

# HOUSE BILL No. 1219

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-12-41.4; IC 6-2.5-5-2.5.

**Synopsis:** Taxation of grain processing equipment. Provides an assessed value deduction for eligible grain processing equipment equal to 100% of the assessed value for assessment dates beginning in 2026. However, limits the deduction to 10 consecutive years in the case of an owner of the equipment who is a grain buyer or warehouse subject to licensing by the Indiana grain buyers and warehouse licensing agency. Provides a sales tax exemption for equipment used in storing, drying, moving, removing, and handling agriculturally cultivated grain crops.

**Effective:** July 1, 2025; January 1, 2026.

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

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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. 1219



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 6-1.1-12-41.4 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JANUARY 1, 2026]: **Sec. 41.4. (a) As used in this**  
4 **section, "eligible grain processing equipment" refers to equipment**  
5 **used exclusively for the drying, handling, and storage of**  
6 **agriculturally cultivated grain crops, including:**  
7 (1) grain bins;  
8 (2) grain dryers;  
9 (3) augers;  
10 (4) grain spreaders;  
11 (5) climate control systems, including fans and heaters;  
12 (6) underfloor unloading systems;  
13 (7) grain sweepers and vacuum equipment; and  
14 (8) aerating and drying floors.  
15 (b) The owner of eligible grain processing equipment that is  
16 assessed as real property or assessed as personal property is  
17 entitled to a deduction from the assessed value equal to one



1 hundred percent (100%) of the assessed value of the eligible grain  
 2 processing equipment for assessments made in 2026 and thereafter,  
 3 except as provided in subsections (c) and (d).

4 (c) In the case of an owner of eligible grain processing  
 5 equipment who is a grain buyer or warehouse subject to licensing  
 6 under IC 26-3-7, the deduction under this section applies only if:

7 (1) the eligible grain processing equipment is used at a facility  
 8 that accepts delivery of agriculturally cultivated grain crops  
 9 directly from farmers; and

10 (2) the grain buyer or warehouse holds a license issued by the  
 11 Indiana grain buyers and warehouse licensing agency under  
 12 IC 26-3-7.

13 (d) In the case of a grain buyer or warehouse described in  
 14 subsection (c), the deduction under subsection (b) applies for ten  
 15 (10) consecutive taxable years beginning the year the eligible grain  
 16 processing equipment is first placed in service. This limitation does  
 17 not apply otherwise to taxpayers who are not a grain buyer or  
 18 warehouse described in subsection (c).

19 SECTION 2. IC 6-2.5-5-2.5 IS ADDED TO THE INDIANA CODE  
 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 21 1, 2025]: **Sec. 2.5. (a) As used in this section, "commercial purpose"**  
 22 **means a business purpose engaged in by a person for pecuniary**  
 23 **gain.**

24 (b) Transactions involving equipment purchased for the purpose  
 25 of storing, drying, moving, removing, and handling agriculturally  
 26 cultivated grain crops are exempt from the state gross retail tax if  
 27 the equipment is directly used in the drying, handling, and storage  
 28 of agriculturally cultivated grain crops for commercial purposes.

