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 2018 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1242(ss)

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 4-30-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: Sec. 7. Before the commission may enter into a contract with a retailer, the ~~retailer must provide~~ **commission must obtain** a tax clearance statement from the department of state revenue that certifies that the retailer does not owe delinquent state taxes.

SECTION 2. IC 4-33-2-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10.5. "Gaming activity information" means information related to table game and slot machine activity used to determine and confirm revenue and the computation of tax.**

SECTION 3. IC 4-33-12-0.1, AS ADDED BY P.L.220-2011, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The amendments made to section 6 of this chapter by P.L.178-2002 apply to riverboat admissions taxes collected after June 30, 2002.

(2) The amendments made to section 1 of this chapter **(repealed)** by P.L.192-2002(ss) apply to admissions occurring and receipts received after June 30, 2002.

(3) The amendments made to section 6 of this chapter by

P.L.234-2007 apply to riverboat admissions taxes remitted by an operating agent after June 30, 2007.

SECTION 4. IC 4-33-12-1 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 1. (a) Except as provided in subsection (c), a tax is imposed on admissions authorized under this article at a rate of three dollars ($3) for each person admitted. This admission tax is imposed upon the licensed owner. This subsection does not apply to an inland casino. This subsection expires July 1, 2018.~~

~~(b) A supplemental wagering tax under this section is imposed upon the licensed owner operating a riverboat.~~

~~(c) This subsection applies to a gaming operation that has relocated from a docked riverboat to an inland casino by December 31, 2017, as described in IC 4-33-6-24. A supplemental wagering tax is:~~

~~(1) imposed and authorized under this article at a rate of three percent (3%) of adjusted gross receipts; and~~

~~(2) imposed starting the day operations begin at an inland casino. This subsection expires July 1, 2018.~~

~~(d) Subject to subsection (e), beginning July 1, 2018, a supplemental wagering tax is authorized under this article and shall be calculated as the riverboat's adjusted gross receipts multiplied by a percentage rate of:~~

~~(1) the total riverboat admissions tax that the riverboat paid beginning July 1, 2016, and ending June 30, 2017; divided by~~

~~(2) the riverboat's adjusted gross receipts beginning July 1, 2016, and ending June 30, 2017.~~

~~(e) The supplemental wagering tax described in subsection (d):~~

~~(1) beginning July 1, 2018, and ending June 30, 2019, may not exceed four percent (4%); and~~

~~(2) beginning July 1, 2019, may not exceed three and five-tenths percent (3.5%).~~

SECTION 5. IC 4-33-12-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 1.5. (a) A supplemental wagering tax on the wagering occurring each day at a riverboat is imposed upon the licensed owner operating the riverboat.**

(b) Subject to subsection (c), the amount of supplemental wagering tax imposed for a particular day is determined by multiplying the riverboat's adjusted gross receipts for that day by the quotient of:

(1) the total riverboat admissions tax that the riverboat's licensed owner paid beginning July 1, 2016, and ending June 30, 2017; divided by

(2) the riverboat's adjusted gross receipts beginning July 1, 2016, and ending June 30, 2017.

(c) The quotient used under subsection (b) to determine the supplemental wagering tax liability of a licensed owner subject to subsection (b) may not exceed the following when expressed as a percentage:

(1) Four percent (4%) before July 1, 2019.

(2) Three and five-tenths percent (3.5%) after June 30, 2019.

SECTION 6. IC 4-33-12-4, AS AMENDED BY P.L.268-2017, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A licensed owner must report:

(1) the **daily amount of** admissions **taxes imposed under section 1 of this chapter (before its repeal on July 1, 2018)** and supplemental wagering taxes ~~collected to the department. The licensed owner must report the taxes collected each day for the preceding day's admissions.~~ **imposed under section 1.5 of this chapter to the department at the time the taxes are paid under subsection (b); and**

(2) gaming activity information to the commission daily on forms prescribed by the commission.

This subsection expires June 30, 2018.

(b) A licensed owner shall pay the admissions **taxes imposed under section 1 of this chapter (before its repeal on July 1, 2018)** and supplemental wagering taxes ~~collected~~ **imposed under section 1.5 of this chapter** to the department ~~one (1) day before the last business~~ **on the twenty-fourth calendar** day of each month. ~~for the admissions and supplemental wagering taxes collected that month.~~ Any taxes collected during the month but after the day on which the taxes are required to be paid to the department shall be paid to the department at the same time the following month's taxes are due. **This subsection expires June 30, 2018.**

(c) This subsection is effective July 1, 2018. A licensed owner must report:

(1) the daily amount of supplemental wagering taxes imposed under section 1.5 of this chapter to the department at the time the taxes are paid under subsection (d); and

(2) gaming activity information to the commission daily on forms prescribed by the commission.

(d) This subsection is effective July 1, 2018. A licensed owner shall pay the supplemental wagering taxes imposed under section 1.5 of this chapter to the department on the twenty-fourth calendar day of each month. Any taxes collected during the month but after

the day on which the taxes are required to be paid to the department shall be paid to the department at the same time the following month's taxes are due.

~~(c)~~ **(e)** The payment of the tax under this section must be on a form prescribed by the department.

~~(d)~~ **(f)** The payment of the tax under this section must be ~~an electronic funds transfer by automated clearinghouse.~~ **in a manner prescribed by the department.**

SECTION 7. IC 4-33-13-1.5, AS AMENDED BY P.L.268-2017, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) This subsection applies only to a riverboat that received at least seventy-five million dollars ($75,000,000) of adjusted gross receipts during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Fifteen percent (15%) of the first twenty-five million dollars ($25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars ($25,000,000) but not exceeding fifty million dollars ($50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding seventy-five million dollars ($75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars ($75,000,000) but not exceeding one hundred fifty million dollars ($150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars ($150,000,000) but not exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(6) Forty percent (40%) of all adjusted gross receipts exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the

following year.

(b) This subsection applies only to a riverboat that received less than seventy-five million dollars ($75,000,000) of adjusted gross receipts during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Five percent (5%) of the first twenty-five million dollars ($25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars ($25,000,000) but not exceeding fifty million dollars ($50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding seventy-five million dollars ($75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars ($75,000,000) but not exceeding one hundred fifty million dollars ($150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars ($150,000,000) but not exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(6) Forty percent (40%) of all adjusted gross receipts exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(c) The licensed owner or operating agent of a riverboat taxed under subsection (b) shall pay an additional tax of two million five hundred thousand dollars ($2,500,000) in any state fiscal year in which the riverboat's adjusted gross receipts exceed seventy-five million dollars ($75,000,000). The additional tax imposed under this subsection is due before July 1 of the following state fiscal year.

(d) The licensed owner or operating agent shall:

(1) remit the **daily amount of** tax imposed by this chapter to the

department ~~before the close of the business day one (1) day before the last business~~ **on the twenty-fourth calendar** day of each month for the wagering taxes collected that month; **and**

(2) report gaming activity information to the commission daily on forms prescribed by the commission.

Any taxes collected during the month but after the day on which the taxes are required to be paid to the department shall be paid to the department at the same time the following month's taxes are due.

(e) The payment of the tax under this section must be ~~an electronic funds transfer by automated clearinghouse.~~ **in a manner prescribed by the department.**

(f) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile the amounts remitted to the department.

(g) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

SECTION 8. IC 4-33-13-5, AS AMENDED BY P.L.189-2018, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) An amount equal to the following shall be set aside for revenue sharing under subsection (e):

(A) Before July 1, 2021, the first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(B) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(C) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less then

the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter multiplied by the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2015. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.

(2) Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(E) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Crawford County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution

of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(F) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Paoli.

(G) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Orleans.

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer as follows:

(i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County as well as promoting the retention and expansion of existing businesses in Orange County.

(ii) The remainder of the amount transferred under this clause in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

To the extent possible, the Indiana economic development corporation shall provide for the transfer under item (i) to be made in four (4) equal installments. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making distributions to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships. The amount paid to the Orange County development commission shall proportionally reduce the amount payable to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

(1) exceeds a particular city's or county's base year revenue; and

(2) would otherwise be due to the city or county under this section;

to the state general fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the state general fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars ($250,000,000):

(1) Surplus lottery revenues under IC 4-30-17-3.

(2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.

(3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Except as provided in subsections (l) and (m), before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are

made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

(1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).

(2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.

(3) To fund sewer and water projects, including storm water management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) Before July 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-9), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

(1) the entity's base year revenue (as determined under IC 4-33-12-9); minus

(2) the sum of:

(A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus

(B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

(1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the

total population of the county.

(2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) This subsection applies to a supplemental distribution made after June 30, 2017. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is equal to the following:

(1) Before July 1, 2021, forty-eight million dollars ($48,000,000).

(2) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is forty-eight million dollars ($48,000,000).

(3) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is equal to the result of:

(A) forty-eight million dollars ($48,000,000); multiplied by

(B) the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020.

If the total amount determined under subsection (g) exceeds the maximum amount determined under this subsection, the amount distributed to an entity under subsection (g) must be reduced according to the ratio that the amount distributed to the entity under IC 4-33-12-6 or IC 4-33-12-8 bears to the total amount distributed under IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental distribution.

(j) This subsection applies to a supplemental distribution, if any, payable to Lake County, Hammond, Gary, or East Chicago under subsections (g) and (i). Beginning in July 2016, the treasurer of state

shall, after making any deductions from the supplemental distribution required by IC 6-3.1-20-7, deduct from the remainder of the supplemental distribution otherwise payable to the unit under this section the lesser of:

(1) the remaining amount of the supplemental distribution; or

(2) the difference, if any, between:

(A) three million five hundred thousand dollars ($3,500,000); minus

(B) the amount of admissions taxes constructively received by the unit in the previous state fiscal year.

The treasurer of state shall distribute the amounts deducted under this subsection to the northwest Indiana redevelopment authority established under IC 36-7.5-2-1 for deposit in the development authority revenue fund established under IC 36-7.5-4-1.

(k) Money distributed to a political subdivision under subsection (b):

(1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in subsection (b)(2)(B), may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;

(3) except as provided in subsection (b)(2)(B), may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

Money distributed under subsection (b)(2)(B) must be used for the purposes specified in subsection (b)(2)(B).

(l) After June 30, 2020, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be deposited as being received from all riverboats whose supplemental wagering tax, as calculated under ~~IC 4-33-12-1(d),~~ **IC 4-33-12-1.5(b),** is over three and five-tenths percent (3.5%). The amount deposited under this subsection, in each riverboat's account, is proportionate to the supplemental wagering tax received from that riverboat under ~~IC 4-33-12-1(d)~~ **IC 4-33-12-1.5** in the month of July. The amount deposited under this subsection must be distributed in the same manner as the supplemental wagering tax collected under ~~IC 4-33-12-1(d).~~

IC 4-33-12-1.5. This subsection expires June 30, 2021.

(m) After June 30, 2021, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be withheld and deposited in the state general fund.

SECTION 9. IC 4-35-2-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 5.5. "Gaming activity information" means information related to table game and slot machine activity used to determine and confirm revenue and the computation of tax.**

SECTION 10. IC 4-35-8-1, AS AMENDED BY P.L.255-2015, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. (a) A graduated slot machine wagering tax is imposed as follows on ninety-nine percent (99%) of the adjusted gross receipts received after June 30, 2012, and before July 1, 2013, on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received after June 30, 2013, and before July 1, 2015, and on eighty-eight percent (88%) of the adjusted gross receipts received after June 30, 2015, from wagering on gambling games authorized by this article:

(1) Twenty-five percent (25%) of the first one hundred million dollars ($100,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Thirty percent (30%) of the adjusted gross receipts in excess of one hundred million dollars ($100,000,000) but not exceeding two hundred million dollars ($200,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Thirty-five percent (35%) of the adjusted gross receipts in excess of two hundred million dollars ($200,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(b) A licensee shall **do the following:**

(1) Remit the **daily amount of** tax imposed by this section to the department ~~before the close of the business day following the day the wagers are made.~~ **on the twenty-fourth calendar day of each month. Any taxes collected during the month but after the day on which the taxes are required to be paid shall be paid to the department at the same time the following month's taxes are due.**

(2) Report gaming activity information to the commission daily on forms prescribed by the commission.

(c) ~~The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).~~ **The payment of the tax under this section must be in a manner prescribed by the department.**

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensee to file a monthly report to reconcile the amounts remitted to the department.

(e) The payment of the tax under this section must be on a form prescribed by the department.

SECTION 11. IC 5-10-1.1-4.5 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 4.5. (a) As used in this section, "next level Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by subsection (b).~~

~~(b) After December 31, 2017, the deferred compensation committee shall establish and maintain:~~

~~(1) an investment product for the state employees' deferred compensation plan; and~~

~~(2) a funding offering for the defined contribution plan established under section 1.5 of this chapter;~~

~~named the next level Indiana innovation and entrepreneurial fund. The deferred compensation committee shall consult with the board of trustees of the next level Indiana trust fund established under IC 8-14-15.1 and the board of trustees of the Indiana public retirement system established under IC 5-10.5-3-1 in establishing the investment objectives and policies for the next level Indiana fund. Not more than twenty-five million dollars ($25,000,000) of the assets of the next level Indiana fund may be invested in any one (1) particular investment fund or investment firm.~~

~~(c) The following apply to a state employee who selects the next level Indiana fund:~~

~~(1) The state employee's initial transfer into the next level Indiana fund may not exceed twenty percent (20%) of the balance in the state employee's account in the state employees' deferred compensation plan, as of the day before the effective date of the state employee's selection of the next level Indiana fund.~~

~~(2) After the state employee's initial transfer into the next level Indiana fund, contributions made by the state employee, or on the state employee's behalf, into the next level Indiana fund each year may not exceed twenty percent (20%) of the total contributions to the state employee's account in the state employees' deferred compensation plan for that year.~~

~~(3) If a state employee:~~

~~(A) contributes not less than the amount the state employee initially designated to the next level Indiana fund in the state employees' deferred compensation plan for at least thirty-six (36) consecutive months; and~~

~~(B) maintains in the next level Indiana fund in the state employees' deferred compensation plan the amounts transferred and contributed during that period;~~

~~the state shall contribute on the state employee's behalf to the next level Indiana fund offering in the defined contribution plan established under section 1.5 of this chapter as a match ten percent (10%) of the total amount contributed by the state employee or on the state employee's behalf to the next level Indiana fund in the state employees' deferred compensation plan during that thirty-six (36) month period.~~

~~(4) After the period described in subdivision (3), for each additional twelve (12) consecutive months that a state employee:~~

~~(A) contributes not less than the amount the state employee initially designated to the next level Indiana fund in the state employees' deferred compensation plan; and~~

~~(B) maintains in the next level Indiana fund in the state employees' deferred compensation plan the amounts transferred and contributed during that period;~~

~~the state shall contribute on the state employees' behalf to the next level Indiana fund offering in the defined contribution plan established under section 1.5 of this chapter as a match ten percent (10%) of the total amount contributed by the state employee or on the state employee's behalf to the next level Indiana fund in the state employees' deferred compensation plan during that twelve (12) month period. In determining the state's match under this subdivision, the total amount contributed by the state employee or on the state employee's behalf excludes the amount of any state match under this subdivision or subdivision (3).~~

~~(d) The state match under this section shall be paid from the personal services/fringe benefit contingency fund.~~

~~(e) The deferred compensation committee shall report to the budget committee every six (6) months concerning the following:~~

~~(1) The number of state employees that have funds invested in the next level Indiana fund under this section.~~

~~(2) The total amounts invested in the next level Indiana fund under this section, including the amount of any state match under~~

~~this section.~~

SECTION 12. IC 5-10.2-2-3, AS AMENDED BY P.L.86-2018, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) The annuity savings account consists of:

(1) the members' contributions; and

(2) the interest credits on these contributions in the guaranteed fund (before January 1, 2017), the gain or loss in the balance of the member's account in the stable value fund (after December 31, 2016), or the gain or loss in market value on these contributions in the alternative investment program, as specified in section 4 of this chapter (before its expiration).

Each member shall be credited individually with the amount of the member's contributions and interest credits.

(b) The board shall maintain the investment program in effect on December 31, 1995, (referred to in this chapter as the guaranteed program) within the annuity savings account until January 1, 2017. In addition, the board shall establish and maintain a guaranteed program within the 1996 account until January 1, 2017. After December 31, 2016, the board shall establish an investment fund (referred to in this chapter as the stable value fund) that has preservation of capital as the primary investment objective. The board may establish investment guidelines and limits on all types of investments (including, but not limited to, stocks and bonds) and take other actions necessary to fulfill its duty as a fiduciary of the annuity savings account, subject to the limitations and restrictions set forth in IC 5-10.3-5-3, IC 5-10.4-3-10, and IC 5-10.5-5.

(c) The board shall establish alternative investment programs within the annuity savings account of the public employees' retirement fund, the pre-1996 account, and the 1996 account, based on the following requirements:

(1) The board shall maintain at least one (1) alternative investment program that is an indexed stock fund and one (1) alternative investment program that is a bond fund. The board may maintain one (1) or more alternative investment programs that:

(A) invest in one (1) or more commingled or pooled funds that consist in part or entirely of mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6; or

(B) otherwise invest in mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6.

(2) The programs should represent a variety of investment objectives under IC 5-10.3-5-3.

(3) No program may permit a member to withdraw money from the member's account except as provided in IC 5-10.2-3 and IC 5-10.2-4.

(4) All administrative costs of each alternative program shall be paid from the earnings on that program or as may be determined by the rules of the board.

(5) Except as provided in section 4(e) of this chapter (before its expiration), a valuation of each member's account must be completed as of:

(A) the last day of each quarter; or

(B) another time as the board may specify by rule.

~~(6) The board shall maintain as an alternative investment program the fund described in section 3.5 of this chapter.~~

(d) The board must prepare, at least annually, an analysis of the guaranteed program (before January 1, 2017), the stable value fund (after December 31, 2016), and each alternative investment program. This analysis must:

(1) include a description of the procedure for selecting an alternative investment program;

(2) be understandable by the majority of members; and

(3) include a description of prior investment performance.

(e) A member may direct the allocation of the amount credited to the member among the guaranteed fund (before January 1, 2017), the stable value fund (after December 31, 2016), and any available alternative investment funds, subject to the following conditions:

(1) A member may make a selection or change an existing selection under rules established by the board. The board shall allow a member to make a selection or change any existing selection at least once each quarter.

(2) The board shall implement the member's selection beginning on the first day of the next calendar quarter that begins at least thirty (30) days after the selection is received by the board or on an alternate date established by the rules of the board. This date is the effective date of the member's selection.

(3) A member may select any combination of the guaranteed fund (before January 1, 2017), the stable value fund (after December 31, 2016), or any available alternative investment funds, in ten percent (10%) increments or smaller increments that may be established by the rules of the board.

(4) A member's selection remains in effect until a new selection is made.

(5) On the effective date of a member's selection, the board shall

reallocate the member's existing balance or balances in accordance with the member's direction, based on:

(A) for an alternative investment program balance, the market value on the effective date;

(B) for any guaranteed program balance, the account balance on the effective date; and

(C) for any stable value fund program balance, the balance of the member's account on the effective date.

All contributions to the member's account shall be allocated as of the last day of that quarter or at an alternate time established by the rules of the board in accordance with the member's most recent effective direction. The board shall not reallocate the member's account at any other time.

(6) The provisions concerning the transition from the guaranteed program to the stable value fund program are met, as set forth in section 24 of this chapter.

(f) When a member who participates in an alternative investment program transfers the amount credited to the member from one (1) alternative investment program to another alternative investment program, to the guaranteed program (before January 1, 2017), or to the stable value fund program (after December 31, 2016), the amount credited to the member shall be valued at the market value of the member's investment, as of the day before the effective date of the member's selection or at an alternate time established by the rules of the board. When a member who participates in an alternative investment program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the market value of the member's investment as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus contributions received after that date or at an alternate time established by the rules of the board.

(g) This subsection applies before January 1, 2017. When a member who participates in the guaranteed program transfers the amount credited to the member to an alternative investment program, the amount credited to the member in the guaranteed program is computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the effective date of the transfer. However, the board may by rule provide for an alternate valuation date. When a member who participates in the guaranteed program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the

amount credited to the member shall be computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus any contributions received since that date plus interest since that date. However, the board may by rule provide for an alternate valuation date.

(h) This subsection applies after December 31, 2016. When a member who participates in the stable value fund program transfers the amount credited to the member from the stable value fund program to an alternative investment program, the amount credited to the member shall be the balance of the member's account, as of the day before the effective date of the member's selection or at an alternate time established by the rules of the board. When a member who participates in the stable value fund program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the balance of the member's account as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus contributions received after that date or at an alternate time established by the rules of the board.

SECTION 13. IC 5-10.2-2-3.5 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 3.5. (a) As used in this section, "next level Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by subsection (b).~~

~~(b) After December 31, 2017, the board shall establish and maintain an alternative investment program within the annuity savings account of the public employees' retirement fund, the pre-1996 account, and the 1996 account named the next level Indiana innovation and entrepreneurial fund. The board shall consult with the board of trustees of the next level Indiana trust fund established under IC 8-14-15.1 and the deferred compensation committee established under IC 5-10-1.1-4 in establishing the investment objectives and policies for the next level Indiana fund.~~

~~(c) The following apply to a member who selects the next level Indiana fund:~~

~~(1) The member's initial transfer into the next level Indiana fund may not exceed twenty percent (20%) of the balance in the member's account, as of the day before the effective date of the member's selection of the next level Indiana fund.~~

~~(2) After the member's initial transfer into the next level Indiana fund, contributions made by the member, or on the member's~~

~~behalf, into the next level Indiana fund each year may not exceed twenty percent (20%) of the total contributions to the member's account for that year.~~

~~(3) If a member:~~

~~(A) contributes not less than the amount the member initially designated to the next level Indiana fund for at least thirty-six (36) consecutive months; and~~

~~(B) maintains in the next level Indiana fund the amounts transferred and contributed during that period;~~

~~the state shall contribute on the member's behalf to the next level Indiana fund as a match ten percent (10%) of the total amount contributed by or on the member's behalf to the next level Indiana fund during that thirty-six (36) month period.~~

~~(4) After the period described in subdivision (3), for each additional twelve (12) consecutive months that a member:~~

~~(A) contributes not less than the amount the member initially designated to the next level Indiana fund; and~~

~~(B) maintains in the next level Indiana fund the amounts transferred and contributed during that period;~~

~~the state shall contribute on the member's behalf to the next level Indiana fund as a match ten percent (10%) of the total amount contributed by or on the member's behalf to the next level Indiana fund during that twelve (12) month period. In determining the state's match under this subdivision, the total amount contributed by or on the member's behalf excludes the amount of any state match under this subdivision or subdivision (3).~~

~~(d) The state match under this section shall be paid from the personal services/fringe benefit contingency fund.~~

SECTION 14. IC 6-1.1-40-4, AS AMENDED BY P.L.154-2006, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4. As used in this chapter, "new manufacturing equipment" means any tangible personal property that an applicant for the deduction under section 11 of this chapter:

(1) installs in a district **before July 1, 2018;**

(2) uses in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property;

(3) acquires in an arms length transaction from an entity that is not an affiliate of the applicant for use as described in subdivision (2); and

(4) never used for any purpose in Indiana before the installation described in subdivision (1).

SECTION 15. IC 6-1.1-40-9, AS AMENDED BY P.L.146-2008, SECTION 299, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9. (a) Before a person acquires new manufacturing equipment for which the person wishes to claim a deduction under this chapter, the person must submit to the commission a statement of benefits, in a form prescribed by the department of local government finance. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment that the person proposes to acquire.

(2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment.

(b) The statement of benefits may contain any other information required by the commission. If the person is requesting or will be requesting the designation of a district, the statement of benefits must be submitted at the same time as the request for designation is submitted.

(c) The commission shall review the statement of benefits if required under subsection (b) **and subject to subsection (d).** The commission shall make findings determining whether the estimate of:

(1) the number of individuals who will be employed or whose employment will be retained;

(2) the annual salaries of those individuals;

(3) the value of the new manufacturing equipment; and

(4) any other benefits about which the commission requires information;

are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment.

(d) The commission shall not review a statement of benefits for new manufacturing equipment installed in a district after June 30, 2018.

SECTION 16. IC 6-1.1-40-10, AS AMENDED BY P.L.146-2008, SECTION 300, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 10. **(a) The deduction under this section applies only to new manufacturing equipment installed before July 1, 2018.**

~~(a)~~ **(b)** Subject to subsection ~~(d),~~ **(e),** an owner of new manufacturing equipment whose statement of benefits is approved is entitled to a deduction from the assessed value of that equipment for a

period of ten (10) years. Except as provided in subsections ~~(b) and~~ (c) **and (d),** and subject to subsection ~~(d)~~ **(e)** and section 14 of this chapter, for the first five (5) years, the amount of the deduction for new manufacturing equipment that an owner is entitled to for a particular year equals the assessed value of the new manufacturing equipment. Subject to subsection ~~(d)~~ **(e)** and section 14 of this chapter, for the sixth through the tenth year, the amount of the deduction equals the product of:

(1) the assessed value of the new manufacturing equipment; multiplied by

(2) the percentage prescribed in the following table:

YEAR OF DEDUCTION	PERCENTAGE
6th	100%
7th	95%
8th	80%
9th	65%
10th	50%
11th and thereafter	0%

~~(b)~~ **(c)** A deduction under this section is not allowed in the first year the deduction is claimed for new manufacturing equipment to the extent that it would cause the assessed value of all of the personal property of the owner in the taxing district in which the equipment is located to be less than the assessed value of all of the personal property of the owner in that taxing district in the immediately preceding year.

~~(c)~~ **(d)** If a deduction is not fully allowed under subsection ~~(b)~~ **(c)** in the first year the deduction is claimed, then the percentages specified in subsection ~~(a)~~ **(b)** apply in the subsequent years to the amount of deduction that was allowed in the first year.

~~(d)~~ **(e)** For purposes of subsection ~~(a),~~ **(b),** the assessed value of new manufacturing equipment that is part of an owner's assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment **(excluding equipment installed after June 30, 2018)** determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided by

(B) the total true tax value of all of the owner's depreciable

personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

SECTION 17. IC 6-1.1-40-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 15. This chapter expires January 1, 2032.**

SECTION 18. IC 6-2.5-5-52 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 52. Transactions involving the following tangible personal property that is purchased and used by a person that operates a hot mix asphalt plant are exempt from the state gross retail tax:**

(1) Trucks that are used to transport hot mix asphalt from that person's asphalt plant to a job site.

(2) Pavers that are used to spread that person's hot mix asphalt.

(3) Plant equipment directly used to directly produce that person's hot mix asphalt.

(4) Fuel used to operate trucks, pavers, or equipment described in subdivisions (1) through (3).

(5) Repair parts installed on trucks, pavers, or equipment described in subdivisions (1) through (3).

SECTION 19. IC 6-2.5-8-1, AS AMENDED BY P.L.245-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: Sec. 1. (a) A retail merchant may not make a retail transaction in Indiana, unless the retail merchant has applied for a registered retail merchant's certificate.

(b) A retail merchant may obtain a registered retail merchant's certificate by filing an application with the department and paying a registration fee of twenty-five dollars ($25) for each place of business listed on the application. The retail merchant shall also provide such security for payment of the tax as the department may require under IC 6-2.5-6-12.

(c) The retail merchant shall list on the application the location (including the township) of each place of business where the retail merchant makes retail transactions. However, if the retail merchant

does not have a fixed place of business, the retail merchant shall list the retail merchant's residence as the retail merchant's place of business. In addition, a public utility may list only its principal Indiana office as its place of business for sales of public utility commodities or service, but the utility must also list on the application the places of business where it makes retail transactions other than sales of public utility commodities or service.

(d) Upon receiving a proper application, the correct fee, and the security for payment, if required, the department shall issue to the retail merchant a separate registered retail merchant's certificate for each place of business listed on the application. Each certificate shall bear a serial number and the location of the place of business for which it is issued.

(e) If a retail merchant intends to make retail transactions during a calendar year at a new Indiana place of business, the retail merchant must file a supplemental application and pay the fee for that place of business.

(f) Except as provided in subsection (h), a registered retail merchant's certificate is valid for two (2) years after the date the registered retail merchant's certificate is originally issued or renewed. If the retail merchant has filed all returns and remitted all taxes the retail merchant is currently obligated to file or remit, the department shall renew the registered retail merchant's certificate within thirty (30) days after the expiration date, at no cost to the retail merchant. **Before issuing or renewing the registered retail merchant certification, the department may require the following to be provided:**

(1) The names and addresses of the retail merchant's principal employees, agents, or representatives who engage in Indiana in the solicitation or negotiation of the retail transaction.

(2) The location of all of the retail merchant's places of business in Indiana, including offices and distribution houses.

(3) Any other information that the department requests.

(g) The department may not renew a registered retail merchant certificate of a retail merchant who is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4 or sales or use tax. The department, at least sixty (60) days before the date on which a retail merchant's registered retail merchant's certificate expires, shall notify a retail merchant who is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4 or sales or use tax that the department will not renew the retail merchant's registered retail merchant's certificate.

(h) If:

(1) a retail merchant has been notified by the department that the retail merchant is delinquent in remitting withholding taxes or sales or use tax in accordance with subsection (g); and

(2) the retail merchant pays the outstanding liability before the expiration of the retail merchant's registered retail merchant's certificate;

the department shall renew the retail merchant's registered retail merchant's certificate for one (1) year.

(i) A retail merchant engaged in business in Indiana as defined in IC 6-2.5-3-1(c) who makes retail transactions that are only subject to the use tax must obtain a registered retail merchant's certificate before making those transactions. The retail merchant may obtain the certificate by following the same procedure as a retail merchant under subsections (b) and (c), except that the retail merchant must also include on the application:

(1) the names and addresses of the retail merchant's principal employees, agents, or representatives who engage in Indiana in the solicitation or negotiation of the retail transactions;

(2) the location of all of the retail merchant's places of business in Indiana, including offices and distribution houses; and

(3) any other information that the department requests.

The department may also require that this information be updated before renewal of a registered retail merchant's certificate.

(j) The department may permit an out-of-state retail merchant to collect the use tax. However, before the out-of-state retail merchant may collect the tax, the out-of-state retail merchant must obtain a registered retail merchant's certificate in the manner provided by this section. Upon receiving the certificate, the out-of-state retail merchant becomes subject to the same conditions and duties as an Indiana retail merchant and must then collect the use tax due on all sales of tangible personal property that the out-of-state retail merchant knows is intended for use in Indiana.

(k) Except as provided in subsection (l), the department shall submit to the township assessor, or the county assessor if there is no township assessor for the township, before March 15 of each year:

(1) the name of each retail merchant that has newly obtained a registered retail merchant's certificate during the preceding year for a place of business located in the township or county; and

(2) the address of each place of business of the taxpayer in the township or county.

(l) If the duties of the township assessor have been transferred to the

county assessor as described in IC 6-1.1-1-24, the department shall submit the information listed in subsection (k) to the county assessor.

SECTION 20. IC 6-3-2-1, AS AMENDED BY P.L.80-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 1. (a) Each taxable year, a tax at the following rate of adjusted gross income is imposed upon the adjusted gross income of every resident person, and on that part of the adjusted gross income derived from sources within Indiana of every nonresident person:

(1) For taxable years beginning before January 1, 2015, three and four-tenths percent (3.4%).

(2) For taxable years beginning after December 31, 2014, and before January 1, 2017, three and three-tenths percent (3.3%).

(3) For taxable years beginning after December 31, 2016, three and twenty-three hundredths percent (3.23%).

(b) Except as provided in section 1.5 of this chapter **(before its expiration),** each taxable year, a tax at the following rate of adjusted gross income is imposed on that part of the adjusted gross income derived from sources within Indiana of every corporation:

(1) Before July 1, 2012, eight and five-tenths percent (8.5%).

(2) After June 30, 2012, and before July 1, 2013, eight percent (8.0%).

(3) After June 30, 2013, and before July 1, 2014, seven and five-tenths percent (7.5%).

(4) After June 30, 2014, and before July 1, 2015, seven percent (7.0%).

(5) After June 30, 2015, and before July 1, 2016, six and five-tenths percent (6.5%).

(6) After June 30, 2016, and before July 1, 2017, six and twenty-five hundredths percent (6.25%).

(7) After June 30, 2017, and before July 1, 2018, six percent (6.0%).

(8) After June 30, 2018, and before July 1, 2019, five and seventy-five hundredths percent (5.75%).

(9) After June 30, 2019, and before July 1, 2020, five and five-tenths percent (5.5%).

(10) After June 30, 2020, and before July 1, 2021, five and twenty-five hundredths percent (5.25%).

(11) After June 30, 2021, four and nine-tenths percent (4.9%).

(c) If for any taxable year a taxpayer is subject to different tax rates under subsection (b), the taxpayer's tax rate for that taxable year is the rate determined in the last STEP of the following STEPS:

STEP ONE: Multiply the number of ~~months~~ **days** in the taxpayer's taxable year that precede the ~~month~~ **day** the rate changed by the rate in effect before the rate change.

STEP TWO: Multiply the number of ~~months~~ **days** in the taxpayer's taxable year that follow the ~~month~~ **day** before the rate changed by the rate in effect after the rate change.

STEP THREE: Divide the sum of the amounts determined under STEPS ONE and TWO by ~~twelve (12).~~ **the number of days in the taxpayer's tax period.**

However, the rate determined under this subsection shall be rounded to the nearest one-hundredth of one percent (0.01%).

SECTION 21. IC 6-3-2-1.5, AS AMENDED BY P.L.288-2013, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1.5. (a) As used in this section, "qualified area" means:

(1) a military base (as defined in IC 36-7-30-1(c));

(2) a military base reuse area established under IC 36-7-30;

(3) the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)); or

(4) a qualified military base enhancement area established under IC 36-7-34.

(b) Except as provided in ~~subsection (c),~~ **subsections (e) and (h),** a tax at **the lesser of:**

(1) the rate of five percent (5%) of adjusted gross income; **or**

(2) the rate imposed under section 1(b) of this chapter;

is imposed on that part of the adjusted gross income of a corporation that is derived from sources within a qualified area if the corporation locates all or part of its operations in a qualified area during the taxable year, as determined under subsection (g). The tax rate under this section applies to the taxable year in which the corporation locates its operations in the qualified area and to the next succeeding four (4) taxable years, **and the tax rate shall be determined as provided in this subsection in each of those taxable years.**

(c) In the case of a corporation that locates all or part of its operations in a qualified military base enhancement area established under IC 36-7-34-4(1), the tax rate imposed under this section applies to the corporation only if the corporation meets at least one (1) of the following criteria:

(1) The corporation is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(2) The corporation is a United States Department of Defense contractor.

(3) The corporation and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the corporation and the United States Department of Defense.

(d) In the case of a business that uses the services or commodities in a qualified military base enhancement area established under IC 36-7-34-4(2), the business must satisfy at least one (1) of the following criteria:

(1) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(2) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the qualified military base (as defined in IC 36-7-34-3).

(e) A taxpayer is not entitled to the tax rate described in subsection (b) to the extent that the taxpayer substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations within the qualified area, unless:

(1) the taxpayer had existing operations in the qualified area; and

(2) the operations relocated to the qualified area are an expansion of the taxpayer's operations in the qualified area.

(f) A determination under subsection (e) that a taxpayer is not entitled to the tax rate provided by this section as a result of a substantial reduction or cessation of operations applies to the taxable year in which the substantial reduction or cessation occurs and in all subsequent years. Determinations under this section shall be made by the department of state revenue.

(g) The department of state revenue:

(1) shall adopt rules under IC 4-22-2 to establish a procedure for determining the part of a corporation's adjusted gross income that was derived from sources within a qualified area; and

(2) may adopt other rules that the department considers necessary for the implementation of this chapter.

(h) The tax rate under this section applies only to a corporation that locates all or part of its operations in a qualified area before January 1, 2019. However, this subsection may not be construed to prevent the tax rate from applying to succeeding taxable years of a corporation after December 31, 2018, if the corporation locates all or part of its operations in a qualified area before January 1,

2019.

(i) This section expires January 1, 2025.

SECTION 22. IC 6-3-2-13, AS AMENDED BY P.L.250-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: Sec. 13. (a) As used in this section, "export income" means the gross receipts from the sale, transfer, or exchange of tangible personal property destined for international markets that is:

(1) manufactured at a plant located within a maritime opportunity district established under IC 6-1.1-40 **(before its expiration);** and

(2) shipped through a port operated by the state.

(b) As used in this section, "export sales ratio" means the quotient of:

(1) the taxpayer's export income; divided by

(2) the taxpayer's gross receipts from the sale, transfer, or exchange of tangible personal property, regardless of its destination.

(c) As used in this section, "taxpayer" means a person or corporation that has export income.

(d) The ports of Indiana established by IC 8-10-1-3 shall notify the department when a maritime opportunity district is established under IC 6-1.1-40 **(before its expiration).** The notice must include:

(1) the resolution passed by the commission to establish the district; and

(2) a list of all taxpayers located in the district.

(e) The ports of Indiana shall also notify the department of any subsequent changes in the list of taxpayers located in the district.

(f) A taxpayer is entitled to a deduction from the taxpayer's adjusted gross income in an amount equal to the lesser of:

(1) the taxpayer's adjusted gross income; or

(2) the product of the export sales ratio multiplied by the percentage set forth in subsection (g).

(g) The percentage to be used in determining the amount a taxpayer is entitled to deduct under this section depends upon the number of years that the taxpayer could have taken a deduction under this section. The percentage to be used in subsection (f) is as follows:

YEAR OF DEDUCTION	PERCENTAGE
1st through 4th	100%
5th	80%
6th	60%
7th	40%
8th	20%
9th and thereafter	0%

(h) The department shall determine, for each taxpayer claiming a deduction under this section, the taxpayer's export sales ratio for purposes of IC 6-1.1-40 **(before its expiration).** The department shall certify the amount of the ratio to the department of local government finance.

(i) A taxpayer is not entitled to a deduction under this section based on export income received by the taxpayer after December 31, 2015.

(j) This section expires January 1, 2025.

SECTION 23. IC 6-3-4-3, AS AMENDED BY P.L.172-2011, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: Sec. 3. Returns required to be made pursuant to section 1 of this chapter shall be filed with the department on or before the later of the following:

(1) The 15th day of the fourth month following the close of the taxable year.

(2) For a corporation whose federal tax return is due on or after the date set forth in subdivision (1), as determined without regard to any extensions, weekends, or holidays, the 15th day of the month following the due date of the federal tax return.

However, if the due date for a federal income tax return is extended by the Internal Revenue Service to a date that is later than the date specified in subdivision (1) or (2) (as applicable), the department may extend the due date of a return required to be made under section 1 of this chapter to the due date permitted for the federal income tax return.

SECTION 24. IC 6-3-4-8.2, AS AMENDED BY P.L.182-2009(ss), SECTION 200, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 8.2. (a) Each person in Indiana who is required under the Internal Revenue Code to withhold federal tax from winnings shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department.

(b) In addition to amounts withheld under subsection (a), every person engaged in a gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) and making a payment in the course of the gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) of:

(1) winnings (not reduced by the wager) valued at one thousand two hundred dollars ($1,200) or more from slot machine play; or

(2) winnings (reduced by the wager) valued at one thousand five hundred dollars ($1,500) or more from a keno game;

shall deduct and retain adjusted gross income tax at the time and in the

amount described in withholding instructions issued by the department. The department's instructions must provide that amounts withheld shall be paid to the department ~~before the close of the business day following the day the winnings are paid, actually or constructively.~~ **on the twenty-fourth calendar day of each month. Any taxes collected during the month but after the day on which the taxes are required to be paid shall be paid to the department at the same time the following month's taxes are due.** Slot machine and keno winnings from a gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) that are reportable for federal income tax purposes shall be treated as subject to withholding under this section, even if federal tax withholding is not required.

(c) The adjusted gross income tax due on prize money or prizes:

(1) received from a winning lottery ticket purchased under IC 4-30; and

(2) exceeding one thousand two hundred dollars ($1,200) in value;

shall be deducted and retained at the time and in the amount described in withholding instructions issued by the department, even if federal withholding is not required.

(d) In addition to the amounts withheld under subsection (a), a qualified organization (as defined in IC 4-32.2-2-24(a)) that awards a prize under IC 4-32.2 exceeding one thousand two hundred dollars ($1,200) in value shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department. The department's instructions must provide that amounts withheld shall be paid to the department before the close of the business day following the day the winnings are paid, actually or constructively.

SECTION 25. IC 6-3.1-11-24, AS ADDED BY P.L.166-2014, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 24. (a) If a pass through entity does not have state income tax liability against which the tax credit provided by this chapter may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter.

(c) Notwithstanding subsections (a) and (b), a pass through entity (other than an entity described in IC 6-3-1-35(1)) and its partners, beneficiaries, or members may allocate the credit among its partners, beneficiaries, or members of the pass through entity as provided by written agreement without regard to their sharing of other tax or economic attributes. Such agreements shall be filed with the corporation not later than fifteen (15) days after execution. The pass through entity shall also provide a copy of such agreements, a list of partners, beneficiaries, or members of the pass through entity, and their respective shares of the credit resulting from such agreements in the manner prescribed by the department of state revenue. However, this subsection applies only to a project that is located in a redevelopment project area, an economic development area, or an urban renewal project area and that includes, as part of the project, the use and repurposing of two (2) or more buildings and structures that are:

(1) at least seventy-five (75) years old; and

(2) located at a site at which manufacturing previously occurred over a period of at least seventy-five (75) years.

SECTION 26. IC 6-8.1-1-1, AS AMENDED BY P.L.256-2017, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the ~~riverboat admissions~~ **supplemental wagering** tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1) (repealed); the county option income tax (IC 6-3.5-6) (repealed); the county economic development income tax (IC 6-3.5-7) (repealed); the local income tax (IC 6-3.6); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax

(IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5)~~;~~ the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-20-18); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-20-18); and any other tax or fee that the department is required to collect or administer.

SECTION 27. IC 6-8.1-1-1, AS AMENDED BY P.L.188-2018, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the ~~riverboat admissions~~ **supplemental wagering** tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1) (repealed); the county option income tax (IC 6-3.5-6) (repealed); the county economic development income tax (IC 6-3.5-7) (repealed); the local income tax (IC 6-3.6); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the heavy equipment rental excise tax (IC 6-6-15); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-20-18); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-20-18); and any other tax or fee that the department is required to collect or administer.

SECTION 28. IC 6-8.1-9-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: **Sec. 1.5. (a) The department may**

issue a refund or credit without a taxpayer filing a refund claim in the event of:

(1) an error by the department;

(2) an error determined by the department; or

(3) a taxpayer's overpayment determined by the department under an audit or investigation.

(b) The department shall prescribe rules or guidelines to govern the circumstances under which the department may issue a refund or credit under this section.

(c) The department may not issue a refund or credit under this section if the period for filing a refund claim under this article has expired before the issuance of the refund or credit.

(d) Nothing in this section shall constitute a requirement that the department issue a refund or credit for an overpayment.

SECTION 29. IC 6-8.1-17 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]:

Chapter 17. Income Tax Return Preparers; Preparer Tax Identification Numbers

Sec. 1. As used in this chapter, "income tax return" means any of the following:

(1) An individual income tax return under IC 6-3.

(2) A corporate income tax return under IC 6-3.

(3) A financial institutions tax return under IC 6-5.5.

(4) A utility receipts tax return under IC 6-2.3.

(5) A claim for refund of any tax described in subdivisions (1) through (4).

Sec. 2. (a) As used in this chapter, "income tax return preparer" means any of the following:

(1) A person who prepares ten (10) or more income tax returns for compensation in a calendar year.

(2) A person who employs one (1) or more persons to prepare ten (10) or more income tax returns for compensation in a calendar year.

(b) A person is not an income tax return preparer if the person performs only the following acts:

(1) Furnishes typing, reproducing, or other mechanical assistance.

(2) Prepares returns or claims for refunds for:

(A) the employer by whom the person is regularly and continuously employed; or

(B) an affiliate of that employer.

(3) Prepares, as a fiduciary, any returns or claims for refunds for a person.

(4) Prepares claims for refund for a taxpayer in response to:

(A) a notice of deficiency issued to the taxpayer; or

(B) a waiver of restriction after the commencement of an audit of:

(i) the taxpayer; or

(ii) another taxpayer, if a determination in the audit of the other taxpayer directly or indirectly affects the tax liability of the taxpayer whose claim for refund the person is preparing.

Sec. 3. As used in this chapter, "PTIN" means the preparer tax identification number that the Internal Revenue Service issues to identify tax return preparers under 26 U.S.C. 6109.

Sec. 4. For purposes of this chapter, the preparation of a substantial portion of an income tax return shall be treated as the preparation of that income tax return.

Sec. 5. For taxable years beginning after December 31, 2018, an income tax return preparer may not provide tax preparation services for income tax returns unless the income tax return preparer provides a PTIN when the income tax return preparer submits an income tax return to the department and signs the income tax return as a paid preparer.

Sec. 6. For taxable years beginning after December 31, 2018, the department shall require each income tax return preparer to include the income tax return preparer's PTIN on any income tax return that the income tax return preparer prepares and files with the department.

Sec. 7. (a) Except as provided in subsection (b) and in addition to any other penalties provided by law, the department may impose on any income tax return preparer who violates this chapter by failing to provide the income tax return preparer's PTIN a penalty of fifty dollars ($50) for each violation, but not to exceed twenty-five thousand dollars ($25,000) in a calendar year.

(b) The department may not impose a penalty under this section if the income tax return preparer's failure to provide the income tax return preparer's PTIN is due to reasonable cause and is not due to willful neglect, as determined by the department.

Sec. 8. The department may develop and by rule implement a program using PTINs as an oversight mechanism to assess returns to identify high error rates, patterns of suspected fraud, and unsubstantiated basis for tax positions by income tax return

preparers.

Sec. 9. (a) The department:

(1) may investigate the actions of any income tax return preparer filing income tax returns; and

(2) after a hearing, may bar or suspend an income tax return preparer from filing returns with the department for good cause.

(b) Notwithstanding IC 4-21.5-2-4, the department shall conduct a hearing described in subsection (a)(2) under IC 4-21.5-3, and judicial review of an adverse decision in a hearing described in subsection (a)(2) shall be in accordance with IC 4-21.5-5.

Sec. 10. The department may establish formal and regular communication protocols with the commissioner of the Internal Revenue Service to share and exchange PTIN information for income tax return preparers who are suspected of fraud, who have been disciplined, or who are barred from filing tax returns with the department or the Internal Revenue Service. The department may establish additional communication protocols with other states to exchange similar enforcement or discipline information.

Sec. 11. The department may adopt rules for the administration and enforcement of this chapter.

SECTION 30. IC 6-9-48 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 48. Vigo County Food and Beverage Tax

Sec. 1. This chapter applies to Vigo County.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. As used in this chapter, "capital improvement board" means a capital improvement board of managers of the county established under IC 36-10-8.

Sec. 4. (a) The fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on transactions described in section 5 of this chapter. The county fiscal body may adopt an ordinance under this subsection only after the county fiscal body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the county food and beverage tax is the only substantive issue on the agenda for that public hearing.

(b) If the county fiscal body adopts an ordinance under subsection (a), the county fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the county fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that follows the month in which the ordinance is adopted.

Sec. 5. (a) Except as provided in subsection (c), a tax imposed under section 4 of this chapter applies before January 1, 2044, to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the county; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport the food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 6. The county food and beverage tax rate may not exceed one percent (1%) of the gross retail income received by the merchant from the food or beverage transaction described in section 5 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 7. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is

imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 8. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board upon warrants issued by the auditor of state.

Sec. 9. (a) If a tax is imposed under section 4 of this chapter by the county fiscal body, the treasurer of the capital improvement board shall establish a food and beverage tax receipts fund.

(b) The treasurer of the capital improvement board shall deposit in the fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 10. Amounts received by the capital improvement board under this chapter may be used by the capital improvement board only for the following purposes:

(1) The acquisition, construction, improvement, maintenance, or financing of:

(A) a convention center that is constructed after June 30, 2018;

(B) a facility that is used or will be used principally for:

(i) convention or tourism related events; or

(ii) the arts;

that is constructed after June 30, 2018; or

(C) wayfinding improvements made after June 30, 2018, that assist individuals in locating and following or discovering a route through and to a given location, including kiosks, indoor maps, and building directories.

(2) To pay the principal and interest on bonds issued to finance a purpose described in subdivision (1).

Sec. 11. This chapter expires December 31, 2043.

SECTION 31. IC 10-13-3-38.5, AS AMENDED BY P.L.155-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: Sec. 38.5. (a) Under federal P.L.92-544 (86 Stat. 1115), the department may use an individual's fingerprints submitted by the individual for the following purposes:

(1) Determining the individual's suitability for employment with the state, or as an employee of a contractor of the state, in a position:

(A) that has a job description that includes contact with, care of, or supervision over a person less than eighteen (18) years of age;

(B) that has a job description that includes contact with, care of, or supervision over an endangered adult (as defined in IC 12-10-3-2), except the individual is not required to meet the standard for harmed or threatened with harm set forth in IC 12-10-3-2(a)(3);

(C) at a state institution managed by the office of the secretary of family and social services or state department of health;

(D) at the Indiana School for the Deaf established by IC 20-22-2-1;

(E) at the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1;

(F) at a juvenile detention facility;

(G) with the Indiana gaming commission under IC 4-33-3-16;

(H) with the department of financial institutions under IC 28-11-2-3; or

(I) that has a job description that includes access to or supervision over state financial or personnel data, including state warrants, banking codes, or payroll information pertaining to state employees.

(2) Determining the individual's suitability for employment with state or local government, or as an employee of a contractor of state or local government, in a position in which the individual's duties include access to confidential tax information obtained from the United States Internal Revenue Service under Section 6103(d) of the Internal Revenue Code or from an authorized secondary source.

~~(2)~~ **(3)** Identification in a request related to an application for a teacher's license submitted to the department of education established by IC 20-19-3-1.

~~(3)~~ **(4)** Use by the gaming commission established under IC 4-33-3-1 for licensure of a promoter (as defined in IC 4-33-22-6) under IC 4-33-22.

~~(4)~~ **(5)** Use by the Indiana board of pharmacy in determining the individual's suitability for a position or employment with a wholesale drug distributor, as specified in IC 25-26-14-16(b), IC 25-26-14-16.5(b), IC 25-26-14-17.8(c), and IC 25-26-14-20.

~~(5)~~ **(6)** Identification in a request related to an individual applying for or renewing a license or certificate described in IC 25-1-1.1-4 and a conviction described in IC 25-1-1.1-2 or IC 25-1-1.1-3.

An applicant shall submit the fingerprints in an appropriate format or on forms provided for the employment, license, or certificate application. The department shall charge each applicant the fee established under section 28 of this chapter and by federal authorities to defray the costs associated with a search for and classification of the applicant's fingerprints. The department may forward fingerprints submitted by an applicant to the Federal Bureau of Investigation or any other agency for processing. The state personnel department, the Indiana professional licensing agency, or the agency to which the applicant is applying for employment or a license may receive the results of all fingerprint investigations.

(b) An applicant who is an employee of the state may not be charged under subsection (a).

(c) Subsection (a)(1) does not apply to an employee of a contractor of the state if the contract involves the construction or repair of a capital project or other public works project of the state.

(d) Each current or new state or local government employee whose duties include access to confidential tax information described in subsection (a)(2) must submit to a fingerprint based criminal history background check of both national and state records data bases before being granted access to the confidential tax information. In addition to the initial criminal history background checks, each state or local government employee whose duties include access to confidential tax information described in subsection (a)(2) must submit to such criminal history background checks at least once every ten (10) years thereafter. The appointing authority of such a state or local government employee may pay any fee charged for the cost of fingerprinting or conducting the criminal history background checks for the state or local government employee. Only the state or local government agency in its capacity as the individual's employer or to which the applicant is applying for employment is entitled to receive the results of all fingerprint investigations.

(e) Each current or new contractor or subcontractor whose contract or subcontract grants access to confidential tax information described in subsection (a)(2) must submit to a fingerprint based criminal history background check of both national and state records data bases at least once every ten (10) years before being granted access to the confidential tax information. Only the state or local government agency is entitled to receive the results of all fingerprint investigations conducted under this subsection.

(f) Each contract entered into by the state in which access to confidential tax information described in subsection (a)(2) is granted to a contractor or a subcontractor shall include:

(1) terms regarding which party is responsible for payment of any fee charged for the cost of the fingerprinting or the criminal history background checks; and

(2) terms regarding the consequences if one (1) or more disqualifying records are discovered through the criminal history background checks.

~~(d)~~ **(g)** The department:

(1) may permanently retain an applicant's fingerprints submitted under this section; and

(2) shall retain the applicant's fingerprints separately from fingerprints collected under section 24 of this chapter.

SECTION 32. IC 36-7-25-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 8. (a) Each redevelopment commission shall annually present information for the governing bodies of all taxing units that have territory within an allocation area of the redevelopment commission. The presentation shall be made at a meeting of the redevelopment commission and must include the following:**

(1) The commission's budget with respect to allocated property tax proceeds.

(2) The long term plans for the allocation area.

(3) The impact on each of the taxing units.

(b) The governing body of a taxing unit that has territory within an allocation area of the redevelopment commission may request that a member of the redevelopment commission appear before the governing body at a public meeting of the governing body.

SECTION 33. IC 36-10-3-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 38. (a) This section applies in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

(b) This section applies only if a municipality annexes **or has annexed** territory that is part of a district under this chapter **after June 1, 1976.**

(c) Any annexed territory that is in the district before the effective date of the annexation ordinance remains a part of the district, and the property in the annexed territory is subject to the same levy for park and recreational purposes as other property within the district. The annexing municipality may not impose an additional levy on the property in the annexed territory for park and recreational purposes.

(d) Notwithstanding subsection (c), the district's fiscal officer shall semiannually transfer to the annexing municipality's department one-half (1/2) of the property tax revenue attributable to property taxes imposed by the district on property that is within the annexed territory and that was annexed after June 1, 1976, and before March 4, 1988.

(e) The fiscal officer for a district shall make the transfer required under subsection (d) on June 1 and December 1 of each calendar year beginning after December 31, 2018.

SECTION 34. [EFFECTIVE UPON PASSAGE] **(a) For purposes of IC 6-3-4-8.2(b), as amended by this act, the amounts withheld after June 30, 2018, and before July 25, 2018, are required to be paid to the department of revenue on July 24, 2018.**

(b) This SECTION expires July 1, 2019.

SECTION 35. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding the effective date in P.L.181-2016, SECTION 16, for IC 6-2.5-1-19.5, as changed by P.L.217-2017, SECTION 172(a), the effective date of P.L.181-2016, SECTION 16, is July 1, 2019, and not July 1, 2018.**

(b) Notwithstanding the effective date in P.L.181-2016, SECTION 19, as changed by P.L.217-2017, SECTION 172(b), for IC 6-2.5-4-4, the effective date of P.L.181-2016, SECTION 19, is July 1, 2019, and not July 1, 2018.

(c) Notwithstanding the effective date in P.L.181-2016, SECTION 20, as changed by P.L.217-2017, SECTION 172(c), for IC 6-2.5-4-4.2, the effective date of P.L.181-2016, SECTION 20, is July 1, 2019, and not July 1, 2018.

SECTION 36. **An emergency is declared for this act.**

Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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