

HOUSE BILL No. 1042

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5.

Synopsis: Sales tax exemption for certain hygiene products. Provides sales tax exemptions for feminine hygiene products and adult diapers.

Effective: July 1, 2025.

Genda

January 8, 2025, read first time and referred to Committee on Ways and Means.



First Regular Session of the 124th General Assembly (2025)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1042

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-1-10.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2025]: **Sec. 10.5. "Adult diapers" means**
4 **diapers other than children's diapers.**

5 SECTION 2. IC 6-2.5-5-57, AS ADDED BY P.L.180-2022(ss),
6 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2025]: **Sec. 57. (a)** Sales of children's diapers are exempt from
8 the state gross retail tax.

9 **(b) Sales of adult diapers are exempt from the state gross retail**
10 **tax.**

11 SECTION 3. IC 6-2.5-5-57.5 IS ADDED TO THE INDIANA
12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2025]: **Sec. 57.5. (a) For purposes of this**
14 **section, "feminine hygiene products" means:**

- 15 **(1) tampons;**
- 16 **(2) panty liners;**
- 17 **(3) menstrual cups;**



1 (4) sanitary napkins; and

2 (5) other similar tangible personal property designed for
3 feminine hygiene in connection with the human menstrual
4 cycle.

5 (b) Sales of feminine hygiene products are exempt from the state
6 gross retail tax.

7 SECTION 4. [EFFECTIVE JULY 1, 2025] (a) IC 6-2.5-5-57, as
8 amended by this act, applies only to retail transactions occurring
9 after June 30, 2025.

10 (b) Except as provided in subsection (c), a retail transaction is
11 considered to have occurred after June 30, 2025, if the property
12 whose transfer constitutes selling at retail is delivered to the
13 purchaser or to the place of delivery designated by the purchaser
14 after June 30, 2025.

15 (c) Notwithstanding the delivery of the property constituting
16 selling at retail after June 30, 2025, a transaction is considered to
17 have occurred before July 1, 2025, to the extent that:

18 (1) the agreement of the parties to the transaction is entered
19 into before July 1, 2025; and

20 (2) payment for the property furnished in the transaction is
21 made before July 1, 2025.

22 (d) This SECTION expires January 1, 2028.

23 SECTION 5. [EFFECTIVE JULY 1, 2025] (a) IC 6-2.5-5-57.5, as
24 added by this act, applies only to retail transactions occurring after
25 June 30, 2025.

26 (b) Except as provided in subsection (c), a retail transaction is
27 considered to have occurred after June 30, 2025, if the property
28 whose transfer constitutes selling at retail is delivered to the
29 purchaser or to the place of delivery designated by the purchaser
30 after June 30, 2025.

31 (c) Notwithstanding the delivery of the property constituting
32 selling at retail after June 30, 2025, a transaction is considered to
33 have occurred before July 1, 2025, to the extent that:

34 (1) the agreement of the parties to the transaction is entered
35 into before July 1, 2025; and

36 (2) payment for the property furnished in the transaction is
37 made before July 1, 2025.

38 (d) This SECTION expires January 1, 2028.

