

HOUSE BILL No. 1218

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-7-32-22.

Synopsis: Certified technology parks. Increases, from \$100,000 to \$250,000, the annual additional incremental income tax deposit amount that a certified technology park captures once it has reached its limit on deposits. Clarifies the calculation of the additional incremental income tax deposit amount in the year in which a certified technology park reaches its limit on deposits.

Effective: July 1, 2021.

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January 14, 2021, read first time and referred to Committee on Ways and Means.



First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1218



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 36-7-32-22, AS AMENDED BY THE
2 TECHNICAL CORRECTIONS BILL OF THE 2021 GENERAL
3 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2021]: Sec. 22. (a) The treasurer of state shall establish an
5 incremental tax financing fund for each certified technology park
6 designated under this chapter. The fund shall be administered by the
7 treasurer of state. Money in the fund does not revert to the state general
8 fund at the end of a state fiscal year.

9 (b) Subject to subsection (c), the following amounts shall be
10 deposited during each state fiscal year in the incremental tax financing
11 fund established for a certified technology park under subsection (a):

12 (1) The aggregate amount of state gross retail and use taxes that
13 are remitted under IC 6-2.5 by businesses operating in the
14 certified technology park, until the amount of state gross retail
15 and use taxes deposited equals the gross retail incremental
16 amount for the certified technology park.

17 (2) Except as provided in subdivision (3), the aggregate amount



1 of the following taxes paid by employees employed in the
 2 certified technology park with respect to wages earned for work
 3 in the certified technology park, until the amount deposited equals
 4 the income tax incremental amount as defined in section 8.5(1) of
 5 this chapter:

6 (A) The adjusted gross income tax.

7 (B) The local income tax (IC 6-3.6).

8 (3) In the case of a certified technology park to which subsection
 9 (e) applies, the amount determined under subsection (e), if any.

10 (c) Except as provided in subsections (d) and (e), not more than a
 11 total of five million dollars (\$5,000,000) may be deposited in a
 12 particular incremental tax financing fund for a certified technology
 13 park over the life of the certified technology park.

14 (d) Except as provided in subsection (e), in the case of a certified
 15 technology park that is operating under a written agreement entered
 16 into by two (2) or more redevelopment commissions, and subject to
 17 section 26(b)(4) of this chapter:

18 (1) not more than a total of five million dollars (\$5,000,000) may
 19 be deposited over the life of the certified technology park in the
 20 incremental tax financing fund of each redevelopment
 21 commission participating in the operation of the certified
 22 technology park; and

23 (2) the total amount that may be deposited in all incremental tax
 24 financing funds, over the life of the certified technology park, in
 25 aggregate, may not exceed the result of:

26 (A) five million dollars (\$5,000,000); multiplied by

27 (B) the number of redevelopment commissions that have
 28 entered into a written agreement for the operation of the
 29 certified technology park.

30 (e) ~~If a certified technology park maintains its certification under~~
 31 ~~section 11(c) of this chapter and the limit on deposits for a certified~~
 32 **technology park** under subsection (c) or (d) has been reached for a
 33 period, an additional annual deposit amount shall, if applicable, be
 34 deposited in the incremental tax financing fund for the certified
 35 technology park equal to the following:

36 (1) For a certified technology park to which subsection (c)
 37 applies, the lesser of:

38 (†) (A) the income tax incremental amount as defined in
 39 section 8.5(2) of this chapter; or

40 (‡) (B) ~~one two hundred fifty thousand dollars (\$100,000).~~
 41 **(\$250,000).**

42 (2) For a certified technology park to which subsection (d)



1 applies, the lesser of:

2 ~~(1) (A)~~ the aggregate income tax incremental amounts as
 3 defined in section 8.5(2) of this chapter attributable to each
 4 redevelopment commission that has entered into a written
 5 agreement for the operation of the certified technology park;
 6 or

7 ~~(2) (B) one two~~ hundred **fifty** thousand dollars ~~(\$100,000)~~
 8 **(\$250,000)** multiplied by the number of redevelopment
 9 commissions that have entered into a written agreement for the
 10 operation of the certified technology park.

11 **(3) The following apply to deposits under this subsection:**

12 **(A) If a certified technology park reached its limit on**
 13 **deposits based on a fiscal year ending before July 1, 2020,**
 14 **the certified technology park shall receive deposits based**
 15 **on the income tax incremental amount as defined in section**
 16 **8.5(2) of this chapter for each fiscal year ending after June**
 17 **30, 2019.**

18 **(B) If a certified technology park reached its limit on**
 19 **deposits based on a fiscal year ending after June 30, 2020,**
 20 **the certified technology park shall receive deposits based**
 21 **on the income tax incremental amount as defined in section**
 22 **8.5(2) of this chapter for the fiscal year in which it reached**
 23 **its limit on deposits under subsection (c) or (d) and each**
 24 **fiscal year thereafter.**

25 **(C) If a certified technology park is permitted to receive**
 26 **deposits under this subsection during the fiscal year in**
 27 **which it reached its limit on deposits under subsection (c)**
 28 **or (d), the income tax incremental amount for purposes of**
 29 **subdivision (1)(A) or (1)(B) for that fiscal year shall be**
 30 **reduced by an amount equal to:**

31 **(i) the deposit amount for the fiscal year under**
 32 **subsection (b) required to reach the limit on deposits**
 33 **under subsection (c) or (d); minus**

34 **(ii) the gross retail incremental amount determined**
 35 **under section 6.5 of this chapter;**

36 **but not less than zero (0).**

37 (f) On or before the twentieth day of each month, all amounts held
 38 in the incremental tax financing fund established for a certified
 39 technology park shall be distributed to the redevelopment commission
 40 for deposit in the certified technology park fund established under
 41 section 23 of this chapter.

42 SECTION 2. [EFFECTIVE JULY 1, 2021] (a) IC 36-7-32-22(e)(3),



1 as added by this act, is intended as a clarification of law and not a
2 substantive change in law.

3 (b) IC 36-7-32-22(e), as amended by this act to increase the
4 maximum distribution to two hundred fifty thousand dollars
5 (\$250,000), shall apply only to distributions that are based on fiscal
6 years beginning after June 30, 2020.

