils exercising its votes by passing a resolution and transmitting the resolution to the county auditor.

Code: IC 6-3.6-3-9.5

Enrolled Act: SEA 1, Sec. 111

Effective date: Upon Passage

- Changes the expiration date of this statute to May 31, 2027, from the same date in 2025.

Code: IC 6-3.6-3-10

Enrolled Act: SEA 1, Sec. 112

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-10, which provided that local income tax councils could pass only one ordinance adopting, increasing, decreasing, or rescinding a tax in one year.

Code: IC 6-3.6-4-1

Enrolled Act: SEA 1, Sec. 113

Effective date: January 1, 2028

- Clarifies that the rules for imposing a local income tax apply in this statute except as provided in IC 6-3.6-6-22.
- Adds a parenthetical to a reference to IC 6-3.6-5 clarifying it applies before its expiration.
- Provides that in addition to the tax imposed in the county under subsection (a) of this statute, a tax is imposed on the adjusted gross income of local taxpayers in a municipality at a tax rate that is imposed by the municipality under IC 6-3.6-6-22 and in effect in the municipality.

Code: IC 6-3.6-4-2

Enrolled Act: SEA 1, Sec. 114

Effective date: January 1, 2028

- Removes reference to IC 6-3.6-5, which is set to expire December 31, 2027, in SECTION 116 of this bill. As a result, a tax rate authorized under IC 6-3.6-6 or IC 6-3.6-7 may be adopted, increased, decreased, or rescinded without adopting, increasing, decreasing, or rescinding a tax rate authorized by only the two remaining chapters.

Code: IC 6-3.6-4-3

Enrolled Act: SEA 1, Sec. 115

Effective date: January 1, 2028

- Removes references to IC 6-3.6-5, which is set to expire December 31, 2027, in SECTION 116 of this bill.

Code: IC 6-3.6-5-7

Enrolled Act: SEA 1, Sec. 116

Effective date: July 1, 2027

- Provides that IC 6-3.6-5 will expire December 31, 2027.

Code: IC 6-3.6-6-0.5

Enrolled Act: SEA 1, Sec. 117

Effective date: July 1, 2027

- Creates a new definition for "nonmunicipal civil taxing unit," which means townships, libraries, and all other civil taxing units that imposed an ad valorem property tax levy in the county for the calendar year preceding the distribution year, except that the term does not include counties, cities, towns, or school corporations. Provides that the term does include those civil taxing units whose budgets require binding review by another local unit.

Code: IC 6-3.6-6-2

Enrolled Act: SEA 1, Sec. 118

Effective date: July 1, 2027

- Repeals the previous expenditure rate provisions.
- Provides that the adopting body may by ordinance and subject to requirements below impose one or more of the following component rates not to exceed a total expenditure tax rate under IC 6-3.6-6 of 2.9% on the adjusted gross income of taxpayers who reside in the county:
 - A tax rate not to exceed 1.2% for general purpose revenue for county services (as provided in IC 6-3.6-6-4).
 - A tax rate not to exceed 0.4% for providers of fire protection and emergency medical services located within the county (as provided in IC 6-3.6-6-4.3).
 - A tax rate not to exceed 0.2% for general purpose revenue for distribution to nonmunicipal civil taxing units (excluding fire protection districts) located within the county (as provided in IC 6-3.6-6-4.5).
 - A tax rate not to exceed 1.2% for general purpose revenue for municipal services for distribution to municipalities located within the county that are not eligible to adopt a municipal tax rate under IC 6-3.6-6-22 or that have made an election under IC 6-3.6-6-23(b)(3) to be treated as such.

- Provides that the combined component rates imposed by an adopting body under the first three rates above shall not exceed 1.7%.
- Stipulates that a tax rate adopted for general purpose revenue for municipal services for distribution to municipalities located within the county that are not eligible to adopt a municipal tax rate under IC 6-3.6-6-22 (or that have made an election under IC 6-3.6-6-23(b)(3) to be treated as such) may only be imposed on taxpayers who do not reside in a municipality that is eligible to adopt a municipal tax rate under IC 6-3.6-6-22.
- Further provides that beginning after December 31, 2030, any of the four tax rates imposed above shall expire on December 31 of each calendar year. An adopting body wishing to continue, increase, or decrease a tax rate in the succeeding year must pass an ordinance to readopt a tax rate in accordance with IC 6-3.6-3-3. This applies regardless of whether there is a modification in the tax rate or the component rates or the rates are unchanged from the previous year.

Code: IC 6-3.6-6-2.5

Enrolled Act: SEA 1, Sec. 119

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.5, which provided authority concerning ordinances to impose a tax rate for a PSAP in a county.

Code: IC 6-3.6-6-2.6

Enrolled Act: SEA 1, Sec. 120

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.6, which provided authority concerning ordinances to impose a tax rate for acute care hospitals in a county.

Code: IC 6-3.6-6-2.7

Enrolled Act: SEA 1, Sec. 121

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.7, which provided authority concerning ordinances to impose a tax rate for correctional facilities and rehabilitation facilities in a county.

Code: IC 6-3.6-6-2.8

Enrolled Act: SEA 1, Sec. 122

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.8, which provided authority concerning ordinances to impose a tax rate for emergency medical services in a county.

Code: IC 6-3.6-6-2.9

Enrolled Act: SEA 1, Sec. 123

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.9, which provided authority concerning ordinances to impose a tax rate for courtroom costs of the state judicial system in a county.

Code: IC 6-3.6-6-3

Enrolled Act: SEA 1, Sec. 124

Effective date: July 1, 2027

- Repeals language concerning the distribution of tax revenue received from IC 6-3.6-6-2.5 through 2.8, as those statutes are repealed of SECTIONS 119 through 122 of this bill.
- The remaining existing language now refers to general purpose revenue to comport with IC 6-3.6-6-2(b)(1), as opposed to “additional revenue.”
- Provides that in the case of a civil taxing unit that is obligated to make payments to the northwest Indiana regional development authority from general purpose revenue for the payment of bonds, leases, or other obligations related to northwest Indiana rail projects (as defined in IC 5-1.3-2-14) and projects described in IC 36-7.5-4-2.5, the adopting body may not reduce the proportional allocation amounts of the general purpose revenue as allocated in the immediately preceding year if the reduction would result in an allocation that is less than the amount necessary for the civil taxing unit to make the payments to the northwest Indiana regional development authority for the payment of the bonds, leases, or other obligations.

Code: IC 6-3.6-6-3.1

Enrolled Act: SEA 1, Sec. 125

Effective date: July 1, 2025

- Provides that a county fiscal body may adopt an ordinance to impose a tax rate for the purpose of funding property tax homestead (as defined in IC 6-1.1-12-37) credits to reduce the property tax liability of taxpayers who own homesteads that are located in the county and eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to 1%.
- Further provides that revenue collected from a tax rate imposed under this statute may only be used to fund replacement of the county's property tax levy and that property taxes imposed due to a referendum in which a majority of the voters in the taxing unit imposing the property taxes approved the property taxes are not eligible for a credit under this statute.
- Specifies that the tax rate must be in increments of 0.01% and may not exceed 0.3%.
- Provides that such a tax imposed shall be treated as property taxes for all purposes, but that the department of local government finance (DLGF) may not reduce any taxing unit's maximum permissible property tax levy limit under IC 6-1.1-18.5 or reduce the approved property tax levy or rate for any fund; by the amount of any credits granted under IC 6-3.6-6.
- Stipulates that the homestead credits shall be applied to the net property taxes due on the homestead after the application of any credit granted under IC 6-1.1, including any credit granted under IC 6-1.1-20.4 and IC 6-1.1-20.6, and that the property tax credits must be applied uniformly to provide a homestead credit for homesteads in the county.
- Requires the county auditor to allocate the amount of revenue applied as tax credits under this statute to the taxing units that imposed the eligible property taxes against which the credits are applied.
- Requires the DLGF to assist county fiscal bodies and county auditors in calculating credit percentages and amounts.
- Provides that notwithstanding any provision to the contrary in IC 6-3.6-6, a tax imposed under this statute may be imposed on the adjusted gross income of taxpayers before January 1, 2028, and terminates and may not be imposed on the adjusted gross income of taxpayers after December 31, 2027.
- Provides that this statute expires January 1, 2028.

Code: IC 6-3.6-6-4

Enrolled Act: SEA 1, Sec. 126

Effective date: July 1, 2027

- Changes the requirement that tax revenue under IC 6-3.6-6 (now IC 6-3.6-6-2(b)(1)) must be used only for public safety, economic development projects, or certified shares.
- Provides that general purpose revenue raised from a tax rate under section IC 7-3.6-6-2(b)(1) must be distributed directly to the county and that it may be used by the county fiscal body for any of the purposes of the county, including for:
 - public safety, including funding for a PSAP;
 - economic development purposes described in IC 6-3.6-10;
 - acute care hospitals;
 - correctional facilities and rehabilitation facilities;
 - county staff expenses of the state judicial system; and
 - homestead property tax credits to fund replacement of the county's property tax levy.
- Changes references from "additional revenue" to "general purpose" revenue to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-6-4.3

Enrolled Act: SEA 1, Sec. 127

Effective date: July 1, 2027

- Provides that revenue raised from a tax rate for fire protection and emergency medical services under IC 6-3.6-6-2(b)(2) shall be distributed by the county to each fire protection district, fire protection territory, and municipal fire department located within the county. At the discretion of the county council, the county may distribute revenue raised from a tax rate for fire protection and emergency medical services under 2(b)(2) to township fire departments and volunteer fire departments.
- Revenue raised from a tax rate for fire protection and emergency medical services under IC 6-3.6-6-2(b)(2) shall be allocated to each fire protection district, fire protection territory, municipal fire department, and, if applicable, township fire departments and volunteer fire departments, based on an enumerated formula.

Code: IC 6-3.6-6-4.5

Enrolled Act: SEA 1, Sec. 128

Effective date: July 1, 2027

- Provides that revenue raised from a tax rate for nonmunicipal civil taxing units under IC 6-3.6-6-2(b)(3) may be distributed by the county to nonmunicipal civil taxing units subject to the provisions of this statute.
- Stipulates that subject to the maximum aggregate tax rate of not more than 0.2% under IC 6-3.6-6-2(b)(3), the adopting body may adopt a tax rate for each type of nonmunicipal civil taxing unit, which may not exceed more than 0.05% for any given unit type. The revenue raised from a tax rate for a specific type of nonmunicipal civil taxing unit shall be allocated to all nonmunicipal civil taxing units of that same type located within the county on a pro rata per capita basis, subject to the requirement below to adopt a resolution.
- Provides that county solid waste management district (as defined in IC 13-11-2-47) or a joint solid waste management district (as defined in IC 13-11-2-113) is not an eligible nonmunicipal civil taxing unit for the purpose of receiving an allocation of general purpose revenue under IC 6-3.6-6 unless a majority of the members of each of the county fiscal bodies of the counties within the district passes a resolution approving the distribution.

- Provides that a resolution passed by a county fiscal body may expire on a date specified in the resolution or remain in effect until the county fiscal body revokes or rescinds the resolution.
- Requires that a nonmunicipal civil taxing unit wishing to receive a share of revenue under this statute in a year to adopt a resolution requesting the distribution from the county and must provide a certified copy of the resolution to the adopting body not later than July 1 of the year immediately preceding the distribution year. Not later than August 1 of the year immediately preceding the distribution year, the adopting body shall hold a public hearing on the resolution requesting the distribution and provide the public with notice of the time and place where the public hearing will be held. The notice must be given in accordance with IC 5-3-1 and include a description of the resolution requesting the distribution from the county.
- Provides that if a nonmunicipal civil taxing unit adopts a resolution and provides the resolution to the adopting body as set forth here, the county shall distribute to the nonmunicipal civil taxing unit an amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(3) for the distribution year here.
- Provides that if one or more, but not all, nonmunicipal civil taxing units adopt a resolution under the provision above requesting a distribution in a given year, the county may either distribute the total amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(3) to only those nonmunicipal civil taxing units that have provided a resolution request, or the county may distribute the total amount of revenue raised from a tax rate under IC 6-3.6-6-2(b)(3) to all nonmunicipal civil taxing units as set forth in this statute. If no nonmunicipal civil taxing units adopt a resolution to request a distribution in a given year, the county may retain the revenue raised from a tax rate for nonmunicipal civil taxing units for that year and use the revenue as general purpose revenue for the county under IC 6-3.6-6-4.

Code: IC 6-3.6-6-6.1

Enrolled Act: SEA 1, Sec. 129

Effective date: July 1, 2027

- Provides that revenue raised from a tax rate for certain cities and towns under IC 6-3.6-6-2(b)(4) may be distributed by the county to those cities and towns subject to the provisions of this statute.
- Provides that subject to the rule below regarding an adopting body that imposes a tax rate of one and two-tenths percent (1.2%) under IC 6-3.6-6-2(b)(1), the revenue raised from a tax rate under IC 6-3.6-6-2(b)(4) shall be allocated to the cities and towns based on the population of the city or the population of the town, whichever is applicable, compared to the population of all the cities or the population of all the towns, whichever is applicable, that are eligible for a distribution, subject to the requirement below to adopt a resolution. For purposes of this determination, if the boundaries of a city or town are located in more than one county, only the portion of the population of the city or town that is located within the county imposing the tax rate under IC 6-3.6-6-2(b)(4) shall be considered.
- Stipulates that the money may be used by the city or town fiscal body for any of the purposes of the city or town, including public safety (as defined in IC 6-3.6-2-14) and economic development purposes described in IC 6-3.6-10. The city or town fiscal body may pledge its general purpose revenue to the payment of bonds or to lease payments as set forth in IC 6-3.6-6.
- Requires an eligible city or town wishing to receive a share of revenue under this statute in a year must adopt a resolution requesting the distribution from the county and must provide a certified copy of the resolution to the adopting body not later than July 1 of the year immediately preceding the distribution year. Not later than August 1 of the year immediately preceding the distribution year, the adopting body shall hold a public hearing on the resolution

requesting the distribution and provide the public with notice of the time and place where the public hearing will be held. The notice must be given in accordance with IC 5-3-1 and include a description of the resolution requesting the distribution from the county.

- Provides that subject to the rule below regarding an adopting body that imposes a tax rate of 1.2% under IC 6-3.6-6-2(b)(1), if an eligible city or town adopts a resolution under these requirements and provides the resolution to the adopting body as set forth in these requirements, the county shall distribute to the eligible city or town unit an amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(4) for the distribution year as set forth in IC 6-3.6-6-6.1(f).
- Provides that subject to the rule below regarding an adopting body that imposes a tax rate of 1.2% under IC 6-3.6-6-2(b)(1), if one or more, but not all, eligible cities or towns adopt a resolution under the requirements above requesting a distribution in a given year, the county may either distribute the total amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(4) to only those eligible cities or towns that have provided a resolution request, or the county may distribute the total amount of revenue raised from a tax rate under IC 6-3.6-6-2(b)(4) to all eligible cities or towns as set forth in this statute. If no eligible city or town adopts a resolution to request a distribution in a given year, the county may retain the revenue raised from a tax rate for the eligible city or town for that year and use the revenue as general purpose revenue for the county under IC 6-3.6-6-4.
- Stipulates that notwithstanding any provision to the contrary in this statute, if an adopting body that imposes a tax rate of 1.2% under IC 6-3.6-6-2(b)(1) subsequently adopts an ordinance to concurrently impose a tax rate under IC 6-3.6-6-2(b)(4):
 - 75% of the revenue received from the tax rate imposed under IC 6-3.6-6-2(b)(4) shall be retained by the county and may be used for the purposes described in IC 6-3.6-6-4; and
 - 25% of the revenue received from the tax rate imposed under IC 6-3.6-6-2(b)(4) shall be distributed among the eligible cities and towns as set forth in this statute and may be used for the purposes set forth in this statute.
- However, the adopting body may, by ordinance, determine to allocate any percentage of the revenue that would otherwise be retained by the county under subdivision (1) to instead be allocated among the eligible cities and towns under subdivision (2).

Code: IC 6-3.6-6-8

Enrolled Act: HEA 1427, Sec. 80

Effective date: Upon Passage

- Stipulates that in the case of a volunteer fire department, the application under IC 6-3.6-6-8(d) must be made to the adopting body by the fiscal officer of the unit served by the volunteer fire department. This is in addition to the changes made in SECTION 130 of SEA 1, which repeals the rules regarding allocation of additional revenue from a tax under IC 6-3.6-6 to public safety purposes, and adds references to IC 6-3.6-6-4.3, which provides the new rules for allocation and was added by SECTION 127 of SEA 1.

Code: IC 6-3.6-6-8

Enrolled Act: HEA 1427, Sec. 81

Effective date: July 1, 2027

- Clarifies that in the case of a volunteer fire department, the application under these requirements must be made to the adopting body by the fiscal officer of the unit served by the volunteer fire department.

Code: IC 6-3.6-6-8

Enrolled Act: SEA 1, Sec. 130

Effective date: July 1, 2027

- Repeals the rules regarding allocation of additional revenue from a tax under IC 6-3.6-6 to public safety purposes, and adds references to IC 6-3.6-6-4.3, which provides the new rules for allocation and was added by SECTION 127 of this bill.

Code: IC 6-3.6-6-8.5

Enrolled Act: SEA 1, Sec. 131

Effective date: July 1, 2027

- Changes references from "additional revenue" to "general purpose" revenue to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-6-9

Enrolled Act: SEA 1, Sec. 132

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-9, which provided rules regarding the allocation of additional revenue from a tax under IC 6-3.6-6 for economic development purposes.

Code: IC 6-3.6-6-9.5

Enrolled Act: SEA 1, Sec. 133

Effective date: July 1, 2027

- Changes references from "additional revenue" to "general purpose" revenue to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-6-10

Enrolled Act: SEA 1, Sec. 134

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-10, which provided rules regarding the allocation of additional revenue from a tax under IC 6-3.6-6 allocated for certified shares.

Code: IC 6-3.6-6-11

Enrolled Act: SEA 1, Sec. 135

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-11, which provided rules regarding the allocation of certified shares.

Code: IC 6-3.6-6-12

Enrolled Act: HEA 1427, Sec. 82

Effective date: Upon Passage

- Adds a step to the formula for the allocation amount of a civil taxing unit during a calendar year to determine based on the amounts for the calendar year preceding the distribution year.
- Provides that in the case of a qualifying municipality as defined in IC 6-1.1-18.5-31(d) that is located in a county described in IC 6-1.1-18.5-31(a), and only for the allocation of certified shares in 2026, the amount of the levy for the municipality's debt service and lease rental funds that were certified in 2025 multiplied by 54.5%. Provides that this clause expires January 1, 2027

Code: IC 6-3.6-6-12

Enrolled Act: SEA 1, Sec. 136

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-12, which provided rules regarding the allocation of certified shares.

Code: IC 6-3.6-6-14

Enrolled Act: SEA 1, Sec. 137

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-14, which provided rules regarding the allocation of certified shares.

Code: IC 6-3.6-6-15

Enrolled Act: SEA 1, Sec. 138

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-15, which provided rules regarding the allocation or distribution, or both, of certified shares.

Code: IC 6-3.6-6-16

Enrolled Act: SEA 1, Sec. 139

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-16, which provided rules regarding the allocation of certified shares in Marion County.

Code: IC 6-3.6-6-17

Enrolled Act: SEA 1, Sec. 140

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-6-18

Enrolled Act: SEA 1, Sec. 141

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-6-19

Enrolled Act: SEA 1, Sec. 142

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-6-20

Enrolled Act: SEA 1, Sec. 143

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-20, which provided rules regarding the allocation or distribution of revenue made on the basis of property tax levies or budgets.

Code: IC 6-3.6-6-21

Enrolled Act: SEA 1, Sec. 144

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-6-21.2

Enrolled Act: SEA 1, Sec. 145

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-21.2, which provided rules regarding distributions for school corporations.

Code: IC 6-3.6-6-21.3

Enrolled Act: SEA 1, Sec. 146

Effective date: July 1, 2027

- Essentially expires this statute after December 31, 2027.
- Adds parentheticals to several referenced statutes that are set to expire or are repealed as a result of this bill.

Code: IC 6-3.6-6-22

Enrolled Act: SEA 1, Sec. 147

Effective date: July 1, 2027

- Provides that for purposes of this statute, a "municipality" means only a city or town that:
 - has a population of 3,500 or more; and
 - in the case of a city or town whose population decreased in the most recent federal decennial census from 3,500 or more to less than 3,500, has elected by ordinance to continue to use its previous population of 3,500 or more as set forth in IC 6-3.6-6-23(b)(2) for purposes of the allocation determination under IC 6-3.6-6-6.1.
 - The term does not include a city or town that has made an election under IC 6-3.6-6-23(b)(3).
- Provides that beginning after December 31, 2027, the fiscal body of a municipality may by ordinance and subject to the readoption requirements below, impose a local income tax rate on the adjusted gross income of local taxpayers in the municipality that does not exceed 1.2%.

- Stipulates that the following apply if a municipality imposes a local income tax rate under this statute:
 - A local income tax rate imposed by a municipality under this statute applies only to local taxpayers within the territory of the municipality.
 - The local income tax is imposed in addition to a tax imposed by the county in which the municipality is located in accordance with IC 6-3.6-4-1(a) and IC 6-3.6-4-1(c).
 - The following provisions of this article apply to a local income tax rate imposed by a municipality under the rate requirements above:
 - IC 6-3.6-3 (adoption of the tax), including the Effective date of an ordinance under IC 6-3.6-3-3.3.
 - IC 6-3.6-4 (imposition of the tax), except that IC 6-3.6-4-2 and IC 6-3.6-4-3 do not apply.
 - IC 6-3.6-8 (administration of the tax).
 - A local income tax rate imposed by a municipality shall apply to professional athletes who compete in the municipality, unless exempted under IC 6-3-2-27.5 or other provision of law.
- The amount of the tax revenue that is from the local income tax rate imposed under this statute and that is collected for a calendar year shall be treated as general purpose revenue and must be distributed to the fiscal officer of the municipality that imposed the tax before July 1 of the next calendar year.
- Provides that beginning after December 31, 2030, a tax rate imposed above shall expire on December 31 of each calendar year. A municipality wishing to continue, increase, or decrease a tax rate in the succeeding year must pass an ordinance to readopt a tax rate in accordance with IC 6-3.6-3-3.3. This applies regardless of whether there is a modification in the tax rate or the rate is unchanged from the previous year.

Code: IC 6-3.6-6-23

Enrolled Act: SEA 1, Sec. 148

Effective date: July 1, 2027

- Creates a new statute that applies in determining the population of a city or town for the purposes of IC 6-3.6-6.
- Except as provided below, the population of a city or town is the population of the city or town that is reported by the 2020 federal decennial census.
- Beginning after 2030, if the population of a city or town:
 - increases from a population of less than 3,500, as reported by the immediately preceding federal decennial census, to a population of 3,500 or more, as reported by the most recent federal decennial census, or, if applicable, any corrected population count (as defined in IC 1-1-3.5-1.5) issued for the city or town in the year succeeding the most recent federal decennial census; or
 - decreases from a population of 3,500 or more, as reported by the immediately preceding federal decennial census, to a population of less than 3,500, as reported by the most recent federal decennial census, or, if applicable, any corrected population count (as defined in IC 1-1-3.5-1.5) issued for the city or town in the year succeeding the most recent federal decennial census; the fiscal body of the city or town may adopt an ordinance on or before September 1 of the calendar year immediately succeeding the most recent federal decennial census to continue to use the population of the city or town as reported by the immediately preceding federal decennial census and the resulting determination for the city or town under IC 6-3.6-6-22, notwithstanding the increase or decrease in its population as reported by the most recent federal decennial census as described in this subdivision. An ordinance adopted under this subdivision

shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted. The fiscal officer of the city or town shall provide a certified copy of an ordinance adopted under this subdivision to the DLGF.

- This requirement applies only to cities and towns with a population of more than 3,500 but less than 7,000. Notwithstanding any other provision, a fiscal body of a city or town may adopt an ordinance to elect to be treated as if the city's or town's population is less than 3,500 for purposes of a county local income tax rate and distribution under IC 6-3.6-6. An ordinance adopted under this subdivision shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted. The fiscal officer of the city or town shall provide a certified copy of an ordinance adopted under this subdivision to the DLGF. An ordinance adopted by a city or town under this subdivision is not revocable and shall not expire following the next federal decennial census.

Code: IC 6-3.6-7-8.5

Enrolled Act: HEA 1427, Sec. 83

Effective date: Upon Passage

- Stipulates that subject to the provision below, if the county council determines that the county jail revenue fund established elsewhere in the statute contains excess reserves, the county council may, before January 1, 2026, adopt a resolution to make a one-time transfer from the county jail revenue fund to the county general fund to be used only for emergency management services within the county. The resolution must include the following:
 - A determination that the county jail revenue fund contains excess reserves and that a transfer from the county jail revenue fund to the county general fund is necessary.
 - The total amount of excess reserves contained in the county jail revenue fund as of the date the determination is made that the county jail revenue fund contains excess reserves.
 - The total amount to be transferred from the county jail revenue fund to the county general fund.
 - The date on which the transfer from the county jail revenue fund to the county general fund will occur.
- Prior to adopting a resolution as described above, the county council must adopt a new ordinance under IC 6-3.6-7-8.5(c) that adjusts the local income tax rate to a rate that complies with the limitations described in IC 6-3.6-7-8.5(c) and is not greater than the rate necessary to pay for the expenditures incurred for the purposes described in IC 6-3.6-7-8.5(b).

Code: IC 6-3.6-7-9

Enrolled Act: SEA 1, Sec. 149

Effective date: July 1, 2027

- Adds parentheticals to references to IC 6-3.6-5 clarifying it applies before its expiration.

Code: IC 6-3.6-7-21

Enrolled Act: HEA 1427, Sec. 84

Effective date: January 1, 2025 (Retroactive)

- Provides that revenue from a tax under this statute may also be used to operate and maintain a county jail and related buildings and parking facilities.

Code: IC 6-3.6-7-28

Enrolled Act: SEA 1, Sec. 150

Effective date: July 1, 2027

- Removes references to a local income tax council and replaces them with "county adopting body."

Code: IC 6-3.6-8-3

Enrolled Act: SEA 1, Sec. 151

Effective date: January 1, 2028

- Clarifies that the statute also applies to municipal income taxes by including references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.
- Removes references to principal place of business or employment for purposes of residency.

Code: IC 6-3.6-8-4

Enrolled Act: SEA 1, Sec. 152

Effective date: July 1, 2027

- Clarifies that the statute also applies to municipal income taxes by including references to municipalities.

Code: IC 6-3.6-8-5

Enrolled Act: SEA 1, Sec. 153

Effective date: January 1, 2028

- Clarifies that the statute also applies to municipal income taxes by including references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.

Code: IC 6-3.6-9-1

Enrolled Act: SEA 1, Sec. 154

Effective date: July 1, 2027

- Provides that this statute expires on December 31, 2027.

Code: IC 6-3.6-9-1.1

Enrolled Act: SEA 1, Sec. 155

Effective date: July 1, 2027

- Creates a new definition for "state and local income tax holding account," which refers to the state and local income tax holding account established by IC 6-3.6-9-20.

Code: IC 6-3.6-9-4

Enrolled Act: SEA 1, Sec. 156

Effective date: July 1, 2027

- Clarifies that the revenue amount that is to be distributed to a county during an ensuing calendar year is without adjustment based on the enactment of a tax rate change under IC 6-3.6-6-2 or IC 6-3.6-6-22 in the first preceding calendar year it becomes effective.

Code: IC 6-3.6-9-4.1

Enrolled Act: SEA 1, Sec. 157

Effective date: July 1, 2027

- Provides that the adjustments made by the budget agency may be phased-in over several calendar years until the credits are fully accounted for, instead of fiscal years.

Code: IC 6-3.6-9-5

Enrolled Act: SEA 1, Sec. 158

Effective date: July 1, 2027

- Repeals language requiring SBA to provide to the DLGF and the county auditor of each adopting county an estimate of the amount determined under 6-3.6-9-4 that will be distributed to the county, based on known tax rates, before August 2 of each calendar year.
- Repeals language requiring the DLGF to determine additional revenue figures for economic development for Lake County.
- Makes minor adjustments to additional certification and notice requirements within this statute imposed on SBA and the DLGF.

Code: IC 6-3.6-9-6

Enrolled Act: SEA 1, Sec. 159

Effective date: July 1, 2027

- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of Section 158 of this bill.

Code: IC 6-3.6-9-7

Enrolled Act: SEA 1, Sec. 160

Effective date: July 1, 2027

- Provides that SBA may not reduce, adjust, or modify a certified distribution of a county after it has been presented as part of the report to the budget committee for the immediately succeeding calendar year under IC 6-3.6-9-21, except in the case of clerical and mathematical errors.

Code: IC 6-3.6-9-8

Enrolled Act: SEA 1, Sec. 161

Effective date: July 1, 2027

- Repeals IC 6-3.6-9-8, which imposed requirements on SBA to adjust certified distributions for specific counties under specific circumstances.

Code: IC 6-3.6-9-8.5

Enrolled Act: SEA 1, Sec. 162

Effective date: July 1, 2027

- Repeals IC 6-3.6-9-8.5, which imposed requirements on SBA to transfer distributions to reimburse the state general fund regarding a modernization project.

Code: IC 6-3.6-9-9

Enrolled Act: SEA 1, Sec. 163

Effective date: July 1, 2027

- Removes a requirement that the summary of calculations include adjustments for tax rate changes.

Code: IC 6-3.6-9-10

Enrolled Act: SEA 1, Sec. 164

Effective date: July 1, 2027

- Adds parentheses to several referenced statutes that are set to expire or are repealed as a result of this bill.

Code: IC 6-3.6-9-11

Enrolled Act: SEA 1, Sec. 165

Effective date: July 1, 2027

- Provides that the information described in IC 6-3.6-9-9 and 10 must be certified to the county auditor by October 1 of each calendar, and not the later of that date or 30 days after the adopting body certifies a new rate to SBA.

Code: IC 6-3.6-9-12

Enrolled Act: SEA 1, Sec. 166

Effective date: July 1, 2027

- Provides that after December 31, 2027, one-twelfth of each adopting county's certified distribution for a calendar year shall be distributed from the state and local income tax holding account established under IC 6-3.6-9. The previous requirement, that the one-twelfth amount be distributed, from its trust account established under IC 6-3.6-9, will cease before January 1, 2028.

Code: IC 6-3.6-9-13

Enrolled Act: SEA 1, Sec. 167

Effective date: July 1, 2027

- Provides that this statute expires on December 31, 2027.

Code: IC 6-3.6-9-14

Enrolled Act: SEA 1, Sec. 168

Effective date: July 1, 2027

- Repeals IC 6-3.6-9-14, which imposed requirements on SBA to submit a report to each county auditor indicating the balance in the county's trust account as of the cutoff date set by the budget agency.

Code: IC 6-3.6-9-15

Enrolled Act: HEA 1427, Sec. 85

Effective date: Upon Passage

- Provides that the following percentage applies for purposes of the determinations under subsections (a) and (c) of this statute only to counties that contain at least four municipalities

(cities or towns) each with a population greater than 40,000, as determined by the most recent federal decennial census, in which at least one of those municipalities meets the definition of a qualifying municipality under IC 6-1.1-18.5-31(d):

- For the determination year beginning after December 31, 2025, and ending before January 1, 2027, 12.5%.
- For the determination year beginning after December 31, 2026, and ending before January 1, 2028, 10%.
- For a determination year beginning after December 31, 2027, and ending before January 1, 2029, 7.5%.
- For the determination year beginning after December 31, 2028, and ending before January 1, 2030, 5%.
- For the determination year beginning after December 31, 2029, and ending before January 1, 2031, 2.5%.
- For the determination year beginning after December 31, 2030, 1%.

Code: IC 6-3.6-9-15

Enrolled Act: SEA 1, Sec. 169

Effective date: January 1, 2028

- Repeals IC 6-3.6-9-15, which imposed requirements on SBA to make supplemental distributions if certain balance requirements were met.

Code: IC 6-3.6-9-16

Enrolled Act: SEA 1, Sec. 170

Effective date: July 1, 2027

- Removes reference to a supplemental distribution.

Code: IC 6-3.6-9-17.5

Enrolled Act: SEA 1, Sec. 171

Effective date: July 1, 2027

- Provides that after December 31, 2027, a county's certified distribution amount for 2028 shall be maintained in the accounting for the county under IC 6-3.6-9-21 and transferred as set forth in IC 6-3.6-9-21.

Code: IC 6-3.6-9-17.6

Enrolled Act: HEA 1427, Sec. 86

Effective date: Upon Passage

- Provides that notwithstanding any other provision, funds from the state general fund shall not be used to make up a shortfall in the reserve account or certified distribution.
- Provides that if a county reserve account runs out of funds for making a certified distribution, funds may not be transferred from the state general fund to the reserve account.

Code: IC 6-3.6-9-20

Enrolled Act: SEA 1, Sec. 172

Effective date: July 1, 2027

- Establishes a state and local income tax holding account within the state general fund for the purposes of IC 6-3.6-9, which SBA shall administer.
 - Provides that the account consists of the following:
 - Money transferred to the account under IC 6-3.6-9-21.
 - Money transferred to the account from any other source.
 - Interest that accrues from money in the account.
- Requires the treasurer of state to invest the money in the account not currently needed for the purposes of the account in the same manner as other public funds may be invested.
- Stipulates that money in the account is continuously appropriated for the purposes of IC 6-3.6-9, and that money in the account at the end of a state fiscal year does not revert to the state general fund.
- Provides that money transferred to the account shall be distributed and allocated as set forth in IC 6-3.6-9.
- Provides that the budget director shall have the discretion to manage transfers of money into and out of the account based on the current process used for continuous assessment of revenue flows and reconciliation based on the latest data.

Code: IC 6-3.6-9-21

Enrolled Act: SEA 1, Sec. 173

Effective date: July 1, 2027

- The budget agency shall maintain an accounting for each county imposing a tax based on annual returns filed by or for county taxpayers. Beginning after December 31, 2027, any undistributed amounts so accounted shall be held for purposes of the state and local income tax holding account.
- Requires that after December 1 but before December 31 of each year, the budget agency shall present to the budget committee a report of the following:
 - An estimate of the monthly certified distribution amounts for the immediately succeeding calendar year.
 - A description of the method used to determine the monthly estimates above.
- Beginning in 2028, and in each calendar year thereafter, the budget agency shall each month transfer to the state and local income tax holding account the amount determined for the monthly estimates for distribution under IC 6-3.6-9.
- In the case of a county that imposes a tax rate under IC 6-3.6-6-2 or a municipality that imposes a tax rate under IC 6-3.6-6-22 beginning after December 31, 2027, the budget agency shall withhold, from each of the first three annual certified distributions resulting from the tax rate, an amount equal to 5% of the county's or municipality's, as applicable, annual certified distribution resulting from the tax rate. The amounts withheld under this provision shall be credited to the respective county's or municipality's trust account.

Code: IC 6-3.6-10-2

Enrolled Act: SEA 1, Sec. 174

Effective date: January 1, 2028

- Removes reference to IC 6-3.6-6-9 and replaces it with IC 6-3.6-6 generally.

Code: IC 6-3.6-10-3

Enrolled Act: SEA 1, Sec. 175

Effective date: January 1, 2028

- Removes references to IC 6-3.6-6-9 and replaces them with IC 6-3.6-6 generally.
- Changes references from “certified shares” to “general purpose revenue” to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-10-5

Enrolled Act: SEA 1, Sec. 176

Effective date: January 1, 2028

- Stipulates that the provisions of this statute are subject to IC 6-3.6-6-18(b).
- Removes reference to IC 6-3.6-5.

Code: IC 6-3.6-10-6

Enrolled Act: SEA 1, Sec. 177

Effective date: January 1, 2028

- Adds parentheticals to referenced statutes that are set to expire as a result of this bill.

Code: IC 6-3.6-10-9

Enrolled Act: SEA 1, Sec. 178

Effective date: May 10, 2025 (Retroactive)

- Stipulates that notwithstanding any other law, for bonds, leases, or any other obligations incurred after May 9, 2025, a county, city, town, and any other taxing unit may not pledge for payment from tax revenue received under this article an amount that exceeds an amount equal to 25% of the taxing unit's certified distribution under IC 6-3.6.
- Provides that this statute expires July 1, 2027.

Code: IC 6-3.6-11-1

Enrolled Act: SEA 1, Sec. 179

Effective date: January 1, 2028

- Repeals IC 6-3.6-11-1, regarding use of former tax to provide levy freeze.

Code: IC 6-3.6-11-3

Enrolled Act: SEA 1, Sec. 180

Effective date: July 1, 2027

- Adds parentheticals to referenced statutes that are set to expire as a result of this bill.
- Provides that any ordinance adopted under subsection (b) of this statute, dealing with Lake County, expires December 31, 2027.
- Provides that this statute expires July 1, 2027.

Code: IC 6-3.6-11-4

Enrolled Act: SEA 1, Sec. 181

Effective date: January 1, 2028

- Removes a reference to IC 6-3.6-6-8, which is repealed in SECTION 130 of this bill.

Code: IC 6-3.6-11-5.5

Enrolled Act: SEA 1, Sec. 182

Effective date: January 1, 2028

- Changes references from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).
- Removes reference to IC 6-3.6-6-9, which is repealed in SECTION 132 of this bill.
- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of SECTION 158 of this bill.

Code: IC 6-3.6-11-6

Enrolled Act: SEA 1, Sec. 183

Effective date: January 1, 2028

- Changes references from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).
- Removes references to IC 6-3.6-6-9, which is repealed in SECTION 132 of this bill, and replaces them with references to IC 6-3.6-6 generally.
- Repeals language providing that Lake County or a city or town in the county may use additional revenue that is allocated each year for economic development purposes, as well as provisions dealing with homestead credits.
- Provides that from the general purpose revenue received by Porter County each year from the rate imposed under IC 6-3.6-6, the first \$3,500,000 shall be used by the county to make transfers as required under IC 36-7.5-4-2 to the northwest Indiana regional development authority before any certified distributions are made to the county unit or any other taxing unit in the county. The adopting body for Porter County may not reduce the proportional allocation of the general purpose revenue allocated to Porter County if the reduction would result in an amount less than the amount necessary for Porter County to fulfill its obligation to the northwest Indiana regional development authority to pay to support northwest Indiana rail projects (as defined in IC 5-1.3-2-14) and projects described in IC 36-7.5-4-2.5
- Repeals language providing that LaPorte County or a city or town in the county may use additional revenue that is allocated each year for economic development purposes.
- Repeals language providing that Porter County or a city or town in the county may use additional revenue that is allocated each year for economic development purposes.

Code: IC 6-3.6-11-7

Enrolled Act: SEA 1, Sec. 184

Effective date: January 1, 2028

- Changes a reference from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).

Code: IC 6-3.6-11-7.5

Enrolled Act: SEA 1, Sec. 185

Effective date: January 1, 2028

- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of SECTION 158 of this bill.

Financial Institutions Tax (IC 6-5.5)

Code: IC 6-5.5-6-3

Enrolled Act: SEA 453, Sec. 13

Effective date: January 1, 2026

- Provides that if the taxpayer has a taxable year that is less than 12 months, the estimated payments under this statute shall be adjusted in the manner prescribed by Section 6655 of the Internal Revenue Code and applicable regulations.

Code: IC 6-5.5-7-1

Enrolled Act: SEA 453, Sec. 14

Effective date: January 1, 2026

- Adds a definition of “final tax liability” for purposes of financial institutions tax estimated tax payments.

Code: IC 6-5.5-8-2

Enrolled Act: HEA 1392, Sec. 3

Effective date: July 1, 2025

- Clarifies that the state comptroller shall not only transfer, but calculate and transfer, from the financial institutions tax fund revenues to each county auditor and is responsible for calculating all distributions under this statute.
- Removes the provision that distributions received may be used for any legal purpose.
- Provides that a taxing unit may deposit a distribution received in any fund maintained by the taxing unit, and the distribution may be used for any purpose allowed by law.

Motor Fuel and Vehicle Excise Taxes (IC 6-6)

Code: IC 6-6-6.5-13

Enrolled Act: HEA 1427, Sec. 89

Effective date: January 1, 2025 (Retroactive)

- Removes references to IC 6-1.1-12-14 expiring, as provided in SECTION 25 of SEA 1.

Code: IC 6-6-6.5-13

Enrolled Act: SEA 1, Sec. 188

Effective date: January 1, 2027

- Adds parentheses to referenced property tax statutes that are set to expire as a result of this bill.

Tobacco Taxes (IC 6-7)

Code: IC 6-7-1-0.4

Enrolled Act: HEA 1001, Sec. 84

Effective date: July 1, 2025

- Provides that notwithstanding IC 6-7-1-14, revenue stamps paid for before July 1, 2025, and in the possession of a distributor may be used after June 30, 2025, only if the full amount of the tax imposed by IC 6-7-1-12, as amended and effective after June 30, 2025, is remitted to DOR under the procedures prescribed by DOR.

Code: IC 6-7-1-12

Enrolled Act: HEA 1001, Sec. 85

Effective date: July 1, 2025

- Increases the cigarette tax rate from \$0.995 a pack of cigarettes to \$2.995 (the tax rate for Class B cigarettes is also increased to \$3.98).

Code: IC 6-7-1-28.1

Enrolled Act: HEA 1001, Sec. 86

Effective date: July 1, 2025

- Changes the distribution of cigarette taxes, fees, fines, and penalties collected under IC 6-7-1 in the following manner:
 - 1.76% of the revenue shall be deposited in the cigarette tax fund instead of 4.22%.
 - 23.67% of the revenue shall be deposited in the general fund instead of 56.84%.
 - 2.26% of the revenue shall be deposited in the pension relief fund instead of 5.43%.
 - 11.26% of the revenue shall be deposited in the healthy Indiana plan trust fund established by IC 12-15-44.2-17 instead of 27.05%.
 - 59.38% of the revenue shall be deposited in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations instead of 2.46%.
 - 1.67% of the revenue shall be deposited in the state retiree health benefit trust fund established by IC 5-10-8-8.5 instead of 4%.

Code: IC 6-7-2-7

Enrolled Act: HEA 1001, Sec. 87

Effective date: July 1, 2025

- Increases the tax rate from 24% to 30% on the wholesale price of tobacco products other than moist snuff.
- Increases the tax rate from \$0.40 to \$0.50 per ounce on moist snuff.
- Increases the tax rate from 24% to 30% on the wholesale price of cigars, and increases the maximum tax imposed from \$1 to \$3.
- Increases the tax rate from \$0.40 to \$0.50 per ounce on alternative nicotine products.

Code: IC 6-7-2-7

Enrolled Act: SEA 453, Sec. 15

Effective date: July 1, 2025

- Makes a technical correction to the wording of a distributor-to-distributor transaction.
- Changes a reference from "Internet web site" to "website."

Code: IC 6-7-2-7.5

Enrolled Act: HEA 1001, Sec. 88

Effective date: July 1, 2025

- Increases the tax rate from 15% to 30% on the wholesale price of closed system cartridges.
- Changes a reference from "Internet web site" to "website."

Code: IC 6-7-2-7.5

Enrolled Act: HEA 1050, Sec. 99

Effective date: July 1, 2025

- Changes a reference from "an Internet web site" to "a website."

Code: IC 6-7-2-7.5

Enrolled Act: SEA 453, Sec. 16

Effective date: July 1, 2025

- Clarifies that the closed system cartridge tax may be imposed when the distributor first receives the closed system cartridges in Indiana in the case of distributor-to-distributor transactions.

Code: IC 6-7-2-8

Enrolled Act: HEA 1050, Sec. 100

Effective date: July 1, 2025

- Changes a reference from "an Internet web site" to "a website."

Code: IC 6-7-2-8

Enrolled Act: HEA 1275, Sec. 3

Effective date: July 1, 2025

- Provides that a distributor issued a license under this statute is prohibited from selling, using, or distributing flavored nitrous oxide.
- Further provides if a distributor violates these requirements, DOR may suspend or revoke the distributor's license and impose sanctions on the distributor in an amount equal to the cost of disposing of the flavored nitrous oxide.

Code: IC 6-7-2-8

Enrolled Act: SEA 453, Sec. 17

Effective date: July 1, 2025

- Increases the rate of renewal for a distributor's license under this statute from one year to two years.

Code: IC 6-7-2-8.5

Enrolled Act: SEA 453, Sec. 18

Effective date: July 1, 2025

- Increases the rate of renewal for a distributor's license under this statute from one year to two years.

Code: IC 6-7-2-10

Enrolled Act: SEA 453, Sec. 19

Effective date: July 1, 2025

- Increases the period of validity for a distributor's license under this statute from one year to two years.

Code: IC 6-7-2-17

Enrolled Act: HEA 1001, Sec. 89

Effective date: July 1, 2025

- Changes the distribution of other tobacco products and closed system cartridge taxes, fees, fines, and penalties collected under IC 6-7-2 by decreasing the amount deposited in the affordable housing and community development fund established by IC 5-20-4-7 from 25% to 19.41%. The remainder is still deposited as described in IC 6-7-1-28.1, which was amended in SECTION 86 of this bill.

Code: IC 6-7-3-1

Enrolled Act: SEA 80, Sec. 70

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-11 to IC 35-48-1.1-10.

Code: IC 6-7-3-2

Enrolled Act: SEA 80, Sec. 71

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-18 to IC 35-48-1.1-28.

Code: IC 6-7-3-4

Enrolled Act: SEA 80, Sec. 72

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-19 to IC 35-48-1.1-29.

Code: IC 6-7-3-4.1

Enrolled Act: SEA 80, Sec. 73

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-19 to IC 35-48-1.1-29.

Code: IC 6-7-4-9

Enrolled Act: HEA 1001, Sec. 90

Effective date: July 1, 2025

- Increases the tax rate from 15% to 30% on the retail income from the sale of electronic cigarettes.

Code: IC 6-7-4-10

Enrolled Act: SEA 453, Sec. 20

Effective date: July 1, 2025

- Increases the rate of renewal for a retail dealer's certificate under this statute from one year to two years.

Code: IC 6-7-4-13

Enrolled Act: HEA 1001, Sec. 91

Effective date: July 1, 2025

- Changes the distribution of electronic cigarette taxes, fees, fines, and penalties collected under IC 6-7-4 by decreasing the amount deposited in the general fund from 100% to 60.81% and requiring the remaining 39.19% to be deposited in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations.

Miscellaneous Tax Matters (IC 6-8)

Code: IC 6-8-12-1

Enrolled Act: SEA 314, Sec. 1

Effective date: Upon Passage

- Adds the Women's National Basketball Association (WNBA, and its affiliates) to the list of "eligible entities" able to use certain tax exemptions for "eligible events."

Code: IC 6-8-12-2

Enrolled Act: SEA 314, Sec. 2

Effective date: Upon Passage

- Removes references to the National Basketball Association (NBA) from the description of an all-star game being an "eligible event," and instead includes statutory references to both the NBA and WNBA in IC 6-8-12-1(a)(3) and (4), respectively, so that an all-star game conducted by either organization would be an "eligible event."

Code: IC 6-8-12-3

Enrolled Act: SEA 314, Sec. 3

Effective date: Upon Passage

- Removes reference to the NBA from the description of an all-star game being an "eligible event," and instead includes statutory reference to both the NBA and WNBA in IC 6-8-12-1(a)(3) and (4), respectively, for purposes of clarifying that the wages and salaries of either organization would be exempt when paid in connection with an "eligible event."

Department of Revenue Tax Administration (IC 6-8.1)

Code: IC 6-8.1-1-4.5

Enrolled Act: SEA 453, Sec. 21

Effective date: July 1, 2025

- Revises the definition of "periodic tax" to clarify that the term does not include an estimated tax payment under IC 6-3-4-4.2 (a new statute created in SECTION 11 of this bill), nor does it include a tax imposed on a purchaser if the purchaser fails to remit a periodic tax to a retail merchant.

Code: IC 6-8.1-3-7.1

Enrolled Act: SEA 453, Sec. 22

Effective date: Upon Passage

- Clarifies that DOR and the fiscal officer of an entity that has adopted an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9 shall enter into an agreement to furnish

the fiscal officer annually with information, as opposed to putting the onus on DOR to enter into an agreement with the fiscal officer.

- Clarifies that DOR and the fiscal officer of a capital improvement board of managers shall enter into an agreement to furnish the fiscal officer annually with information, as opposed to putting the onus on DOR to enter into an agreement with the fiscal officer.

Code: IC 6-8.1-3-16

Enrolled Act: HEA 1050, Sec. 101

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Code: IC 6-8.1-3-17

Enrolled Act: HEA 1001, Sec. 92

Effective date: July 1, 2025

- Revises the statute providing for an amnesty program by changing the dates in the following manner:
 - Requires DOR to establish an amnesty program for taxpayers having an unpaid tax liability for a listed tax that was due and payable for a tax period ending before January 1, 2023 (was 2013).
 - Provides that a taxpayer is not eligible for the amnesty program if the taxpayer participated in any previous amnesty program under this statute (as in effect on December 31, 2024 (was 2014)).
 - Requires the amnesty program to be in effect no more than eight regular business weeks ending before the earlier of the date set by DOR or January 1, 2027 (was 2017).
- Splits subsection (c) into two subsections and renumbers accordingly.

Code: IC 6-8.1-3-17

Enrolled Act: HEA 1050, Sec. 102

Effective date: July 1, 2025

- Splits subsection (c) pertaining to the tax amnesty programs into two subsections by creating a new subsection (d) beginning with the provision "The amnesty program must provide that...." Internal references to subsection are changed as a result.

Code: IC 6-8.1-3-23

Enrolled Act: HEA 1050, Sec. 103

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Code: IC 6-8.1-3-24.5

Enrolled Act: HEA 1001, Sec. 93

Effective date: July 1, 2025

- Provides that DOR may adopt rules under IC 4-22-2 to carry out a tax amnesty program under IC 6-8.1-3-17.

Code: IC 6-8.1-3-25

Enrolled Act: HEA 1001, Sec. 94

Effective date: July 1, 2025

- Changes the distribution of remainder amounts collected under a tax amnesty program by removing requirements that monies be deposited in the Indiana regional cities development fund established by IC 5-28-38-2 (before its repeal), transferred to the Indiana department of transportation to reimburse the Indiana department of transportation for money expended by the Indiana department of transportation under IC 8-23-2-18.5 (before its expiration), deposited into the Indiana regional cities development fund established by IC 5-28-38-2 (before its repeal), transferred to the Indiana public retirement system for credit to the Indiana public employees' retirement fund established by IC 5-10.3-2-1, transferred to the Indiana public retirement system for credit to the pre-1996 account of the Indiana state teachers' retirement fund established by IC 5-10.4-2-1, transferred to the Indiana public retirement system for credit to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan established by IC 5-10-5.5-2, transferred to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police pre-1987 benefit system, transferred to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police 1987 benefit system, and then deposited into the next generation Hoosier educators scholarship fund established by IC 21-12-16-3.
- Instead of the previous requirements, the remainder must be deposited in the general fund.
- Changes the date of the amnesty program from it occurring after June 30, 2015, to after June 30, 2025.

Code: IC 6-8.1-6-9

Enrolled Act: SEA 1, Sec. 189

Effective date: July 1, 2025

- Requires DOR to include on the adjusted gross income tax return a requirement that taxpayers identify the address of the taxpayers' principal place of residence starting with the individual adjusted gross income tax return for taxable years beginning in 2025.

Code: IC 6-8.1-7-1

Enrolled Act: SEA 2, Sec. 2

Effective date: July 1, 2025

- Modifies DOR's confidentiality statute to allow DOR to disclose the information described in subsection (a) of the statute that relates to a person on public welfare or a person who has made application for public welfare to the office of the secretary of family and social services for purposes of IC 12-15-1-24, a new statute created in SECTION 6 of this bill.

Code: IC 6-8.1-7-1.5

Enrolled Act: SEA 453, Sec. 23

Effective date: Upon Passage

- Adds a new code provision for purposes of determining what is not a periodic tax.
- Provides that a periodic tax includes a use tax or equivalent tax imposed on a purchaser when the purchaser fails to pay tax to a retail merchant.

Code: IC 6-8.1-9.5-3

Enrolled Act: HEA 1050, Sec. 104

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Code: IC 6-8.1-9.5-10

Enrolled Act: HEA 1427, Sec. 90

Effective date: July 1, 2025

- Increases the maximum local collection assistance fee from \$20 to \$25.

Code: IC 6-8.1-10-1

Enrolled Act: HEA 1050, Sec. 105

Effective date: July 1, 2025

- Changes references to subsections in IC 6-8.1-3-17 to correspond with technical changes made in SECTION 102 of this bill.

Code: IC 6-8.1-10-2.1

Enrolled Act: HEA 1427, Sec. 91

Effective date: Upon Passage

- Provides that beginning after December 31, 2024, reasonable cause under this statute for failure to file a timely and complete form IT-65 partnership return will be presumed if the partnership (or any of its partners) is able to show that all of the following conditions have been met:
 - The partnership had no more than 10 partners for the taxable year. (A husband and wife filing a joint return count as one partner.)
 - Each partner during the tax year was a natural person (other than a nonresident alien), or the estate of a natural person.
 - Each partner's proportionate share of any partnership item is the same as the partner's proportionate share of any other partnership item.
 - The partnership did not elect to be subject to the rules for federal consolidated audit proceedings under IRC §§ 6221 through 6234.
 - All partners reported their distributive share of partnership items on their timely filed income tax returns.

Code: IC 6-8.1-10-6

Enrolled Act: HEA 1427, Sec. 92

Effective date: Upon Passage

- Provides that beginning after December 31, 2024, a person that has been granted penalty relief under IC 6-8.1-10-2.1(l) (created in SECTION 91 of this bill) for failure to file a timely and complete form IT-65 partnership return shall not be subject to a penalty under this statute for failure to file the information return Schedule K-1 of form IT-65 for which penalty relief was granted.

Code: IC 6-8.1-10-12

Enrolled Act: HEA 1001, Sec. 95

Effective date: July 1, 2025

- Changes a reference to a subsection in IC 6-8.1-3-17 that was renumbered as a result of SECTION 92 of this bill.
- Changes the date regarding the referenced amnesty program, from January 1, 2013, to January 1, 2023, in order to comport with SECTION 92 of this bill.

Code: IC 6-8.1-10-12

Enrolled Act: HEA 1050, Sec. 106

Effective date: July 1, 2025

- Changes a reference to a subsection in IC 6-8.1-3-17 to correspond with technical changes made in SECTION 102 of this bill.

Code: IC 6-8.1-16.3-1

Enrolled Act: SEA 80, Sec. 74

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

Code: IC 6-8.1-19

Enrolled Act: SEA 453, Sec. 24

Effective date: January 1, 2026

- Adds a new provision imposing a tax on a purchaser when a purchaser fails to remit tax and the tax is required to be paid as an added amount to the consideration paid to the seller.
- Provides that payment of the tax followed by a refund is considered nonpayment of the tax.
- Stipulates that the due date of the tax is the 20th day of the month following the transaction.
- Provides that payment of tax to an erroneous jurisdiction, the tax is only on the difference in tax between the jurisdictions.
- Provides that if a taxpayer should have paid innkeeper's or food and beverage tax on transactions conducted through a marketplace facilitator and the department publishes a different rate than the rate imposed by the locality, the tax is imposed at the rate listed by the department on its website.
- Provides that the distribution of any tax collected under the chapter shall be distributed according to the provisions of the underlying tax (e.g., a municipal tax goes to the municipality).

Innkeeper's and Food and Beverage Taxes (IC 6-9)

Code: IC 6-9-2.5-7

Enrolled Act: HEA 1427, Sec. 93

Effective date: July 1, 2025

- Requires the county treasurer of Vanderburgh County to deposit the Vanderburgh County Innkeeper's tax in the convention and visitor promotion fund the rate of 3% after December 31, 2025. The deposit of 2.5% will end before January 1, 2026.

Code: IC 6-9-2.5-7.5

Enrolled Act: HEA 1427, Sec. 94

Effective date: July 1, 2025

- Requires the county treasurer of Vanderburgh County to deposit the Vanderburgh County Innkeeper's tax in the tourism capital improvement fund the rate of 3% after December 31, 2025, and before January 1, 2029, instead of 4.5% as was previously stated in the law. After December 31, 2028, the county treasurer of Vanderburgh County is required to deposit to the tourism capital improvement fund the rate of 4%.

Code: IC 6-9-2.5-7.7

Enrolled Act: HEA 1427, Sec. 95

Effective date: July 1, 2025

- Moves the deadline for the county treasurer of Vanderburgh County to deposit the Vanderburgh County Innkeeper's tax in the convention center operating, capital improvement, and financial incentive fund the rate of 2% to before January 1, 2029, instead of 2026 as previously stated in the law. After December 31, 2028, the county treasurer of Vanderburgh County is required to deposit to the fund the rate of 1%.

Code: IC 6-9-3-3.5

Enrolled Act: HEA 1050, Sec. 107

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Code: IC 6-9-10.5-8

Enrolled Act: SEA 1, Sec. 190

Effective date: July 1, 2027

- Removes a reference to IC 6-3.6-6-9, which is repealed in SECTION 132 of this bill, and replaces it with a reference to IC 6-3.6-6 generally.

Code: IC 6-9-14-6

Enrolled Act: HEA 1427, Sec. 96

Effective date: July 1, 2025

- Authorizes the fiscal body of Brown County to impose its innkeeper's tax at a rate of 8% (instead of 5% under current law) through ordinance.

Code: IC 6-9-14-9

Enrolled Act: HEA 1427, Sec. 97

Effective date: July 1, 2025

- Creates an expiration date for the Brown County Innkeeper's tax of January 1, 2047.

Code: IC 6-9-18-3

Enrolled Act: HEA 1427, Sec. 98

Effective date: Upon Passage

- Removes Parke County from the authority of the Uniform County Innkeeper's Tax under IC 6-9-18. Parke County is granted authority to impose an innkeeper's tax in a new chapter created in SECTION 124 of this bill.

Code: IC 6-9-18-6

Enrolled Act: HEA 1427, Sec. 99

Effective date: July 1, 2025

- Removes the provision pertaining to Boone County within this statute that defines the powers of a commission to promote the development and growth of the convention, visitor, and tourism industry in the county. This provision gave Boone County commission the power to enter into an agreement under which amounts deposited in, or to be deposited in, the convention, visitor, and tourism promotion fund were pledged toward the payment of obligations (including bonds and leases) issued or entered into by any political subdivision located in the county to finance the construction, acquisition, enlargement, and equipping of a sports and recreation facility to promote and encourage conventions, trade shows, tourism, visitors, or special events within the county.
- Removes a stipulation concerning expenses of the commission that references IC 6-9-18-6.5, which is repealed in SECTION 100 of this bill.

Code: IC 6-9-18-6.5

Enrolled Act: HEA 1427, Sec. 100

Effective date: July 1, 2025

- Repeals IC 6-9-18-6.5, which gave Boone County the ability to adopt resolutions authorizing an agreement discussed in IC 6-9-18-6(b).

Code: IC 6-9-27-3

Enrolled Act: HEA 1427, Sec. 101

Effective date: July 1, 2025

- Permits the fiscal body of Shipshewana to adopt an ordinance to increase the tax rate of their food and beverage tax.

Code: IC 6-9-27-5

Enrolled Act: HEA 1427, Sec. 102

Effective date: July 1, 2025

- Permits the fiscal body of Shipshewana to adopt an ordinance to impose its food and beverage tax at a rate of not more than 2% (instead of 1% under current law). The ordinance would expire January 1, 2047.

Code: IC 6-9-27-5.5

Enrolled Act: HEA 1427, Sec. 103

Effective date: July 1, 2025

- Requires the fiscal body of Shipshewana to immediately send a certified copy of the ordinance imposing its food and beverage tax at a rate of not more than 2% to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-29-8

Enrolled Act: HEA 1427, Sec. 104

Effective date: July 1, 2025

- Creates a definition of an "innkeeper's tax fund," which is any fund established pursuant to an innkeeper's tax chapter within IC 6-9, regardless of its title.
- Requires that each county that imposes an innkeeper's tax may not deposit or transfer money in its innkeeper's tax fund into any other fund, or deposit or transfer money in any other fund into its innkeeper's tax fund.

Code: IC 6-9-29.5-5

Enrolled Act: HEA 1427, Sec. 105

Effective date: July 1, 2025

- Creates a definition of an "food and beverage tax fund," which is any fund established pursuant to a food and beverage tax chapter within IC 6-9, regardless of its title.
- Requires that each county that imposes a food and beverage tax may not deposit or transfer money in its food and beverage tax fund into any other fund, or deposit or transfer money in any other fund into its food and beverage tax fund.

Code: IC 6-9-31-2

Enrolled Act: HEA 1050, Sec. 108

Effective date: July 1, 2025

- Removes a superfluous "and" in a numbered list.

Code: IC 6-9-38

Enrolled Act: HEA 1427, Sec. 106

Effective date: July 1, 2025

- Repeals the Wayne County food and beverage tax chapter (an ordinance has never been adopted).

Code: IC 6-9-47.5-4

Enrolled Act: HEA 1427, Sec. 107

Effective date: July 1, 2025

- Repeals the exemption from the Orange County food and beverage tax of transactions that occur at a historic hotel (as defined in IC 4-33-2-11.1), the riverboat operated under IC 4-33-6.5, and other properties operated in conjunction with the historic hotel enterprise located in Orange County, including golf courses.

Code: IC 6-9-47.5-9

Enrolled Act: HEA 1427, Sec. 108

Effective date: July 1, 2025

- Clarifies that money in from Orange County food and beverage tax receipts fund can no longer be used for storm water, sidewalk and street improvements.

Code: IC 6-9-60

Enrolled Act: HEA 1427, Sec. 109

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the LaGrange County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, the increase applies to transactions after the last day of the month in which the ordinance is adopted, if the county fiscal body adopts the ordinance on or before the fifteenth day of a month. If the county fiscal body adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

Code: IC 6-9-61

Enrolled Act: HEA 1427, Sec. 110

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Marion to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-62

Enrolled Act: HEA 1427, Sec. 111

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Shelbyville to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions on the later of the day specified in the ordinance or the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-63

Enrolled Act: HEA 1427, Sec. 112

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of New Haven to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-64

Enrolled Act: HEA 1427, Sec. 113

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Richmond to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-65

Enrolled Act: HEA 1427, Sec. 114

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Centerville to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-66

Enrolled Act: HEA 1427, Sec. 115

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Cambridge to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-67

Enrolled Act: HEA 1427, Sec. 116

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Hagerstown to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-68

Enrolled Act: HEA 1427, Sec. 117

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Fountain City to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-69

Enrolled Act: HEA 1427, Sec. 118

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Greens Fork to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-70

Enrolled Act: HEA 1427, Sec. 119

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Milton to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-71

Enrolled Act: HEA 1427, Sec. 120

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Dublin to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-72

Enrolled Act: HEA 1427, Sec. 121

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Mount Auburn to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-73

Enrolled Act: HEA 1427, Sec. 122

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Madison to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-74

Enrolled Act: HEA 1427, Sec. 123

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of Boone County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-75

Enrolled Act: HEA 1427, Sec. 124

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of Parke County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-76

Enrolled Act: HEA 1427, Sec. 125

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of Switzerland County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Code: IC 6-9-77

Enrolled Act: HEA 1427, Sec. 126

Effective date: Upon Passage

- Creates a new chapter authorizing the fiscal body of the town of Ellettsville to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Motor Carrier Regulation (IC 8-2.1)

Code: IC 8-2.1-17-6.5

Enrolled Act: SEA 453, Sec. 25

Effective date: July 1, 2025

- Makes a technical change to the wording of the statute.

Code: IC 8-2.1-17-6.5

Enrolled Act: HEA 1390, Sec. 2

Effective date: July 1, 2025

- Makes a technical change to the wording of the statute.

Code: IC 8-2.1-22-2.1

Enrolled Act: SEA 453, Sec. 26

Effective date: January 1, 2012 (Retroactive)

- Removes reference to a "permit."

Code: IC 8-2.1-22-4

Enrolled Act: SEA 453, Sec. 27

Effective date: July 1, 2025

- Removes requirement on DOR to hold a hearing for failure to comply and issuance of orders and instead requires DOR to notify the common or contract carrier, in a manner prescribed by DOR, to compel compliance.

Code: IC 8-2.1-22-10

Enrolled Act: SEA 453, Sec. 28

Effective date: July 1, 2025

- Removes reference to IC 8-2.1-22-11 and 13, which are repealed as a result of SECTIONS 29 and 31 (respectively) of this bill.

Code: IC 8-2.1-22-11

Enrolled Act: SEA 453, Sec. 29

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-11, which discussed public hearing requirements in order to obtain a certificate to transport passengers.

Code: IC 8-2.1-22-12.5

Enrolled Act: SEA 453, Sec. 30

Effective date: July 1, 2025

- Clarifies that this statute applies to carriers of passengers as well.
- Removes requirement on DOR to hold a hearing and considering transportation services provided by other carriers of household goods by motor vehicle, railroad, or other means, that operate in the proposed territory of the person that is applying for a certificate.
- Creates a new application process for carriers of household goods and passengers to obtain a certificate, requiring the applicant to submit a completed application form prescribed by DOR, a certificate of existence from the secretary of state, proof of insurance in a format prescribed

by DOR, the tariff amount that the carrier intends to charge pursuant to IC 8-2.1-22-23, and, in the case of a contract carrier, the contracts under which the carrier will be operating pursuant to IC 8-2.1-22-26.

- Requires DOR to charge an application fee as required under IC 8-2.1-22-40.
- Permits DOR to consider, among other things, the following in determining whether a certificate shall be granted:
 - Whether the applicant has any tax liabilities and has filed all appropriate tax returns with DOR.
 - Whether the applicant is up to date on all unified carrier registration payments.
 - Whether the applicant has any current out of service orders issued by the Federal Motor Carrier Safety Administration.
 - Whether the applicant is properly insured.
- Whether the operations will threaten the safety of the public or be detrimental to the public welfare.
- Requires DOR to issue a receipt of registration to the carrier in addition to issuing a certificate once DOR approves an application. Further requires the carrier to keep a copy of the receipt in each of its vehicles at all times.

Code: IC 8-2.1-22-12.8

Enrolled Act: SEA 453, Sec. 31

Effective date: July 1, 2025

- Provides that a carrier that has been issued a certificate to transport household goods or passengers for compensation will be subject to the annual registration receipt requirements under IC 8-2.1-24-20, and that a carrier that fails to meet the requirements under that provision may have their certificate denied by DOR.

Code: IC 8-2.1-22-13

Enrolled Act: SEA 453, Sec. 32

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-13, which discussed public hearing procedures.

Code: IC 8-2.1-22-15

Enrolled Act: SEA 453, Sec. 33

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes language requiring a public hearing.

Code: IC 8-2.1-22-16

Enrolled Act: SEA 453, Sec. 34

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-16, which discussed contract carrier requirements before operating.

Code: IC 8-2.1-22-17

Enrolled Act: SEA 453, Sec. 35

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-17, which discussed contract carrier requirements before operating.

Code: IC 8-2.1-22-22

Enrolled Act: SEA 453, Sec. 36

Effective date: July 1, 2025

- Moves civil action procedures from DOR to the OAG.

Code: IC 8-2.1-22-22.5

Enrolled Act: SEA 453, Sec. 37

Effective date: July 1, 2025

- Provides that a person who violates a provision of IC 8-2.1-22 involving a consumer transaction (as defined in IC 24-5-0.5-2(a)(1)) entailing the transportation of passengers or household goods commits a deceptive act that is actionable by the attorney general under IC 24-5-0.5 and is subject to the remedies and penalties under IC 24-5-0.5, in addition to all other remedies and penalties under IC 8-2.1-22.

Code: IC 8-2.1-22-23

Enrolled Act: SEA 453, Sec. 38

Effective date: July 1, 2025

- Removes reference to railroad transportation routes.

Code: IC 8-2.1-22-24

Enrolled Act: SEA 453, Sec. 39

Effective date: July 1, 2025

- Removes hearing requirements on DOR for granting relief from charging less than the minimum rates posted.

Code: IC 8-2.1-22-27

Enrolled Act: SEA 453, Sec. 40

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-27, which provided for the issuance and requirements of a brokerage license.

Code: IC 8-2.1-22-27.5

Enrolled Act: SEA 453, Sec. 41

Effective date: July 1, 2025

- Provides that a person may not engage in any of the following activities unless the person has obtained a brokerage license from DOR:
 - sell or offer for sale transportation subject to IC 8-2.1-22 for compensation;
 - make any contract, agreement, or arrangement to provide, procure, furnish, or arrange for the transportation of passengers; or
 - profess by advertisement, solicitation, or otherwise as one who sells, provides, procures, contracts, or arranges for the transportation of passengers.
- Stipulates that in the execution of any contract, agreement, or arrangement to sell, provide, procure, furnish, or arrange for the transportation of passengers, a person may not employ any common or contract carrier who is not the lawful holder of an effective certificate issued as provided in IC 8-2.1-22.

- Provides that a person is not required to obtain a brokerage license from DOR if the person holds a certificate under IC 8-2.1-22, or if the person is an employee or agent of the motor carrier, when that person furnishes transportation wholly by the carrier or jointly with other motor carriers holding like certificates.
- Creates a new application process for brokerage licenses, requiring the applicant to submit a completed application form prescribed by DOR, a certificate of existence from the secretary of state, and a surety bond.
- Provides that the license must be renewed DOR on an annual basis.
- Permits DOR to consider, among other things, the following in determining whether a license shall be granted:
 - Whether the applicant has any tax liabilities and has filed all appropriate tax returns with DOR.
 - Whether the applicant is up to date on all unified carrier registration payments.
 - Whether the applicant is properly insured.
- Stipulates that DOR and its special agents and examiners have the same authority concerning accounts, reports, and records, including inspection and preservation of the accounts, reports, and records of any person holding a brokerage license issued under this statute, that DOR and DOR's special agents and examiners have under IC 8-2.1-22 with respect to motor carriers subject to IC 8-2.1-22.
- Requires DOR to charge an application fee as required under IC 8-2.1-22-40, as well as a renewal fee.
- Provides that a person who violates this statute commits a Class C infraction.

Code: IC 8-2.1-22-28

Enrolled Act: SEA 453, Sec. 42

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-28, which provided requirements on carriers as of December 31, 1982.

Code: IC 8-2.1-22-30

Enrolled Act: SEA 453, Sec. 43

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes language requiring a public hearing.

Code: IC 8-2.1-22-36

Enrolled Act: SEA 453, Sec. 44

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes reference to IC 8-2.1-22-11 and 13, which are repealed as a result of SECTIONS 29 and 31 (respectively) of this bill.

Code: IC 8-2.1-22-37

Enrolled Act: SEA 453, Sec. 45

Effective date: July 1, 2025

- Removes a reference to a "permit."

Code: IC 8-2.1-22-40

Enrolled Act: SEA 453, Sec. 46

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes language requiring a public hearing and the fees for such.
- Provides that a common carrier reinstatement shall only occur within two years of the voluntarily ceased operations date provided to DOR by the carrier.
- Repeals a fee for applications requesting permission to deviate from DOR's tariff publishing regulations.

Code: IC 8-2.1-22-42

Enrolled Act: SEA 453, Sec. 47

Effective date: July 1, 2025

- Increases the criminal sanction from an infraction to a misdemeanor for not displaying identification required by IC 8-2.1-22.

Code: IC 8-2.1-22-44

Enrolled Act: SEA 453, Sec. 48

Effective date: July 1, 2025

- Adds a statutory reference for the motor carrier regulation fund.

Code: IC 8-2.1-22-45

Enrolled Act: SEA 453, Sec. 49

Effective date: July 1, 2025

- Increases the criminal sanction from an infraction to a misdemeanor for augmenting equipment.

Code: IC 8-2.1-22-46

Enrolled Act: SEA 453, Sec. 50

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes reference to transporting railroad employees.

Code: IC 8-2.1-23-2

Enrolled Act: SEA 453, Sec. 51

Effective date: July 1, 2024 (Retroactive)

- Provides additional statutory references relating to vehicle transportation fees under IC 9 that will now be deposited in the motor carrier regulation fund.

Code: IC 8-2.1-28-5

Enrolled Act: HEA 1050, Sec. 125

Effective date: July 1, 2025

- Repeals statute stating that DOR may adopt rules, which are consistent with HEA 1623 (2024).

Indiana Department of Transportation (IC 8-23)

Code: IC 8-23-30-2

Enrolled Act: HEA 1461, Sec. 28

Effective date: Upon Passage

- Requires INDOT to report to the state comptroller no later than June 1, 2025, the amount of matching grants awarded by INDOT from the local road and bridge matching grant fund in the state fiscal year beginning July 1, 2024, and ending June 30, 2025, that INDOT will not distribute before July 1, 2025.
- Requires the state comptroller to determine the balance of the money in the fund on June 15, 2025, and on June 15 of each year thereafter. After determining the balance of money in the fund as required here, the money in the fund must be allocated and transferred in accordance with the below.
- Requires that after determining the balance of the money in the fund, the money in the fund must first be allocated as follows:
 - On June 30, 2025, INDOT must allocate the total of the amount determined above plus \$100,000,000 of money in the fund to make matching grants in the state fiscal year beginning July 1, 2025, and ending June 30, 2026, to all local units. INDOT may not award more than \$100,000,000 of matching grants in the state fiscal year beginning July 1, 2025, and ending June 30, 2026.
 - On June 30, 2026, and June 30 of each year thereafter, INDOT must allocate the first \$100,000,000 of money in the fund to make matching grants in the next state fiscal year to all local units.
- After INDOT allocates the money in the fund under subsection (h), the state comptroller shall make the following five transfers:
 - On June 30, 2026, a transfer of:
 - to the state general fund, the total amount of the state tax credits certified for 2025 by DOR under IC 6-3.1-38.1-8(c); and
 - to INDOT, an amount equal to \$20,000,000 minus the amount under the above for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
 - On June 30, 2027, a transfer of:
 - to the state general fund, the total amount of the state tax credits certified for 2026 by DOR under IC 6-3.1-38.1-8(c); and
 - to INDOT, an amount equal to \$20,000,000 minus the amount under the above for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
 - On June 30, 2028, a transfer of:
 - to the state general fund, the total amount of the state tax credits certified for 2027 by DOR under IC 6-3.1-38.1-8(c); and
 - to INDOT, an amount equal to \$20,000,000 minus the amount under the above for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
 - On June 30, 2029, a transfer of \$20,000,000 to INDOT for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.

- On June 30, 2030, a transfer of \$20,000,000 to INDOT for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
- Provides that beginning on June 30, 2027, and on June 30 of each year thereafter, after INDOT allocates the money as provided above and the state comptroller makes a transfer, when applicable, the state comptroller shall transfer \$50,000,000 of money in the fund to the consolidated city in Marion County for the construction, reconstruction, and preservation of the consolidated city's local streets (as defined in IC 8-14-2-1(9)). The consolidated city in Marion County shall not use these revenues for: reducing the capacity of existing roads and streets; greenways; bike lanes; bike trails; and sidewalks. 100% of the money distributed to the consolidated city under these requirements shall be matched with an appropriation by the consolidated city. The appropriation required under this provision must be new revenue and may not include revenue allocated to public safety purposes under IC 6-3.6-6.
- Provides that beginning on June 30, 2027, and on June 30 of each year thereafter, after the state comptroller makes a transfer, the state comptroller shall distribute the remainder of the money in the fund, as follows:
 - To be eligible to receive a distribution under these requirements, a local unit must have adopted a wheel tax and provided the local technical assistance program at Purdue University with an updated transportation asset management plan within the last 12 months.
 - The distribution to a local unit eligible to receive a distribution under the above must be proportional to the local unit's share of the total lane mileage for all local units eligible to receive a distribution under the above. INDOT shall provide to the state comptroller the total lane mileage for purposes of making the distribution under these requirements.
- A local unit may use a distribution made under these requirements only for eligible projects.

Motor Vehicle Titling (IC 9-17)

Code: IC 9-17-2-20

Enrolled Act: SEA 453, Sec. 52

Effective date: July 1, 2024 (Retroactive)

- Stipulates that this statute applies after June 30, 2024, and applies only to fees, penalties, and fines described in IC 9-17-2 that are collected by DOR pursuant to IC 9-18.1-13-2.
- Provides that for any portion of fees, penalties, or fines collected by DOR that require deposit into the commission fund, DOR shall instead deposit a certain amount of that portion into the motor carrier regulation fund established by IC 8-2.1-23-1 as follows:
 - \$25 for the speed title fee imposed pursuant to IC 9-17-2-13.5.
 - For the title fee imposed pursuant to IC 9-17-2-14.5, \$2.50 shall be deposited in the motor carrier regulation fund, and \$2.50 shall be deposited in the commission fund.
- Provides that, except as provided above, all other distributions shall be deposited as required by the provisions of IC 9-17-2.

Code: IC 9-17-3-2

Enrolled Act: SEA 453, Sec. 53

Effective date: July 1, 2024 (Retroactive)

- Provides that after June 30, 2024, when a duplicate certificate of title fee is collected by DOR, instead of depositing \$3.75 into the commission fund as required elsewhere in this statute, DOR

shall instead deposit \$1.88 of that amount into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.

Motor Vehicle Registration (IC 9-18.1)

Code: IC 9-18.1-5-10.7

Enrolled Act: SEA 453, Sec. 54

Effective date: July 1, 2024 (Retroactive)

- Stipulates that this statute applies after June 30, 2024, and applies only to fees described in IC 9-18.1-5 that are collected by DOR pursuant to IC 9-18.1-13-3.
- Provides that for any portion of fees collected by DOR that require deposit into the commission fund, DOR shall instead deposit 90% of that portion into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.
- Provides that, except as provided above, all other distributions shall be deposited as required by the provisions of IC 9-18.1-5.

Code: IC 9-18.1-6-4

Enrolled Act: SEA 453, Sec. 55

Effective date: July 1, 2024 (Retroactive)

- Provides that after June 30, 2024, when a fee to register a recovery vehicle under this statute is collected by DOR, instead of depositing \$3.10 into the commission fund as required elsewhere in this statute, DOR shall instead deposit 90% of that amount into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.

Code: IC 9-18.1-11-11

Enrolled Act: SEA 453, Sec. 56

Effective date: July 1, 2024 (Retroactive)

- Stipulates that this statute applies after June 30, 2024, and applies only to fees described in IC 9-18.1-5 that are collected by DOR.
- Provides that for any portion of fees collected by DOR that require deposit into the commission fund, DOR shall instead deposit 90% of that portion into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.
- Provides that, except as provided above, all other distributions shall be deposited as required by the provisions of IC 9-18.1-5.

Code: IC 9-18.1-13-17

Enrolled Act: SEA 453, Sec. 57

Effective date: July 1, 2024 (Retroactive)

- Changes the distribution of administrative penalties collected by DOR under this statute, so that any penalty collected before July 1, 2024, is deposited in the commission fund, and after June 30, 2024, 10% is deposited in the commission fund and 90% in the motor carrier regulation fund.

Size and Weight Regulation (IC 9-20)

Code: IC 9-20-9-1

Enrolled Act: HEA 1390, Sec. 14

Effective date: July 1, 2025

- Exempts construction vehicles with a towbar connection used in connection with a trailer used to haul heavy equipment from the 60 feet maximum length requirements for a combination of two vehicles coupled together, including load.

Financial Services (IC 28-8)

Code: IC 28-8-6

Enrolled Act: HEA 1125, Sec. 5

Effective date: January 1, 2026

- Creates the Indiana Earned Wage Access Act.
- Provides that if DOR notifies the department of financial institutions (DFI) that a person is on the most recent tax warrant list, the DFI shall not issue or renew the person's license until the person provides to the DFI a statement from DOR that the person's tax warrant has been satisfied, or the DFI receives a notice from the commissioner of DOR under IC 6-8.1-8-2(k).

Child Services: Administration (IC 31-25)

Code: IC 31-25-2-28

Enrolled Act: HEA 1001, Sec. 299

Effective date: July 1, 2025

- Permits, subject to federal approval, the department of child services (DCS) to enter into a written agreement with DOR to transfer the administration of the child support bureau established by IC 31-25-3 and all related duties to DOR.
- Provides that if the DCS receives federal approval and enters into a written agreement with DOR, DCS shall submit a report detailing the agreement to the budget committee within 30 days of entering into the agreement.

Controlled Substances (IC 35-48)

Code: IC 35-48-2-4

Enrolled Act: HEA 1056, Sec. 1

Effective date: July 1, 2025

- Adds the following substances to the list of Schedule I controlled substances, which, by extension, are subject to the controlled substance excise tax: 2-Methyl AP-237 (1-(2-methyl-4-(3-phenylprop-2-en-1-yl)piperazin-1-yl)butan-1-one) (9664) and Ethylphenidate (ethyl 2-phenyl-2-(piperidin-2-yl)acetate) (1727).

Criminal Statutes Codified Outside IC 35 (IC 35-52)

Enrolled Act: SEA 453, Sec. 58

Code: IC 35-52-8-4.6

Effective date: July 1, 2025

- States that IC 8-2.1-22-42, amended in SECTION 47 of this bill, defines a crime concerning intrastate motor carriers.

Enrolled Act: SEA 453, Sec. 59

Code: IC 35-52-8-4.8

Effective date: July 1, 2025

- States that IC 8-2.1-22-45, amended in SECTION 49 of this bill, defines a crime concerning intrastate motor carriers.

Planning and Development (IC 36-7)

Code: IC 36-7-31.3-4

Enrolled Act: HEA 1001, Sec. 306

Effective date: July 1, 2025

- Changes the meaning of a “tax area” within the definition of “covered taxes” for purposes of a professional sports development area by including that, with respect to an addition after June 30, 2026, to the tax area designated in the city of Evansville under IC 6-36-31.3-8(e), the state gross retail tax imposed under IC 6-2.5-2-1 or the use tax imposed under IC 6-2.5-3-2 are attributable.

Code: IC 36-7-31.3-8

Enrolled Act: HEA 1001, Sec. 307

Effective date: July 1, 2025

- Provides that for state fiscal years beginning after June 30, 2026, the Evansville professional sports development area includes any facility or complex of facilities located in the city of Evansville as follows:
 - Any facility or complex of facilities that consists of a sports, recreational, and event facility or complex of facilities bounded on the north by Main Street, on the west by SE 6th Street, on the east by SE Martin Luther King Jr. Boulevard, and on the south by Walnut Street, as those streets were located on July 1, 2026.
 - Any facility or complex of facilities that consists of a zoo bounded on the north by W Summit Drive and Buchanan Road, on the west by Meskar Park Drive, on the east by N St. Joseph Avenue, and on the south by Bement Avenue, as those streets were located on July 1, 2026.
 - Any facility or complex of facilities that consists of a hotel bounded on the north by Walnut Street, on the west by SE 2nd Street, on the east by SE 3rd Street, and on the south by Cherry Street, as those streets were located on July 1, 2026.
 - Any facility or complex of facilities that is owned by the city of Evansville through a board established under IC 36-9-6, titled in the name of the city of Evansville or an entity established to assist the city of Evansville to exercise its corporate powers, occupied by the city of Evansville, and used to exercise power under IC 36-1-4 to provide services pursuant to IC 36-4-4-3, IC 36-4-4-4, IC 36-8-2, and IC 36-9-2.

Code: IC 36-7-31.3-10

Enrolled Act: HEA 1001, Sec. 308

Effective date: July 1, 2025

- Provides that the following apply to the Evansville professional sports development area:
 - The total amount of state revenue covered taxes captured by the tax area may not exceed:
 - before July 1, 2026, \$10 per resident of the city or county per year; and
 - after June 30, 2026, \$2,000,000 per year; for 20 consecutive years.
- For state fiscal years after June 30, 2026, the tax revenue captured in the tax area each year shall be transferred to the city of Evansville to be used for purposes consistent with IC 36-7-31.3-19.

Code: IC 36-7-32-8.7

Enrolled Act: SEA 516, Sec. 7

Effective date: July 1, 2025

- Defines "office" to mean the office of entrepreneurship and innovation established by IC 4-3-28.1.

Code: IC 36-7-32-9

Enrolled Act: SEA 516, Sec. 8

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-10

Enrolled Act: SEA 516, Sec. 9

Effective date: July 1, 2025

- Changes the application process for approval of a certified technology park to reflect the responsibility is transferred to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-11

Enrolled Act: SEA 516, Sec. 10

Effective date: July 1, 2025

- Transfers responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-11.5

Enrolled Act: SEA 516, Sec. 11

Effective date: July 1, 2025

- Reflects the responsibility of approving certified technology parks is transferred to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-12

Enrolled Act: SEA 516, Sec. 12

Effective date: July 1, 2025

- Changes the process for entering into an agreement for a certified technology park to reflect the responsibility is transferred to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-13

Enrolled Act: SEA 516, Sec. 13

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-14

Enrolled Act: SEA 516, Sec. 14

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-17.3

Enrolled Act: SEA 516, Sec. 15

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-20

Enrolled Act: SEA 516, Sec. 16

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-21

Enrolled Act: SEA 516, Sec. 17

Effective date: July 1, 2025

- Requires that taxpayers operating in the certified technology park shall report annually to the office of entrepreneurship and innovation information that DOR determines necessary to calculate the net increment, in addition to providing it to DOR.
- Requires that a taxpayer operating in the certified technology park that files a consolidated tax return with DOR also shall file annually a copy of the informational return that is required to be submitted to DOR.

Code: IC 36-7-32-22

Enrolled Act: SEA 516, Sec. 18

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32-29

Enrolled Act: SEA 516, Sec. 19

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Code: IC 36-7-32.5-0.5

Enrolled Act: HEA 1001, Sec. 309

Effective date: January 1, 2025 (Retroactive)

- Stipulates that the amendments made to IC 36-7-32.5 by this bill apply only to an innovation development district designated after December 31, 2024, and do not apply to an innovation development district designated before January 1, 2025.

Code: IC 36-7-32.5-9

Enrolled Act: HEA 1001, Sec. 310

Effective date: January 1, 2025 (Retroactive)

- Provides that the IEDC may designate territory within the jurisdiction of a city, town, or county, or territory within the jurisdiction of more than one city, town, or county, as an innovation development district if the corporation determines that not only whether the designation will support economic growth, but also that the total investment plan is an amount equal to or greater than \$750,000,000.

Code: IC 36-7-32.5-11

Enrolled Act: HEA 1001, Sec. 311

Effective date: January 1, 2025 (Retroactive)

- Repeals subsection (b) of this statute, which provided that the term of an area's designation as an innovation development district may be extended beyond the 30-year term after budget committee review, meaning that the term of an innovation development district (IDD) may not extend beyond a 30-year term.

Code: IC 36-7-32.5-12

Enrolled Act: HEA 1001, Sec. 312

Effective date: January 1, 2025 (Retroactive)

- Removes reference to the total costs and benefits of the proposed investment of an innovation development district are expected to be an amount less than \$2,000,000,000 and instead ties the costs and benefits to the determinations made under IC 36-7-32.5-9(b) or 9(c).
- Provides that an IDD agreement must include a provision regarding the proposed use of the net increment and incremental property tax amount described in IC 36-7-32.5-14(c) and (d) that is captured within the innovation development district, including the amount of any funds expected to be allocated to the business or businesses that are locating within the innovation development district as economic development incentives.
- Requires that within 15 days of entering into an agreement under this statute, the IEDC provide notification of the designation to DOR and DLGF.

Code: IC 36-7-32.5-13

Enrolled Act: HEA 1001, Sec. 313

Effective date: January 1, 2025 (Retroactive)

- Requires that not later than August 1 of the calendar year immediately following a designation, each executive shall set the base assessed value of the allocation area and provide notice of the designation and notice of the base assessed value to DLGF. Further, a mailing address must be included of all parcels, instead of just a list of parcels.

Code: IC 36-7-32.5-14

Enrolled Act: HEA 1001, Sec. 314

Effective date: January 1, 2025 (Retroactive)

- Provides that property tax proceeds may not be allocated under this statute before January 1 of the calendar year immediately following the calendar year in which the base assessed value of the allocation area is determined under IC 36-7-32.5-13.

Code: IC 36-7-32.5-14.5

Enrolled Act: SEA 516, Sec. 20

Effective date: July 1, 2025

- Provides that not later than April 15 of each year, the IEDC and the executive of a county, city, or town in which an innovation development district is designated under IC 36-7-32.5-9 shall submit a report setting out the innovation development district's activities during the preceding calendar year to the fiscal body of the county, city, or town and the DLGF in an electronic format.
- Requires that the report required must include the following information set forth for each innovation development district regarding the previous year:
 - Revenues received.
 - Expenses paid.
 - Fund balances.
 - The amount and maturity date for all outstanding obligations.
 - The amount paid on outstanding obligations.
 - A list of all the parcels and the depreciable personal property of any designated taxpayer included in each increment financing district allocation area and the base assessed value and incremental assessed value for each parcel and the depreciable personal property of any designated taxpayer in the list.
 - Amounts distributed to cities, towns, counties, or school corporations as described in IC 36-7-32.5-19(e).

Code: IC 36-7-32.5-17

Enrolled Act: HEA 1001, Sec. 315

Effective date: January 1, 2025 (Retroactive)

- Imposes an August 1 of the calendar year immediately following the designation date for the IEDC to send DOR certified copies of the designation, including the date of designation, as well as a complete list of the employers and businesses that are paying for the services of individuals who are not employees in the innovation development district and each mailing address on each street in the innovation development district, instead of the street names and the range of street numbers of each street in the innovation development district as was previously the case.

- Requires the IEDC to provide, within 10 days of a request, any additional information requested by DOR concerning any information within IC 36-7-32.5-17(a)(1) through (3).
- Removes the requirement that DOR determine the gross retail base period amount and the income tax base period amount not later than 60 days after receiving a copy of the designation of the innovation development district. This is replaced by new requirements in SECTION 316 of this bill.
- Requires the IEDC to update and send the list described in IC 36-7-32.5-17(a)(3) to DOR before July 1 of each year.

Code: IC 36-7-32.5-18

Enrolled Act: HEA 1001, Sec. 316

Effective date: January 1, 2025 (Retroactive)

- Requires that not later than October 1 of the calendar year immediately following the designation date of an innovation development district, DOR shall set the gross retail base period amount and the income tax base period amount.
- Provides that DOR may request any information necessary from the IEDC and executive, or executives, to determine the gross retail base period amount and the income tax base period amount, and requires the IEDC and executive, or executives to provide the necessary information not later than ten days after a request.
- Provides that revenue collected under the state adjusted gross income taxes and state gross retail and use taxes may not be allocated under this statute before January 1 of the year immediately following the year in which the gross retail base period amount and the income tax base period amount are determined under the provisions above.

Code: IC 36-7-32.5-19

Enrolled Act: HEA 1001, Sec. 317

Effective date: January 1, 2025 (Retroactive)

- Removes the ability of the IEDC to use money in each local innovation development district fund in situations where an agreement described in IC 36-7-32.5-12 has been entered into between the corporation and the executive, or, if applicable, the executives. Instead, it is subject to the same requirements as when an agreement described in IC 36-7-32.5-12 has not been entered into between the IEDC and the executive, or, if applicable, the executives.
- Provides that subject to the above, the funds may be used for the payment of economic development incentives granted by the IEDC to businesses located within the boundaries of the innovation development district.
- Changes the option for the IEDC to transfer from the local innovation development fund net incremental revenue to a requirement, and into the economic development reserve account, instead of transferring the revenue into the statewide innovation development district fund. Further requires the IEDC to pay all obligations and expenses of the innovation development district in accordance with an agreement entered into under IC 36-7-32.5-12, including payment of any economic development incentives for businesses located within the boundaries of the innovation development district before the transfer.

Code: IC 36-7-32.5-20

Enrolled Act: HEA 1001, Sec. 318

Effective date: January 1, 2025 (Retroactive)

- Repeals IC 36-7-32.5-20, which established a statewide innovation development district fund.

Code: IC 36-7-32.5-20.5

Enrolled Act: HEA 1001, Sec. 319

Effective date: January 1, 2025 (Retroactive)

- Establishes an economic development reserve account within the state general fund to support the development and expansion of industry in Indiana, which will be administered by the state budget agency.

Code: IC 36-7-32.5-21

Enrolled Act: HEA 1001, Sec. 320

Effective date: January 1, 2025 (Retroactive)

- Repeals IC 36-7-32.5-21, which provided requirements for revenue within the statewide innovation development district fund.

Code: IC 36-7-32.5-22

Enrolled Act: HEA 1001, Sec. 321

Effective date: January 1, 2025 (Retroactive)

- Removes the requirement that the IEDC include the following information on the innovation development district program in its economic incentive and compliance report:
 - The number and amount of grants or loans from the statewide innovation development district fund established by IC 36-7-32.5-20 that are contractually awarded by the corporation for each innovation development district and in total for all innovation development districts statewide.
 - The name of each entity receiving a grant or loan from the statewide innovation development district fund established by IC 36-7-32.5-20 for each innovation development district and for all innovation development districts statewide.

Non-code

Code: Non-Code

Enrolled Act: HEA 1001, Sec. 333

Effective date: Upon Passage

- Provides that if a taxpayer is required to remit an estimated tax payment under IC 6-3-2.1-6(d) for a taxable year that ended before amendment of IC 6-3-2.1-6 in SECTION 72 of this bill, the penalty under IC 6-3-2.1-6(d) shall only be imposed if the taxpayer failed to remit estimated payments by the end of the taxable year.
- Further provides that if a taxpayer is required to remit one or more estimated tax payments under IC 6-3-2.1-6(d) for a taxable year ending on or after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill, the taxpayer shall remit all estimated tax payments due, but not previously remitted, on or before the due date of the first estimated tax payment due after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill, and no penalty shall be imposed for failure to make estimated payments before that due date. The required payment for the first estimated payment after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill, equals the amount in IC 6-3-2.1-6(d) multiplied by the number of estimated payments that otherwise would have been required to be made on or before the due date of the first estimated payment required on or after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill.

Code: Non-Code

Enrolled Act: HEA 1001, Sec. 337

Effective date: Upon Passage

- Notwithstanding the effective date of the following sections added by HEA 1601 (2025), the Effective date for these sections is January 1, 2026, and not upon passage:
 - IC 6-2.5-15-0.5, as added by HEA 1601-2025, SECTION 2.
 - IC 6-2.5-15-5.7, as added by HEA 1601-2025, SECTION 5.
 - IC 6-2.5-15-6.5, as added by HEA 1601-2025, SECTION 6.
 - IC 6-2.5-15-13.2, as added by HEA 1601-2025, SECTION 11.
 - IC 6-2.5-15-13.3, as added by HEA 1601-2025, SECTION 12.
 - IC 6-2.5-15-13.4, as added by HEA 1601-2025, SECTION 13.
- Notwithstanding the effective date of the following sections amended by HEA 1601 (2025), the effective date for these sections is January 1, 2026, and not upon passage:
 - IC 6-2.5-15-3, as amended by HEA 1601-2025, SECTION 3.
 - IC 6-2.5-15-5, as amended by HEA 1601-2025, SECTION 4.
 - IC 6-2.5-15-7, as amended by HEA 1601-2025, SECTION 7.
 - IC 6-2.5-15-9, as amended by HEA 1601-2025, SECTION 8.
 - IC 6-2.5-15-11, as amended by HEA 1601-2025, SECTION 9.
 - IC 6-2.5-15-13, as amended by HEA 1601-2025, SECTION 10.
 - IC 6-2.5-15-14, as amended by HEA 1601-2025, SECTION 14.
 - IC 6-2.5-15-15, as amended by HEA 1601-2025, SECTION 15.
 - IC 6-2.5-15-16, as amended by HEA 1601-2025, SECTION 16.
 - IC 6-2.5-15-17, as amended by HEA 1601-2025, SECTION 17.
 - IC 6-2.5-15-18, as amended by HEA 1601-2025, SECTION 18.
 - IC 6-2.5-15-19, as amended by HEA 1601-2025, SECTION 19.
 - IC 6-2.5-15-20, as amended by HEA 1601-2025, SECTION 20.

Code: Non-Code

Enrolled Act: HEA 1280, Sec. 3

Effective date: January 1, 2025 (Retroactive)

- Clarifies that IC 6-3-1-34 and IC 6-3-2-4, both amended by this bill, apply to taxable years after December 31, 2024. This non-code SECTION expires July 1, 2028.

Code: Non-Code

Enrolled Act: SEA 306, Sec. 4

Effective date: January 1, 2026

- Provides that IC 6-3.1-36-11.5, as added in SECTION 1 of this bill, applies to taxable years beginning after December 31, 2025.

Code: Non-Code

Enrolled Act: SEA 453, Sec. 60

Effective date: July 1, 2025

- Provides that IC 6-2.5-3-11, as added in SECTION 2 of this bill, is effective for transactions occurring after June 30, 2025, meaning the following:
 - With respect to a transaction constituting the furnishing of telephone or related services, cable television or similar video and related services, cable radio, satellite television, or satellite radio services and related commodities, only transactions for

which the charges are collected upon original statements and billings dated after July 31, 2025, shall be considered as having occurred after June 30, 2025.

- With respect to a transaction constituting the entering into or renewal of a computer software maintenance contract, only contracts entered into by both parties after June 30, 2025, shall be considered as having occurred after June 30, 2025. For purposes of these requirements, the automatic or permissive renewal of a previously existing contract shall be treated as occurring on the date the renewal is effective.
- All other transactions shall be considered as having occurred after June 30, 2025, to the extent that delivery of the services or items constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2025, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2025, and payment for the services or items furnished in the transaction is made before July 1, 2025, notwithstanding the delivery of the services or items after June 30, 2025.

Code: Non-Code

Enrolled Act: SEA 453, Sec. 61

Effective date: July 1, 2025

- Provides that IC 6-2.5-3.5-27, as added by SECTION 4 of this bill, shall be effective for transactions occurring after June 30, 2025.
- Stipulates that a transaction is considered as having occurred after June 30, 2025, to the extent that delivery of the gasoline is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2025, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2025, and payment for the gasoline furnished in the transaction is made before July 1, 2025, notwithstanding the delivery of the gasoline after June 30, 2025.

Code: Non-Code

Enrolled Act: SEA 453, Sec. 62

Effective date: July 1, 2025

- Provides that IC 6-3-4-4.1, as amended by SECTION 10 of this bill, is effective for taxable years beginning after December 31, 2025.
- Provides that IC 6-3-4-4.2, as added by SECTION 11 of this bill, is effective for taxable years beginning after December 31, 2025.
- Provides that IC 6-5.5-6-3, as amended by SECTION 13 of this bill, is effective for taxable years beginning after December 31, 2025.
- Provides that IC 6-5.5-7-1, as amended by SECTION 14 of this bill, is effective for taxable years beginning after December 31, 2025.

Code: Non-Code

Enrolled Act: SEA 453, Sec. 63

Effective date: July 1, 2025

- Provides that IC 6-8.1-19, as added by SECTION 11 of this bill, is effective for transactions occurring after December 31, 2025.
- Stipulates that a transaction is considered as having occurred after December 31, 2025, to the extent that delivery of the property or services constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a

transaction shall be considered as having occurred before January 1, 2026, to the extent that the agreement of the parties to the transaction was entered into before January 1, 2026, and payment for the property or services furnished in the transaction is made before January 1, 2026, notwithstanding the delivery of the property or services after December 31, 2025.

Part II: Legislation by Enrolled Act Number

HEA 1001 – State Budget

Enrolled Act: HEA 1001, Sec. 68

Code: IC 5-28-2-1.5

Effective date: July 1, 2025

- Adds the Historic Rehabilitation Tax Credit under IC 6-3.1-17.1 to the definition of “applicable tax credit” for purposes of the \$300 million aggregate limit of applicable tax credits that the IEDC may award for a state fiscal year.

Enrolled Act: HEA 1001, Sec. 69

Code: IC 5-28-6-9

Effective date: July 1, 2025

- Increases the aggregate limit of applicable tax credits that the IEDC may award for a state fiscal year from \$250 million to \$300 million for each state fiscal year ending on or after July 1, 2025.
- Stipulates that each certification is subject to budget committee review.
- Provides that this statute will expire December 31, 2032.

Enrolled Act: HEA 1001, Sec. 71

Code: IC 6-2.5-15-3

Effective date: January 1, 2026

- Moves the effective date of the eligible costs of expenditures for the development, acquisition, construction, and operation of a facility to be used as part of a quantum computing research, advanced computing, and defense infrastructure network to January 1, 2026.

Enrolled Act: HEA 1001, Sec. 72

Code: IC 6-3-2.1-6

Effective date: Upon Passage

- For 2025 and later, provides that the penalty for PTET is based on the failure to make a quarterly estimated payment of 25% of the prior-year tax or 20% of the current-year tax, whichever is less.
- Provides that the penalty is based on the underpayment for each quarterly payment as opposed to the payments made during the year. Clarifies that the penalty on the underpayment is based on the rate provided in IC 6-8.1-10-2.1(b) (10% penalty rate).

Enrolled Act: HEA 1001, Sec. 73

Code: IC 6-3-5-5

Effective date: January 1, 2025 (Retroactive)

- Removes the ability for the IEDC to make a payment under this statute from funds appropriated from the statewide innovation development district fund established by IC 36-7-32.5-20.

Enrolled Act: HEA 1001, Sec. 74

Code: IC 6-3.1-13-20

Effective date: January 1, 2025 (Retroactive)

- Removes the ability for the IEDC to make a payment for an EDGE tax credit from funds appropriated from the statewide innovation development district fund established by IC 36-7-32.5-20.

Enrolled Act: HEA 1001, Sec. 75

Code: IC 6-3.1-13-29

Effective date: July 1, 2025

- Provides that an EDGE tax credit awarded under IC 6-3.1-13 is subject to the limitations set forth in IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 76

Code: IC 6-3.1-19-3

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a CRED tax credits awarded during a taxable year are subject to IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 77

Code: IC 6-3.1-19-7

Effective date: July 1, 2025

- Provides that a CRED tax credit awarded under IC 6-3.1-19 is subject to the limitations set forth in IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 78

Code: IC 6-3.1-26-14

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a HBIT tax credit that may be claimed during a taxable year is subject to IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 79

Code: IC 6-3.1-26-27

Effective date: July 1, 2025

- Provides that a HBIT tax credit awarded under IC 6-3.1-26 is subject to the limitations set forth in IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 80

Code: IC 6-3.1-30-8

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a headquarters relocation tax credit that may be claimed during a taxable year is subject to IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 81

Code: IC 6-3.1-30-17

Effective date: July 1, 2025

- Provides that a headquarters relocation tax credit awarded under IC 6-3.1-30 is subject to the limitations set forth in IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 82

Code: IC 6-3.1-34-11

Effective date: July 1, 2025

- Stipulates that the provisions in this statute concerning the total amount of a redevelopment tax credit that may be claimed during a taxable year is subject to IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 83

Code: IC 6-3.1-34-23

Effective date: July 1, 2025

- Provides that a head redevelopment quarters relocation tax credit awarded under IC 6-3.1-34 is subject to the limitations set forth in IC 5-28-6-9.

Enrolled Act: HEA 1001, Sec. 84

Code: IC 6-7-1-0.4

Effective date: July 1, 2025

- Provides that notwithstanding IC 6-7-1-14, revenue stamps paid for before July 1, 2025, and in the possession of a distributor may be used after June 30, 2025, only if the full amount of the tax imposed by IC 6-7-1-12, as amended and effective after June 30, 2025, is remitted to DOR under the procedures prescribed by DOR.

Enrolled Act: HEA 1001, Sec. 85

Code: IC 6-7-1-12

Effective date: July 1, 2025

- Increases the cigarette tax rate from \$0.995 a pack of cigarettes to \$2.995 (the tax rate for Class B cigarettes is also increased to \$3.98).

Enrolled Act: HEA 1001, Sec. 86

Code: IC 6-7-1-28.1

Effective date: July 1, 2025

- Changes the distribution of cigarette taxes, fees, fines, and penalties collected under IC 6-7-1 in the following manner:
 - 1.76% of the revenue shall be deposited in the cigarette tax fund instead of 4.22%.
 - 23.67% of the revenue shall be deposited in the general fund instead of 56.84%.
 - 2.26% of the revenue shall be deposited in the pension relief fund instead of 5.43%.
 - 11.26% of the revenue shall be deposited in the healthy Indiana plan trust fund established by IC 12-15-44.2-17 instead of 27.05%.
 - 59.38% of the revenue shall be deposited in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations instead of 2.46%.
 - 1.67% of the revenue shall be deposited in the state retiree health benefit trust fund established by IC 5-10-8-8.5 instead of 4%.

Enrolled Act: HEA 1001, Sec. 87

Code: IC 6-7-2-7

Effective date: July 1, 2025

- Increases the tax rate from 24% to 30% on the wholesale price of tobacco products other than moist snuff.
- Increases the tax rate from \$0.40 to \$0.50 per ounce on moist snuff.
- Increases the tax rate from 24% to 30% on the wholesale price of cigars, and increases the maximum tax imposed from \$1 to \$3.
- Increases the tax rate from \$0.40 to \$0.50 per ounce on alternative nicotine products.

Enrolled Act: HEA 1001, Sec. 88

Code: IC 6-7-2-7.5

Effective date: July 1, 2025

- Increases the tax rate from 15% to 30% on the wholesale price of closed system cartridges.
- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1001, Sec. 89

Code: IC 6-7-2-17

Effective date: July 1, 2025

- Changes the distribution of other tobacco products and closed system cartridge taxes, fees, fines, and penalties collected under IC 6-7-2 by decreasing the amount deposited in the affordable housing and community development fund established by IC 5-20-4-7 from 25% to 19.41%. The remainder is still deposited as described in IC 6-7-1-28.1, which was amended in SECTION 86 of this bill.

Enrolled Act: HEA 1001, Sec. 90

Code: IC 6-7-4-9

Effective date: July 1, 2025

- Increases the tax rate from 15% to 30% on the retail income from the sale of electronic cigarettes.

Enrolled Act: HEA 1001, Sec. 91

Code: IC 6-7-4-13

Effective date: July 1, 2025

- Changes the distribution of electronic cigarette taxes, fees, fines, and penalties collected under IC 6-7-4 by decreasing the amount deposited in the general fund from 100% to 60.81% and requiring the remaining 39.19% to be deposited in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations.

Enrolled Act: HEA 1001, Sec. 92

Code: IC 6-8.1-3-17

Effective date: July 1, 2025

- Revises the statute providing for an amnesty program by changing the dates in the following manner:
 - Requires DOR to establish an amnesty program for taxpayers having an unpaid tax liability for a listed tax that was due and payable for a tax period ending before January 1, 2023 (was 2013).
 - Provides that a taxpayer is not eligible for the amnesty program if the taxpayer participated in any previous amnesty program under this statute (as in effect on December 31, 2024 (was 2014).
 - Requires the amnesty program to be in effect no more than eight regular business weeks ending before the earlier of the date set by DOR or January 1, 2027 (was 2017).
- Splits subsection (c) into two subsections and renumbers accordingly.

Enrolled Act: HEA 1001, Sec. 93

Code: IC 6-8.1-3-24.5

Effective date: July 1, 2025

- Provides that DOR may adopt rules under IC 4-22-2 to carry out a tax amnesty program under IC 6-8.1-3-17.

Enrolled Act: HEA 1001, Sec. 94

Code: IC 6-8.1-3-25

Effective date: July 1, 2025

- Changes the distribution of remainder amounts collected under a tax amnesty program by removing requirements that monies be deposited in the Indiana regional cities development fund established by IC 5-28-38-2 (before its repeal), transferred to the Indiana department of transportation to reimburse the Indiana department of transportation for money expended by the Indiana department of transportation under IC 8-23-2-18.5 (before its expiration), deposited into the Indiana regional cities development fund established by IC 5-28-38-2 (before its repeal), transferred to the Indiana public retirement system for credit to the Indiana public employees' retirement fund established by IC 5-10.3-2-1, transferred to the Indiana public retirement system for credit to the pre-1996 account of the Indiana state teachers' retirement fund established by IC 5-10.4-2-1, transferred to the Indiana public retirement system for credit to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan established by IC 5-10-5.5-2, transferred to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police pre-1987 benefit system, transferred to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police 1987 benefit system, and then deposited into the next generation Hoosier educators scholarship fund established by IC 21-12-16-3.
- Instead of the previous requirements, the remainder must be deposited in the general fund.
- Changes the date of the amnesty program from it occurring after June 30, 2015, to after June 30, 2025.

Enrolled Act: HEA 1001, Sec. 95

Code: IC 6-8.1-10-12

Effective date: July 1, 2025

- Changes a reference to a subsection in IC 6-8.1-3-17 that was renumbered as a result of SECTION 92 of this bill.
- Changes the date regarding the referenced amnesty program, from January 1, 2013, to January 1, 2023, in order to comport with SECTION 92 of this bill.

Enrolled Act: HEA 1001, Sec. 299

Code: IC 31-25-2-28

Effective date: July 1, 2025

- Permits, subject to federal approval, the department of child services (DCS) to enter into a written agreement with DOR to transfer the administration of the child support bureau established by IC 31-25-3 and all related duties to DOR.
- Provides that if the DCS receives federal approval and enters into a written agreement with DOR, DCS shall submit a report detailing the agreement to the budget committee within 30 days of entering into the agreement.

Enrolled Act: HEA 1001, Sec. 306

Code: IC 36-7-31.3-4

Effective date: July 1, 2025

- Changes the meaning of a "tax area" within the definition of "covered taxes" for purposes of a professional sports development area by including that, with respect to an addition after June 30, 2026, to the tax area designated in the city of Evansville under IC 6-36-31.3-8(e), the state gross retail tax imposed under IC 6-2.5-2-1 or the use tax imposed under IC 6-2.5-3-2 are attributable.

Enrolled Act: HEA 1001, Sec. 307

Code: IC 36-7-31.3-8

Effective date: July 1, 2025

- Provides that for state fiscal years beginning after June 30, 2026, the Evansville professional sports development area includes any facility or complex of facilities located in the city of Evansville as follows:
 - Any facility or complex of facilities that consists of a sports, recreational, and event facility or complex of facilities bounded on the north by Main Street, on the west by SE 6th Street, on the east by SE Martin Luther King Jr. Boulevard, and on the south by Walnut Street, as those streets were located on July 1, 2026.
 - Any facility or complex of facilities that consists of a zoo bounded on the north by W Summit Drive and Buchanan Road, on the west by Meskar Park Drive, on the east by N St. Joseph Avenue, and on the south by Bement Avenue, as those streets were located on July 1, 2026.
 - Any facility or complex of facilities that consists of a hotel bounded on the north by Walnut Street, on the west by SE 2nd Street, on the east by SE 3rd Street, and on the south by Cherry Street, as those streets were located on July 1, 2026.
 - Any facility or complex of facilities that is owned by the city of Evansville through a board established under IC 36-9-6, titled in the name of the city of Evansville or an entity established to assist the city of Evansville to exercise its corporate powers,

occupied by the city of Evansville, and used to exercise power under IC 36-1-4 to provide services pursuant to IC 36-4-4-3, IC 36-4-4-4, IC 36-8-2, and IC 36-9-2.

Enrolled Act: HEA 1001, Sec. 308

Code: IC 36-7-31.3-10

Effective date: July 1, 2025

- Provides that the following apply to the Evansville professional sports development area:
 - The total amount of state revenue covered taxes captured by the tax area may not exceed:
 - before July 1, 2026, \$10 per resident of the city or county per year; and
 - after June 30, 2026, \$2,000,000 per year; for 20 consecutive years.
- For state fiscal years after June 30, 2026, the tax revenue captured in the tax area each year shall be transferred to the city of Evansville to be used for purposes consistent with IC 36-7-31.3-19.

Enrolled Act: HEA 1001, Sec. 309

Code: IC 36-7-32.5-0.5

Effective date: January 1, 2025 (Retroactive)

- Stipulates that the amendments made to IC 36-7-32.5 by this bill apply only to an innovation development district designated after December 31, 2024, and do not apply to an innovation development district designated before January 1, 2025.

Enrolled Act: HEA 1001, Sec. 310

Code: IC 36-7-32.5-9

Effective date: January 1, 2025 (Retroactive)

- Provides that the IEDC may designate territory within the jurisdiction of a city, town, or county, or territory within the jurisdiction of more than one city, town, or county, as an innovation development district if the corporation determines that not only whether the designation will support economic growth, but also that the total investment plan is an amount equal to or greater than \$750,000,000.

Enrolled Act: HEA 1001, Sec. 311

Code: IC 36-7-32.5-11

Effective date: January 1, 2025 (Retroactive)

- Repeals subsection (b) of this statute, which provided that the term of an area's designation as an innovation development district may be extended beyond the 30-year term after budget committee review, meaning that the term of an IDD may not extend beyond a 30-year term.

Enrolled Act: HEA 1001, Sec. 312

Code: IC 36-7-32.5-12

Effective date: January 1, 2025 (Retroactive)

- Removes reference to the total costs and benefits of the proposed investment of an innovation development district are expected to be an amount less than \$2,000,000,000 and instead ties the costs and benefits to the determinations made under IC 36-7-32.5-9(b) or 9(c).
- Provides that an IDD agreement must include a provision regarding the proposed use of the net increment and incremental property tax amount described in IC 36-7-32.5-14(c) and (d) that is captured within the innovation development district, including the amount of any funds

expected to be allocated to the business or businesses that are locating within the innovation development district as economic development incentives.

- Requires that within 15 days of entering into an agreement under this statute, the IEDC provide notification of the designation to DOR and DLGF.

Enrolled Act: HEA 1001, Sec. 313

Code: IC 36-7-32.5-13

Effective date: January 1, 2025 (Retroactive)

- Requires that not later than August 1 of the calendar year immediately following a designation, each executive shall set the base assessed value of the allocation area and provide notice of the designation and notice of the base assessed value to DLGF. Further, a mailing address must be included of all parcels, instead of just a list of parcels.

Enrolled Act: HEA 1001, Sec. 314

Code: IC 36-7-32.5-14

Effective date: January 1, 2025 (Retroactive)

- Provides that property tax proceeds may not be allocated under this statute before January 1 of the calendar year immediately following the calendar year in which the base assessed value of the allocation area is determined under IC 36-7-32.5-13.

Enrolled Act: HEA 1001, Sec. 315

Code: IC 36-7-32.5-17

Effective date: January 1, 2025 (Retroactive)

- Imposes an August 1 of the calendar year immediately following the designation date for the IEDC to send DOR certified copies of the designation, including the date of designation, as well as a complete list of the employers and businesses that are paying for the services of individuals who are not employees in the innovation development district and each mailing address on each street in the innovation development district, instead of the street names and the range of street numbers of each street in the innovation development district as was previously the case.
- Requires the IEDC to provide, within 10 days of a request, any additional information requested by DOR concerning any information within IC 36-7-32.5-17(a)(1) through (3).
- Removes the requirement that DOR determine the gross retail base period amount and the income tax base period amount not later than 60 days after receiving a copy of the designation of the innovation development district. This is replaced by new requirements in SECTION 316 of this bill.
- Requires the IEDC to update and send the list described in IC 36-7-32.5-17(a)(3) to DOR before July 1 of each year.

Enrolled Act: HEA 1001, Sec. 316

Code: IC 36-7-32.5-18

Effective date: January 1, 2025 (Retroactive)

- Requires that not later than October 1 of the calendar year immediately following the designation date of an innovation development district, DOR shall set the gross retail base period amount and the income tax base period amount.
- Provides that DOR may request any information necessary from the IEDC and executive, or executives, to determine the gross retail base period amount and the income tax base period

amount, and requires the IEDC and executive, or executives to provide the necessary information not later than ten days after a request.

- Provides that revenue collected under the state adjusted gross income taxes and state gross retail and use taxes may not be allocated under this statute before January 1 of the year immediately following the year in which the gross retail base period amount and the income tax base period amount are determined under the provisions above.

Enrolled Act: HEA 1001, Sec. 317

Code: IC 36-7-32.5-19

Effective date: January 1, 2025 (Retroactive)

- Removes the ability of the IEDC to use money in each local innovation development district fund in situations where an agreement described in IC 36-7-32.5-12 has been entered into between the corporation and the executive, or, if applicable, the executives. Instead, it is subject to the same requirements as when an agreement described in IC 36-7-32.5-12 has not been entered into between the IEDC and the executive, or, if applicable, the executives.
- Provides that subject to the above, the funds may be used for the payment of economic development incentives granted by the IEDC to businesses located within the boundaries of the innovation development district.
- Changes the option for the IEDC to transfer from the local innovation development fund net incremental revenue to a requirement, and into the economic development reserve account, instead of transferring the revenue into the statewide innovation development district fund. Further requires the IEDC to pay all obligations and expenses of the innovation development district in accordance with an agreement entered into under IC 36-7-32.5-12, including payment of any economic development incentives for businesses located within the boundaries of the innovation development district before the transfer.

Enrolled Act: HEA 1001, Sec. 318

Code: IC 36-7-32.5-20

Effective date: January 1, 2025 (Retroactive)

- Repeals IC 36-7-32.5-20, which established a statewide innovation development district fund.

Enrolled Act: HEA 1001, Sec. 319

Code: IC 36-7-32.5-20.5

Effective date: January 1, 2025 (Retroactive)

- Establishes an economic development reserve account within the state general fund to support the development and expansion of industry in Indiana, which will be administered by the state budget agency.

Enrolled Act: HEA 1001, Sec. 320

Code: IC 36-7-32.5-21

Effective date: January 1, 2025 (Retroactive)

- Repeals IC 36-7-32.5-21, which provided requirements for revenue within the statewide innovation development district fund.

Enrolled Act: HEA 1001, Sec. 321

Code: IC 36-7-32.5-22

Effective date: January 1, 2025 (Retroactive)

- Removes the requirement that the IEDC include the following information on the innovation development district program in its economic incentive and compliance report:
 - The number and amount of grants or loans from the statewide innovation development district fund established by IC 36-7-32.5-20 that are contractually awarded by the corporation for each innovation development district and in total for all innovation development districts statewide.
 - The name of each entity receiving a grant or loan from the statewide innovation development district fund established by IC 36-7-32.5-20 for each innovation development district and for all innovation development districts statewide.

Enrolled Act: HEA 1001, Sec. 333

Code: Non-Code

Effective date: Upon Passage

- Provides that if a taxpayer is required to remit an estimated tax payment under IC 6-3-2.1-6(d) for a taxable year that ended before amendment of IC 6-3-2.1-6 in SECTION 72 of this bill, the penalty under IC 6-3-2.1-6(d) shall only be imposed if the taxpayer failed to remit estimated payments by the end of the taxable year.
- Further provides that if a taxpayer is required to remit one or more estimated tax payments under IC 6-3-2.1-6(d) for a taxable year ending on or after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill, the taxpayer shall remit all estimated tax payments due, but not previously remitted, on or before the due date of the first estimated tax payment due after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill, and no penalty shall be imposed for failure to make estimated payments before that due date. The required payment for the first estimated payment after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill, equals the amount in IC 6-3-2.1-6(d) multiplied by the number of estimated payments that otherwise would have been required to be made on or before the due date of the first estimated payment required on or after the effective date of IC 6-3-2.1-6, as amended in SECTION 72 of this bill.

Enrolled Act: HEA 1001, Sec. 337

Code: Non-Code

Effective date: Upon Passage

- Notwithstanding the effective date of the following sections added by HEA 1601 (2025), the effective date for these sections is January 1, 2026, and not upon passage:
 - IC 6-2.5-15-0.5, as added by HEA 1601-2025, SECTION 2.
 - IC 6-2.5-15-5.7, as added by HEA 1601-2025, SECTION 5.
 - IC 6-2.5-15-6.5, as added by HEA 1601-2025, SECTION 6.
 - IC 6-2.5-15-13.2, as added by HEA 1601-2025, SECTION 11.
 - IC 6-2.5-15-13.3, as added by HEA 1601-2025, SECTION 12.
 - IC 6-2.5-15-13.4, as added by HEA 1601-2025, SECTION 13.
- Notwithstanding the effective date of the following sections amended by HEA 1601 (2025), the effective date for these sections is January 1, 2026, and not upon passage:
 - IC 6-2.5-15-3, as amended by HEA 1601-2025, SECTION 3.
 - IC 6-2.5-15-5, as amended by HEA 1601-2025, SECTION 4.
 - IC 6-2.5-15-7, as amended by HEA 1601-2025, SECTION 7.
 - IC 6-2.5-15-9, as amended by HEA 1601-2025, SECTION 8.
 - IC 6-2.5-15-11, as amended by HEA 1601-2025, SECTION 9.
 - IC 6-2.5-15-13, as amended by HEA 1601-2025, SECTION 10.
 - IC 6-2.5-15-14, as amended by HEA 1601-2025, SECTION 14.
 - IC 6-2.5-15-15, as amended by HEA 1601-2025, SECTION 15.
 - IC 6-2.5-15-16, as amended by HEA 1601-2025, SECTION 16.
 - IC 6-2.5-15-17, as amended by HEA 1601-2025, SECTION 17.
 - IC 6-2.5-15-18, as amended by HEA 1601-2025, SECTION 18.
 - IC 6-2.5-15-19, as amended by HEA 1601-2025, SECTION 19.
 - IC 6-2.5-15-20, as amended by HEA 1601-2025, SECTION 20.

HEA 1002 – Various Education Matters

Enrolled Act: HEA 1002, Sec. 2

Code: IC 6-3-1-3.5

Effective date: July 1, 2025

- Removes career scholarship account annual grant amounts distributed to an Indiana student enrichment scholarship account under IC 20-52 that is used for qualified expenses from the definition of adjusted gross income. Student enrichment grants are repealed in SECTION 154 of this bill, effective July 1, 2025.

HEA 1003 – Health Matters

Enrolled Act: HEA 1003, Sec. 2

Code: IC 4-6-10-4

Effective date: July 1, 2025

- Permits the OAG to enter into a data sharing agreement with four specific state agencies, including DOR, in order to investigate Medicaid fraud.

HEA 1007 – Energy Generation Resources

Enrolled Act: HEA 1007, Sec. 1

Code: IC 6-3.1-45

Effective date: January 1, 2025 (Retroactive)

- Establishes a new small modular nuclear reactor manufacturing expense credit for taxpayers that make qualified infrastructure investments.
- Provides that the amount of the credit is equal to 20% of the amount of a taxpayer's qualified investment, which are a taxpayer's expenditures incurred in the manufacture of a small modular nuclear reactor in Indiana.
- Directs that the credit must be claimed in a manner prescribed by DOR on the taxpayer's state tax return, and a taxpayer must submit the following:
 - information verifying that the taxpayer's qualified investment was made with respect to a small modular nuclear reactor that will be manufactured in Indiana; and
 - all information that DOR determines is necessary for the calculation of the credit provided by IC 6-3.1-45.
- Provides that if a pass through entity does not have state tax liability against which to apply the credit, the credit flows through on a pro rata basis to the shareholders, partners, or beneficiaries. Further provides that although each credit is in addition to a credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one credit for the same qualified expenditure.
- Allows credit in excess of a taxpayer's state tax liability to be carried forward. However, the credit may not be carried back or refunded.

HEA 1050 – Technical Corrections

Enrolled Act: HEA 1050, Sec. 94

Code: IC 6-2.5-3-10

Effective date: July 1, 2025

- Changes a reference from "web site" to "website."

Enrolled Act: HEA 1050, Sec. 95

Code: IC 6-2.5-3.5-15

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1050, Sec. 96

Code: IC 6-2.5-3.5-17

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1050, Sec. 97

Code: IC 6-2.5-8-8

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1050, Sec. 98

Code: IC 6-3.1-30.5-14

Effective date: July 1, 2025

- Changes a reference from "an Internet web site" to "a website."

Enrolled Act: HEA 1050, Sec. 99

Code: IC 6-7-2-7.5

Effective date: July 1, 2025

- Changes a reference from "an Internet web site" to "a website."

Enrolled Act: HEA 1050, Sec. 100

Code: IC 6-7-2-8

Effective date: July 1, 2025

- Changes a reference from "an Internet web site" to "a website."

Enrolled Act: HEA 1050, Sec. 101

Code: IC 6-8.1-3-16

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1050, Sec. 102

Code: IC 6-8.1-3-17

Effective date: July 1, 2025

- Splits subsection (c) pertaining to the tax amnesty programs into two subsections by creating a new subsection (d) beginning with the provision "The amnesty program must provide that...." Internal references to subsection are changed as a result.

Enrolled Act: HEA 1050, Sec. 103

Code: IC 6-8.1-3-23

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1050, Sec. 104

Code: IC 6-8.1-9.5-3

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1050, Sec. 105

Code: IC 6-8.1-10-1

Effective date: July 1, 2025

- Changes references to subsections in IC 6-8.1-3-17 to correspond with technical changes made in SECTION 102 of this bill.

Enrolled Act: HEA 1050, Sec. 106

Code: IC 6-8.1-10-12

Effective date: July 1, 2025

- Changes a reference to a subsection in IC 6-8.1-3-17 to correspond with technical changes made in SECTION 102 of this bill.

Enrolled Act: HEA 1050, Sec. 107

Code: IC 6-9-3-3.5

Effective date: July 1, 2025

- Changes a reference from "Internet web site" to "website."

Enrolled Act: HEA 1050, Sec. 108

Code: IC 6-9-31-2

Effective date: July 1, 2025

- Removes a superfluous "and" in a numbered list.

Enrolled Act: HEA 1050, Sec. 125

Code: IC 8-2.1-28-5

Effective date: July 1, 2025

- Repeals statute stating that DOR may adopt rules, which are consistent with HEA 1623 (2024).

HEA 1056 – Controlled Substances

Enrolled Act: HEA 1056, Sec. 1

Code: IC 35-48-2-4

Effective date: July 1, 2025

- Adds the following substances to the list of Schedule I controlled substances, which, by extension, are subject to the controlled substance excise tax: 2-Methyl AP-237 (1-(2-methyl-4-(3-phenylprop-2-en-1-yl)piperazin-1-yl)butan-1-one) (9664) and Ethylphenidate (ethyl 2-phenyl-2-(piperidin-2-yl)acetate) (1727).

HEA 1125 – Earned Wage Access Service

Enrolled Act: HEA 1125, Sec. 5

Code: IC 28-8-6

Effective date: January 1, 2026

- Creates the Indiana Earned Wage Access Act.
- Provides that if DOR notifies the department of financial institutions (DFI) that a person is on the most recent tax warrant list, the DFI shall not issue or renew the person's license until the person provides to the DFI a statement from DOR that the person's tax warrant has been satisfied, or the DFI receives a notice from the commissioner of DOR under IC 6-8.1-8-2(k).

HEA 1275 – Alcohol and Tobacco Commission Matters

Enrolled Act: HEA 1275, Sec. 3

Code: IC 6-7-2-8

Effective date: July 1, 2025

- Provides that a distributor issued a license under this statute is prohibited from selling, using, or distributing flavored nitrous oxide.
- Further provides if a distributor violates these requirements, DOR may suspend or revoke the distributor's license and impose sanctions on the distributor in an amount equal to the cost of disposing of the flavored nitrous oxide.

HEA 1280 – Taxation of Military Income

Enrolled Act: HEA 1280, Sec. 1

Code: IC 6-3-1-34

Effective date: January 1, 2025 (Retroactive)

- Adds the United States Space Force to the definition of "qualified military income" for reserve components, as well as for purposes of the 100% exemption for active military pay.
- Adds to the definition of "qualified military income" wages paid to a member of the United States Public Health Service Commissioned Corps or the National Oceanic and Atmospheric Administration Commissioned Officer Corps for the member's service.

Enrolled Act: HEA 1280, Sec. 2

Code: IC 6-3-2-4

Effective date: January 1, 2025 (Retroactive)

- Amends the income tax deduction for income from military retirement or survivor's benefit to include the United States Space Force, the United States Public Health Service Commissioned Corps, and the National Oceanic and Atmospheric Administration Commissioned Officer Corps.

Enrolled Act: HEA 1280, Sec. 3

Code: Non-Code

Effective date: January 1, 2025 (Retroactive)

- Clarifies that IC 6-3-1-34 and IC 6-3-2-4, both amended by this bill, apply to taxable years beginning after December 31, 2024. This non-code SECTION expires July 1, 2028.

HEA 1390 – Bureau of Motor vehicles

Enrolled Act: HEA 1390, Sec. 2

Code: IC 8-2.1-17-6.5

Effective date: July 1, 2025

- Makes a technical change to the wording of the statute.

Enrolled Act: HEA 1390, Sec. 14

Code: IC 9-20-9-1

Effective date: July 1, 2025

- Exempts construction vehicles with a towbar connection used in connection with a trailer used to haul heavy equipment from the 60 feet maximum length requirements for a combination of two vehicles coupled together, including load.

HEA 1392 – State Comptroller Matters

Enrolled Act: HEA 1392, Sec. 3

Code: IC 6-5.5-8-2

Effective date: July 1, 2025

- Clarifies that the state comptroller shall not only transfer, but calculate and transfer, from the financial institutions tax fund revenues to each county auditor and is responsible for calculating all distributions under this statute.
- Removes the provision that distributions received may be used for any legal purpose.
- Provides that a taxing unit may deposit a distribution received in any fund maintained by the taxing unit, and the distribution may be used for any purpose allowed by law.

HEA 1427 – Department of Local Government Finance

Enrolled Act: HEA 1427, Sec. 65

Code: IC 6-2.5-5-58

Effective date: July 1, 2025

- Provides a new sales tax exemption for agricultural commodities sold by an agricultural commodity trade association if:
 - the transaction is conducted at the state fair; and
 - the transaction is conducted to make money to carry on the agricultural commodity trade association's nonprofit purpose.
- Stipulates that in order to obtain the exemption, an agricultural commodity trade association must be either registered as a retail merchant under IC 6-2.5-8-1 or establish that the agricultural commodity trade association is not required to be registered as a retail merchant under this article at the time of the transaction.
- Provides that for the purposes of this statute, the following definitions apply:
 - "Agricultural commodity" means dairy products, pork products, beef products, poultry products, and products from other livestock, as well as and crops, that are raised and harvested to provide food and food ingredients. The term includes items described in IC 6-2.5-5-20(c)(1), 20(c)(3), 20(c)(4), 20(c)(5), and 20(c)(6).
 - "Agricultural commodity trade association" means an agricultural or horticultural organization exempt from federal income taxation under IRC § 501(c)(5) or an organization exempt from federal income taxation under IRC § 501(c)(6) of the as a business league for agricultural commodity or horticultural interests.

Enrolled Act: HEA 1427, Sec. 66

Code: IC 6-3-1-41

Effective date: January 1, 2026

- Defines the term "investment partnership" for purposes of adjusted gross income tax.
- Provides that the term means a partnership that meets the following criteria:
 - Has at least 90% of its assets from qualifying securities, deposits at banks and similar financial institutions, and office space and equipment reasonably necessary to carry out investment partnership activities.
 - Has at least 90% of its income from interest, dividends, gains from sale or exchange of qualifying investment securities, and the distributive share of partnership income from partnership interests that are themselves qualifying securities. For this purpose, gross income does not include income from partnerships operating at a federal taxable loss. Provides a safe harbor that the partnership has met the criteria in 3 of the 5 most recent taxable years.
 - The partnership is not a dealer in qualifying investment securities.

Enrolled Act: HEA 1427, Sec. 67

Code: IC 6-3-1-42

Effective date: January 1, 2026

- Provides a definition for the term "qualifying investment securities" means the following: (1) Common stock, including preferred or debt securities convertible into common stock, and preferred stock. (2) Bonds, debentures, and other debt securities. (3) Foreign and domestic currency deposits secured by federal, state, or local governmental agencies. (4) Mortgage or asset-backed securities secured by federal, state, or local governmental agencies. (5) Repurchase agreements and loan participations. (6) Foreign currency exchange contracts and forward and futures contracts on foreign currencies. (7) Stock and bond index securities and futures contracts and other similar financial securities and futures contracts on those securities. (8) Options for the purchase or sale of any of the securities, currencies, contracts, or financial instruments described in subdivisions (1) through (7). (9) Regulated futures contracts. (10) Commodities (not described in IRC § 1221(a)(1)) or futures, forwards, and options with respect to such commodities, provided, however, that any item of a physical commodity to which title is actually acquired in the partnership's capacity as a dealer in such commodity shall not be a qualifying investment security. (11) Derivatives. (12) A partnership interest in another partnership that is an investment partnership. (13) A partnership interest that, in the hands of the partnership, qualifies as a security within the meaning of 15 U.S.C. 77b(a)(1).

Enrolled Act: HEA 1427, Sec. 68

Code: IC 6-3-1-43

Effective date: January 1, 2026

- Provides a definition for the term "qualifying investment partnership income," meaning the adjusted gross income from qualifying investment securities, excluding any income or loss from an asset described in IC 6-3-1-42(13).

Enrolled Act: HEA 1427, Sec. 69

Code: IC 6-3-2-3.3

Effective date: January 1, 2026

- Provides that for nonresident partners in a qualifying investment partnership, qualifying investment income generally is allocated to the nonresident's state of residence (for individuals, estates, and trusts) or state of commercial domicile (for other entities).
- Provides that for a nonresident partner that earns qualifying investment income from a partnership and the investment activity (1) is directly or integrally related to any other business activity conducted in this state by the nonresident partner, (2) serves an operational function to any other business activity of the nonresident partner, or (3) is attributable to assets of the investment partnership that were acquired with working capital from a trade or business activity conducted in this state in which the nonresident partner owns an interest, the income is considered business income to the partner for apportionment business.
- Stipulates that the tests in (1)-(3) also apply to the partner if the activity is the result of another corporation that is unitary with the nonresident partner.
- Requires the exclusion of receipts resulting from qualifying investment partnership income if the income is treated as allocable income.
- Requires the inclusion of receipts resulting from qualifying investment partnership income if the partner treats the income as apportionable business income.
- Provides that the unitary treatment of entities is determined without regard to whether the entity would qualify as a foreign operating company and that a unitary relationship is determined without regard to the partner's ownership interest in the partnership.
- Stipulates that the provisions of the section only apply to qualifying investment partnership income from investment partnerships.
- Requires the waiver of estimated tax and late-payment penalties for owners on an underpayment arises if:
 - the owner reasonably determines that it received qualifying investment partnership income from a partnership, and
 - the partnership is later determined to not be an investment partnership.

Enrolled Act: HEA 1427, Sec. 70

Code: IC 6-3-2.1-4

Effective date: January 1, 2025 (Retroactive)

- Splits subsection (a)(2) into two subparts and renumbers accordingly.
- Clarifies that the tax rate of PTET shall be the tax rate specified in IC 6-3-2-1(a) (before July 1, 2025) or IC 6-3-2-1(b) (after June 30, 2025).

Enrolled Act: HEA 1427, Sec. 71

Code: IC 6-3-2.1-5

Effective date: January 1, 2025 (Retroactive)

- Removes prohibition from claiming most credits against PTET.
- Allows a pass through entity to elect to claim credits for out-of-state taxes and for certain non-refundable credits against PTET.
- Restricts any election to the originally filed PTET return. Provides that for resident owners, income taxed by another state is subject to a credit equal to the income taxed by the other state multiplied the highest individual tax rate imposed by that state.

- Provides that the income attributable to residents of reverse credit states (Arizona, Oregon, and Washington DC) is subject to a credit for the tax at the highest individual tax rate in those states.
- Provides that for other non-refundable credits that can be passed through, a credit equal to the owner's share of the passed through credit can be applied against PTET.
- Limits the credits applicable against the PTET for an owner to the PTET for that owner.
- Requires an ordering of credits when the credits exceed an owner's PTET.
- Allows credits that can be passed through to be available to the pass through entity's owners.

Enrolled Act: HEA 1427, Sec. 72

Code: IC 6-3.1-40-3

Effective date: January 1, 2025 (Retroactive)

- Repeals 6-3.1-40-3, which provided a definition of "primary care physician."

Enrolled Act: HEA 1427, Sec. 73

Code: IC 6-3.1-40-5

Effective date: January 1, 2025 (Retroactive)

- Revises the definition of a "taxpayer" by removing references to "primary care physician" for purposes of the credit under IC 6-3.1-40. Instead, the physician needs to be engaged in the practice of medicine.

Enrolled Act: HEA 1427, Sec. 74

Code: IC 6-3.1-40-6

Effective date: January 1, 2025 (Retroactive)

- Splits subsection (a) into several new subdivisions and renumbers accordingly.
- Removes references to "primary care physician" for purposes of the credit under IC 6-3.1-40.
- Clarifies that the taxpayer must provide health care service to patients in a calendar year, as opposed to a taxable year.
- Requires that the taxpayer has an ownership interest in the income of the physician owned medical practice that is at least:
 - for a physician owned medical practice with not more than 10 owners, 5% of the physician owned medical practice's income; and
 - for a physician owned medical practice with more than 10 owners, 50% of the physician owned medical practice's income divided by the number of physicians who own an interest in the physician owned medical practice.
- Requires that the taxpayer provided health care services in the physician owned medical practice for at least 6 months of a calendar year.
- Includes references to IC 6-3.1-40-9.5 and 11 as necessary for the taxpayer to comply with in order to receive the credit under IC 6-3.1-40. Both statutes are created as a result of SECTIONS 77 and 78 of this bill, respectively.
- Clarifies that the total amount of the credit allowed under IC 6-3.1-40 is available in the particular calendar year, as opposed to a taxable year.

Enrolled Act: HEA 1427, Sec. 75

Code: IC 6-3.1-40-7

Effective date: January 1, 2025 (Retroactive)

- Makes a minor technical change to wording.

Enrolled Act: HEA 1427, Sec. 76

Code: IC 6-3.1-40-9

Effective date: January 1, 2025 (Retroactive)

- Repeals IC 6-3.1-40-9, which provided the process for claiming the credit under IC 6-3.1-40 on a tax return.

Enrolled Act: HEA 1427, Sec. 77

Code: IC 6-3.1-40-9.5

Effective date: January 1, 2025 (Retroactive)

- Provides a new process for claiming the credit under IC 6-3.1-40 on a tax return, by requiring:
 - the physician owned medical practice must apply for DOR's approval of the tax credit for its owners for a calendar year in the manner prescribed by DOR after June 30 of that calendar year, but not later than June 30 of the subsequent calendar year;
 - the physician owned medical practice must submit with the application a certified list of each of the physicians who has an ownership interest in the legal entity described in IC 6-3.1-40-6 and any additional information that DOR determines is necessary for the calculation of the credit under IC 6-3.1-40;
 - the taxpayer must attach proof of DOR's approval of the tax credit to the taxpayer's state tax return or returns; and
 - the taxpayer must claim the approved tax credit on the taxpayer's state tax return or returns in the manner prescribed by DOR.
- Requires DOR to record the time of filing of each application for DOR's approval of a tax credit and shall, except as provided below, approve granting the credit to the taxpayer, if the taxpayer otherwise qualifies for a credit under IC 6-3.1-40, in the chronological order in which the application for DOR's approval is filed in the year.
- Stipulates that if the total credits approved under this statute equal the maximum amount allowable in the year, DOR may not approve an application for the credit filed later in that year.

Enrolled Act: HEA 1427, Sec. 78

Code: IC 6-3.1-40-11

Effective date: January 1, 2025 (Retroactive)

- Provides that subject to the provision below, the total amount of tax credits awarded under IC 6-3.1-40 may not exceed \$10,000,000 in the state fiscal year beginning July 1, 2025, and ending June 30, 2026, and in each state fiscal year thereafter.
- Further provides that for a taxable year beginning after December 31, 2024, and before January 1, 2026, only that part of a taxpayer's tax credit that is attributable to the period of time beginning after June 30, 2025, and before January 1, 2026, is subject to the maximum amount provided above.

Enrolled Act: HEA 1427, Sec. 79

Code: IC 6-3.1-40-12

Effective date: January 1, 2025 (Retroactive)

- Requires DOR to provide the following information to the public on a website used by DOR for such purposes:
 - The application for the credit provided in IC 6-3.1-40.
 - A timeline for receiving the credit provided in IC 6-3.1-40.
 - The total amount of credits awarded under IC 6-3.1-40 during the current state fiscal year.

Enrolled Act: HEA 1427, Sec. 80

Code: IC 6-3.6-6-8

Effective date: Upon Passage

- Stipulates that in the case of a volunteer fire department, the application under IC 6-3.6-6-8(d) must be made to the adopting body by the fiscal officer of the unit served by the volunteer fire department. This is in addition to the changes made in SECTION 130 of SEA 1, which repeals the rules regarding allocation of additional revenue from a tax under IC 6-3.6-6 to public safety purposes, and adds references to IC 6-3.6-6-4.3, which provides the new rules for allocation and was added by SECTION 127 of SEA 1.

Enrolled Act: HEA 1427, Sec. 81

Code: IC 6-3.6-6-8

Effective date: July 1, 2027

- Clarifies that in the case of a volunteer fire department, the application under these requirements must be made to the adopting body by the fiscal officer of the unit served by the volunteer fire department.

Enrolled Act: HEA 1427, Sec. 82

Code: IC 6-3.6-6-12

Effective date: Upon Passage

- Adds a step to the formula for the allocation amount of a civil taxing unit during a calendar year to determine based on the amounts for the calendar year preceding the distribution year.
- Provides that in the case of a qualifying municipality as defined in IC 6-1.1-18.5-31(d) that is located in a county described in IC 6-1.1-18.5-31(a), and only for the allocation of certified shares in 2026, the amount of the levy for the municipality's debt service and lease rental funds that were certified in 2025 multiplied by 54.5%. Provides that this clause expires January 1, 2027

Enrolled Act: HEA 1427, Sec. 83

Code: IC 6-3.6-7-8.5

Effective date: Upon Passage

- Stipulates that subject to the provision below, if the county council determines that the county jail revenue fund established elsewhere in the statute contains excess reserves, the county council may, before January 1, 2026, adopt a resolution to make a one-time transfer from the county jail revenue fund to the county general fund to be used only for emergency management services within the county. The resolution must include the following:
 - A determination that the county jail revenue fund contains excess reserves and that a transfer from the county jail revenue fund to the county general fund is necessary.

- The total amount of excess reserves contained in the county jail revenue fund as of the date the determination is made that the county jail revenue fund contains excess reserves.
- The total amount to be transferred from the county jail revenue fund to the county general fund.
- The date on which the transfer from the county jail revenue fund to the county general fund will occur.
- Prior to adopting a resolution as described above, the county council must adopt a new ordinance under IC 6-3.6-7-8.5(c) that adjusts the local income tax rate to a rate that complies with the limitations described in IC 6-3.6-7-8.5(c) and is not greater than the rate necessary to pay for the expenditures incurred for the purposes described in IC 6-3.6-7-8.5(b).

Enrolled Act: HEA 1427, Sec. 84

Code: IC 6-3.6-7-21

Effective date: January 1, 2025 (Retroactive)

- Provides that revenue from a tax under this statute may also be used to operate and maintain a county jail and related buildings and parking facilities.

Enrolled Act: HEA 1427, Sec. 85

Code: IC 6-3.6-9-15

Effective date: Upon Passage

- Provides that the following percentage applies for purposes of the determinations under subsections (a) and (c) of this statute only to counties that contain at least four municipalities (cities or towns) each with a population greater than 40,000, as determined by the most recent federal decennial census, in which at least one of those municipalities meets the definition of a qualifying municipality under IC 6-1.1-18.5-31(d):
 - For the determination year beginning after December 31, 2025, and ending before January 1, 2027, 12.5%.
 - For the determination year beginning after December 31, 2026, and ending before January 1, 2028, 10%.
 - For a determination year beginning after December 31, 2027, and ending before January 1, 2029, 7.5%.
 - For the determination year beginning after December 31, 2028, and ending before January 1, 2030, 5%.
 - For the determination year beginning after December 31, 2029, and ending before January 1, 2031, 2.5%.
 - For the determination year beginning after December 31, 2030, 1%.

Enrolled Act: HEA 1427, Sec. 86

Code: IC 6-3.6-9-17.6

Effective date: Upon Passage

- Provides that notwithstanding any other provision, funds from the state general fund shall not be used to make up a shortfall in the reserve account or certified distribution.
- Provides that if a county reserve account runs out of funds for making a certified distribution, funds may not be transferred from the state general fund to the reserve account.

Enrolled Act: HEA 1427, Sec. 89

Code: IC 6-6-6.5-13

Effective date: January 1, 2025 (Retroactive)

- Removes references to IC 6-1.1-12-14 expiring, as provided in SECTION 25 of SEA 1.

Enrolled Act: HEA 1427, Sec. 90

Code: IC 6-8.1-9.5-10

Effective date: July 1, 2025

- Increases the maximum local collection assistance fee from \$20 to \$25.

Enrolled Act: HEA 1427, Sec. 91

Code: IC 6-8.1-10-2.1

Effective date: Upon Passage

- Provides that beginning after December 31, 2024, reasonable cause under this statute for failure to file a timely and complete form IT-65 partnership return will be presumed if the partnership (or any of its partners) is able to show that all of the following conditions have been met:
 - The partnership had no more than 10 partners for the taxable year. (A husband and wife filing a joint return count as one partner.)
 - Each partner during the tax year was a natural person (other than a nonresident alien), or the estate of a natural person.
 - Each partner's proportionate share of any partnership item is the same as the partner's proportionate share of any other partnership item.
 - The partnership did not elect to be subject to the rules for federal consolidated audit proceedings under IRC §§ 6221 through 6234.
 - All partners reported their distributive share of partnership items on their timely filed income tax returns.

Enrolled Act: HEA 1427, Sec. 92

Code: IC 6-8.1-10-6

Effective date: Upon Passage

- Provides that beginning after December 31, 2024, a person that has been granted penalty relief under IC 6-8.1-10-2.1(l) (created in SECTION 91 of this bill) for failure to file a timely and complete form IT-65 partnership return shall not be subject to a penalty under this statute for failure to file the information return Schedule K-1 of form IT-65 for which penalty relief was granted.

Enrolled Act: HEA 1427, Sec. 93

Code: IC 6-9-2.5-7

Effective date: July 1, 2025

- Requires the county treasurer of Vanderburgh County to deposit the Vanderburgh County Innkeeper's tax in the convention and visitor promotion fund the rate of 3% after December 31, 2025. The deposit of 2.5% will end before January 1, 2026.

Enrolled Act: HEA 1427, Sec. 94

Code: IC 6-9-2.5-7.5

Effective date: July 1, 2025

- Requires the county treasurer of Vanderburgh County to deposit the Vanderburgh County Innkeeper's tax in the tourism capital improvement fund the rate of 3% after December 31, 2025, and before January 1, 2029, instead of 4.5% as was previously stated in the law. After December 31, 2028, the county treasurer of Vanderburgh County is required to deposit to the tourism capital improvement fund the rate of 4%.

Enrolled Act: HEA 1427, Sec. 95

Code: IC 6-9-2.5-7.7

Effective date: July 1, 2025

- Moves the deadline for the county treasurer of Vanderburgh County to deposit the Vanderburgh County Innkeeper's tax in the convention center operating, capital improvement, and financial incentive fund the rate of 2% to before January 1, 2029, instead of 2026 as previously stated in the law. After December 31, 2028, the county treasurer of Vanderburgh County is required to deposit to the fund the rate of 1%.

Enrolled Act: HEA 1427, Sec. 96

Code: IC 6-9-14-6

Effective date: July 1, 2025

- Authorizes the fiscal body of Brown County to impose its innkeeper's tax at a rate of 8% (instead of 5% under current law) through ordinance.

Enrolled Act: HEA 1427, Sec. 97

Code: IC 6-9-14-9

Effective date: July 1, 2025

- Creates an expiration date for the Brown County Innkeeper's tax of January 1, 2047.

Enrolled Act: HEA 1427, Sec. 98

Code: IC 6-9-18-3

Effective date: Upon Passage

- Removes Parke County from the authority of the Uniform County Innkeeper's Tax under IC 6-9-18. Parke County is granted authority to impose an innkeeper's tax in a new chapter created in SECTION 124 of this bill.

Enrolled Act: HEA 1427, Sec. 99

Code: IC 6-9-18-6

Effective date: July 1, 2025

- Removes the provision pertaining to Boone County within this statute that defines the powers of a commission to promote the development and growth of the convention, visitor, and tourism industry in the county. This provision gave Boone County commission the power to enter into an agreement under which amounts deposited in, or to be deposited in, the convention, visitor, and tourism promotion fund were pledged toward the payment of obligations (including bonds and leases) issued or entered into by any political subdivision located in the county to finance the construction, acquisition, enlargement, and equipping of a sports and recreation facility to promote and encourage conventions, trade shows, tourism, visitors, or special events within the county.
- Removes a stipulation concerning expenses of the commission that references IC 6-9-18-6.5, which is repealed in SECTION 100 of this bill.

Enrolled Act: HEA 1427, Sec. 100

Code: IC 6-9-18-6.5

Effective date: July 1, 2025

- Repeals IC 6-9-18-6.5, which gave Boone County the ability to adopt resolutions authorizing an agreement discussed in IC 6-9-18-6(b).

Enrolled Act: HEA 1427, Sec. 101

Code: IC 6-9-27-3

Effective date: July 1, 2025

- Permits the fiscal body of Shipshewana to adopt an ordinance to increase the tax rate of their food and beverage tax.

Enrolled Act: HEA 1427, Sec. 102

Code: IC 6-9-27-5

Effective date: July 1, 2025

- Permits the fiscal body of Shipshewana to adopt an ordinance to impose its food and beverage tax at a rate of not more than 2% (instead of 1% under current law). The ordinance would expire January 1, 2047.

Enrolled Act: HEA 1427, Sec. 103

Code: IC 6-9-27-5.5

Effective date: July 1, 2025

- Requires the fiscal body of Shipshewana to immediately send a certified copy of the ordinance imposing its food and beverage tax at a rate of not more than 2% to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 104

Code: IC 6-9-29-8

Effective date: July 1, 2025

- Creates a definition of an “innkeeper’s tax fund,” which is any fund established pursuant to an innkeeper’s tax chapter within IC 6-9, regardless of its title.
- Requires that each county that imposes an innkeeper's tax may not deposit or transfer money in its innkeeper's tax fund into any other fund, or deposit or transfer money in any other fund into its innkeeper's tax fund.

Enrolled Act: HEA 1427, Sec. 105

Code: IC 6-9-29.5-5

Effective date: July 1, 2025

- Creates a definition of an “food and beverage tax fund,” which is any fund established pursuant to a food and beverage tax chapter within IC 6-9, regardless of its title.
- Requires that each county that imposes a food and beverage tax may not deposit or transfer money in its food and beverage tax fund into any other fund, or deposit or transfer money in any other fund into its food and beverage tax fund.

Enrolled Act: HEA 1427, Sec. 106

Code: IC 6-9-38

Effective date: July 1, 2025

- Repeals the Wayne County food and beverage tax chapter (an ordinance has never been adopted).

Enrolled Act: HEA 1427, Sec. 107

Code: IC 6-9-47.5-4

Effective date: July 1, 2025

- Repeals the exemption from the Orange County food and beverage tax of transactions that occur at a historic hotel (as defined in IC 4-33-2-11.1), the riverboat operated under IC 4-33-6.5, and other properties operated in conjunction with the historic hotel enterprise located in Orange County, including golf courses.

Enrolled Act: HEA 1427, Sec. 108

Code: IC 6-9-47.5-9

Effective date: July 1, 2025

- Clarifies that money in from Orange County food and beverage tax receipts fund can no longer be used for storm water, sidewalk and street improvements.

Enrolled Act: HEA 1427, Sec. 109

Code: IC 6-9-60

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the LaGrange County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, the increase applies to transactions after the last day of the month in which the ordinance is adopted, if the county fiscal body adopts the ordinance

on or before the fifteenth day of a month. If the county fiscal body adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 110

Code: IC 6-9-61

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Marion to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 111

Code: IC 6-9-62

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Shelbyville to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions on the later of the day specified in the ordinance or the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 112

Code: IC 6-9-63

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of New Haven to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 113

Code: IC 6-9-64

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Richmond to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 114

Code: IC 6-9-65

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Centerville to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 115

Code: IC 6-9-66

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Cambridge to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 116

Code: IC 6-9-67

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Hagerstown to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 117

Code: IC 6-9-68

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Fountain City to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 118

Code: IC 6-9-69

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Greens Fork to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 119

Code: IC 6-9-70

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Milton to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 120

Code: IC 6-9-71

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Dublin to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 121

Code: IC 6-9-72

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the town of Mount Auburn to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 122

Code: IC 6-9-73

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of the city of Madison to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 123

Code: IC 6-9-74

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of Boone County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 124

Code: IC 6-9-75

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of Parke County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 125

Code: IC 6-9-76

Effective date: July 1, 2025

- Creates a new chapter authorizing the fiscal body of Switzerland County to adopt an ordinance that would impose an innkeeper's tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

Enrolled Act: HEA 1427, Sec. 126

Code: IC 6-9-77

Effective date: Upon Passage

- Creates a new chapter authorizing the fiscal body of the town of Ellettsville to adopt an ordinance that would impose a food and beverage tax.
- Requires that the city fiscal body immediately send a certified copy of the ordinance to DOR.
- Provides that if an ordinance is adopted, it applies to transactions occurring after the last day of the month that succeeds the month in which the ordinance is adopted.

HEA 1461 – Road Funding

Enrolled Act: HEA 1461, Sec. 2

Code: IC 6-3.1-38.1

Effective date: January 1, 2025 (Retroactive)

- Establishes a new railroad tax credit for taxpayers that make qualified infrastructure investments.
- Provides that the amount of the credit is a taxpayer's qualified railroad expenditures or qualified new rail infrastructure expenditures multiplied by 50%, but may not exceed:
 - For qualified railroad expenditures, the number of miles of Class II or Class III railroad track owned or leased by the taxpayer in Indiana at the close of the taxable year multiplied by \$3,500.
 - For qualified new rail infrastructure expenditures, the lesser of:
 - 50% of the qualified new rail expenditures for each new rail served customer project completed by the taxpayer in the taxable year; or
 - \$500,000 per rail served customer project.
- Directs that the credit must be claimed in a manner prescribed by DOR on the taxpayer's state tax return, and that DOR must evaluate a taxpayer's eligibility to be certified the credit based on a taxpayer submitting the following:
 - the number of miles of railroad track owned or leased in Indiana; and

- a description and certification of the amount of the taxpayer's qualified railroad expenditures or qualified new rail infrastructure expenditures.
- Provides that if a pass through entity does not have state tax liability against which to apply the credit, the credit flows through on a pro rata basis to the shareholders, partners, or beneficiaries. Further provides that although each credit is in addition to a credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one credit for the same qualified railroad expenditure or qualified new rail infrastructure expenditure.
- Permits the credit to be assigned. Provides that a taxpayer may make only one assignment of a credit and that an assignee may not subsequently assign all or part of the credit to another taxpayer.
- Requires that an assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and the assignee's state tax returns for the year in which the assignment is made in a manner prescribed by DOR.
- Provides that if the transferor of an assignment is a tax exempt entity (meaning a government agency or an organization that is recognized as exempt under section 501(c)(3) of the Internal Revenue Code), the transfer must be completed on or before the date that is one year after the close of the tax year for which the credit was certified.
- Allows credit in excess of a taxpayer's state tax liability to be carried forward for up to five years. However, the credit may not be carried back or refunded.
- Limits the aggregate amount of the credit for each state fiscal year beginning after June 30, 2025, to the following:
 - Qualified railroad expenditures may not exceed \$9,500,000.
 - Qualified new rail infrastructure may not exceed \$5,000,000.
- Directs DOR to provide the Indiana department of transportation and the state comptroller the total amount of state tax credits certified for the immediately preceding taxable year.
- Expires the credit after December 31, 2027.

Enrolled Act: HEA 1461, Sec. 3

Code: IC 6-3.5-4-2

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the county vehicle excise tax either:
 - at a rate of at least 2% and not more than 20%; or
 - at a specific amount of at least \$7.50 and not more than \$150.
- However, the surtax on a vehicle may not be less than \$7.50.
- The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

Enrolled Act: HEA 1461, Sec. 4

Code: IC 6-3.5-4-12

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, the city-county council of a county that contains a consolidated city must appropriate money derived from the county vehicle excise tax for the purposes allowed under IC 8-14-1-4(c).

Enrolled Act: HEA 1461, Sec. 5

Code: IC 6-3.5-5-2

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the wheel tax rate for a particular class or weight classification of vehicles may not be less than \$5 and may not exceed \$240.

Enrolled Act: HEA 1461, Sec. 6

Code: IC 6-3.5-5-14

Effective date: July 1, 2025

- Provides that beginning July 1, 2025, the city-county council of a county that contains a consolidated city must appropriate money derived from the wheel tax for the purposes allowed under IC 8-14-1-4(c).

Enrolled Act: HEA 1461, Sec. 28

Code: IC 8-23-30-2

Effective date: Upon Passage

- Requires INDOT to report to the state comptroller no later than June 1, 2025, the amount of matching grants awarded by INDOT from the local road and bridge matching grant fund in the state fiscal year beginning July 1, 2024, and ending June 30, 2025, that INDOT will not distribute before July 1, 2025.
- Requires the state comptroller to determine the balance of the money in the fund on June 15, 2025, and on June 15 of each year thereafter. After determining the balance of money in the fund as required here, the money in the fund must be allocated and transferred in accordance with the below.
- Requires that after determining the balance of the money in the fund, the money in the fund must first be allocated as follows:
 - On June 30, 2025, INDOT must allocate the total of the amount determined above plus \$100,000,000 of money in the fund to make matching grants in the state fiscal year beginning July 1, 2025, and ending June 30, 2026, to all local units. INDOT may not award more than \$100,000,000 of matching grants in the state fiscal year beginning July 1, 2025, and ending June 30, 2026.
 - On June 30, 2026, and June 30 of each year thereafter, INDOT must allocate the first \$100,000,000 of money in the fund to make matching grants in the next state fiscal year to all local units.
- After INDOT allocates the money in the fund under subsection (h), the state comptroller shall make the following five transfers:
 - On June 30, 2026, a transfer of:
 - to the state general fund, the total amount of the state tax credits certified for 2025 by DOR under IC 6-3.1-38.1-8(c); and
 - to INDOT, an amount equal to \$20,000,000 minus the amount under the above for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
 - On June 30, 2027, a transfer of:
 - to the state general fund, the total amount of the state tax credits certified for 2026 by DOR under IC 6-3.1-38.1-8(c); and

- to INDOT, an amount equal to \$20,000,000 minus the amount under the above for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
 - On June 30, 2028, a transfer of:
 - to the state general fund, the total amount of the state tax credits certified for 2027 by DOR under IC 6-3.1-38.1-8(c); and
 - to INDOT, an amount equal to \$20,000,000 minus the amount under the above for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
 - On June 30, 2029, a transfer of \$20,000,000 to INDOT for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
 - On June 30, 2030, a transfer of \$20,000,000 to INDOT for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for INDOT's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.
- Provides that beginning on June 30, 2027, and on June 30 of each year thereafter, after INDOT allocates the money as provided above and the state comptroller makes a transfer, when applicable, the state comptroller shall transfer \$50,000,000 of money in the fund to the consolidated city in Marion County for the construction, reconstruction, and preservation of the consolidated city's local streets (as defined in IC 8-14-2-1(9)). The consolidated city in Marion County shall not use these revenues for: reducing the capacity of existing roads and streets; greenways; bike lanes; bike trails; and sidewalks. 100% of the money distributed to the consolidated city under these requirements shall be matched with an appropriation by the consolidated city. The appropriation required under this provision must be new revenue and may not include revenue allocated to public safety purposes under IC 6-3.6-6.
- Provides that beginning on June 30, 2027, and on June 30 of each year thereafter, after the state comptroller makes a transfer, the state comptroller shall distribute the remainder of the money in the fund, as follows:
 - To be eligible to receive a distribution under these requirements, a local unit must have adopted a wheel tax and provided the local technical assistance program at Purdue University with an updated transportation asset management plan within the last 12 months.
 - The distribution to a local unit eligible to receive a distribution under the above must be proportional to the local unit's share of the total lane mileage for all local units eligible to receive a distribution under the above. INDOT shall provide to the state comptroller the total lane mileage for purposes of making the distribution under these requirements.
- A local unit may use a distribution made under these requirements only for eligible projects.

HEA 1601 – Quantum Research Tax Incentives

Note: While the language of the bill provides that the effective date of the following sections is upon passage, HEA 1001 (2025) supersedes that directive and provides that the effective date of the following sections is actually January 1, 2026.

Enrolled Act: HEA 1601, Sec. 2

Code: IC 6-2.5-15-0.5

Effective date: January 1, 2026

- Creates a definition of "advanced computing," which means a computational method or technology, including hardware, software, and quantum safe fiber network equipment, that is designed, engineered, and installed to solve large, complex problems or process large data sets, including quantum computing, artificial intelligence, edge computing, and computational sets that use entanglement nodes that are beyond the capability of classical digital computational computing.

Enrolled Act: HEA 1601, Sec. 3

Code: IC 6-2.5-15-3

Effective date: January 1, 2026

- For purposes of IC 6-2.5-15, redefines "eligible data center costs" to be "eligible costs."
- Adds to the definition of "eligible costs" to mean, after May 1, 2025, expenditures made for the development, acquisition, construction, and operation of a facility to be used as part of a quantum computing research, advanced computing, and defense infrastructure network that is connected by quantum safe fiber network equipment and used for quantum research or advanced computing at, or related to, a qualified military installation in Indiana or the I-Light network, including costs of all quantum safe fiber network equipment, rights-of-way, conduit, other required access, land, buildings, site improvements, modular data centers, computer data center equipment acquisition and permitting, lease payments, site characterization and assessment, engineering, and design used directly and exclusively as part of a quantum computing research, advanced computing, and defense infrastructure network.

Enrolled Act: HEA 1601, Sec. 4

Code: IC 6-2.5-15-5

Effective date: January 1, 2026

- Adds to the definition of "facility" a structure or building contained on one or more tracts of land in Indiana used specifically for: quantum research or commercialization; quantum safe fiber network equipment; advanced computing; quantum research or advanced computing for the defense industry; the qualified equipment that is placed in the structure or building; or one or more quantum safe fiber networks. It also includes any structures and personal property contained on the land that is required to operate a quantum safe fiber network.

Enrolled Act: HEA 1601, Sec. 5

Code: IC 6-2.5-15-5.7

Effective date: January 1, 2026

- Adds a definition of "I-Light," which has the meaning set forth in IC 8-1-32.7-3.

Enrolled Act: HEA 1601, Sec. 6

Code: IC 6-2.5-15-6.5

Effective date: January 1, 2026

- Adds a definition of "interest in a quantum computing research, advanced computing, and defense infrastructure network," which means an entity that is the owner of, the operator of, or a qualified colocation tenant in, any element of a quantum safe fiber network or a quantum computing, advanced computing, and defense infrastructure network. The term also includes an interest in a portion of a quantum computing research, advanced computing, and defense infrastructure network.

Enrolled Act: HEA 1601, Sec. 7

Code: IC 6-2.5-15-7

Effective date: January 1, 2026

- Adds to the definition of "operator" entities operating a quantum computing research, advanced computing, and defense infrastructure network.

Enrolled Act: HEA 1601, Sec. 8

Code: IC 6-2.5-15-9

Effective date: January 1, 2026

- Adds to the definition of "qualified colocation tenant" entities contracting with the owner of a quantum computing research, advanced computing, and defense infrastructure network.

Enrolled Act: HEA 1601, Sec. 9

Code: IC 6-2.5-15-11

Effective date: January 1, 2026

- For purposes of IC 6-2.5-15, redefines "eligible data center equipment" to be "eligible equipment."
- Adds to the definition of "eligible equipment" quantum computing research, advanced computing, and defense infrastructure network equipment in a quantum computing research, advanced computing, and defense infrastructure network.

Enrolled Act: HEA 1601, Sec. 10

Code: IC 6-2.5-15-13

Effective date: January 1, 2026

- Adds to the definition of "qualified investment" the aggregate nonduplicative eligible costs expended by any entity with an interest in the quantum computing research, advanced computing, and defense infrastructure network for purposes of a quantum computing research, advanced computing, and defense infrastructure network.

Enrolled Act: HEA 1601, Sec. 11

Code: IC 6-2.5-15-13.2

Effective date: January 1, 2026

- Adds a definition of "quantum safe fiber network," which means a fiber network that includes each of the following attributes:
 - A deployed fiber infrastructure comprised of: standard single mode optical fibers (G.652.D) that are compliant with the federal Trade Agreements Act of 1979 (Public Law 96-39, 93 Stat. 144, as amended); and flexgrid reconfigurable photonic layer; and (C)

only coherent optical transponders with FIPS 140-3 certified L1 encryption (OTNsec) with support for external key from quantum key distribution servers that are compliant with the federal Trade Agreements Act of 1979 (Public Law 96-39, 93 Stat. 144, as amended); on electronics and glass.

- A fiber infrastructure that is connected to: a military installation of the United States of America; the Indiana National Guard; another military outlet or I-Light; or an institution of higher learning conducting quantum computing research or advanced computing research.
- A network engineered with physical intermediate access points (nodes) not more than sixty (60) miles apart.
- A network with physical intermediate access points (nodes) equipped with physical access control and remote monitoring.
- A network with quantum key distribution (QKD) servers deployed on every fiber span.
- A network that is not used for residential broadband and limited in use to less fifteen percent (15%) for commercial broadband (ISP) applications.
- A network that complies with the federal Trade Agreements Act of 1979 (Public Law 96-39, 93 Stat. 144) as amended.

Enrolled Act: HEA 1601, Sec. 12

Code: IC 6-2.5-15-13.3

Effective date: January 1, 2026

- Adds a definition of “quantum safe fiber network equipment,” which means optical gear, transmission equipment, fiber, computer equipment, software, or any other equipment or software of any type purchased or leased for the processing, storage, retrieval, communication, or transmission of data over a quantum safe fiber network that meets certain enumerated conditions.

Enrolled Act: HEA 1601, Sec. 13

Code: IC 6-2.5-15-13.4

Effective date: January 1, 2026

- Adds a definition of “quantum computing research, advanced computing, and defense infrastructure network,” which means the quantum safe fiber network between two or more facilities using qualified equipment to create and connect qualified facilities to a quantum safe fiber network that create a minimum qualified investment of at least \$50,000,000 on or before the fifth anniversary of the issuance of the specific transaction award certificate by IEDC.
- The term includes the land, buildings, site improvements, permitting, lease payments, site characterization and assessment, engineering and design, quantum safe fiber network equipment, rights-of-way, and any other required access, used directly to be a part of:
- a qualified advanced computing or a qualified quantum computing research initiative within Indiana;
- the deployment or expansion of advanced computing, within Indiana;
- the expansion of the defense industry within Indiana; or
 - the quantum computing research, advanced computing and defense infrastructure network connected to and used for: quantum research (including computing, communication, and networking); advanced computing; or defense infrastructure network;
 - at or related to the federal or state of Indiana military installations, research universities, I-Light, or any other Department of Defense or Indiana National Guard installation within Indiana.

Enrolled Act: HEA 1601, Sec. 14

Code: IC 6-2.5-15-14

Effective date: January 1, 2026

- Permits a quantum computing research, advanced computing, and defense infrastructure network operator that holds an interest in a quantum computing research, advanced computing, and defense infrastructure network to apply to the corporation for a specific transaction award certificate to make purchases, other than the purchase of utilities described in IC 6-2.5-4-5, that are exempt under IC 6-2.5-15.
- Modifies the expiration of the award certificates for data centers and quantum computing research, advanced computing, and defense infrastructure networks. Award certificates expire 25 years after the date of issuance, or the later of:
 - In the case of a qualified data center user, 50 years after the date of issuance if the qualified investment is \$750,000,000 or greater.
 - In the case of a quantum computing research, advanced computing, and defense infrastructure network operator, the award certificate expires 50 years after the date of issuance if the qualified investment is \$50,000,000 or greater within three years of the issuance of the transaction award certificate.

Enrolled Act: HEA 1601, Sec. 15

Code: IC 6-2.5-15-15

Effective date: January 1, 2026

- Modifies the section dealing with entering into an agreement with the corporation concerning the sales tax exemption under IC 6-2.5-15 to include quantum computing research, advanced computing, and defense infrastructure networks and associated equipment.
- Requires the agreement to include documentation of compliance with the requirement that the investment be specific to infrastructure for the Indiana defense industry or quantum computing research or advanced computing.

Enrolled Act: HEA 1601, Sec. 16

Code: IC 6-2.5-15-16

Effective date: January 1, 2026

- Modifies the sales tax exemption for data centers to include quantum computing research, advanced computing, and defense infrastructure network equipment.

Enrolled Act: HEA 1601, Sec. 17

Code: IC 6-2.5-15-17

Effective date: January 1, 2026

- Modifies the section dealing with claiming the sales tax exemption under IC 6-2.5-15 with vendors to include quantum computing research, advanced computing, and defense infrastructure networks.

Enrolled Act: HEA 1601, Sec. 18

Code: IC 6-2.5-15-18

Effective date: January 1, 2026

- Modifies the section dealing with notice of noncompliance procedures for the sales tax exemption under IC 6-2.5-15 to include quantum computing research, advanced computing, and defense infrastructure networks.

Enrolled Act: HEA 1601, Sec. 19

Code: IC 6-2.5-15-19

Effective date: January 1, 2026

- Modifies the section dealing with continuing effect of the sales tax exemption under IC 6-2.5-15 in the event of a disposition to include quantum computing research, advanced computing, and defense infrastructure networks.

Enrolled Act: HEA 1601, Sec. 20

Code: IC 6-2.5-15-20

Effective date: January 1, 2026

- Modifies the section dealing with the economic and fiscal impact study for the sales tax exemption under IC 6-2.5-15 to include quantum computing research, advanced computing, and defense infrastructure networks.

HEA 1616 – Department of Natural Resources

Enrolled Act: HEA 1616, Sec. 2

Code: IC 6-3.1-22-8

Effective date: July 1, 2025

- Adds a \$10,000 limit to the amount which a taxpayer may be entitled to for the residential historic rehabilitation credit.
- Adds a caveat referencing IC 6-3.1-22-15.5, which is created in SECTION 4 of this bill.

Enrolled Act: HEA 1616, Sec. 3

Code: IC 6-3.1-22-15

Effective date: July 1, 2025

- Adds language confirming that if the total residential historic rehabilitation credits approved by the office of community and rural affairs ("office") in a state fiscal year equals the maximum amount allowable in the state fiscal year of \$250,000, the office shall not approve an additional application for the credits in that state fiscal year.
- Adds additional language confirming that if a taxpayer is allowed a credit which results in credits being granted in excess of the maximum amount allowable in a state fiscal year, the office shall approve a credit of the maximum amount allowable under this statute for that state fiscal year minus the previously approved credits for that state fiscal year.
- Provides that if a credit allowed for qualified expenditures incurred before July 1, 2024, and was approved by the office before March 10, 2025, the credit shall be treated as being allowed for a state fiscal year beginning before July 1, 2024.

Enrolled Act: HEA 1616, Sec. 4

Code: IC 6-3.1-22-15.5

Effective date: July 1, 2025

- Provides that if a taxpayer was granted a residential historic rehabilitation credit by the office before March 10, 2025, for a qualified expenditure, and the expenditure was claimed in a taxable year other than the year in which the preservation or rehabilitation of the historic property was performed, then that credit may be claimed in the first taxable year beginning after December 31, 2024, and may be carried forward as set forth in IC 6-3.1-22-14.

HEA 1637 – School and Public Safety Matters

Enrolled Act: HEA 1637, Sec. 11

Code: IC 6-3-2-4

Effective date: July 1, 2025

- Inserts “United States” before each listed military branch within this statute.

SEA 1 – Local Government Finance

Enrolled Act: SEA 1, Sec. 86

Code: IC 6-3-2-27.5

Effective date: July 1, 2027

- Changes reference to the definition of a “local taxpayer” to IC 6-3.6 generally.

Enrolled Act: SEA 1, Sec. 87

Code: IC 6-3.5-4-1

Effective date: July 1, 2027

- Changes the definition of “adopting entity” to the adopting body specified in IC 6-3.6-3-1(a).

Enrolled Act: SEA 1, Sec. 88

Code: IC 6-3.5-4-1.1

Effective date: July 1, 2027

- Removes reference to the local income tax council and replaces it with “adopting entity.”

Enrolled Act: SEA 1, Sec. 89

Code: IC 6-3.5-5-1

Effective date: July 1, 2027

- Changes the definition of “adopting entity” to the adopting body specified in IC 6-3.6-3-1(a).

Enrolled Act: SEA 1, Sec. 90

Code: IC 6-3.5-5-1.1

Effective date: July 1, 2027

- Removes reference to the local income tax council and replaces it with “adopting entity.”

Enrolled Act: SEA 1, Sec. 91

Code: IC 6-3.6-1-1

Effective date: July 1, 2027

- Adds a parenthetical to a reference to IC 6-3.6-5 clarifying it applies before its expiration.

Enrolled Act: SEA 1, Sec. 92

Code: IC 6-3.6-1-1.5

Effective date: July 1, 2027

- Adds parentheticals to references to IC 6-3.6-5 clarifying it applies before its expiration.
- Removes a stipulation that the approval of the local income tax council is not required for the transition of the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to a property tax relief rate as set forth in this statute.
- Provides that this statute expires July 1, 2028.

Enrolled Act: SEA 1, Sec. 93

Code: IC 6-3.6-1-3

Effective date: July 1, 2027

- Provides that notwithstanding any provision of IC 6-3.6, a property tax relief rate imposed in a county under IC 6-3.6-5 (before its expiration) expires December 31, 2027.

Enrolled Act: SEA 1, Sec. 94

Code: IC 6-3.6-1-4

Effective date: July 1, 2027

- Adds a parenthetical to a reference to IC 6-3.6-5 clarifying it applies before its expiration.

Enrolled Act: SEA 1, Sec. 95

Code: IC 6-3.6-2-2

Effective date: January 1, 2028

- Modifies the definition of "adjusted gross income" to remove the exclusion that in the case of a local taxpayer who is not treated as a resident local taxpayer of a county, the term includes only adjusted gross income derived from the taxpayer's principal place of business or employment.
- Clarifies that in the case of a local taxpayer described in IC 6-3.6-2-13(3) (meaning a team member under IC 6-3-2-2.7 or a race team member under IC 6-3-2-3.2), the term "adjusted gross income" includes only that part of the individual's total income that is paid to the individual as compensation for services rendered not just rendered in the county, but also a municipality in the case of a local income tax imposed under IC 6-3.6-6-22.

Enrolled Act: SEA 1, Sec. 96

Code: IC 6-3.6-2-4

Effective date: July 1, 2027

- Repeals the definition of "attributed allocation amount."

Enrolled Act: SEA 1, Sec. 97

Code: IC 6-3.6-2-5

Effective date: July 1, 2027

- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of SECTION 158 of this bill.

Enrolled Act: SEA 1, Sec. 98

Code: IC 6-3.6-2-7.4

Effective date: Upon Passage

- Changes the expiration date of this statute to May 31, 2027, from the same date in 2025.

Enrolled Act: SEA 1, Sec. 99

Code: IC 6-3.6-2-12

Effective date: July 1, 2027

- Repeals the definition of "local income tax council."

Enrolled Act: SEA 1, Sec. 100

Code: IC 6-3.6-2-13

Effective date: January 1, 2028

- Amends the definition of "local taxpayer" to include references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.
- Provides that for purposes of a local income tax imposed by a municipality under IC 6-3.6-6-22, the term "local taxpayer" does not include an individual who maintains the taxpayer's principal place of business or employment in that county on the date specified in IC 6-3.6-8-3 and who does not reside on that same date in another county in Indiana in which a tax under this article is in effect.
- Clarifies that "local taxpayer" as it relates to a team member under IC 6-3-2-2.7 or a race team member under IC 6-3-2-3.2 only applies to a tax imposed by a county and only for purposes of a rate imposed by a county under 6-3.6-6-2(b)(3).

Enrolled Act: SEA 1, Sec. 101

Code: IC 6-3.6-2-15

Effective date: January 1, 2028

- Amends the definition of "resident local taxpayer" to include references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.

Enrolled Act: SEA 1, Sec. 102

Code: IC 6-3.6-3-1

Effective date: July 1, 2027

- Changes the meaning of an adopting body for purposes of imposing a local income tax, so that the fiscal body of the county is the adopting body for a county and the fiscal body of the city or town is the adopting body for a city or town for purposes of adopting a municipal rate under IC 6-3.6-6-22.

Enrolled Act: SEA 1, Sec. 103

Code: IC 6-3.6-3-3

Effective date: July 1, 2027

- Amends the effective date rules for local income tax ordinances and clarifies that this statute only applies to counties. All Effective dates are tied to whether the ordinance is adopted before or after October 1, whereas previous rules referenced dates than October 1.
- Adds a parenthetical to a reference to IC 6-3.6-5 in the subsection concerning ordinances that grant, increase, decrease, rescind, or change a credit against the property tax liability, clarifying it applies before its expiration. Further provides that this subsection (c) expires on December 31, 2027.
- Provides that an ordinance that adopts, increases, decreases, or rescinds a tax or a tax rate takes effect as follows:
 - An ordinance adopted on or before October 1 of a calendar year shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted.
 - An ordinance adopted after October 1 of a calendar year shall take effect on January 1 of the second succeeding calendar year following the year the ordinance is adopted.
- However, an ordinance adopted to impose a tax rate under IC 6-3.6-6-2(b)(3) or IC 6-3.6-6-2(b)(4) must be adopted on or before October 1 of a calendar year.
- Provides that an ordinance that grants, increases, decreases, rescinds, or changes a distribution or allocation of taxes takes effect as follows:
 - An ordinance adopted on or before October 1 of a calendar year shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted.
 - An ordinance adopted after October 1 of a calendar year shall take effect on January 1 of the second succeeding calendar year following the year the ordinance is adopted.

Enrolled Act: SEA 1, Sec. 104

Code: IC 6-3.6-3-3.3

Effective date: July 1, 2027

- Adds a new section concerning the effective date rules for local income tax ordinances adopted, increased, decreased, or rescinded by municipalities under IC 6-3.6-6-22.
- Provides that an ordinance adopted by a city or town on or before October 1 of a calendar year shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted.
- Provides that an ordinance adopted by a city or town after October 1 of a calendar year shall take effect on January 1 of the second succeeding calendar year following the year the ordinance is adopted.

Enrolled Act: SEA 1, Sec. 105

Code: IC 6-3.6-3-4

Effective date: July 1, 2027

- Provides that a local income tax expenditure tax rate that is imposed in a county under IC 6-3.6-6 continues in effect after December 31, 2027, only if the adopting body adopts an ordinance to renew the expenditure tax rate beginning January 1, 2028. Such an ordinance must be adopted by the adopting body on or before October 1, 2027, as set forth in section IC 6-3.6-3-3(b)(1). However, this does not prohibit an adopting body that fails to adopt an ordinance to continue an expenditure tax rate after December 31, 2027, from adopting an ordinance under IC 6-3.6 to impose, renew, or modify an expenditure tax rate under IC 6-3.6-6 beginning January 1, 2029, or any year thereafter.

Enrolled Act: SEA 1, Sec. 106

Code: IC 6-3.6-3-5

Effective date: July 1, 2027

- Amends the voting rules for local income tax ordinances to include references to municipalities in the case of a local income tax imposed under IC 6-3.6-6-22.
- Repeals language concerning local income tax councils sending certified copies of the voting records.

Enrolled Act: SEA 1, Sec. 107

Code: IC 6-3.6-3-6

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-6, which provided rules concerning the allocation of votes for local income tax councils.

Enrolled Act: SEA 1, Sec. 108

Code: IC 6-3.6-3-7

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-7, which provided rules concerning the procedures for proposing ordinances for local income tax councils, as well as notice and public hearing rules concerning such ordinances.

Enrolled Act: SEA 1, Sec. 109

Code: IC 6-3.6-3-8

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-8, which provided rules concerning resolutions to propose an ordinance for local income tax councils.

Enrolled Act: SEA 1, Sec. 110

Code: IC 6-3.6-3-9

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-9, which provided rules concerning local income tax councils exercising its votes by passing a resolution and transmitting the resolution to the county auditor.

Enrolled Act: SEA 1, Sec. 111

Code: IC 6-3.6-3-9.5

Effective date: Upon Passage

- Changes the expiration date of this statute to May 31, 2027, from the same date in 2025.

Enrolled Act: SEA 1, Sec. 112

Code: IC 6-3.6-3-10

Effective date: July 1, 2027

- Repeals IC 6-3.6-3-10, which provided that local income tax councils could pass only one ordinance adopting, increasing, decreasing, or rescinding a tax in one year.

Enrolled Act: SEA 1, Sec. 113

Code: IC 6-3.6-4-1

Effective date: January 1, 2028

- Clarifies that the rules for imposing a local income tax apply in this statute except as provided in IC 6-3.6-6-22.
- Adds a parenthetical to a reference to IC 6-3.6-5 clarifying it applies before its expiration.
- Provides that in addition to the tax imposed in the county under subsection (a) of this statute, a tax is imposed on the adjusted gross income of local taxpayers in a municipality at a tax rate that is imposed by the municipality under IC 6-3.6-6-22 and in effect in the municipality.

Enrolled Act: SEA 1, Sec. 114

Code: IC 6-3.6-4-2

Effective date: January 1, 2028

- Removes reference to IC 6-3.6-5, which is set to expire December 31, 2027, in SECTION 116 of this bill. As a result, a tax rate authorized under IC 6-3.6-6 or IC 6-3.6-7 may be adopted, increased, decreased, or rescinded without adopting, increasing, decreasing, or rescinding a tax rate authorized by only the two remaining chapters.

Enrolled Act: SEA 1, Sec. 115

Code: IC 6-3.6-4-3

Effective date: January 1, 2028

- Removes references to IC 6-3.6-5, which is set to expire December 31, 2027, in SECTION 116 of this bill.

Enrolled Act: SEA 1, Sec. 116

Code: IC 6-3.6-5-7

Effective date: July 1, 2027

- Provides that IC 6-3.6-5 will expire December 31, 2027.

Enrolled Act: SEA 1, Sec. 117

Code: IC 6-3.6-6-0.5

Effective date: July 1, 2027

- Creates a new definition for "nonmunicipal civil taxing unit," which means townships, libraries, and all other civil taxing units that imposed an ad valorem property tax levy in the county for the calendar year preceding the distribution year, except that the term does not include counties, cities, towns, or school corporations. Provides that the term does include those civil taxing units whose budgets require binding review by another local unit.

Enrolled Act: SEA 1, Sec. 118

Code: IC 6-3.6-6-2

Effective date: July 1, 2027

- Repeals the previous expenditure rate provisions.
- Provides that the adopting body may by ordinance and subject to requirements below impose one or more of the following component rates not to exceed a total expenditure tax rate under IC 6-3.6-6 of 2.9% on the adjusted gross income of taxpayers who reside in the county:
 - A tax rate not to exceed 1.2% for general purpose revenue for county services (as provided in IC 6-3.6-6-4).
 - A tax rate not to exceed 0.4% for providers of fire protection and emergency medical services located within the county (as provided in IC 6-3.6-6-4.3).
 - A tax rate not to exceed 0.2% for general purpose revenue for distribution to nonmunicipal civil taxing units (excluding fire protection districts) located within the county (as provided in IC 6-3.6-6-4.5).
 - A tax rate not to exceed 1.2% for general purpose revenue for municipal services for distribution to municipalities located within the county that are not eligible to adopt a municipal tax rate under IC 6-3.6-6-22 or that have made an election under IC 6-3.6-6-23(b)(3) to be treated as such.
- Provides that the combined component rates imposed by an adopting body under the first three rates above shall not exceed 1.7%.
- Stipulates that a tax rate adopted for general purpose revenue for municipal services for distribution to municipalities located within the county that are not eligible to adopt a municipal tax rate under IC 6-3.6-6-22 (or that have made an election under IC 6-3.6-6-23(b)(3) to be treated as such) may only be imposed on taxpayers who do not reside in a municipality that is eligible to adopt a municipal tax rate under IC 6-3.6-6-22.
- Further provides that beginning after December 31, 2030, any of the four tax rates imposed above shall expire on December 31 of each calendar year. An adopting body wishing to continue, increase, or decrease a tax rate in the succeeding year must pass an ordinance to readopt a tax rate in accordance with IC 6-3.6-3-3. This applies regardless of whether there is a modification in the tax rate or the component rates or the rates are unchanged from the previous year.

Enrolled Act: SEA 1, Sec. 119

Code: IC 6-3.6-6-2.5

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.5, which provided authority concerning ordinances to impose a tax rate for a PSAP in a county.

Enrolled Act: SEA 1, Sec. 120

Code: IC 6-3.6-6-2.6

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.6, which provided authority concerning ordinances to impose a tax rate for acute care hospitals in a county.

Enrolled Act: SEA 1, Sec. 121

Code: IC 6-3.6-6-2.7

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.7, which provided authority concerning ordinances to impose a tax rate for correctional facilities and rehabilitation facilities in a county.

Enrolled Act: SEA 1, Sec. 122

Code: IC 6-3.6-6-2.8

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.8, which provided authority concerning ordinances to impose a tax rate for emergency medical services in a county.

Enrolled Act: SEA 1, Sec. 123

Code: IC 6-3.6-6-2.9

Effective date: January 1, 2028

- Repeals IC 6-3.6-6-2.9, which provided authority concerning ordinances to impose a tax rate for courtroom costs of the state judicial system in a county.

Enrolled Act: SEA 1, Sec. 124

Code: IC 6-3.6-6-3

Effective date: July 1, 2027

- Repeals language concerning the distribution of tax revenue received from IC 6-3.6-6-2.5 through 2.8, as those statutes are repealed of SECTIONS 119 through 122 of this bill.
- The remaining existing language now refers to general purpose revenue to comport with IC 6-3.6-6-2(b)(1), as opposed to “additional revenue.”
- Provides that in the case of a civil taxing unit that is obligated to make payments to the northwest Indiana regional development authority from general purpose revenue for the payment of bonds, leases, or other obligations related to northwest Indiana rail projects (as defined in IC 5-1.3-2-14) and projects described in IC 36-7.5-4-2.5, the adopting body may not reduce the proportional allocation amounts of the general purpose revenue as allocated in the immediately preceding year if the reduction would result in an allocation that is less than the amount necessary for the civil taxing unit to make the payments to the northwest Indiana regional development authority for the payment of the bonds, leases, or other obligations.

Enrolled Act: SEA 1, Sec. 125

Code: IC 6-3.6-6-3.1

Effective date: July 1, 2025

- Provides that a county fiscal body may adopt an ordinance to impose a tax rate for the purpose of funding property tax homestead (as defined in IC 6-1.1-12-37) credits to reduce the property tax liability of taxpayers who own homesteads that are located in the county and eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to 1%.
- Further provides that revenue collected from a tax rate imposed under this statute may only be used to fund replacement of the county's property tax levy and that property taxes imposed due to a referendum in which a majority of the voters in the taxing unit imposing the property taxes approved the property taxes are not eligible for a credit under this statute.
- Specifies that the tax rate must be in increments of 0.01% and may not exceed 0.3%.
- Provides that such a tax imposed shall be treated as property taxes for all purposes, but that the department of local government finance (DLGF) may not reduce any taxing unit's maximum permissible property tax levy limit under IC 6-1.1-18.5 or reduce the approved property tax levy or rate for any fund; by the amount of any credits granted under IC 6-3.6-6.
- Stipulates that the homestead credits shall be applied to the net property taxes due on the homestead after the application of any credit granted under IC 6-1.1, including any credit granted under IC 6-1.1-20.4 and IC 6-1.1-20.6, and that the property tax credits must be applied uniformly to provide a homestead credit for homesteads in the county.
- Requires the county auditor to allocate the amount of revenue applied as tax credits under this statute to the taxing units that imposed the eligible property taxes against which the credits are applied.
- Requires the DLGF to assist county fiscal bodies and county auditors in calculating credit percentages and amounts.
- Provides that notwithstanding any provision to the contrary in IC 6-3.6-6, a tax imposed under this statute may be imposed on the adjusted gross income of taxpayers before January 1, 2028, and terminates and may not be imposed on the adjusted gross income of taxpayers after December 31, 2027.
- Provides that this statute expires January 1, 2028.

Enrolled Act: SEA 1, Sec. 126

Code: IC 6-3.6-6-4

Effective date: July 1, 2027

- Changes the requirement that tax revenue under IC 6-3.6-6 (now IC 6-3.6-6-2(b)(1)) must be used only for public safety, economic development projects, or certified shares.
- Provides that general purpose revenue raised from a tax rate under section IC 7-3.6-6-2(b)(1) must be distributed directly to the county and that it may be used by the county fiscal body for any of the purposes of the county, including for:
 - public safety, including funding for a PSAP;
 - economic development purposes described in IC 6-3.6-10;
 - acute care hospitals;
 - correctional facilities and rehabilitation facilities;
 - county staff expenses of the state judicial system; and
 - homestead property tax credits to fund replacement of the county's property tax levy.
- Changes references from "additional revenue" to "general purpose" revenue to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 127

Code: IC 6-3.6-6-4.3

Effective date: July 1, 2027

- Provides that revenue raised from a tax rate for fire protection and emergency medical services under IC 6-3.6-6-2(b)(2) shall be distributed by the county to each fire protection district, fire protection territory, and municipal fire department located within the county. At the discretion of the county council, the county may distribute revenue raised from a tax rate for fire protection and emergency medical services under 2(b)(2) to township fire departments and volunteer fire departments.
- Revenue raised from a tax rate for fire protection and emergency medical services under IC 6-3.6-6-2(b)(2) shall be allocated to each fire protection district, fire protection territory, municipal fire department, and, if applicable, township fire departments and volunteer fire departments, based on an enumerated formula.

Enrolled Act: SEA 1, Sec. 128

Code: IC 6-3.6-6-4.5

Effective date: July 1, 2027

- Provides that revenue raised from a tax rate for nonmunicipal civil taxing units under IC 6-3.6-6-2(b)(3) may be distributed by the county to nonmunicipal civil taxing units subject to the provisions of this statute.
- Stipulates that subject to the maximum aggregate tax rate of not more than 0.2% under IC 6-3.6-6-2(b)(3), the adopting body may adopt a tax rate for each type of nonmunicipal civil taxing unit, which may not exceed more than 0.05% for any given unit type. The revenue raised from a tax rate for a specific type of nonmunicipal civil taxing unit shall be allocated to all nonmunicipal civil taxing units of that same type located within the county on a pro rata per capita basis, subject to the requirement below to adopt a resolution.
- Provides that county solid waste management district (as defined in IC 13-11-2-47) or a joint solid waste management district (as defined in IC 13-11-2-113) is not an eligible nonmunicipal civil taxing unit for the purpose of receiving an allocation of general purpose revenue under IC 6-3.6-6 unless a majority of the members of each of the county fiscal bodies of the counties within the district passes a resolution approving the distribution.
- Provides that a resolution passed by a county fiscal body may expire on a date specified in the resolution or remain in effect until the county fiscal body revokes or rescinds the resolution.
- Requires that a nonmunicipal civil taxing unit wishing to receive a share of revenue under this statute in a year to adopt a resolution requesting the distribution from the county and must provide a certified copy of the resolution to the adopting body not later than July 1 of the year immediately preceding the distribution year. Not later than August 1 of the year immediately preceding the distribution year, the adopting body shall hold a public hearing on the resolution requesting the distribution and provide the public with notice of the time and place where the public hearing will be held. The notice must be given in accordance with IC 5-3-1 and include a description of the resolution requesting the distribution from the county.
- Provides that if a nonmunicipal civil taxing unit adopts a resolution and provides the resolution to the adopting body as set forth here, the county shall distribute to the nonmunicipal civil taxing unit an amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(3) for the distribution year here.
- Provides that if one or more, but not all, nonmunicipal civil taxing units adopt a resolution under the provision above requesting a distribution in a given year, the county may either distribute the total amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(3) to only

those nonmunicipal civil taxing units that have provided a resolution request, or the county may distribute the total amount of revenue raised from a tax rate under IC 6-3.6-6-2(b)(3) to all nonmunicipal civil taxing units as set forth in this statute. If no nonmunicipal civil taxing units adopt a resolution to request a distribution in a given year, the county may retain the revenue raised from a tax rate for nonmunicipal civil taxing units for that year and use the revenue as general purpose revenue for the county under IC 6-3.6-6-4.

Enrolled Act: SEA 1, Sec. 129

Code: IC 6-3.6-6-6.1

Effective date: July 1, 2027

- Provides that revenue raised from a tax rate for certain cities and towns under IC 6-3.6-6-2(b)(4) may be distributed by the county to those cities and towns subject to the provisions of this statute.
- Provides that subject to the rule below regarding an adopting body that imposes a tax rate of one and two-tenths percent (1.2%) under IC 6-3.6-6-2(b)(1), the revenue raised from a tax rate under IC 6-3.6-6-2(b)(4) shall be allocated to the cities and towns based on the population of the city or the population of the town, whichever is applicable, compared to the population of all the cities or the population of all the towns, whichever is applicable, that are eligible for a distribution, subject to the requirement below to adopt a resolution. For purposes of this determination, if the boundaries of a city or town are located in more than one county, only the portion of the population of the city or town that is located within the county imposing the tax rate under IC 6-3.6-6-2(b)(4) shall be considered.
- Stipulates that the money may be used by the city or town fiscal body for any of the purposes of the city or town, including public safety (as defined in IC 6-3.6-2-14) and economic development purposes described in IC 6-3.6-10. The city or town fiscal body may pledge its general purpose revenue to the payment of bonds or to lease payments as set forth in IC 6-3.6-6.
- Requires an eligible city or town wishing to receive a share of revenue under this statute in a year must adopt a resolution requesting the distribution from the county and must provide a certified copy of the resolution to the adopting body not later than July 1 of the year immediately preceding the distribution year. Not later than August 1 of the year immediately preceding the distribution year, the adopting body shall hold a public hearing on the resolution requesting the distribution and provide the public with notice of the time and place where the public hearing will be held. The notice must be given in accordance with IC 5-3-1 and include a description of the resolution requesting the distribution from the county.
- Provides that subject to the rule below regarding an adopting body that imposes a tax rate of 1.2% under IC 6-3.6-6-2(b)(1), if an eligible city or town adopts a resolution under these requirements and provides the resolution to the adopting body as set forth in these requirements, the county shall distribute to the eligible city or town unit an amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(4) for the distribution year as set forth in IC 6-3.6-6-6.1(f).
- Provides that subject to the rule below regarding an adopting body that imposes a tax rate of 1.2% under IC 6-3.6-6-2(b)(1), if one or more, but not all, eligible cities or towns adopt a resolution under the requirements above requesting a distribution in a given year, the county may either distribute the total amount of revenue raised from the tax rate under IC 6-3.6-6-2(b)(4) to only those eligible cities or towns that have provided a resolution request, or the county may distribute the total amount of revenue raised from a tax rate under IC 6-3.6-6-2(b)(4) to all eligible cities or towns as set forth in this statute. If no eligible city or town adopts

a resolution to request a distribution in a given year, the county may retain the revenue raised from a tax rate for the eligible city or town for that year and use the revenue as general purpose revenue for the county under IC 6-3.6-6-4.

- Stipulates that notwithstanding any provision to the contrary in this statute, if an adopting body that imposes a tax rate of 1.2% under IC 6-3.6-6-2(b)(1) subsequently adopts an ordinance to concurrently impose a tax rate under IC 6-3.6-6-2(b)(4):
 - 75% of the revenue received from the tax rate imposed under IC 6-3.6-6-2(b)(4) shall be retained by the county and may be used for the purposes described in IC 6-3.6-6-4; and
 - 25% of the revenue received from the tax rate imposed under IC 6-3.6-6-2(b)(4) shall be distributed among the eligible cities and towns as set forth in this statute and may be used for the purposes set forth in this statute.
- However, the adopting body may, by ordinance, determine to allocate any percentage of the revenue that would otherwise be retained by the county under subdivision (1) to instead be allocated among the eligible cities and towns under subdivision (2).

Enrolled Act: SEA 1, Sec. 130

Code: IC 6-3.6-6-8

Effective date: July 1, 2027

- Repeals the rules regarding allocation of additional revenue from a tax under IC 6-3.6-6 to public safety purposes, and adds references to IC 6-3.6-6-4.3, which provides the new rules for allocation and was added by SECTION 127 of this bill.

Enrolled Act: SEA 1, Sec. 131

Code: IC 6-3.6-6-8.5

Effective date: July 1, 2027

- Changes references from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 132

Code: IC 6-3.6-6-9

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-9, which provided rules regarding the allocation of additional revenue from a tax under IC 6-3.6-6 for economic development purposes.

Enrolled Act: SEA 1, Sec. 133

Code: IC 6-3.6-6-9.5

Effective date: July 1, 2027

- Changes references from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 134

Code: IC 6-3.6-6-10

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-10, which provided rules regarding the allocation of additional revenue from a tax under IC 6-3.6-6 allocated for certified shares.

Enrolled Act: SEA 1, Sec. 135

Code: IC 6-3.6-6-11

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-11, which provided rules regarding the allocation of certified shares.

Enrolled Act: SEA 1, Sec. 136

Code: IC 6-3.6-6-12

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-12, which provided rules regarding the allocation of certified shares.

Enrolled Act: SEA 1, Sec. 137

Code: IC 6-3.6-6-14

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-14, which provided rules regarding the allocation of certified shares.

Enrolled Act: SEA 1, Sec. 138

Code: IC 6-3.6-6-15

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-15, which provided rules regarding the allocation or distribution, or both, of certified shares.

Enrolled Act: SEA 1, Sec. 139

Code: IC 6-3.6-6-16

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-16, which provided rules regarding the allocation of certified shares in Marion County.

Enrolled Act: SEA 1, Sec. 140

Code: IC 6-3.6-6-17

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 141

Code: IC 6-3.6-6-18

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 142

Code: IC 6-3.6-6-19

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 143

Code: IC 6-3.6-6-20

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-20, which provided rules regarding the allocation or distribution of revenue made on the basis of property tax levies or budgets.

Enrolled Act: SEA 1, Sec. 144

Code: IC 6-3.6-6-21

Effective date: July 1, 2027

- Clarifies that a civil taxing unit refers to a county, city, town, or nonmunicipal civil taxing unit.
- Changes references from "certified shares" to "general purpose revenue" to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 145

Code: IC 6-3.6-6-21.2

Effective date: July 1, 2027

- Repeals IC 6-3.6-6-21.2, which provided rules regarding distributions for school corporations.

Enrolled Act: SEA 1, Sec. 146

Code: IC 6-3.6-6-21.3

Effective date: July 1, 2027

- Essentially expires this statute after December 31, 2027.
- Adds parentheticals to several referenced statutes that are set to expire or are repealed as a result of this bill.

Enrolled Act: SEA 1, Sec. 147

Code: IC 6-3.6-6-22

Effective date: July 1, 2027

- Provides that for purposes of this statute, a "municipality" means only a city or town that:
 - has a population of 3,500 or more; and
 - in the case of a city or town whose population decreased in the most recent federal decennial census from 3,500 or more to less than 3,500, has elected by ordinance to continue to use its previous population of 3,500 or more as set forth in IC 6-3.6-6-23(b)(2) for purposes of the allocation determination under IC 6-3.6-6-6.1.
 - The term does not include a city or town that has made an election under IC 6-3.6-6-23(b)(3).
- Provides that beginning after December 31, 2027, the fiscal body of a municipality may by ordinance and subject to the readoption requirements below, impose a local income tax rate on the adjusted gross income of local taxpayers in the municipality that does not exceed 1.2%.

- Stipulates that the following apply if a municipality imposes a local income tax rate under this statute:
 - A local income tax rate imposed by a municipality under this statute applies only to local taxpayers within the territory of the municipality.
 - The local income tax is imposed in addition to a tax imposed by the county in which the municipality is located in accordance with IC 6-3.6-4-1(a) and IC 6-3.6-4-1(c).
 - The following provisions of this article apply to a local income tax rate imposed by a municipality under the rate requirements above:
 - IC 6-3.6-3 (adoption of the tax), including the effective date of an ordinance under IC 6-3.6-3-3.3.
 - IC 6-3.6-4 (imposition of the tax), except that IC 6-3.6-4-2 and IC 6-3.6-4-3 do not apply.
 - IC 6-3.6-8 (administration of the tax).
 - A local income tax rate imposed by a municipality shall apply to professional athletes who compete in the municipality, unless exempted under IC 6-3-2-27.5 or other provision of law.
- The amount of the tax revenue that is from the local income tax rate imposed under this statute and that is collected for a calendar year shall be treated as general purpose revenue and must be distributed to the fiscal officer of the municipality that imposed the tax before July 1 of the next calendar year.
- Provides that beginning after December 31, 2030, a tax rate imposed above shall expire on December 31 of each calendar year. A municipality wishing to continue, increase, or decrease a tax rate in the succeeding year must pass an ordinance to readopt a tax rate in accordance with IC 6-3.6-3-3.3. This applies regardless of whether there is a modification in the tax rate or the rate is unchanged from the previous year.

Enrolled Act: SEA 1, Sec. 148

Code: IC 6-3.6-6-23

Effective date: July 1, 2027

- Creates a new statute that applies in determining the population of a city or town for the purposes of IC 6-3.6-6.
- Except as provided below, the population of a city or town is the population of the city or town that is reported by the 2020 federal decennial census.
- Beginning after 2030, if the population of a city or town:
 - increases from a population of less than 3,500, as reported by the immediately preceding federal decennial census, to a population of 3,500 or more, as reported by the most recent federal decennial census, or, if applicable, any corrected population count (as defined in IC 1-1-3.5-1.5) issued for the city or town in the year succeeding the most recent federal decennial census; or
 - decreases from a population of 3,500 or more, as reported by the immediately preceding federal decennial census, to a population of less than 3,500, as reported by the most recent federal decennial census, or, if applicable, any corrected population count (as defined in IC 1-1-3.5-1.5) issued for the city or town in the year succeeding the most recent federal decennial census; the fiscal body of the city or town may adopt an ordinance on or before September 1 of the calendar year immediately succeeding the most recent federal decennial census to continue to use the population of the city or town as reported by the immediately preceding federal decennial census and the resulting determination for the city or town under IC 6-3.6-6-22, notwithstanding the

increase or decrease in its population as reported by the most recent federal decennial census as described in this subdivision. An ordinance adopted under this subdivision shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted. The fiscal officer of the city or town shall provide a certified copy of an ordinance adopted under this subdivision to the DLGF.

- This requirement applies only to cities and towns with a population of more than 3,500 but less than 7,000. Notwithstanding any other provision, a fiscal body of a city or town may adopt an ordinance to elect to be treated as if the city's or town's population is less than 3,500 for purposes of a county local income tax rate and distribution under IC 6-3.6-6. An ordinance adopted under this subdivision shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted. The fiscal officer of the city or town shall provide a certified copy of an ordinance adopted under this subdivision to the DLGF. An ordinance adopted by a city or town under this subdivision is not revocable and shall not expire following the next federal decennial census.

Enrolled Act: SEA 1, Sec. 149

Code: IC 6-3.6-7-9

Effective date: July 1, 2027

- Adds parentheses to references to IC 6-3.6-5 clarifying it applies before its expiration.

Enrolled Act: SEA 1, Sec. 150

Code: IC 6-3.6-7-28

Effective date: July 1, 2027

- Removes references to a local income tax council and replaces them with "county adopting body."

Enrolled Act: SEA 1, Sec. 151

Code: IC 6-3.6-8-3

Effective date: January 1, 2028

- Clarifies that the statute also applies to municipal income taxes by including references to municipalities in the case of a local income tax imposed under IC 6-3.6-22.
- Removes references to principal place of business or employment for purposes of residency.

Enrolled Act: SEA 1, Sec. 152

Code: IC 6-3.6-8-4

Effective date: July 1, 2027

- Clarifies that the statute also applies to municipal income taxes by including references to municipalities.

Enrolled Act: SEA 1, Sec. 153

Code: IC 6-3.6-8-5

Effective date: January 1, 2028

- Clarifies that the statute also applies to municipal income taxes by including references to municipalities in the case of a local income tax imposed under IC 6-3.6-22.

Enrolled Act: SEA 1, Sec. 154

Code: IC 6-3.6-9-1

Effective date: July 1, 2027

- Provides that this statute expires on December 31, 2027.

Enrolled Act: SEA 1, Sec. 155

Code: IC 6-3.6-9-1.1

Effective date: July 1, 2027

- Creates a new definition for "state and local income tax holding account," which refers to the state and local income tax holding account established by IC 6-3.6-9-20.

Enrolled Act: SEA 1, Sec. 156

Code: IC 6-3.6-9-4

Effective date: July 1, 2027

- Clarifies that the revenue amount that is to be distributed to a county during an ensuing calendar year is without adjustment based on the enactment of a tax rate change under IC 6-3.6-6-2 or IC 6-3.6-6-22 in the first preceding calendar year it becomes effective.

Enrolled Act: SEA 1, Sec. 157

Code: IC 6-3.6-9-4.1

Effective date: July 1, 2027

- Provides that the adjustments made by the budget agency may be phased-in over several calendar years until the credits are fully accounted for, instead of fiscal years.

Enrolled Act: SEA 1, Sec. 158

Code: IC 6-3.6-9-5

Effective date: July 1, 2027

- Repeals language requiring SBA to provide to the DLGF and the county auditor of each adopting county an estimate of the amount determined under 6-3.6-9-4 that will be distributed to the county, based on known tax rates, before August 2 of each calendar year.
- Repeals language requiring the DLGF to determine additional revenue figures for economic development for Lake County.
- Makes minor adjustments to additional certification and notice requirements within this statute imposed on SBA and the DLGF.

Enrolled Act: SEA 1, Sec. 159

Code: IC 6-3.6-9-6

Effective date: July 1, 2027

- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of Section 158 of this bill.

Enrolled Act: SEA 1, Sec. 160

Code: IC 6-3.6-9-7

Effective date: July 1, 2027

- Provides that SBA may not reduce, adjust, or modify a certified distribution of a county after it has been presented as part of the report to the budget committee for the immediately succeeding calendar year under IC 6-3.6-9-21, except in the case of clerical and mathematical errors.

Enrolled Act: SEA 1, Sec. 161

Code: IC 6-3.6-9-8

Effective date: July 1, 2027

- Repeals IC 6-3.6-9-8, which imposed requirements on SBA to adjust certified distributions for specific counties under specific circumstances.

Enrolled Act: SEA 1, Sec. 162

Code: IC 6-3.6-9-8.5

Effective date: July 1, 2027

- Repeals IC 6-3.6-9-8.5, which imposed requirements on SBA to transfer distributions to reimburse the state general fund regarding a modernization project.

Enrolled Act: SEA 1, Sec. 163

Code: IC 6-3.6-9-9

Effective date: July 1, 2027

- Removes a requirement that the summary of calculations include adjustments for tax rate changes.

Enrolled Act: SEA 1, Sec. 164

Code: IC 6-3.6-9-10

Effective date: July 1, 2027

- Adds parentheticals to several referenced statutes that are set to expire or are repealed as a result of this bill.

Enrolled Act: SEA 1, Sec. 165

Code: IC 6-3.6-9-11

Effective date: July 1, 2027

- Provides that the information described in IC 6-3.6-9-9 and 10 must be certified to the county auditor by October 1 of each calendar, and not the later of that date or 30 days after the adopting body certifies a new rate to SBA.

Enrolled Act: SEA 1, Sec. 166

Code: IC 6-3.6-9-12

Effective date: July 1, 2027

- Provides that after December 31, 2027, one-twelfth of each adopting county's certified distribution for a calendar year shall be distributed from the state and local income tax holding account established under IC 6-3.6-9. The previous requirement, that the one-twelfth amount be distributed, from its trust account established under IC 6-3.6-9, will cease before January 1, 2028.

Enrolled Act: SEA 1, Sec. 167

Code: IC 6-3.6-9-13

Effective date: July 1, 2027

- Provides that this statute expires on December 31, 2027.

Enrolled Act: SEA 1, Sec. 168

Code: IC 6-3.6-9-14

Effective date: July 1, 2027

- Repeals IC 6-3.6-9-14, which imposed requirements on SBA to submit a report to each county auditor indicating the balance in the county's trust account as of the cutoff date set by the budget agency.

Enrolled Act: SEA 1, Sec. 169

Code: IC 6-3.6-9-15

Effective date: January 1, 2028

- Repeals IC 6-3.6-9-15, which imposed requirements on SBA to make supplemental distributions if certain balance requirements were met.

Enrolled Act: SEA 1, Sec. 170

Code: IC 6-3.6-9-16

Effective date: July 1, 2027

- Removes reference to a supplemental distribution.

Enrolled Act: SEA 1, Sec. 171

Code: IC 6-3.6-9-17.5

Effective date: July 1, 2027

- Provides that after December 31, 2027, a county's certified distribution amount for 2028 shall be maintained in the accounting for the county under IC 6-3.6-9-21 and transferred as set forth in IC 6-3.6-9-21.

Enrolled Act: SEA 1, Sec. 172

Code: IC 6-3.6-9-20

Effective date: July 1, 2027

- Establishes a state and local income tax holding account within the state general fund for the purposes of IC 6-3.6-9, which SBA shall administer.
 - Provides that the account consists of the following:
 - Money transferred to the account under IC 6-3.6-9-21.
 - Money transferred to the account from any other source.
 - Interest that accrues from money in the account.
- Requires the treasurer of state to invest the money in the account not currently needed for the purposes of the account in the same manner as other public funds may be invested.
- Stipulates that money in the account is continuously appropriated for the purposes of IC 6-3.6-9, and that money in the account at the end of a state fiscal year does not revert to the state general fund.
- Provides that money transferred to the account shall be distributed and allocated as set forth in IC 6-3.6-9.
- Provides that the budget director shall have the discretion to manage transfers of money into and out of the account based on the current process used for continuous assessment of revenue flows and reconciliation based on the latest data.

Enrolled Act: SEA 1, Sec. 173

Code: IC 6-3.6-9-21

Effective date: July 1, 2027

- The budget agency shall maintain an accounting for each county imposing a tax based on annual returns filed by or for county taxpayers. Beginning after December 31, 2027, any undistributed amounts so accounted shall be held for purposes of the state and local income tax holding account.
- Requires that after December 1 but before December 31 of each year, the budget agency shall present to the budget committee a report of the following:
 - An estimate of the monthly certified distribution amounts for the immediately succeeding calendar year.
 - A description of the method used to determine the monthly estimates above.
- Beginning in 2028, and in each calendar year thereafter, the budget agency shall each month transfer to the state and local income tax holding account the amount determined for the monthly estimates for distribution under IC 6-3.6-9.
- In the case of a county that imposes a tax rate under IC 6-3.6-6-2 or a municipality that imposes a tax rate under IC 6-3.6-6-22 beginning after December 31, 2027, the budget agency shall withhold, from each of the first three annual certified distributions resulting from the tax rate, an amount equal to 5% of the county's or municipality's, as applicable, annual certified distribution resulting from the tax rate. The amounts withheld under this provision shall be credited to the respective county's or municipality's trust account.

Enrolled Act: SEA 1, Sec. 174

Code: IC 6-3.6-10-2

Effective date: January 1, 2028

- Removes reference to IC 6-3.6-6-9 and replaces it with IC 6-3.6-6 generally.

Enrolled Act: SEA 1, Sec. 175

Code: IC 6-3.6-10-3

Effective date: January 1, 2028

- Removes references to IC 6-3.6-6-9 and replaces them with IC 6-3.6-6 generally.
- Changes references from “certified shares” to “general purpose revenue” to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 176

Code: IC 6-3.6-10-5

Effective date: January 1, 2028

- Stipulates that the provisions of this statute are subject to IC 6-3.6-6-18(b).
- Removes reference to IC 6-3.6-5.

Enrolled Act: SEA 1, Sec. 177

Code: IC 6-3.6-10-6

Effective date: January 1, 2028

- Adds parentheticals to referenced statutes that are set to expire as a result of this bill.

Enrolled Act: SEA 1, Sec. 178

Code: IC 6-3.6-10-9

Effective date: May 10, 2025 (Retroactive)

- Stipulates that notwithstanding any other law, for bonds, leases, or any other obligations incurred after May 9, 2025, a county, city, town, and any other taxing unit may not pledge for payment from tax revenue received under this article an amount that exceeds an amount equal to 25% of the taxing unit's certified distribution under IC 6-3.6.
- Provides that this statute expires July 1, 2027.

Enrolled Act: SEA 1, Sec. 179

Code: IC 6-3.6-11-1

Effective date: January 1, 2028

- Repeals IC 6-3.6-11-1, regarding use of former tax to provide levy freeze.

Enrolled Act: SEA 1, Sec. 180

Code: IC 6-3.6-11-3

Effective date: July 1, 2027

- Adds parentheticals to referenced statutes that are set to expire as a result of this bill.
- Provides that any ordinance adopted under subsection (b) of this statute, dealing with Lake County, expires December 31, 2027.
- Provides that this statute expires July 1, 2027.

Enrolled Act: SEA 1, Sec. 181

Code: IC 6-3.6-11-4

Effective date: January 1, 2028

- Removes a reference to IC 6-3.6-6-8, which is repealed in SECTION 130 of this bill.

Enrolled Act: SEA 1, Sec. 182

Code: IC 6-3.6-11-5.5

Effective date: January 1, 2028

- Changes references from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).
- Removes reference to IC 6-3.6-6-9, which is repealed in SECTION 132 of this bill.
- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of SECTION 158 of this bill.

Enrolled Act: SEA 1, Sec. 183

Code: IC 6-3.6-11-6

Effective date: January 1, 2028

- Changes references from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).
- Removes references to IC 6-3.6-6-9, which is repealed in SECTION 132 of this bill, and replaces them with references to IC 6-3.6-6 generally.
- Repeals language providing that Lake County or a city or town in the county may use additional revenue that is allocated each year for economic development purposes, as well as provisions dealing with homestead credits.
- Provides that from the general purpose revenue received by Porter County each year from the rate imposed under IC 6-3.6-6, the first \$3,500,000 shall be used by the county to make transfers as required under IC 36-7.5-4-2 to the northwest Indiana regional development authority before any certified distributions are made to the county unit or any other taxing unit in the county. The adopting body for Porter County may not reduce the proportional allocation of the general purpose revenue allocated to Porter County if the reduction would result in an amount less than the amount necessary for Porter County to fulfill its obligation to the northwest Indiana regional development authority to pay to support northwest Indiana rail projects (as defined in IC 5-1.3-2-14) and projects described in IC 36-7.5-4-2.5
- Repeals language providing that LaPorte County or a city or town in the county may use additional revenue that is allocated each year for economic development purposes.
- Repeals language providing that Porter County or a city or town in the county may use additional revenue that is allocated each year for economic development purposes.

Enrolled Act: SEA 1, Sec. 184

Code: IC 6-3.6-11-7

Effective date: January 1, 2028

- Changes a reference from “additional revenue” to “general purpose” revenue to comport with IC 6-3.6-6-2(b)(1).

Enrolled Act: SEA 1, Sec. 185

Code: IC 6-3.6-11-7.5

Effective date: January 1, 2028

- Changes a reference to a subsection in IC 6-3.6-9-5 that was renumbered as a result of SECTION 158 of this bill.

Enrolled Act: SEA 1, Sec. 188

Code: IC 6-6-6.5-13

Effective date: January 1, 2027

- Adds parentheses to referenced property tax statutes that are set to expire as a result of this bill.

Enrolled Act: SEA 1, Sec. 189

Code: IC 6-8.1-6-9

Effective date: July 1, 2025

- Requires DOR to include on the adjusted gross income tax return a requirement that taxpayers identify the address of the taxpayers' principal place of residence starting with the individual adjusted gross income tax return for taxable years beginning in 2025.

Enrolled Act: SEA 1, Sec. 190

Code: IC 6-9-10.5-8

Effective date: July 1, 2027

- Removes a reference to IC 6-3.6-6-9, which is repealed in SECTION 132 of this bill, and replaces it with a reference to IC 6-3.6-6 generally.

SEA 2 – Medicaid Matters

Enrolled Act: SEA 2, Sec. 2

Code: IC 6-8.1-7-1

Effective date: July 1, 2025

- Modifies DOR's confidentiality statute to allow DOR to disclose the information described in subsection (a) of the statute that relates to a person on public welfare or a person who has made application for public welfare to the office of the secretary of family and social services for purposes of IC 12-15-1-24, a new statute created in SECTION 6 of this bill.

SEA 5 – State Fiscal and Contracting Matters

Enrolled Act: SEA 5, Sec. 1

Code: IC 4-12-1-7.5

Effective date: July 1, 2025

- Provides that a state agency may use artificial intelligence software to prepare a statement required under IC 4-12-1-7 or any budget projections for the state agency.

Enrolled Act: SEA 5, Sec. 2

Code: IC 4-12-19

Effective date: July 1, 2025

- Provides that IC 4-12-19 does not apply to a request for new federal funds that is subject to a nondisclosure agreement to prevent the disclosure of confidential or proprietary business information.
- Defines "new federal funds," which means federal assistance or other funds that are available from the federal government, which the state is not currently receiving, or a federal assistance program or other federal program, in which the state is not currently participating.

- Requires state agencies to provide a report to the budget committee not later than January 1, April 1, July 1, and October 1 of each year that details the requests for new federal funds or to participate in a new federal program submitted by the state agency since the date of the state agency's last report under these requirements.
- Stipulates that a state agency may not:
 - accept an award of new federal funds if acceptance of the federal funds:
 - requires a state match of funding;
 - would require additional permanent full-time employees related to the funding; or
 - would mandate new requirements that must be met by the state of Indiana; or
 - participate in a new federal program;

before the report under the provision below has been reviewed by the budget committee. However, provides that budget committee is not required before the acceptance of an award of new federal funds if the acceptance does not entail any of the requirements described above, but the request for new federal funds must nevertheless be included in the report to the budget committee.
- To obtain budget committee review, a state agency shall submit a report containing:
 - the amount of money that is being requested or is available to be received by the state from the federal government for the new federal funds request;
 - the amount of new state money, if any, that will be required to receive the new federal funds or to participate in the new federal program;
 - the number of additional permanent full-time employees, if any, the state agency estimates are necessary to receive the new federal funds or to participate in the new federal program;
 - any requirement the state must meet as a condition for receiving the new federal funds or participating in the new federal program; and
 - the state agency's application for the new federal funds or the new federal program.
- A state agency shall submit a report required in IC 4-12-19 in the form and manner designated by the budget committee.

Enrolled Act: SEA 5, Sec. 3

Code: IC 4-13-1-29

Effective date: July 1, 2025

- Provides that to the extent a contract entered into by a state agency is required to be posted on the Indiana transparency website, the state agency shall provide the contract to the DOA for inclusion on the Indiana transparency website no later than 30 days after the contract is fully executed.
- Requires all contracts provided to the DOA for inclusion on the Indiana transparency website to be electronically downloadable, and that the information contained in a search of the contracts on the Indiana transparency website must be available to download in an accessible spreadsheet format regardless of the maximum number of rows.

Enrolled Act: SEA 5, Sec. 6

Code: IC 5-35.7

Effective date: Upon Passage

- Requires that not later than January 1, 2026, and not later than each January 1, April 1, July 1, and October 1 thereafter, a state agency must submit a report in an electronic format to the budget committee that provides information regarding the following contracts (with the maximum contract amount of not less than \$500,000) of the state agency:
 - For a report due January 1, active contracts as of December 1 of the prior year.
 - For a report due April 1, active contracts as of March 1 of that year.
 - For a report due July 1, active contracts as of June 1 of that year.
 - For a report due October 1, active contracts as of September 1 of that year.
- Stipulates that the report must include the following information:
 - The current contract expenditures compared with the maximum contract amount of the contract.
 - Any changes made to the terms of the initial contract since the prior report, including amendments or change orders, with an explanation of necessity.
 - The metrics used by the state agency to assess the success and performance of the contract.
- Provides that, starting with a state fiscal year that begins on or after July 1, 2025, and unless otherwise provided by law, any funds appropriated by the general assembly to a state agency for an expense related to a contract that remain unused 90 days after the end of the term of the contract:
 - must be unallotted by the budget agency and no longer available for the state agency's use; and
 - on the June 30 after the funds are unallotted, revert to the fund from which they were appropriated.
- Provides that a contract between a state agency and a contractor that is entered into, renewed, or amended after June 30, 2026, and has a maximum contract amount of not less than \$500,000 in the initial contract, must contain the following provisions:
 - To the extent practicable, clearly defined scopes and success metrics.
 - Liquidated damages or other remedies for missed deadlines or overages.
 - A requirement for either of the following:
 - An independent third party review verifying that the parties to the contract performed their obligations under the contract in compliance with the terms of the contract.
 - Other appropriate methods or means for verification and validation of the terms of the contract.

Provides that not later than March 1, 2026, the DOA shall provide contract language in its contract templates for state agencies to include the provisions required above.

- Requires a state agency to provide a report to the budget committee not later than January 1, April 1, July 1, and October 1 of each year, in the form and manner designated by the budget committee, that details the amendments for contracts entered into, renewed, or amended after June 30, 2025 and entered into by the state agency since the date of the last report under this statute to which at least one of the following applies:
 - For any contract, increase the maximum contract amount by an amount that is not less than \$500,000.
 - For an initial contract with a maximum contract amount of not less than \$500,000, extend the term of the initial contract for a period of not less than six months.
- Provides that all active contracts that are funded in part or in full by state appropriated funds, including state, federal, and dedicated funds, shall within 30 days of entering into the contract be

submitted to the state budget agency and the DOA for inclusion on the state transparency portal under IC 5-14-3.5-2. Further provides that the state budget agency shall on or before June 1, 2026, and June 1 each year thereafter compile a report of all contracts submitted for the immediately preceding calendar year and submit the report to the state budget committee. However, this requirement does not apply to a contract solely entered into for licensed legal counsel.

- Requires that all contract opportunities of state agencies must be posted in the form of a request for proposals or a request for quotations on the DOA's website at least 30 days prior to the contract being awarded. However, this requirement does not apply to the following:
 - A contract solely entered into for licensed legal counsel.
 - A purchase subject to the small purchase policies established by a state agency under IC 5-22-8.
 - A contract for services provided by a bank holding company or its subsidiaries or for investments, investment services, or financial services entered into by the treasurer of state under IC 4-8.1, IC 5-13, or IC 10-12.
 - A contract entered into with a program established under IC 11-10-7-2.
- Mandates that except as otherwise required by law, a state agency shall not enter into a nonpublic contract. Defines a "nonpublic contract," which means a contract that is entered into without solicitation of proposals or competitive procurement. However, the term does not include a contract entered into under the following:
 - IC 5-22-10.
 - IC 4-13.6-5-5 (Emergency conditions).
 - An agreement or contract described in IC 31-25-4-13.1.

SEA 80 – Code Publication

Enrolled Act: SEA 80, Sec. 65

Code: IC 6-2.5-8-7

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-9.3 to IC 35-48-1.1-8.

Enrolled Act: SEA 80, Sec. 66

Code: IC 6-3-2-3.1

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

Enrolled Act: SEA 80, Sec. 67

Code: IC 6-3-4-8

Effective date: July 1, 2025

- Updates a reference of IC 3-5-2-40.1 to IC 3-5-2.1-82.

Enrolled Act: SEA 80, Sec. 68

Code: IC 6-3.5-5-1

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

Enrolled Act: SEA 80, Sec. 69

Code: IC 6-3.5-11-1

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

Enrolled Act: SEA 80, Sec. 70

Code: IC 6-7-3-1

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-11 to IC 35-48-1.1-10.

Enrolled Act: SEA 80, Sec. 71

Code: IC 6-7-3-2

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-18 to IC 35-48-1.1-28.

Enrolled Act: SEA 80, Sec. 72

Code: IC 6-7-3-4

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-19 to IC 35-48-1.1-29.

Enrolled Act: SEA 80, Sec. 73

Code: IC 6-7-3-4.1

Effective date: July 1, 2025

- Updates a reference of IC 35-48-1-19 to IC 35-48-1.1-29.

Enrolled Act: SEA 80, Sec. 74

Code: IC 6-8.1-16.3-1

Effective date: July 1, 2025

- Updates multiple references in IC 34-6.

SEA 306 – Film and Media Production Tax Credit

Enrolled Act: SEA 306, Sec. 1

Code: IC 6-3.1-36-11.5

Effective date: January 1, 2026

- Provides a taxpayer may assign any part of the film and media production tax credit that the taxpayer may claim. A credit that is assigned remains subject to the requirements of the remainder of IC 6-3.1-36.
- Further provides that a taxpayer may make only one assignment of a credit and that if a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another taxpayer.
- Requires that the taxpayer must notify the corporation of the assignment of the credit in the manner prescribed by the corporation before a credit may be assigned.
- Requires that an assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and the assignee's state tax returns for the year in which the assignment is made in a manner prescribed by DOR.
- Further provides that a taxpayer may not receive value in connection with an assignment that exceeds the value of the part of the credit assigned.

Enrolled Act: SEA 306, Sec. 2

Code: IC 6-3.1-36-11.7

Effective date: July 1, 2025

- Provides that any single film and media production tax credit may not exceed \$250,000, and that the aggregate amount of credits may not exceed \$2,000,000.

Enrolled Act: SEA 306, Sec. 3

Code: IC 6-3.1-36-13

Effective date: July 1, 2025

- Extends the expiration date of the film and media production tax credit chapter to July 1, 2031, from July 1, 2027.

Enrolled Act: SEA 306, Sec. 4

Code: Non-Code

Effective date: January 1, 2026

- Provides that IC 6-3.1-36-11.5, as added in SECTION 1 of this bill, applies to taxable years beginning after December 31, 2025.

SEA 314 – Tax Exemption for Eligible Events

Enrolled Act: SEA 314, Sec. 1

Code: IC 6-8-12-1

Effective date: Upon Passage

- Adds the Women’s National Basketball Association (WNBA, and its affiliates) to the list of “eligible entities” able to use certain tax exemptions for “eligible events.”

Enrolled Act: SEA 314, Sec. 2

Code: IC 6-8-12-2

Effective date: Upon Passage

- Removes references to the National Basketball Association (NBA) from the description of an all-star game being an “eligible event,” and instead includes statutory references to both the NBA and WNBA in IC 6-8-12-1(a)(3) and (4), respectively, so that an all-star game conducted by either organization would be an “eligible event.”

Enrolled Act: SEA 314, Sec. 3

Code: IC 6-8-12-3

Effective date: Upon Passage

- Removes reference to the NBA from the description of an all-star game being an “eligible event,” and instead includes statutory reference to both the NBA and WNBA in IC 6-8-12-1(a)(3) and (4), respectively, for purposes of clarifying that the wages and salaries of either organization would be exempt when paid in connection with an “eligible event.”

SEA 451 – Income Tax Rate

Enrolled Act: SEA 451, Sec. 1

Code: IC 6-3-2-1

Effective date: July 1, 2025

- Adds a new definition of “state fiscal year” to mean the annual period commencing July 1 of a given year and ending June 30 of the following year.
- Makes an expiration date for the 2.9% individual income tax rate before January 1, 2030.
- Provides that for taxable years beginning after December 31, 2029, and before January 1, 2032, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2025; June 30, 2026; June 30, 2027; and June 30, 2028, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2029, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2028.
- Provides that for taxable years beginning after December 31, 2033, and before January 1, 2036, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:

- State general fund revenue collections in the state fiscal years ending June 30, 2029; June 30, 2030; June 30, 2031; and June 30, 2032, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2033, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2032.
- Provides that for taxable years beginning after December 31, 2035, and before January 1, 2038, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2031; June 30, 2032; June 30, 2033; and June 30, 2034, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2035, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2034.
- Provides that for taxable years beginning after December 31, 2037, and before January 1, 2040, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2033; June 30, 2034; June 30, 2035; and June 30, 2036, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2037, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2036.
- Provides that for taxable years beginning after December 31, 2039, and before January 1, 2042, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2035; June 30, 2036; June 30, 2037; and June 30, 2038, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2039, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2038.

- Provides that for taxable years beginning after December 31, 2041, and before January 1, 2044, the state individual tax rate shall be decreased by the percentage point of five one-hundredths of one percent (0.05%) beginning January 1 of the even-numbered year immediately succeeding the year, subject to a new SBA determination, so long as the following have been met:
 - State general fund revenue collections in the state fiscal years ending June 30, 2037; June 30, 2038; June 30, 2039; and June 30, 2040, exceed by at least three and one-half percent (3.5%) the state general fund revenue collections for the respective immediately preceding state fiscal year.
 - The amount of forecasted state general fund revenue collections for the state fiscal year ending June 30, 2041, are estimated to exceed by at least three and one-half percent (3.5%) the state general fund revenue collections in the state fiscal year ending June 30, 2040.
- Provides that for taxable years beginning after December 31, 2043, the tax rate in effect in taxable years beginning after December 31, 2042, remains in effect.
- Requires the state budget agency at the end of each even-numbered state fiscal year to calculate and compare the percentage of revenue growth in state general fund revenue collections between state fiscal years as described in the items above, including the comparison of the percentage of revenue growth between the amount of forecasted state general fund revenue collections for particular state fiscal years and the actual state general fund revenue collections for particular state fiscal years, to determine whether the conditions described in the items above are satisfied. The budget agency shall make these calculations not later than 30 days after the end of each even-numbered state fiscal year.
- Further requires the state budget agency not later than September 1 of each even-numbered calendar year to certify the results to DOR and to the legislative council, and report to the state budget committee for review the percentage of revenue and the adjusted gross income tax rate determination made for the following even-numbered year under these requirements.
- Requires DOR not later than November 1 of each odd-numbered calendar year to provide notice of the determination and the applicable tax rates for each even-numbered calendar year on DOR's website in a departmental notice.

Enrolled Act: SEA 451, Sec. 2

Code: IC 6-3-2-1.7

Effective date: July 1, 2025

- Changes a reference to a subsection in IC 6-3-2-1 that was renumbered as a result of SECTION 1 of this bill.

Enrolled Act: SEA 451, Sec. 3

Code: IC 6-3-4.5-1

Effective date: July 1, 2025

- Changes references to subsections in IC 6-3-2-1 that were renumbered as a result of SECTION 1 of this bill.

Enrolled Act: SEA 451, Sec. 4

Code: IC 6-3-4.5-9

Effective date: July 1, 2025

- Changes references to subsections in IC 6-3-2-1 that were renumbered as a result of SECTION 1 of this bill.

Enrolled Act: SEA 451, Sec. 5

Code: IC 6-3-4.5-18

Effective date: July 1, 2025

- Changes references to subsections in IC 6-3-2-1 that were renumbered as a result of SECTION 1 of this bill.

SEA 453 – Various Tax Matters

Enrolled Act: SEA 453, Sec. 1

Code: IC 6-2.5-1-5

Effective date: January 1, 2026

- Provides that the gross retail income received on the sale of kerosene (as defined in IC 16-44-2-2) is the total sales price of the kerosene minus the part of that price attributable to tax imposed under IC 6-6-2.5 (in the case of special fuel) or Section 4041 or Section 4081 of the Internal Revenue Code.

Enrolled Act: SEA 453, Sec. 2

Code: IC 6-2.5-3-11

Effective date: July 1, 2025

- Provides that if a person purchases services or items other than tangible personal property in a retail transaction subject to sales tax where the person does not remit the full amount of sales tax on the transaction, and the transaction is not exempt, then the person is liable for the tax not collected.
- Further provides that any tax due as a result of this statute shall be reported and remitted in the same manner as prescribed by DOR for the use tax under IC 6-2.5-3.

Enrolled Act: SEA 453, Sec. 3

Code: IC 6-2.5-3.5-20

Effective date: January 1, 2026

- Changes the reporting requirement for gasoline use tax, so that instead of filing returns on the tenth and twenty fifth-day of each for gasoline sold between those two dates, as well as reconciliation report due before the end of the month, refiners, terminal operators, and qualified distributors are required to file one return before the twentieth day of each month that contains any information reasonably necessary by DOR to determine the tax due.

Enrolled Act: SEA 453, Sec. 4

Code: IC 6-2.5-3.5-27

Effective date: July 1, 2025

- Provides that if a person purchases gasoline that is subject to gasoline use tax and claims an exemption from tax under IC 6-2.5 or otherwise causes the gasoline use tax to not be remitted to DOR, then the person purchasing the gasoline shall be liable for any unpaid gasoline use tax that otherwise would be due on the gasoline so purchased. For purposes of this statute, gasoline for which tax was paid but subsequently refunded shall be considered gasoline for which tax was not remitted to DOR.
- Stipulates that any tax due under this statute shall be reported and remitted on forms and in the manner prescribed by DOR.

- Further provides that any tax due under this statute shall be imposed at the rate for which the gasoline use tax otherwise would have been imposed, which shall be due on the twentieth day of the month immediately following the month of the purchase of gasoline.

Enrolled Act: SEA 453, Sec. 5

Code: IC 6-2.5-7-1

Effective date: January 1, 2026

- Repeals IC 6-2.5-7-1, which provided definitions of fuel pertinent to this chapter (IC 6-2.5-7) dealing with metered pump reporting.

Enrolled Act: SEA 453, Sec. 6

Code: IC 6-2.5-7-3

Effective date: January 1, 2026

- Repeals IC 6-2.5-7-3, which provided instructions for metered pump reporting.

Enrolled Act: SEA 453, Sec. 7

Code: IC 6-3-2.1-6

Effective date: January 1, 2026

- Changes references to a subsection in IC 6-3-4-4.1 that was renumbered as a result of SECTION 10 of this bill.

Enrolled Act: SEA 453, Sec. 8

Code: IC 6-3-3-12

Effective date: January 1, 2026

- Replaces references to "college choice 529" with "Indiana529."
- Revises the amount of a credit that a taxpayer is entitled to. The new amount is 20% multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of an Indiana529 plan during the taxable year. The previous amount was 20% multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified higher education expenses that are not qualified K-12 education expenses, plus 20% multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified K-12 education expenses.
- Removes the requirement that at the time a contribution is made to, or a withdrawal is made from, an account or accounts of a college choice 529 education savings plan, the person making the contribution or withdrawal must designate whether the contribution is made for, or the withdrawal will be used for, qualified higher education expenses that are not qualified K-12 education expenses or qualified K-12 education expenses. The Indiana education savings authority (IC 21-9-3) shall use subaccounting to track the designations.

Enrolled Act: SEA 453, Sec. 9

Code: IC 6-3-3-12.1

Effective date: January 1, 2026

- Replaces references to "college choice 529" with "Indiana529."

Enrolled Act: SEA 453, Sec. 10

Code: IC 6-3-4-4.1

Effective date: January 1, 2026

- Provides that if an individual does not file a return for the preceding taxable year and the individual can establish that the individual did not have a liability under IC 6-3 and IC 6-3.6, then Section 6654 of the Internal Revenue Code shall be applied as if the tax liability for the preceding taxable year under IC 6-3 9 and IC 6-3.6 was \$0.

Enrolled Act: SEA 453, Sec. 11

Code: IC 6-3-4-4.2

Effective date: January 1, 2026

- Adds a new definition of "final tax liability" as the reported tax liability for a taxable year with three exceptions.
- Provides that a final tax liability for a short taxable year is the liability divided by the number of estimated payments required and multiplied by four.
- Clarifies that when a return is properly not filed for a taxable year, the final tax liability for that year is zero.
- Provides that when a previous year's reported liability is zero, the current tax year's liability for estimated tax purposes is zero.
- Adds a new definition of "reported tax liability" as the tax liability reported by the taxpayer after application of credits other than payments.
- Clarifies that the tax for a period includes any recaptured tax credits.
- Provides that in the case of an improperly unfiled return, the reported tax liability is the greater of that year's tax liability as determined by the department or the following year's tax liability.
- Clarifies application of withholding and PTET payments for estimated tax purposes.
- Clarifies that reduced estimated tax payments resulting from using an annualization method must be recaptured in the manner provided by IRC section 6655.
- Provides that a corporation cannot use a disallowed annualization method.
- Provides that the penalty on underpayments is based only on the shortfall in the estimated tax payment (previously this was based on the current-year tax minus any estimated payment).
- Otherwise recodifies the corporate estimated tax provisions previously in IC 6-3-4-4.1.

Enrolled Act: SEA 453, Sec. 12

Code: IC 6-3-4-17

Effective date: January 1, 2026

- Changes references to a subsection in IC 6-3-4-4.1 that was renumbered as a result of SECTION 10 of this bill.

Enrolled Act: SEA 453, Sec. 13

Code: IC 6-5.5-6-3

Effective date: January 1, 2026

- Provides that if the taxpayer has a taxable year that is less than 12 months, the estimated payments under this statute shall be adjusted in the manner prescribed by Section 6655 of the Internal Revenue Code and applicable regulations.

Enrolled Act: SEA 453, Sec. 14

Code: IC 6-5.5-7-1

Effective date: January 1, 2026

- Adds a definition of "final tax liability" for purposes of financial institutions tax estimated tax payments.

Enrolled Act: SEA 453, Sec. 15

Code: IC 6-7-2-7

Effective date: July 1, 2025

- Makes a technical correction to the wording of a distributor-to-distributor transaction.
- Changes a reference from "Internet web site" to "website."

Enrolled Act: SEA 453, Sec. 16

Code: IC 6-7-2-7.5

Effective date: July 1, 2025

- Clarifies that the closed system cartridge tax may be imposed when the distributor first receives the closed system cartridges in Indiana in the case of distributor-to-distributor transactions.

Enrolled Act: SEA 453, Sec. 17

Code: IC 6-7-2-8

Effective date: July 1, 2025

- Increases the rate of renewal for a distributor's license under this statute from one year to two years.

Enrolled Act: SEA 453, Sec. 18

Code: IC 6-7-2-8.5

Effective date: July 1, 2025

- Increases the rate of renewal for a distributor's license under this statute from one year to two years.

Enrolled Act: SEA 453, Sec. 19

Code: IC 6-7-2-10

Effective date: July 1, 2025

- Increases the period of validity for a distributor's license under this statute from one year to two years.

Enrolled Act: SEA 453, Sec. 20

Code: IC 6-7-4-10

Effective date: July 1, 2025

- Increases the rate of renewal for a retail dealer's certificate under this statute from one year to two years.

Enrolled Act: SEA 453, Sec. 21

Code: IC 6-8.1-1-4.5

Effective date: July 1, 2025

- Revises the definition of "periodic tax" to clarify that the term does not include an estimated tax payment under IC 6-3-4-4.2 (a new statute created in SECTION 11 of this bill), nor does it include a tax imposed on a purchaser if the purchaser fails to remit a periodic tax to a retail merchant.

Enrolled Act: SEA 453, Sec. 22

Code: IC 6-8.1-3-7.1

Effective date: Upon Passage

- Clarifies that DOR and the fiscal officer of an entity that has adopted an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9 shall enter into an agreement to furnish the fiscal officer annually with information, as opposed to putting the onus on DOR to enter into an agreement with the fiscal officer.
- Clarifies that DOR and the fiscal officer of a capital improvement board of managers shall enter into an agreement to furnish the fiscal officer annually with information, as opposed to putting the onus on DOR to enter into an agreement with the fiscal officer.

Enrolled Act: SEA 453, Sec. 23

Code: IC 6-8.1-7-1.5

Effective date: Upon Passage

- Adds a new code provision for purposes of determining what is not a periodic tax.
- Provides that a periodic tax includes a use tax or equivalent tax imposed on a purchaser when the purchaser fails to pay tax to a retail merchant.

Enrolled Act: SEA 453, Sec. 24

Code: IC 6-8.1-19

Effective date: January 1, 2026

- Adds a new provision imposing a tax on a purchaser when a purchaser fails to remit tax and the tax is required to be paid as an added amount to the consideration paid to the seller.
- Provides that payment of the tax followed by a refund is considered nonpayment of the tax.
- Stipulates that the due date of the tax is the 20th day of the month following the transaction.
- Provides that payment of tax to an erroneous jurisdiction, the tax is only on the difference in tax between the jurisdictions.
- Provides that if a taxpayer should have paid innkeeper's or food and beverage tax on transactions conducted through a marketplace facilitator and the department publishes a different rate than the rate imposed by the locality, the tax is imposed at the rate listed by the department on its website.
- Provides that the distribution of any tax collected under the chapter shall be distributed according to the provisions of the underlying tax (e.g., a municipal tax goes to the municipality).

Enrolled Act: SEA 453, Sec. 25

Code: IC 8-2.1-17-6.5

Effective date: July 1, 2025

- Makes a technical change to the wording of the statute.

Enrolled Act: SEA 453, Sec. 26

Code: IC 8-2.1-22-2.1

Effective date: January 1, 2012 (Retroactive)

- Removes reference to a "permit."

Enrolled Act: SEA 453, Sec. 27

Code: IC 8-2.1-22-4

Effective date: July 1, 2025

- Removes requirement on DOR to hold a hearing for failure to comply and issuance of orders and instead requires DOR to notify the common or contract carrier, in a manner prescribed by DOR, to compel compliance.

Enrolled Act: SEA 453, Sec. 28

Code: IC 8-2.1-22-10

Effective date: July 1, 2025

- Removes reference to IC 8-2.1-22-11 and 13, which are repealed as a result of SECTIONS 29 and 31 (respectively) of this bill.

Enrolled Act: SEA 453, Sec. 29

Code: IC 8-2.1-22-11

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-11, which discussed public hearing requirements in order to obtain a certificate to transport passengers.

Enrolled Act: SEA 453, Sec. 30

Code: IC 8-2.1-22-12.5

Effective date: July 1, 2025

- Clarifies that this statute applies to carriers of passengers as well.
- Removes requirement on DOR to hold a hearing and considering transportation services provided by other carriers of household goods by motor vehicle, railroad, or other means, that operate in the proposed territory of the person that is applying for a certificate.
- Creates a new application process for carriers of household goods and passengers to obtain a certificate, requiring the applicant to submit a completed application form prescribed by DOR, a certificate of existence from the secretary of state, proof of insurance in a format prescribed by DOR, the tariff amount that the carrier intends to charge pursuant to IC 8-2.1-22-23, and, in the case of a contract carrier, the contracts under which the carrier will be operating pursuant to IC 8-2.1-22-26.
- Requires DOR to charge an application fee as required under IC 8-2.1-22-40.
- Permits DOR to consider, among other things, the following in determining whether a certificate shall be granted:
 - Whether the applicant has any tax liabilities and has filed all appropriate tax returns with DOR.
 - Whether the applicant is up to date on all unified carrier registration payments.
 - Whether the applicant has any current out of service orders issued by the Federal Motor Carrier Safety Administration.
 - Whether the applicant is properly insured.
 - Whether the operations will threaten the safety of the public or be detrimental to the public welfare.
- Requires DOR to issue a receipt of registration to the carrier in addition to issuing a certificate once DOR approves an application. Further requires the carrier to keep a copy of the receipt in each of its vehicles at all times.

Enrolled Act: SEA 453, Sec. 31

Code: IC 8-2.1-22-12.8

Effective date: July 1, 2025

- Provides that a carrier that has been issued a certificate to transport household goods or passengers for compensation will be subject to the annual registration receipt requirements under IC 8-2.1-24-20, and that a carrier that fails to meet the requirements under that provision may have their certificate denied by DOR.

Enrolled Act: SEA 453, Sec. 32

Code: IC 8-2.1-22-13

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-13, which discussed public hearing procedures.

Enrolled Act: SEA 453, Sec. 33

Code: IC 8-2.1-22-15

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes language requiring a public hearing.

Enrolled Act: SEA 453, Sec. 34

Code: IC 8-2.1-22-16

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-16, which discussed contract carrier requirements before operating.

Enrolled Act: SEA 453, Sec. 35

Code: IC 8-2.1-22-17

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-17, which discussed contract carrier requirements before operating.

Enrolled Act: SEA 453, Sec. 36

Code: IC 8-2.1-22-22

Effective date: July 1, 2025

- Moves civil action procedures from DOR to the OAG.

Enrolled Act: SEA 453, Sec. 37

Code: IC 8-2.1-22-22.5

Effective date: July 1, 2025

- Provides that a person who violates a provision of IC 8-2.1-22 involving a consumer transaction (as defined in IC 24-5-0.5-2(a)(1)) entailing the transportation of passengers or household goods commits a deceptive act that is actionable by the attorney general under IC 24-5-0.5 and is subject to the remedies and penalties under IC 24-5-0.5, in addition to all other remedies and penalties under IC 8-2.1-22.

Enrolled Act: SEA 453, Sec. 38

Code: IC 8-2.1-22-23

Effective date: July 1, 2025

- Removes reference to railroad transportation routes.

Enrolled Act: SEA 453, Sec. 39

Code: IC 8-2.1-22-24

Effective date: July 1, 2025

- Removes hearing requirements on DOR for granting relief from charging less than the minimum rates posted.

Enrolled Act: SEA 453, Sec. 40

Code: IC 8-2.1-22-27

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-27, which provided for the issuance and requirements of a brokerage license.

Enrolled Act: SEA 453, Sec. 41

Code: IC 8-2.1-22-27.5

Effective date: July 1, 2025

- Provides that a person may not engage in any of the following activities unless the person has obtained a brokerage license from DOR:
 - sell or offer for sale transportation subject to IC 8-2.1-22 for compensation;
 - make any contract, agreement, or arrangement to provide, procure, furnish, or arrange for the transportation of passengers; or
 - profess by advertisement, solicitation, or otherwise as one who sells, provides, procures, contracts, or arranges for the transportation of passengers.
- Stipulates that in the execution of any contract, agreement, or arrangement to sell, provide, procure, furnish, or arrange for the transportation of passengers, a person may not employ any common or contract carrier who is not the lawful holder of an effective certificate issued as provided in IC 8-2.1-22.
- Provides that a person is not required to obtain a brokerage license from DOR if the person holds a certificate under IC 8-2.1-22, or if the person is an employee or agent of the motor carrier, when that person furnishes transportation wholly by the carrier or jointly with other motor carriers holding like certificates.
- Creates a new application process for brokerage licenses, requiring the applicant to submit a completed application form prescribed by DOR, a certificate of existence from the secretary of state, and a surety bond.
- Provides that the license must be renewed DOR on an annual basis.
- Permits DOR to consider, among other things, the following in determining whether a license shall be granted:
 - Whether the applicant has any tax liabilities and has filed all appropriate tax returns with DOR.
 - Whether the applicant is up to date on all unified carrier registration payments.
 - Whether the applicant is properly insured.
- Stipulates that DOR and its special agents and examiners have the same authority concerning accounts, reports, and records, including inspection and preservation of the accounts, reports, and records of any person holding a brokerage license issued under this statute, that DOR and

DOR's special agents and examiners have under IC 8-2.1-22 with respect to motor carriers subject to IC 8-2.1-22.

- Requires DOR to charge an application fee as required under IC 8-2.1-22-40, as well as a renewal fee.
- Provides that a person who violates this statute commits a Class C infraction.

Enrolled Act: SEA 453, Sec. 42

Code: IC 8-2.1-22-28

Effective date: July 1, 2025

- Repeals IC 8-2.1-22-28, which provided requirements on carriers as of December 31, 1982.

Enrolled Act: SEA 453, Sec. 43

Code: IC 8-2.1-22-30

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes language requiring a public hearing.

Enrolled Act: SEA 453, Sec. 44

Code: IC 8-2.1-22-36

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes reference to IC 8-2.1-22-11 and 13, which are repealed as a result of SECTIONS 29 and 31 (respectively) of this bill.

Enrolled Act: SEA 453, Sec. 45

Code: IC 8-2.1-22-37

Effective date: July 1, 2025

- Removes a reference to a "permit."

Enrolled Act: SEA 453, Sec. 46

Code: IC 8-2.1-22-40

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes language requiring a public hearing and the fees for such.
- Provides that a common carrier reinstatement shall only occur within two years of the voluntarily ceased operations date provided to DOR by the carrier.
- Repeals a fee for applications requesting permission to deviate from DOR's tariff publishing regulations.

Enrolled Act: SEA 453, Sec. 47

Code: IC 8-2.1-22-42

Effective date: July 1, 2025

- Increases the criminal sanction from an infraction to a misdemeanor for not displaying identification required by IC 8-2.1-22.

Enrolled Act: SEA 453, Sec. 48

Code: IC 8-2.1-22-44

Effective date: July 1, 2025

- Adds a statutory reference for the motor carrier regulation fund.

Enrolled Act: SEA 453, Sec. 49

Code: IC 8-2.1-22-45

Effective date: July 1, 2025

- Increases the criminal sanction from an infraction to a misdemeanor for augmenting equipment.

Enrolled Act: SEA 453, Sec. 50

Code: IC 8-2.1-22-46

Effective date: July 1, 2025

- Removes references to a "permit."
- Removes reference to transporting railroad employees.

Enrolled Act: SEA 453, Sec. 51

Code: IC 8-2.1-23-2

Effective date: July 1, 2024 (Retroactive)

- Provides additional statutory references relating to vehicle transportation fees under IC 9 that will now be deposited in the motor carrier regulation fund.

Enrolled Act: SEA 453, Sec. 52

Code: IC 9-17-2-20

Effective date: July 1, 2024 (Retroactive)

- Stipulates that this statute applies after June 30, 2024, and applies only to fees, penalties, and fines described in IC 9-17-2 that are collected by DOR pursuant to IC 9-18.1-13-2.
- Provides that for any portion of fees, penalties, or fines collected by DOR that require deposit into the commission fund, DOR shall instead deposit a certain amount of that portion into the motor carrier regulation fund established by IC 8-2.1-23-1 as follows:
 - \$25 for the speed title fee imposed pursuant to IC 9-17-2-13.5.
 - For the title fee imposed pursuant to IC 9-17-2-14.5, \$2.50 shall be deposited in the motor carrier regulation fund, and \$2.50 shall be deposited in the commission fund.
- Provides that, except as provided above, all other distributions shall be deposited as required by the provisions of IC 9-17-2.

Enrolled Act: SEA 453, Sec. 53

Code: IC 9-17-3-2

Effective date: July 1, 2024 (Retroactive)

- Provides that after June 30, 2024, when a duplicate certificate of title fee is collected by DOR, instead of depositing \$3.75 into the commission fund as required elsewhere in this statute, DOR shall instead deposit \$1.88 of that amount into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.

Enrolled Act: SEA 453, Sec. 54

Code: IC 9-18.1-5-10.7

Effective date: July 1, 2024 (Retroactive)

- Stipulates that this statute applies after June 30, 2024, and applies only to fees described in IC 9-18.1-5 that are collected by DOR pursuant to IC 9-18.1-13-3.
- Provides that for any portion of fees collected by DOR that require deposit into the commission fund, DOR shall instead deposit 90% of that portion into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.
- Provides that, except as provided above, all other distributions shall be deposited as required by the provisions of IC 9-18.1-5.

Enrolled Act: SEA 453, Sec. 55

Code: IC 9-18.1-6-4

Effective date: July 1, 2024 (Retroactive)

- Provides that after June 30, 2024, when a fee to register a recovery vehicle under this statute is collected by DOR, instead of depositing \$3.10 into the commission fund as required elsewhere in this statute, DOR shall instead deposit 90% of that amount into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.

Enrolled Act: SEA 453, Sec. 56

Code: IC 9-18.1-11-11

Effective date: July 1, 2024 (Retroactive)

- Stipulates that this statute applies after June 30, 2024, and applies only to fees described in IC 9-18.1-5 that are collected by DOR.
- Provides that for any portion of fees collected by DOR that require deposit into the commission fund, DOR shall instead deposit 90% of that portion into the motor carrier regulation fund established by IC 8-2.1-23-1, and the remainder shall be deposited in the commission fund.
- Provides that, except as provided above, all other distributions shall be deposited as required by the provisions of IC 9-18.1-5.

Enrolled Act: SEA 453, Sec. 57

Code: IC 9-18.1-13-7

Effective date: July 1, 2024 (Retroactive)

- Changes the distribution of administrative penalties collected by DOR under this statute, so that any penalty collected before July 1, 2024, is deposited in the commission fund, and after June 30, 2024, 10% is deposited in the commission fund and 90% in the motor carrier regulation fund.

Enrolled Act: SEA 453, Sec. 58

Code: IC 35-52-8-4.6

Effective date: July 1, 2025

- States that IC 8-2.1-22-42, amended in SECTION 47 of this bill, defines a crime concerning intrastate motor carriers.

Enrolled Act: SEA 453, Sec. 59

Code: IC 35-52-8-4.8

Effective date: July 1, 2025

- States that IC 8-2.1-22-45, amended in SECTION 49 of this bill, defines a crime concerning intrastate motor carriers.

Enrolled Act: SEA 453, Sec. 60

Code: Non-Code

Effective date: July 1, 2025

- Provides that IC 6-2.5-3-11, as added in SECTION 2 of this bill, is effective for transactions occurring after June 30, 2025, meaning the following:
 - With respect to a transaction constituting the furnishing of telephone or related services, cable television or similar video and related services, cable radio, satellite television, or satellite radio services and related commodities, only transactions for which the charges are collected upon original statements and billings dated after July 31, 2025, shall be considered as having occurred after June 30, 2025.
 - With respect to a transaction constituting the entering into or renewal of a computer software maintenance contract, only contracts entered into by both parties after June 30, 2025, shall be considered as having occurred after June 30, 2025. For purposes of these requirements, the automatic or permissive renewal of a previously existing contract shall be treated as occurring on the date the renewal is effective.
 - All other transactions shall be considered as having occurred after June 30, 2025, to the extent that delivery of the services or items constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2025, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2025, and payment for the services or items furnished in the transaction is made before July 1, 2025, notwithstanding the delivery of the services or items after June 30, 2025.

Enrolled Act: SEA 453, Sec. 61

Code: Non-Code

Effective date: July 1, 2025

- Provides that IC 6-2.5-3.5-27, as added by SECTION 4 of this bill, shall be effective for transactions occurring after June 30, 2025.
- Stipulates that a transaction is considered as having occurred after June 30, 2025, to the extent that delivery of the gasoline is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2025, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2025, and payment for the gasoline furnished in the transaction is made before July 1, 2025, notwithstanding the delivery of the gasoline after June 30, 2025.

Enrolled Act: SEA 453, Sec. 62

Code: Non-Code

Effective date: July 1, 2025

- Provides that IC 6-3-4-4.1, as amended by SECTION 10 of this bill, is effective for taxable years beginning after December 31, 2025.
- Provides that IC 6-3-4-4.2, as added by SECTION 11 of this bill, is effective for taxable years beginning after December 31, 2025.
- Provides that IC 6-5.5-6-3, as amended by SECTION 13 of this bill, is effective for taxable years beginning after December 31, 2025.
- Provides that IC 6-5.5-7-1, as amended by SECTION 14 of this bill, is effective for taxable years beginning after December 31, 2025.

Enrolled Act: SEA 453, Sec. 63

Code: Non-Code

Effective date: July 1, 2025

- Provides that IC 6-8.1-19, as added by SECTION 11 of this bill, is effective for transactions occurring after December 31, 2025.
- Stipulates that a transaction is considered as having occurred after December 31, 2025, to the extent that delivery of the property or services constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before January 1, 2026, to the extent that the agreement of the parties to the transaction was entered into before January 1, 2026, and payment for the property or services furnished in the transaction is made before January 1, 2026, notwithstanding the delivery of the property or services after December 31, 2025.

SEA 463 – Child Care Matters

Enrolled Act: SEA 463, Sec. 1

Code: IC 6-3.1-39.5-15

Effective date: Upon Passage

- Changes the deadline for expiration for the employer child care expenditure credit to July 1, 2027.

SEA 516 – Economic Development

Enrolled Act: SEA 516, Sec. 7

Code: IC 36-7-32-8.7

Effective date: July 1, 2025

- Defines "office" to mean the office of entrepreneurship and innovation established by IC 4-3-28.1.

Enrolled Act: SEA 516, Sec. 8

Code: IC 36-7-32-9

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 9

Code: IC 36-7-32-10

Effective date: July 1, 2025

- Changes the application process for approval of a certified technology park to reflect the responsibility is transferred to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 10

Code: IC 36-7-32-11

Effective date: July 1, 2025

- Transfers responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 11

Code: IC 36-7-32-11.5

Effective date: July 1, 2025

- Reflects the responsibility of approving certified technology parks is transferred to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 12

Code: IC 36-7-32-12

Effective date: July 1, 2025

- Changes the process for entering into an agreement for a certified technology park to reflect the responsibility is transferred to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 13

Code: IC 36-7-32-13

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 14

Code: IC 36-7-32-14

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 15

Code: IC 36-7-32-17.3

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 16

Code: IC 36-7-32-20

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 17

Code: IC 36-7-32-21

Effective date: July 1, 2025

- Requires that taxpayers operating in the certified technology park shall report annually to the office of entrepreneurship and innovation information that DOR determines necessary to calculate the net increment, in addition to providing it to DOR.
- Requires that a taxpayer operating in the certified technology park that files a consolidated tax return with DOR also shall file annually a copy of the informational return that is required to be submitted to DOR.

Enrolled Act: SEA 516, Sec. 18

Code: IC 36-7-32-22

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 19

Code: IC 36-7-32-29

Effective date: July 1, 2025

- Amended to reflect the transfer of responsibility of approving certified technology parks to the office of entrepreneurship and innovation from the IEDC.

Enrolled Act: SEA 516, Sec. 20

Code: IC 36-7-32.5-14.5

Effective date: July 1, 2025

- Provides that not later than April 15 of each year, the IEDC and the executive of a county, city, or town in which an innovation development district is designated under IC 36-7-32.5-9 shall submit a report setting out the innovation development district's activities during the preceding calendar year to the fiscal body of the county, city, or town and the DLGF in an electronic format.
- Requires that the report required must include the following information set forth for each innovation development district regarding the previous year:
 - Revenues received.
 - Expenses paid.
 - Fund balances.
 - The amount and maturity date for all outstanding obligations.
 - The amount paid on outstanding obligations.
 - A list of all the parcels and the depreciable personal property of any designated taxpayer included in each increment financing district allocation area and the base

assessed value and incremental assessed value for each parcel and the depreciable personal property of any designated taxpayer in the list.

- Amounts distributed to cities, towns, counties, or school corporations as described in IC 36-7-32.5-19(e).