



January 27, 2014

HOUSE BILL No. 1001

DIGEST OF HB 1001 (Updated January 23, 2014 6:06 pm - DI 84)

Citations Affected: IC 6-1.1.

Synopsis: Tax exemption for new personal property. Provides that a county income tax council may adopt an ordinance to exempt from property taxation any new business personal property (other than utility personal property) that is located in the county.

Effective: July 1, 2014.

Turner, Brown T, Braun, Huston

January 13, 2014, read first time and referred to Committee on Ways and Means.
January 27, 2014, reported — Do Pass.

HB 1001—LS 7018/DI 73



January 27, 2014

Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1001

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

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

1 SECTION 1. IC 6-1.1-10.3 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]:

4 **Chapter 10.3. County Option Exemption of Business Personal**
5 **Property**

6 **Sec. 1. As used in this chapter, "affiliate" means a person that**
7 **directly, or indirectly through one (1) or more intermediaries,**
8 **controls, is controlled by, or is under common control with, a**
9 **specified person. The term includes a parent company or a**
10 **subsidiary.**

11 **Sec. 2. As used in this chapter, "business personal property"**
12 **means personal property that:**

13 **(1) is otherwise subject to assessment and taxation under this**
14 **article; and**

15 **(2) is used in a trade or business or otherwise held, used, or**
16 **consumed in connection with the production of income.**

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1 The term does not include mobile homes assessed under IC 6-1.1-7
2 or personal property held as an investment.

3 Sec. 3. As used in this chapter, "county income tax council"
4 refers to the county income tax council established by IC 6-3.5-6-2
5 for a county.

6 Sec. 4. As used in this chapter, "exemption ordinance" refers to
7 an ordinance adopted under section 6 of this chapter by a county
8 income tax council.

9 Sec. 5. As used in this chapter, "new personal property" means
10 business personal property that:

11 (1) a taxpayer places in service after the later of the date the
12 exemption ordinance is adopted or a date specified in the
13 exemption ordinance; and

14 (2) has not previously been used in Indiana before the
15 taxpayer acquires the business personal property.

16 Sec. 6. (a) A county income tax council may adopt an exemption
17 ordinance that exempts new personal property located in the
18 county from property taxation as provided in section 7 of this
19 chapter.

20 (b) For purposes of adopting an exemption ordinance under this
21 chapter, a county income tax council is comprised of the same
22 members as the county income tax council that is established by
23 IC 6-3.5-6-2 for the county, regardless of whether a county income
24 tax is in effect in the county and regardless of which county income
25 tax is in effect in the county. Except as provided in this chapter, the
26 county income tax council shall use the same procedures that apply
27 under IC 6-3.5-6 when acting under this chapter.

28 (c) Before adopting an exemption ordinance under this section,
29 a county income tax council must conduct a public hearing on the
30 proposed exemption ordinance. The county income tax council
31 must publish notice of the public hearing in accordance with
32 IC 5-3-1.

33 (d) The county income tax council shall provide a certified copy
34 of an adopted exemption ordinance to the department of local
35 government finance and the county auditor.

36 Sec. 7. An exemption ordinance adopted under this chapter
37 must exempt all new personal property, other than personal
38 property assessed under IC 6-1.1-8. An exemption ordinance may
39 not exempt personal property assessed under IC 6-1.1-8.

40 Sec. 8. A county income tax council may repeal or amend an
41 exemption ordinance. However, if a county income tax council
42 repeals or amends an exemption ordinance, any new personal



1 **property that was exempt under the exemption ordinance on the**
2 **date the new personal property was placed into service by a**
3 **taxpayer remains exempt from property taxation, regardless of**
4 **whether or not the ownership of the new personal property**
5 **changes after the date the exemption ordinance is amended or**
6 **repealed.**

7 **Sec. 9. A taxpayer is not required to file an application or a**
8 **personal property tax return to qualify for an exemption under this**
9 **chapter.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1001, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1001 as introduced.)

Committee Vote: Yeas 13, Nays 8

Representative Brown T

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