

HOUSE BILL No. 1317

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-16.

Synopsis: Sales tax remittances by restaurants. Provides for a payment program for restaurants with unpaid sales tax and food and beverage taxes. Defines "state tax liability" as sales tax and food and beverage taxes incurred after February 28, 2021, and before August 1, 2021. Provides that a restaurant can enter into a payment program agreement with the department of state revenue that covers state tax liability for the prescribed time period. Provides that, upon payment of all state tax liability, the department shall abate and not seek to collect any interest, penalties, collection fees, or costs.

Effective: January 1, 2021 (retroactive).

Andrade, Gore

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



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

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1317

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

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

1 SECTION 1. IC 6-2.5-16 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2021 (RETROACTIVE)];

4 **Chapter 16. Payment Program for Unpaid Sales Tax and Food
5 and Beverage Taxes for Restaurants**

6 **Sec. 1. The department shall establish a payment program for
7 restaurants with unpaid sales tax and food and beverage taxes.**

8 **Sec. 2. As used in this chapter, "restaurant" means a taxpayer
9 that:**

10 (1) meets the requirements provided in IC 7.1-3-20-9; and

11 (2) either:

12 (A) is described in IC 6-2.5-4; or

13 (B) is required to hold a retail merchant's certificate under
14 IC 6-2.5-8.

15 **Sec. 3. As used in this chapter, "state tax liability" means a
16 restaurant's total liability incurred under IC 6-2.5-2 and food and
17 beverage taxes under IC 6-9.**



1 **Sec. 4. The payment program established under this chapter is**
 2 **for a restaurant with unpaid state tax liability incurred after**
 3 **February 28, 2021, but before August 1, 2021.**

4 **Sec. 5. If a restaurant enters into a payment program with the**
 5 **department under this chapter, the department shall set up a**
 6 **twelve (12) month payment plan for the restaurant to pay the**
 7 **unpaid state tax liability.**

8 **Sec. 6. Upon payment by a restaurant to the department of all**
 9 **state tax liability due from the restaurant for the period covered by**
 10 **the payment program agreement (or payment of the unpaid state**
 11 **tax liability in full in the manner and time as set forth in a written**
 12 **payment program agreement between the department and the**
 13 **restaurant), the department:**

14 **(1) shall abate and not seek to collect any interest, penalties,**
 15 **collection fees, or costs that would otherwise be applicable;**

16 **(2) shall release any liens imposed;**

17 **(3) shall not seek civil or criminal prosecution against the**
 18 **taxpayer; and**

19 **(4) shall not issue, or if issued, shall withdraw, an assessment,**
 20 **a demand notice, or warrant for payment under IC 6-8.1-5-3,**

21 **IC 6-8.1-8-2, or another law against the taxpayer;**

22 **for state tax liability due from the restaurant for the tax period for**
 23 **which the payment program has been granted to the restaurant.**

24 **Sec. 7. A payment program entered into under this chapter is**
 25 **binding on the state and its agents. However, failure to pay the**
 26 **department all state tax liability due for the period of the payment**
 27 **program invalidates the agreement.**

28 **Sec. 8. The department shall enforce an agreement with a**
 29 **restaurant that prohibits the restaurant from entering into any**
 30 **other payment plan with the department for the state tax liability**
 31 **covered by the payment program agreement.**

32 **Sec. 9. The department may adopt emergency rules under**
 33 **IC 4-22-2-37.1 to establish procedures for the payment program**
 34 **established under this chapter.**

35 **Sec. 10. This chapter expires January 1, 2024.**

36 **SECTION 2. An emergency is declared for this act.**

