

# SENATE BILL No. 285

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.6-7-16.5.

**Synopsis:** Public transit funding. Allows counties to impose an additional local income tax rate to fund the operations of a public transportation corporation and the operations of a rural transportation assistance program. Provides that the rate must be adopted by the county council and must be at least 0.1% but not more than 0.25%. Excludes from this provision any county that is eligible to hold a referendum on funding transportation projects under the central Indiana public transportation projects statute.

**Effective:** July 1, 2019.

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## Stoops

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January 7, 2019, read first time and referred to Committee on Tax and Fiscal Policy.

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First Regular Session of the 121st General Assembly (2019)

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 and Special Session of the General Assembly.

## SENATE BILL No. 285

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 6-3.6-7-16.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2019]: **Sec. 16.5. (a) This section applies to**  
4 **counties other than an eligible county (as defined in IC 8-25-1-4).**

5 **(b) As used in this section, "county transit project" refers to any**  
6 **of the following:**

7 **(1) The operations within the county of a public**  
8 **transportation corporation, including operations within**  
9 **territory added to the taxing district of the public**  
10 **transportation corporation under IC 36-9-4-13.**

11 **(2) The operations within the county of a rural transportation**  
12 **assistance program described in 49 U.S.C. 5311.**

13 **(c) The fiscal body of the county may adopt an ordinance to**  
14 **impose a tax on the adjusted gross income of local taxpayers to**  
15 **raise revenue for one (1) or more county transit projects. An**  
16 **ordinance adopted under this subsection must do the following:**

17 **(1) Specify the tax rate to be imposed in the county under this**



1 section, which must be at least one-tenth percent (0.1%) but  
2 not more than twenty-five hundredths percent (0.25%).

3 (2) Allocate the local income tax revenues attributable to the  
4 tax rate imposed under this section by percentage among one  
5 (1) or both of the following county transit projects:

6 (A) The operations within the county of a public  
7 transportation corporation, including operations within  
8 territory added to the taxing district of the public  
9 transportation corporation under IC 36-9-4-13.

10 (B) The operations within the county of a rural  
11 transportation assistance program described in 49 U.S.C.  
12 5311.

13 (d) If an ordinance is adopted under subsection (c), the amount  
14 of the local income tax revenues attributable to the tax rate  
15 imposed under this section must be:

16 (1) transferred by the county auditor to:

17 (A) a public transportation corporation operating within  
18 the county under IC 36-9-4-13; and

19 (B) the rural transportation assistance program providing  
20 transportation services within the county;

21 in accordance with the allocation percentages specified by the  
22 ordinance; and

23 (2) used for the purposes described in subsection (c).

24 (e) A tax rate imposed under this section is in addition to any  
25 other tax rates that may be imposed in the county under any other  
26 law.

