



Legislative Synopsis

2020



Indiana Department of Revenue

INTRODUCTION

The Legislative Synopsis contains a list of legislation passed by the 2020 Indiana General Assembly affecting the Indiana Department of Revenue (DOR).

DOR's synopsis has been divided into two parts with each presenting the same information, but organized differently. The first part is organized according to tax type and the second by bill number.

For each legislative change, the synopsis includes the heading (the relevant tax type in the first part; the enrolled act number in the second part), short summary, effective date, affected Indiana Code cites and SECTION of the bill where the language appears.

FINDING INDIANA CODE AND LEGISLATION ONLINE

To find laws contained in Indiana Code, get more information about all the recently passed legislation or to read the bills in their entirety, go to the Indiana General Assembly's website at www.iga.in.gov.

Indiana Code is arranged by Title, Article, Chapter and Section. To find information contained in Indiana Code, on the Indiana General Assembly's website, do the following:

1. At the top of the web page, click "Laws" and then click "Indiana Code." Every Title of the Indiana Code appears on this page.
2. Click the Title you want to review.
3. Next, choose the Article you want to review. All the Chapters in the Article are listed on the left side of the page.
4. Click the Chapter you want to review. All Sections of the Chapter will appear, including the Section of the Indiana Code you want to examine.

To see the bill containing the specific language, do the following:

1. Click the "Legislation" link on the top of the Indiana General Assembly's web page.
2. From there, click "Bills" and scroll to the bill number you want. Bills which failed to pass will be displayed in a gray font.
3. When you find the bill, click "Latest Version" to pull up the most recent version of the bill which, if passed, will be titled as an Enrolled Act.
4. Click "Download" to open a PDF of the bill to find the relevant piece of legislation by looking for its SECTION number.

Disclaimer

Legislative synopses are intended to provide nontechnical assistance to the general public. Every attempt is made to provide information that is consistent with the appropriate enrolled acts. Any information or guidance not consistent with the appropriate enrolled acts is not binding on the department. The information provided herein should serve only as a foundation for further investigation and study of the current law and procedures related to the subject matter covered herein. This document does not meet the definition of a "statement" required to be published in the Indiana Register under IC 4-22-2-7.

TABLE OF CONTENTS

Part I: Legislation by Tax Type	3
Laws Governing the State	3
Sports Wagering	3
Sales and Use Tax	3
Adjusted Gross Income Tax	6
State Tax Liability Credits	8
Local Income Taxes	12
Taxation of Financial Institutions	12
Motor Fuel and Vehicle Excise Tax	12
Tax Administration	13
Motor Carrier Regulation Fund	16
Certificates of Title	17
Enhanced Prepaid Wireless Telecommunications Service Charge	17
Miscellaneous and Non-code Provisions	17
Part II: Legislation by Enrolled Act Number	19
SEA 272	19
SEA 408	19
HEA 1052	29
HEA 1059	29
HEA 1065	30
HEA 1093	32
HEA 1235	33
HEA 1246	33

PART I: Legislation by Tax Type

LAWS GOVERNING THE STATE (IC 1-1)

Summary: Permits a state agency to allow a person to electronically file or submit a document to the state agency, even if a state statute or rule requires a person to use a different means of filing or submitting the document or does not expressly authorize a person to electronically file or submit a document. Establishes that methods to collect electronic filings or submissions must be approved by the office of technology to ensure all data is transmitted securely. Directs that any other means of filing or submitting documents to the state agency that is required or allowed by state statute or rule must still be made available to the public as an option.

Effective Date: July 1, 2020

Code: IC 1-1-7.7

Enrolled Act: HEA 1093, Sec. 1

SPORTS WAGERING (IC 4-38)

Summary: Clarifies the definition of “adjusted gross receipts” for purposes of the sports wagering tax.

Effective Date: July 1, 2020

Code: IC 4-38-2-2

Enrolled Act: SEA 408, Sec. 1

SALES AND USE TAX (IC 6-2.5)

Summary: Excludes a transaction that meets one of the exceptions to the definition of “bundled transaction” in IC 6-2.5-1-11.5(d) from the definition of a “unitary transaction.”

Effective Date: July 1, 2020

Code: IC 6-2.5-1-1

Enrolled Act: SEA 408, Sec. 2

Summary: Adds new subpart (b)(9) to the definition of “gross retail income.” This subsection was formerly subsection (g) of IC 6-2.5-4-1, which was removed in SECTION 12 of SEA 408. This subpart excludes from the definition of “gross retail income” for purposes of sales tax charges for serving or delivering food and food ingredients furnished, prepared, or served for consumption at a location, or on equipment, provided by the retail merchant, to the extent that the charges for the serving or delivery are stated separately from the price of the food and food ingredients when the purchaser pays the charges.

Effective Date: July 1, 2020

Code: IC 6-2.5-1-5(b)(9)

Enrolled Act: SEA 408, Sec. 3

Summary: Adds new subsection (d) to the definition of “gross retail income.” This subsection was formerly subsection (f) of IC 6-2.5-4-1, which was removed in SECTION 12 of SEA 408. This subsection provides that notwithstanding subsection IC 6-2.5-1-5(b)(5) (which excludes from the definition of “gross retail income” any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the purchaser, including an excise tax imposed under IC 6-6-15):

(1) in the case of retail sales of special fuel (as defined in IC 6-6-2.5-22), the gross retail income is the total sales price of the special fuel minus the part of that price attributable to the tax imposed under IC 6-6-2.5 or Section 4041 or Section 4081 of the Internal Revenue Code; and

(2) in the case of retail sales of cigarettes (as defined in IC 6-7-1-2), the gross retail income is the total sales price of the cigarettes including the tax imposed under IC 6-7-1.

Effective Date: July 1, 2020
Code: IC 6-2.5-1-5(c)
Enrolled Act: SEA 408, Sec. 3

Summary: Adds new subsection (d) to the definition of “gross retail income.” This subsection was formerly subsection (e) of IC 6-2.5-4-1, which was removed in SECTION 12 of SEA 408. This subsection provides that gross retail income is only taxable under IC 6-2.5 to the extent that the income represents:

- (1) the price of the property transferred, without the rendition of any services; and
- (2) except for the exclusions provided in IC 6-2.5-1-5(b), any bona fide changes which are made for preparation, fabrication, alteration, modification, finishing, completion, delivery, or other service performed in respect to the property transferred before its transfer and which are separately stated on the transferor’s records. For purposes of IC 6-2.5-1-5(d)(2), a transfer is considered to have occurred after the delivery of the property to the purchaser.

Effective Date: July 1, 2020
Code: IC 6-2.5-1-5(d)
Enrolled Act: SEA 408, Sec. 3

Summary: Excludes a transaction that meets one of the exceptions to the definition of “bundled transaction” in IC 6-2.5-1-11.5(d) from the definition of a “unitary transaction.”

Effective Date: July 1, 2020
Code: IC 6-2.5-1-11.5(e)
Enrolled Act: SEA 408, Sec. 4

Summary: Defines “physical presence in Indiana” for purposes of the requirement in IC 6-2.5-2-1(b) that the retail merchant collects sales tax on a retail transaction as agent for the state. A retail merchant has a physical presence in Indiana when the retail merchant:

- (1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or another place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;
- (2) maintains a representative, agent, salesperson, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana; or
- (3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1.

Effective Date: July 1, 2020
Code: IC 6-2.5-2-1(c)
Enrolled Act: SEA 408, Sec. 5

Summary: Reiterates that the 7% state sales tax rate applies to the gross retail income in a bundled transaction as it does to the gross retail income in a unitary transaction.

Effective Date: July 1, 2020
Code: IC 6-2.5-2-2(a)
Enrolled Act: SEA 408, Sec. 6

Summary: Adds a new statute to the code that acts in the same manner as the former IC 6-2.5-2-4, which sunset on July 1, 2019. The statute provides that sales of a cargo trailers or recreational vehicles to a resident of a nonreciprocal state or foreign country are subject to a special Indiana sales tax rate as long as the purchaser intends to transport the vehicle to a destination outside Indiana within 30 days after delivery for titling or registering for use in another state or country, and that the vehicle will not be titled or registered for use in Indiana. The Indiana sales tax rate on the cargo trailer or recreational vehicle is the rate of the nonreciprocal state or foreign country (excluding any locally imposed tax rates) in which the cargo trailer or recreational vehicle will be titled or registered, as certified by the seller and purchaser in an affidavit satisfying the requirements prescribed by the department. Provides form requirements and information required for the affidavit, which the department may audit and base proposed assessments upon.

Effective Date: July 1, 2020

Code: IC 6-2.5-2-5

Enrolled Act: HEA 1059, Sec. 1

Summary: Eliminates the physical presence test for a retail merchant engaged in business in Indiana from the use tax chapter (IC 6-2.5-3). The physical presence test is now in IC 6-2.5-2-1(c).

Effective Date: July 1, 2020

Code: IC 6-2.5-3-1

Enrolled Act: SEA 408, Sec. 7

Summary: Reiterates that the 7% state use tax rate applies to the gross retail income in a bundled transaction as it does to the gross retail income in a unitary transaction.

Effective Date: July 1, 2020

Code: IC 6-2.5-3-3

Enrolled Act: SEA 408, Sec. 8

Summary: Clarifies that the storage, use, and consumption of tangible personal property in Indiana is exempt from use tax if the property was acquired in a retail transaction whether in Indiana or outside Indiana and state gross retail tax has been paid on the acquisition of that property.

Effective Date: July 1, 2020

Code: IC 6-2.5-3-4

Enrolled Act: SEA 408, Sec. 9

Summary: Eliminates the requirement that a retail merchant collects use tax as an agent for the state for certain transactions.

Effective Date: July 1, 2020

Code: IC 6-2.5-3-6

Enrolled Act: SEA 408, Sec. 10

Summary: Codifies the department's longstanding position that the "sale for resale" exemption at IC 6-2.5-5-8 does not apply to gasoline use tax.

Effective Date: July 1, 2014 (RETROACTIVE)

Code: IC 6-2.5-3.5-26

Enrolled Act: SEA 408, Sec. 11

Summary: Removes subsections (e) through (g), which pertained to matters constituting "gross retail income." These subsections were instead moved and added to the definition of "gross retail income" at IC 6-2.5-1-5 in SECTION 3 of SEA 408.

Effective Date: July 1, 2020

Code: IC 6-2.5-4-1

Enrolled Act: SEA 408, Sec. 12

Summary: Replaces a reference to IC 6-2.5-4-1(f)(2) with IC 6-2.5-1-5(c)(2), as the language in the former section was replaced and added to the latter section in SECTION 3 of SEA 408.

Effective Date: July 1, 2020

Code: IC 6-2.5-4-18

Enrolled Act: SEA 408, Sec. 13

Summary: Repeals the requirement that, when possible, the department shall coordinate the reporting and payment of state gross retail and use taxes with the reporting and payment of gross income tax.

Effective Date: July 1, 2020

Code: IC 6-2.5-6-6

Enrolled Act: SEA 408, Sec. 14

Summary: Eliminates reference to the gross income tax law in the provision that provides that a retail merchant is not entitled to a refund of state gross retail or use taxes unless the retail merchant refunds those taxes to the person from whom they were collected.

Effective Date: July 1, 2020

Code: IC 6-2.5-6-14.1

Enrolled Act: SEA 408, Sec. 15

Summary: Removes the former subsection (j) pertaining to licensing for a retail merchant collecting use tax. Moves the requirement of a remote seller to provide names, addresses, and locations with their application for a retail merchant certificate into the former subsection (l). Amends the former subsection (k) pertaining to out-of-state merchants and their collection responsibility, replacing references to use tax with sales tax as well as replacing other references pertaining to use tax.

Effective Date: July 1, 2020

Code: IC 6-2.5-8-1

Enrolled Act: SEA 408, Sec. 16

Summary: Repeals the use of provisions of the adjusted gross income tax law, which do not conflict with the provisions IC 6-2.5 for purposes of imposing, collecting, and administering sales and use taxes.

Effective Date: July 1, 2020

Code: IC 6-2.5-10-2

Enrolled Act: SEA 408, Sec. 20

ADJUSTED GROSS INCOME TAX (IC 6-3)

Summary: Alters several modifications to adjusted gross income in IC 6-3-1-3.5 to account for a married individual filing a separate return.

Allows a married individual filing a separate return to claim the additional \$500 Indiana deduction for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code for taxpayers aged 65 or older if the individual's income is less than \$20,000.

Allows a married individual filing a separate return who is otherwise entitled to a deduction for a qualified long term care policy (as defined in IC 12-15-39.6-5) under IC 6-3-1-3.5(a)(12) to subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for the taxpayer.

Allows a married individual filing a separate return to subtract the amount of property taxes (up to \$1,250) that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

Effective Date: January 1, 2021

Code: IC 6-3-1-3.5

Enrolled Act: SEA 408, Sec. 21

Summary: Updates Indiana Code's general conformity date with the Internal Revenue Code from January 1, 2019 to January 1, 2020.

Effective Date: January 1, 2020 (RETROACTIVE)

Code: IC 6-3-1-11

Enrolled Act: SEA 408, Sec. 22

Summary: Allows a married individual filing a separate return for a particular taxable year who rents a dwelling for use as the individual's principal place of residence to deduct from the individual's adjusted gross income the amount of rent paid by the individual with respect to the dwelling during the taxable year up to \$1,500.

Effective Date: January 1, 2021

Code: IC 6-3-2-6

Enrolled Act: SEA 408, Sec. 23

Summary: Establishes, for purposes of calculating the disability retirement deduction in IC 6-3-2-9, a threshold of \$7,500 in step 3 of the calculation in the case of a married individual filing a separate return. Step 3 previously had a threshold of \$15,000 without regard to the filing status of a married individual.

Effective Date: January 1, 2021

Code: IC 6-3-2-9

Enrolled Act: SEA 408, Sec. 24

Summary: Clarifies that for purposes of the credit against income tax for taxes withheld under IC 6-3-4 or IC 6-5.5-2-8 during the taxable year, the credit is reduced to the extent that the amount deducted and withheld as tax is applied as a credit against the financial institution tax imposed by IC 6-5.5.

Effective Date: Upon passage

Code: IC 6-3-3-1

Enrolled Act: SEA 408, Sec. 25

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "qualified state tax liability" against which the enterprise zone employer's tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3-3-10

Enrolled Act: HEA 1065, Sec. 9

Summary: Decouples from the federal 529 education savings plan rules by excepting qualified education loan repayments under Section 529(c)(9) of the Internal Revenue Code from the definition of "qualified higher education expenses."

Permits a married individual filing a separate return to claim the tax credit for contributions to college choice education savings plan for taxable years beginning after December 31, 2019. Establishes that in the case of a married individual filing a separate return, the most credit a taxpayer may claim in any taxable year is \$500.

Effective Date: January 1, 2020 (RETROACTIVE)

Code: IC 6-3-3-12

Enrolled Act: HEA 1065, Sec. 10

Summary: Provides that withholding on prize money with respect to a racing event at a qualified motorsports facility shall be done by the entity first paying the prize money to a team or driver, and the entity shall remit the prize money no later than thirty (30) days after the end of the month in which the withholding occurs. Provides that, if the team or driver distributes the prize money, the ultimate recipient shall receive a statement reflecting any credit for taxes withheld on the ultimate recipient's behalf.

Effective Date: April 1, 2020

Code: IC 6-3-4-13.5

Enrolled Act: SEA 408, Sec. 26

Summary: Clarifies that for taxable years ending after December 31, 2019, a partnership that is required to provide 25 or more Schedules K-1 of Form IT-65 to partners or a corporation that is required to provide 25 or more reports Schedules K-1 of Form IT-20S to shareholders must file all such reports schedules in an electronic format specified by the department.

Establishes that (c) If the department receives a Form IT-65, Form IT-20S, or form IT-41 with more than 50 Schedules K-1 in a format other than the electronic format specified by the department, the department may provide written notification to the partnership, estate, or trust that the department will consider the schedules to not be filed until the schedules have been filed in the specified electronic format.

Effective Date: Upon passage

Code: IC 6-3-4-16.7

Enrolled Act: SEA 408, Sec. 27

STATE TAX LIABILITY CREDITS (IC 6-3.1)

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the enterprise zone loan interest tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-7-1

Enrolled Act: HEA 1065, Sec. 11

Summary: Places nonprofit agricultural organization health coverage tax in IC 6-8-15 in the order in which an enterprise zone loan interest tax credit is applied to tax liabilities. A credit to which a taxpayer is entitled under IC 6-3.1-7 shall be applied against taxes owed by the taxpayer in the following order:

- (1) First, against the taxpayer’s adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Second, against the taxpayer’s insurance premiums tax liability (IC 27-1-18-2) or nonprofit agricultural organization health coverage tax liability (IC 6-8-15) for the taxable year.
- (3) Third, against the taxpayer’s financial institutions tax liability (IC 6-5.5) for the taxable year.

Effective Date: July 1, 2020

Code: IC 6-3.1-7-4

Enrolled Act: HEA 1065, Sec. 12

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the industrial recovery tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-12

Enrolled Act: HEA 1065, Sec. 13

Summary: Eliminates the description of the application process for a person wishing to enter into an agreement with the Indiana Economic Development Corporation (IEDC) for the award of the economic development for a growing economy (EDGE) credit for “fostering employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification.” Further, eliminates description of the consultation with Indiana career council for purposes of this agreement and the annual maximum credit IEDC may award for this purpose.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-(13, 14, 15.7 and 19.7)

Enrolled Act: SEA 272, Sec. 10-12

Summary: Substitutes an “assignee that is assigned some part of the industrial recovery tax credit” for a “lessee that is assigned some part of the industrial recovery tax credit” in the definition of “taxpayer” for purposes of IC 6-3.1-11.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-13

Enrolled Act: SEA 272, Sec. 7

Summary: Eliminates the requirement that an assignee of an industrial recovery tax credit be a lessee of the industrial recovery site. Restricts a taxpayer to only one assignment of the credit. Prohibits an assignee from further assigning a credit. Requires that before a credit may be assigned, the taxpayer must notify the Indiana Economic Development Corporation (IEDC) of the assignment in the manner prescribed by the IEDC.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-13

Enrolled Act: SEA 272, Sec. 8

Summary: Establishes that a taxpayer is entitled to a credit against the taxpayer’s state tax liability for a taxable year if the taxpayer makes a qualified investment as certified by the corporation for that year. Previously, the taxpayer was entitled to the tax credit for the year in which the qualified investment was made.

Eliminates the restriction that a taxpayer may make only one assignment of a credit. HEA 1065 permits a taxpayer to make more than one assignment of the credit, but the taxpayer may not assign the same part of a credit more than once. Prohibits an assignee from further assigning the credit.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-16

Enrolled Act: HEA 1065, Sec. 14

Summary: Places nonprofit agricultural organization health coverage tax in IC 6-8-15 in the order in which an industrial recovery tax credit is applied to tax liabilities. A credit to which a taxpayer is entitled under IC 6-3.1-11 shall be applied against taxes owed by the taxpayer in the following order:

(1) First, against the taxpayer’s adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.

(2) Second, against the taxpayer’s insurance premiums tax liability (IC 27-1-18-2) or nonprofit agricultural organization health coverage tax liability (IC 6-8-15) for the taxable year.

(3) Third, against the taxpayer’s financial institutions tax liability (IC 6-5.5) for the taxable year.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-22

Enrolled Act: HEA 1065, Sec. 15

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the economic development for a growing economy (EDGE) tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-13-9

Enrolled Act: HEA 1065, Sec. 16

Summary: Eliminates the reference to “fostering employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification” as a purpose for which the Indiana Economic Development Corporation may make economic development for a growing economy (EDGE) credit awards. (Previous statutory language had disallowed the awarding of the EDGE credit for taxable years beginning after December 31, 2018.)

Effective Date: July 1, 2020

Code: IC 6-3.1-13-13

Enrolled Act: SEA 272, Sec. 9

Summary: Establishes that a previously earned historic rehabilitation tax credit may be claimed in certain circumstances notwithstanding the cap of zero dollars on the amount of historic rehabilitation tax credits allowed in a state fiscal year beginning after June 30, 2016, as set forth in IC 6-3.1-16-14 (before its expiration) and the expiration of the historic rehabilitation tax credit chapter (IC 6-3.1-16) on January 1, 2019.

If a taxpayer was granted a historic rehabilitation tax credit by the Department of Natural Resources (DNR) before January 1, 2016, for a qualified expenditure made before June 30, 2016, for use in a taxable year other than the year in which the preservation or rehabilitation of the historic property was performed and the certification of the credit was provided by DNR, the credit may nevertheless be claimed in the subsequent year for which the credit was granted and may be carried forward subject to certain restrictions.

If the credit exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years. The credit may be carried forward and applied to succeeding taxable years for 15 taxable years following the taxable year in which the taxpayer is first entitled to claim the credit.

A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any historic rehabilitation tax credit carryover is applied against that liability.

A taxpayer is not entitled to any carryback or refund of any unused credit.

Effective Date: January 1, 2016 (RETROACTIVE)

Code: IC 6-3.1-16.1

Enrolled Act: SEA 408, Sec. 28

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "state and local tax liability" against which the community revitalization enhancement district tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-19-1

Enrolled Act: HEA 1065, Sec. 17

Summary: Provides that in the case of a married individual filing a separate return, for purposes of the income tax credit for property taxes paid on homesteads, the relevant income threshold amount for the calculation shall be 50% of the amount listed in IC 6-3.1-20-4(a).

Effective Date: January 1, 2021

Code: IC 6-3.1-20-4

Enrolled Act: SEA 408, Sec. 29

Summary: Provides that in the case of a married individual filing a separate return, for purposes of the income tax credit for property taxes paid on homesteads, the amount of the credit shall be 50% of the amount calculated in IC 6-3.1-20-5(b) and IC 6-3.1-20-5 (c).

Effective Date: January 1, 2021

Code: IC 6-3.1-20-5

Enrolled Act: SEA 408, Sec. 30

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "state tax liability" against which the venture capital investment tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-24-4

Enrolled Act: HEA 1065, Sec. 18

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the Hoosier business investment tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-26-9

Enrolled Act: HEA 1065, Sec. 19

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the school scholarship tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-30.5-5

Enrolled Act: HEA 1065, Sec. 20

Summary: Defines “mine reclamation site” for purposes of the redevelopment tax credit to mean: (1) land that has been mined using surface mining methods or underground mining methods, specifically and primarily for the removal of coal; and (2) land that is contiguous to land described in (1).

Effective Date: July 1, 2020

Code: IC 6-3.1-34-3.5

Enrolled Act: HEA 1065, Sec. 21

Summary: Adds “mine reclamation site” to the definition of “qualified redevelopment site” for purposes of the redevelopment tax credit.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-6

Enrolled Act: HEA 1065, Sec. 22

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the redevelopment tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-9

Enrolled Act: HEA 1065, Sec. 23

Summary: Clarifies that an “assignee”—not just a “person”—that is assigned part or all of a credit under IC 6-3.1-34-14 is entitled to the redevelopment tax credit.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-10

Enrolled Act: HEA 1065, Sec. 24

Summary: Places nonprofit agricultural organization health coverage tax in IC 6-8-15 in the order in which a redevelopment tax credit is applied to tax liabilities. A credit to which a taxpayer is entitled under IC 6-3.1-11 shall be applied against taxes owed by the taxpayer in the following order:

(1) First, against the taxpayer’s adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.

(2) Second, against the taxpayer’s insurance premiums tax liability (IC 27-1-18-2) or nonprofit agricultural organization health coverage tax liability (IC 6-8-15) for the taxable year.

(3) Third, against the taxpayer’s financial institutions tax liability (IC 6-5.5) for the taxable year.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-12

Enrolled Act: HEA 1065, Sec. 25

LOCAL INCOME TAXES (IC 6-3.6)

Summary: Extends the authorization for the Pulaski County fiscal body to impose a tax on the adjusted gross income of local taxpayers at a tax rate that does not exceed 0.3% for calendar years beginning before January 1, 2036. Restricts, for calendar years beginning after December 31, 2020, revenue from a calendar year from being used for purposes other than paying the costs of renovating a courthouse or a justice center.

Effective Date: July 1, 2020

Code: IC 6-3.6-7-18

Enrolled Act: HEA 1052, Sec. 1

TAXATION OF FINANCIAL INSTITUTIONS (IC 6-5.5)

Summary: Defines “loans arising in factoring” to mean (1) a loan or extension of credit secured by one or more accounts receivable; or a sale of one or more accounts receivable in which the purchaser has recourse against the seller for an uncollected accounts receivable. The term does not refer to a sale of one or more accounts receivable without recourse or to an assignment of an account receivable.

Effective Date: January 1, 2021

Code: IC 6-5.5-1-21

Enrolled Act: SEA 408, Sec. 31

MOTOR FUEL AND VEHICLE EXCISE TAX (IC 6-6)

Summary: Removes a provision requiring licensed transporters of gasoline to annually submit a list to the department describing all vehicles, including license numbers that they use on the highways of Indiana in transporting special fuel from points outside Indiana to points inside Indiana and from points inside Indiana to points outside Indiana.

Effective Date: July 1, 2020

Code: IC 6-6-1.1-606.5

Enrolled Act: SEA 408, Sec. 32

Summary: Removes a provision requiring applicants for licenses issued under the special fuel tax chapter to submit fingerprints with their applications.

Effective Date: July 1, 2020

Code: IC 6-6-2.5-42

Enrolled Act: SEA 408, Sec. 33

Summary: Repeals a provision requiring licensed transporters of special fuel to annually submit a list to the department describing all vehicles, including license numbers that they use on the highways of Indiana in transporting special fuel from points outside Indiana to points inside Indiana and from points inside Indiana to points outside Indiana.

Effective Date: July 1, 2020

Code: IC 6-6-2.5-43

Enrolled Act: SEA 408, Sec. 34

Summary: Repeals a penalty provision pertaining to the failure by a carrier to file a quarterly return, which conflicted with a penalty provision in IC 6-6-4.1-23 that pertained to the same failure to file a quarterly return.

Effective Date: July 1, 2020

Code: IC 6-6-4.1-21

Enrolled Act: SEA 408, Sec. 35

TAX ADMINISTRATION (IC 6-8.1)

Summary: Modifies the definition of “fiscal officer” for purposes of an agreement for the department to provide certain tax information to a local government to include a county treasurer. Also eliminates the requirement to provide a paper copy of the information to the fiscal officer.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-7.1

Enrolled Act: SEA 408, Sec. 36

Summary: Clarifies that, notwithstanding any other law, the department may require a power of attorney relating to a listed tax to be completed on a form prescribed by the department.

Provides that the department may accept a power of attorney that names an entity as a representative of a taxpayer, subject to rules adopted by the department under IC 4-22-2.

Notwithstanding other provisions in IC 6-8.1 or IC 30-5, the department may adopt rules under IC 4-22-2 allowing a change of individuals acting on behalf of the entity without requiring a new or amended power of attorney to be completed by the taxpayer.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-8

Enrolled Act: SEA 408, Sec. 37

Summary: Makes explicit the delegated authority the taxpayer advocate office has, to the extent granted the authority by the commissioner, to settle tax liability disputes.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-17

Enrolled Act: SEA 408, Sec.38

Summary: Requires the appropriate county officer, as designated by the county executive, in each county shall, before September 1, 2021, and before September 1 of every year thereafter, to submit parcel-level data, in a standard developed by the state GIS officer pursuant to IC 4-23-7.3-14, to the state GIS officer. This data may be used by the department’s tax systems to identify each taxing unit within which each taxpayer’s residence is located.

Requires, beginning January 1, 2022, that the department shall integrate the geographic information system data developed and updated by the state GIS officer.

Requires, before July 1, 2022, and before every July 1 thereafter, that the department, consulting with the state GIS officer, shall submit a report to the general assembly in an electronic format under IC 5-14-6 concerning the implementation and use of geographic information systems.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-27

Enrolled Act: SEA 408, Sec. 39

Summary: Clarifies that registration center services at the motor carrier services division are available to motor carriers or entities that otherwise own or operate commercial motor vehicles.

Effective Date: July 1, 2020

Code: IC 6-8.1-4-4

Enrolled Act: SEA 408, Sec. 40

Summary: Permits a taxpayer to request a secondary review of any adjustments that result in an adjustment to a net operating loss, capital loss, credit, or other tax attribute that does not result in an assessment or refund denial for any taxable year at the time of the adjustment. The taxpayer must request the secondary review within 60 days from the date of notice of the adjustments based on the department's audit, investigation, or review; or the amended return filed by the taxpayer; whichever is applicable.

Requires that the department shall review the taxpayer's request and may, upon the request of the taxpayer, conduct a conference regarding the adjustment. Upon completion of the department's secondary review, the department shall either determine that the previous adjustments were correct or issue revised adjustments of relevant tax attributes.

Provides that a taxpayer and the department may enter into a binding agreement to resolve, in whole or in part, any issues relating to one or more adjustments.

Provides that for purposes of IC 6-8.1-5-1, IC 6-8.1-9-1, or an appeal related to these sections, an adjustment that does not result in an assessment or refund denial for any taxable year at the time of the adjustment or the result of the department's secondary review does not constitute a final determination and may not be construed to treat any adjustment as finally determined.

Effective Date: July 1, 2020

Code: IC 6-8.1-5-1.5

Enrolled Act: SEA 408, Sec. 41

Summary: Clarifies that for gasoline use tax, fuel inventory taxes, cigarette tax, tobacco products tax, food and beverage taxes, and county innkeeper's taxes, the due date of the return is considered to be December 31 of the year for which the return is filed for purposes of the three-year statute of limitations on assessments.

Clarifies that, for use tax, the due date of the return for purposes of the three-year statute of limitations for assessments is three years from the first taxable year in which a taxable use occurs (other than a minimal taxable use).

Clarifies that, for purposes of the erroneous refund recovery statute of limitations, the period is the longer of the regular statute of limitations or the periods specified in subsection (g) for erroneous refunds.

Provides that the statute of limitations for assessments based on federal partnership-level assessments is extended to the later of the otherwise-applicable statute of limitations or December 31, 2021.

Effective Date: July 1, 2020

Code: IC 6-8.1-5-2

Enrolled Act: SEA 408, Sec. 42

Summary: Authorizes the department to disclose information related to a listed tax regarding a taxpayer to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) if five conditions are met: (1) the individual is authorized to file returns and remit payments for one or more listed taxes on behalf of the taxpayer through the department's online tax system before September 8, 2020; (2) the information relates to a listed tax for which the individual is authorized to file returns and remit payments; (3) the taxpayer has been notified by the department of the individual's ability to access the taxpayer's information for the listed taxes and the taxpayer has not objected to the individual's access; (4) the individual's authorization or right to access the taxpayer's information for the listed tax has not been withdrawn by the taxpayer; and (5) disclosure of the information to the individual is not prohibited by federal law.

Prohibits, except as otherwise provided by IC 6-8.1, the disclosure of any correspondence from the department that is mailed or otherwise delivered to the taxpayer relating to the specified listed taxes for which the individual was given authorization by the taxpayer.

Directs that the department shall establish a date, which may be earlier but not later than September 1, 2023, after which a taxpayer's information concerning returns and remittances for a listed tax may not be disclosed to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) by providing notice to the affected taxpayers and previously authorized individuals, including notification published on the department's website. After the earlier of the date established by the department or September 1, 2023, the department may not disclose a taxpayer's information concerning returns and remittances for a listed tax to an individual unless the individual has a power of attorney under IC 6-8.1-3-8(a)(2) or the disclosure is otherwise allowed under IC 6-8.1.

Effective Date: July 1, 2020

Code: IC 6-8.1-7-1

Enrolled Act: SEA 408, Sec. 43

Summary: Clarifies that for gasoline use tax, fuel inventory taxes, cigarette tax, tobacco products tax, food and beverage taxes, and county innkeeper's taxes, the due date of the return is considered to be December 31 of the year for which the return is filed for purposes of the three-year statute of limitations on refund claims.

Clarifies language regarding legal determinations of refund denials and supplemental memoranda of decisions.

Provides that, in the case of federal partnership-level determinations that result in refunds, the statute of limitations is extended to December 31, 2021.

Provides a special statute of limitations for income tax for individuals who had tax withheld on certain federal combat injury pay and who were permitted a federal income tax refund pursuant to the Combat-Injured Veterans Tax Fairness Act of 2016.

Effective Date: April 1, 2020

Code: IC 6-8.1-9-1

Enrolled Act: SEA 408, Sec. 44

Summary: Provides that an excess tax payment under IC 6-8.1-9-1(k) (relating to refunds on certain combat injury pay) that is not refunded or credited against a current or future tax liability within 90 days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from April 1, 2020. For purposes of IC 6-8.1-9-2(h), a refund claim filed prior to April 1, 2020, shall be treated as filed on April 1, 2020.

Effective Date: July 1, 2020

Code: IC 6-8.1-9-2

Enrolled Act: SEA 408, Sec. 45

Summary: Provides that taxpayers who submit a payment that is dishonored are generally subject to a \$35 penalty (current law provides 10% of the dishonored payment increasing to 30% if the dishonored payment is not remitted with 10 days of notice of dishonor).

Provides that the \$35 penalty must be assessed within 30 days of the department not being able to obtain payment.

Provides that the \$35 penalty must be paid within 20 days of notice and can be added to a pre-existing tax warrant if the penalty relates to the liability under the warrant.

Provides that the \$35 penalty is not subject to administrative or judicial review except in circumstances where the payment was not actually dishonored.

Increases the penalty to 100% of the dishonored payment if dishonor was fraudulent or with knowledge that the payment would be dishonored.

Provides that the 100% must be assessed within three years of the dishonored payment

Provides that the 100% penalty is subject to regular administrative and judicial review.

However, if the penalty is reduced to \$35, the penalty is not subject to further review except as otherwise provided for other \$35 penalties.

Effective Date: January 1, 2021

Code: IC 6-8.1-10-5

Enrolled Act: SEA 408, Sec. 46

Summary: Clarifies that the taxpayer advocate's office shall act as an intermediary between taxpayers and the department to facilitate the resolution of taxpayer complaints and problems not resolved through the normal administrative channels or operational procedures within the department.

Directs that the taxpayer advocate office shall perform the following duties:

- (1) Receive and evaluate complaints and make appropriate recommendations to the commissioner.
- (2) Identify statutes and regulations as well as policies and practices of the department that might inhibit the equitable treatment of taxpayers, and recommend alternatives to the commissioner.
- (3) Provide expeditious service to taxpayers whose problems are not resolved through normal channels, including but not limited to: assisting taxpayers with matters that have been pending for an unreasonable length of time, assisting with matters where the taxpayer has been unable to communicate with the department, and working with department personnel to resolve the most complex and sensitive taxpayer problems.

Effective Date: July 1, 2020

Code: IC 6-8.1-11-3

Enrolled Act: SEA 408, Sec. 47

Summary: Repeals the department's pilot program fund.

Effective Date: July 1, 2020

Code: IC 6-8.1-16.3-5

Enrolled Act: SEA 408, Sec. 48

Summary: Transfers any balance remaining on June 30, 2020, in the state revenue pilot program fund to the motor carrier regulation fund established by IC 8-2.1-23-1. Provides that notwithstanding any other law, any proceeds derived from agreements or a contract made with third parties under IC 6-8.1-16.3, and any other revenue received under IC 6-8.1-16.3, that would have been deposited in the state revenue pilot program fund (before its repeal) shall be deposited in the motor carrier regulation fund established by IC 8-2.1-23-1.

Effective Date: June 30, 2020

Code: IC 6-8.1-16.3-5.5

Enrolled Act: SEA 408, Sec. 49

MOTOR CARRIER REGULATION FUND (IC 8-2.1)

Summary: Eliminates the previous provision that required the treasurer of state to transfer any amount of money in the motor carrier regulation fund at the end of a fiscal year in excess of \$500,000 to the motor vehicle highway account established in IC 8-14-1.

Effective Date: July 1, 2020

Code: IC 8-2.1-23-4

Enrolled Act: SEA 408, Sec. 50

CERTIFICATES OF TITLE (IC 9-17)

Summary: Provides that an application for a certificate of title submitted only to remove a satisfied lien is not required to be accompanied by the previously issued certificate of title if the application is accompanied by a written instrument on the lienholder's letterhead, and which identifies the vehicle identification number and states that the lien has been satisfied.

Effective Date: January 1, 2021

Code: IC 9-17-2-4

Enrolled Act: HEA 1246, SEC. 17

Summary: Alters the requirement that a security agreement covering a security interest in a vehicle that is not inventory held for sale can be perfected only if the bureau indicates the security interest on the certificate of title or duplicate. Instead of that process, it is only perfected when the record of the lien is electronically received by the bureau, if the application for certificate of title is received electronically, or the application for certificate of title is submitted to the bureau if the application for certificate of title is submitted in physical form.

Effective Date: January 1, 2021

Code: IC 9-17-5-5

Enrolled Act: HEA 1246, SEC. 19

ENHANCED PREPAID WIRELESS TELECOMMUNICATIONS SERVICE CHARGE (IC 36-8-16.6)

Summary: Extends through June 30, 2023, the period during which the statewide 911 board may increase the enhanced prepaid wireless charge. Absent this legislative provision, the authority was to expire July 1, 2020. Provides that the increase in the charge may not exceed 10 cents. Previously, the amount of the increase had to be 10 cents.

Directs that if the statewide 911 board increases the enhanced prepaid wireless charge, the board must provide written notice to the department no later than 60 days before the date the increase takes effect. The written notice must include the effective date for the increase and the amount of the charge as increased by the board.

Effective Date: Upon passage

Code: IC 36-8-16.6-11

Enrolled Act: HEA 1235, Sec. 2

MISCELLANEOUS AND NON-CODE PROVISIONS

Summary: Provides that the payment rules under IC 6-8.1-10-5, as amended by SEA 408, shall be effective for attempted payments made after December 31, 2020.

Effective Date: January 1, 2021

Code: Non-code

Enrolled Act: SEA 408, Sec. 51

Summary: As added by SEA 408, extends the statute of limitations for refund claims described under IC 6-8.1-9-1(k) that have expired before April 1, 2020 under IC 6-8.1-9-1(a) or otherwise expire after March 31, 2020 under IC 6-8.1-9-1(a). They are extended to December 31, 2020.

Effective Date: April 1, 2020

Code: Non-code

Enrolled Act: SEA 408, Sec. 52

Summary: Declares that IC 6-8.1-5-2(g), as amended by SEA 408, is intended to be a clarification of the law and not a substantive change in the law and as such shall be applied for purposes of erroneous refunds issued after June 30, 2009.

Effective Date: July 1, 2009 (RETROACTIVE)

Code: Non-code

Enrolled Act: SEA 408, Sec. 53

Summary: Urges the legislative council to assign to the interim study committee on fiscal policy during the 2020 legislative interim the task of studying tax credits and other fiscal incentives for a film and media production program.

Directs that if the legislative council assigns the task to the interim study committee on fiscal policy during the 2020 legislative interim, the legislative services agency shall prepare a study of film and media production tax incentives in other states and submit the study to the interim study committee on fiscal policy before October 1, 2020. The study must include at least the following:

- (1) Information concerning film and media production incentives offered in all other states.
- (2) Information concerning the effectiveness of film and media production incentives offered in all other states.

Effective Date: Upon passage

Code: Non-code

Enrolled Act: HEA 1065, Sec. 51

PART II: Legislation by Enrolled Act Number

SEA 272

Summary: Substitutes an “assignee that is assigned some part of the industrial recovery tax credit” for a “lessee that is assigned some part of the industrial recovery tax credit” in the definition of “taxpayer” for purposes of IC 6-3.1-11.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-13

Enrolled Act: SEA 272, Sec. 7

Summary: Eliminates the requirement that an assignee of an industrial recovery tax credit be a lessee of the industrial recovery site. Restricts a taxpayer to only one assignment of the credit. Prohibits an assignee from further assigning a credit. Requires that before a credit may be assigned, the taxpayer must notify the Indiana Economic Development Corporation (IEDC) of the assignment in the manner prescribed by the IEDC.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-13

Enrolled Act: SEA 272, Sec. 8

Summary: Eliminates the reference to “fostering employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification” as a purpose for which the Indiana Economic Development Corporation may make economic development for a growing economy (EDGE) credit awards. (Previous statutory language had disallowed the awarding of the EDGE credit for taxable years beginning after December 31, 2018.)

Effective Date: July 1, 2020

Code: IC 6-3.1-13-13

Enrolled Act: SEA 272, Sec. 9

Summary: Eliminates the description of the application process for a person wishing to enter into an agreement with the Indiana Economic Development Corporation (IEDC) for the award of the economic development for a growing economy (EDGE) credit for “fostering employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification.” Further, eliminates description of the consultation with Indiana career council for purposes of this agreement and the annual maximum credit IEDC may award for this purpose.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-(13, 14, 15.7 and 19.7)

Enrolled Act: SEA 272, Sec. 10-12

SEA 408

Summary: Clarifies the definition of “adjusted gross receipts” for purposes of the sports wagering tax.

Effective Date: July 1, 2020

Code: IC 4-38-2-2

Enrolled Act: SEA 408, Sec. 1

Summary: Excludes a transaction that meets one of the exceptions to the definition of “bundled transaction” in IC 6-2.5-1-11.5(d) from the definition of a “unitary transaction.”

Effective Date: July 1, 2020

Code: IC 6-2.5-1-1

Enrolled Act: SEA 408, Sec. 2

Summary: Adds new subpart (b)(9) to the definition of “gross retail income.” This subsection was formerly subsection (g) of IC 6-2.5-4-1, which was removed in SECTION 12 of SEA 408. This subpart excludes from the definition of “gross retail income” for purposes of sales tax charges for serving or delivering food and food ingredients furnished, prepared, or served for consumption at a location, or on equipment, provided by the retail merchant, to the extent that the charges for the serving or delivery are stated separately from the price of the food and food ingredients when the purchaser pays the charges.

Effective Date: July 1, 2020

Code: IC 6-2.5-1-5(b)(9)

Enrolled Act: SEA 408, Sec. 3

Summary: Adds new subsection (d) to the definition of “gross retail income.” This subsection was formerly subsection (f) of IC 6-2.5-4-1, which was removed in SECTION 12 of SEA 408. This subsection provides that notwithstanding subsection IC 6-2.5-1-5(b)(5) (which excludes from the definition of “gross retail income” any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the purchaser, including an excise tax imposed under IC 6-6-15):

(1) in the case of retail sales of special fuel (as defined in IC 6-6-2.5-22), the gross retail income is the total sales price of the special fuel minus the part of that price attributable to the tax imposed under IC 6-6-2.5 or Section 4041 or Section 4081 of the Internal Revenue Code; and

(2) in the case of retail sales of cigarettes (as defined in IC 6-7-1-2), the gross retail income is the total sales price of the cigarettes including the tax imposed under IC 6-7-1.

Effective Date: July 1, 2020

Code: IC 6-2.5-1-5(c)

Enrolled Act: SEA 408, Sec. 3

Summary: Adds new subsection (d) to the definition of “gross retail income.” This subsection was formerly subsection (e) of IC 6-2.5-4-1, which was removed in SECTION 12 of SEA 408. This subsection provides that gross retail income is only taxable under IC 6-2.5 to the extent that the income represents:

(1) the price of the property transferred, without the rendition of any services; and

(2) except for the exclusions provided in IC 6-2.5-1-5(b), any bona fide changes which are made for preparation, fabrication, alteration, modification, finishing, completion, delivery, or other service performed in respect to the property transferred before its transfer and which are separately stated on the transferor’s records. For purposes of IC 6-2.5-1-5(d)(2), a transfer is considered to have occurred after the delivery of the property to the purchaser.

Effective Date: July 1, 2020

Code: IC 6-2.5-1-5(d)

Enrolled Act: SEA 408, Sec. 3

Summary: Excludes a transaction that meets one of the exceptions to the definition of “bundled transaction” in IC 6-2.5-1-11.5(d) from the definition of a “unitary transaction.”

Effective Date: July 1, 2020

Code: IC 6-2.5-1-11.5(e)

Enrolled Act: SEA 408, Sec. 4

Summary: Defines “physical presence in Indiana” for purposes of the requirement in IC 6-2.5-2-1(b) that the retail merchant collects sales tax on a retail transaction as agent for the state. A retail merchant has a physical presence in Indiana when the retail merchant:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or another place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;

(2) maintains a representative, agent, salesperson, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana; or
(3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1.

Effective Date: July 1, 2020

Code: IC 6-2.5-2-1(c)

Enrolled Act: SEA 408, Sec. 5

Summary: Reiterates that the 7% state sales tax rate applies to the gross retail income in a bundled transaction as it does to the gross retail income in a unitary transaction.

Effective Date: July 1, 2020

Code: IC 6-2.5-2-2(a)

Enrolled Act: SEA 408, Sec. 6

Summary: Eliminates the physical presence test for a retail merchant engaged in business in Indiana from the use tax chapter (IC 6-2.5-3). The physical presence test is now in IC 6-2.5-2-1(c).

Effective Date: July 1, 2020

Code: IC 6-2.5-3-1

Enrolled Act: SEA 408, Sec. 7

Summary: Reiterates that the 7% state use tax rate applies to the gross retail income in a bundled transaction as it does to the gross retail income in a unitary transaction.

Effective Date: July 1, 2020

Code: IC 6-2.5-3-3

Enrolled Act: SEA 408, Sec. 8

Summary: Clarifies that the storage, use, and consumption of tangible personal property in Indiana is exempt from use tax if the property was acquired in a retail transaction whether in Indiana or outside Indiana and state gross retail tax has been paid on the acquisition of that property.

Effective Date: July 1, 2020

Code: IC 6-2.5-3-4

Enrolled Act: SEA 408, Sec. 9

Summary: Eliminates the requirement that a retail merchant collects use tax as an agent for the state for certain transactions.

Effective Date: July 1, 2020

Code: IC 6-2.5-3-6

Enrolled Act: SEA 408, Sec. 10

Summary: Codifies the department's longstanding position that the "sale for resale" exemption at IC 6-2.5-5-8 does not apply to gasoline use tax.

Effective Date: July 1, 2014 (RETROACTIVE)

Code: IC 6-2.5-3.5-26

Enrolled Act: SEA 408, Sec. 11

Summary: Removes subsections (e) through (g), which pertained to matters constituting "gross retail income." These subsections were instead moved and added to the definition of "gross retail income" at IC 6-2.5-1-5 in SECTION 3 of SEA 408.

Effective Date: July 1, 2020

Code: IC 6-2.5-4-1

Enrolled Act: SEA 408, Sec. 12

Summary: Replaces a reference to IC 6-2.5-4-1(f)(2) with IC 6-2.5-1-5(c)(2), as the language in the former section was replaced and added to the latter section in SECTION 3 of SEA 408.

Effective Date: July 1, 2020

Code: IC 6-2.5-4-18

Enrolled Act: SEA 408, Sec. 13

Summary: Repeals the requirement that, when possible, the department shall coordinate the reporting and payment of state gross retail and use taxes with the reporting and payment of gross income tax.

Effective Date: July 1, 2020

Code: IC 6-2.5-6-6

Enrolled Act: SEA 408, Sec. 14

Summary: Eliminates reference to the gross income tax law in the provision that provides that a retail merchant is not entitled to a refund of state gross retail or use taxes unless the retail merchant refunds those taxes to the person from whom they were collected.

Effective Date: July 1, 2020

Code: IC 6-2.5-6-14.1

Enrolled Act: SEA 408, Sec. 15

Summary: Removes the former subsection (j) pertaining to licensing for a retail merchant collecting use tax. Moves the requirement of a remote seller to provide names, addresses, and locations with their application for a retail merchant certificate into the former subsection (l). Amends the former subsection (k) pertaining to out-of-state merchants and their collection responsibility, replacing references to use tax with sales tax as well as replacing other references pertaining to use tax.

Effective Date: July 1, 2020

Code: IC 6-2.5-8-1

Enrolled Act: SEA 408, Sec. 16

Summary: Repeals the use of provisions of the adjusted gross income tax law, which do not conflict with the provisions IC 6-2.5 for purposes of imposing, collecting, and administering sales and use taxes.

Effective Date: July 1, 2020

Code: IC 6-2.5-10-2

Enrolled Act: SEA 408, Sec. 20

Summary: Alters several modifications to adjusted gross income in IC 6-3-1-3.5 to account for a married individual filing a separate return.

Allows a married individual filing a separate return to claim the additional \$500 Indiana deduction for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code for taxpayers aged 65 or older if the individual's income is less than \$20,000.

Allows a married individual filing a separate return who is otherwise entitled to a deduction for a qualified long term care policy (as defined in IC 12-15-39.6-5) under IC 6-3-1-3.5(a)(12) to subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for the taxpayer.

Allows a married individual filing a separate return to subtract the amount of property taxes (up to \$1,250) that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

Effective Date: January 1, 2021

Code: IC 6-3-1-3.5

Enrolled Act: SEA 408, Sec. 21

Summary: Updates Indiana Code's general conformity date with the Internal Revenue Code from January 1, 2019 to January 1, 2020.

Effective Date: January 1, 2020 (RETROACTIVE)

Code: IC 6-3-1-11

Enrolled Act: SEA 408, Sec. 22

Summary: Allows a married individual filing a separate return for a particular taxable year who rents a dwelling for use as the individual's principal place of residence to deduct from the individual's adjusted gross income the amount of rent paid by the individual with respect to the dwelling during the taxable year up to \$1,500.

Effective Date: January 1, 2021

Code: IC 6-3-2-6

Enrolled Act: SEA 408, Sec. 23

Summary: Establishes, for purposes of calculating the disability retirement deduction in IC 6-3-2-9, a threshold of \$7,500 in step 3 of the calculation in the case of a married individual filing a separate return. Step 3 previously had a threshold of \$15,000 without regard to the filing status of a married individual.

Effective Date: January 1, 2021

Code: IC 6-3-2-9

Enrolled Act: SEA 408, Sec. 24

Summary: Clarifies that for purposes of the credit against income tax for taxes withheld under IC 6-3-4 or IC 6-5.5-2-8 during the taxable year, the credit is reduced to the extent that the amount deducted and withheld as tax is applied as a credit against the financial institution tax imposed by IC 6-5.5.

Effective Date: Upon passage

Code: IC 6-3-3-1

Enrolled Act: SEA 408, Sec. 25

Summary: Provides that withholding on prize money with respect to a racing event at a qualified motorsports facility shall be done by the entity first paying the prize money to a team or driver, and the entity shall remit the prize money no later than thirty (30) days after the end of the month in which the withholding occurs. Provides that, if the team or driver distributes the prize money, the ultimate recipient shall receive a statement reflecting any credit for taxes withheld on the ultimate recipient's behalf.

Effective Date: April 1, 2020

Code: IC 6-3-4-13.5

Enrolled Act: SEA 408, Sec. 26

Summary: Clarifies that for taxable years ending after December 31, 2019, a partnership that is required to provide 25 or more Schedules K-1 of Form IT-65 to partners or a corporation that is required to provide 25 or more reports Schedules K-1 of Form IT-20S to shareholders must file all such reports schedules in an electronic format specified by the department.

Establishes that (c) If the department receives a Form IT-65, Form IT-20S, or form IT-41 with more than 50 Schedules K-1 in a format other than the electronic format specified by the department, the department may provide written notification to the partnership, estate, or trust that the department will consider the schedules to not be filed until the schedules have been filed in the specified electronic format.

Effective Date: Upon passage

Code: IC 6-3-4-16.7

Enrolled Act: SEA 408, Sec. 27

Summary: Establishes that a previously earned historic rehabilitation tax credit may be claimed in certain circumstances notwithstanding the cap of zero dollars on the amount of historic rehabilitation tax credits allowed in a state fiscal year beginning after June 30, 2016, as set forth in IC 6-3.1-16-14 (before its expiration) and the expiration of the historic rehabilitation tax credit chapter (IC 6-3.1-16) on January 1, 2019.

If a taxpayer was granted a historic rehabilitation tax credit by the Department of Natural Resources (DNR) before January 1, 2016, for a qualified expenditure made before June 30, 2016, for use in a taxable year other than the year in which the preservation or rehabilitation of the historic property was performed and the certification of the credit was provided by DNR, the credit may nevertheless be claimed in the subsequent year for which the credit was granted and may be carried forward subject to certain restrictions.

If the credit exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years. The credit may be carried forward and applied to succeeding taxable years for 15 taxable years following the taxable year in which the taxpayer is first entitled to claim the credit.

A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any historic rehabilitation tax credit carryover is applied against that liability.

A taxpayer is not entitled to any carryback or refund of any unused credit.

Effective Date: January 1, 2016 (RETROACTIVE)

Code: IC 6-3.1-16.1

Enrolled Act: SEA 408, Sec. 28

Summary: Provides that in the case of a married individual filing a separate return, for purposes of the income tax credit for property taxes paid on homesteads, the relevant income threshold amount for the calculation shall be 50% of the amount listed in IC 6-3.1-20-4(a).

Effective Date: January 1, 2021

Code: IC 6-3.1-20-4

Enrolled Act: SEA 408, Sec. 29

Summary: Provides that in the case of a married individual filing a separate return, for purposes of the income tax credit for property taxes paid on homesteads, the amount of the credit shall be 50% of the amount calculated in IC 6-3.1-20-5(b) and IC 6-3.1-20-5 (c).

Effective Date: January 1, 2021

Code: IC 6-3.1-20-5

Enrolled Act: SEA 408, Sec. 30

Summary: Defines "loans arising in factoring" to mean (1) a loan or extension of credit secured by one or more accounts receivable; or a sale of one or more accounts receivable in which the purchaser has recourse against the seller for an uncollected accounts receivable. The term does not refer to a sale of one or more accounts receivable without recourse or to an assignment of an account receivable.

Effective Date: January 1, 2021

Code: IC 6-5.5-1-21

Enrolled Act: SEA 408, Sec. 31

Summary: Removes a provision requiring licensed transporters of gasoline to annually submit a list to the department describing all vehicles, including license numbers that they use on the highways of Indiana in transporting special fuel from points outside Indiana to points inside Indiana and from points inside Indiana to points outside Indiana.

Effective Date: July 1, 2020

Code: IC 6-6-1.1-606.5

Enrolled Act: SEA 408, Sec. 32

Summary: Removes a provision requiring applicants for licenses issued under the special fuel tax chapter to submit fingerprints with their applications.

Effective Date: July 1, 2020

Code: IC 6-6-2.5-42

Enrolled Act: SEA 408, Sec. 33

Summary: Repeals a provision requiring licensed transporters of special fuel to annually submit a list to the department describing all vehicles, including license numbers that they use on the highways of Indiana in transporting special fuel from points outside Indiana to points inside Indiana and from points inside Indiana to points outside Indiana.

Effective Date: July 1, 2020

Code: IC 6-6-2.5-43

Enrolled Act: SEA 408, Sec. 34

Summary: Repeals a penalty provision pertaining to the failure by a carrier to file a quarterly return, which conflicted with a penalty provision in IC 6-6-4.1-23 that pertained to the same failure to file a quarterly return.

Effective Date: July 1, 2020

Code: IC 6-6-4.1-21

Enrolled Act: SEA 408, Sec. 35

Summary: Modifies the definition of “fiscal officer” for purposes of an agreement for the department to provide certain tax information to a local government to include a county treasurer. Also eliminates the requirement to provide a paper copy of the information to the fiscal officer.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-7.1

Enrolled Act: SEA 408, Sec. 36

Summary: Clarifies that, notwithstanding any other law, the department may require a power of attorney relating to a listed tax to be completed on a form prescribed by the department.

Provides that the department may accept a power of attorney that names an entity as a representative of a taxpayer, subject to rules adopted by the department under IC 4-22-2.

Notwithstanding other provisions in IC 6-8.1 or IC 30-5, the department may adopt rules under IC 4-22-2 allowing a change of individuals acting on behalf of the entity without requiring a new or amended power of attorney to be completed by the taxpayer.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-8

Enrolled Act: SEA 408, Sec. 37

Summary: Makes explicit the delegated authority the taxpayer advocate office has, to the extent granted the authority by the commissioner, to settle tax liability disputes.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-17

Enrolled Act: SEA 408, Sec.38

Summary: Requires the appropriate county officer, as designated by the county executive, in each county shall, before September 1, 2021, and before September 1 of every year thereafter, to submit parcel-level data, in a standard developed by the state GIS officer pursuant to IC 4-23-7.3-14, to the state GIS officer. This data may be used by the department’s tax systems to identify each taxing unit within which each taxpayer’s residence is located.

Requires, beginning January 1, 2022, that the department shall integrate the geographic information system data developed and updated by the state GIS officer.

Requires, before July 1, 2022, and before every July 1 thereafter, that the department, consulting with the state GIS officer, shall submit a report to the general assembly in an electronic format under IC 5-14-6 concerning the implementation and use of geographic information systems.

Effective Date: July 1, 2020

Code: IC 6-8.1-3-27

Enrolled Act: SEA 408, Sec. 39

Summary: Clarifies that registration center services at the motor carrier services division are available to motor carriers or entities that otherwise own or operate commercial motor vehicles.

Effective Date: July 1, 2020

Code: IC 6-8.1-4-4

Enrolled Act: SEA 408, Sec. 40

Summary: Permits a taxpayer to request a secondary review of any adjustments that result in an adjustment to a net operating loss, capital loss, credit, or other tax attribute that does not result in an assessment or refund denial for any taxable year at the time of the adjustment. The taxpayer must request the secondary review within 60 days from the date of notice of the adjustments based on the department's audit, investigation, or review; or the amended return filed by the taxpayer; whichever is applicable.

Requires that the department shall review the taxpayer's request and may, upon the request of the taxpayer, conduct a conference regarding the adjustment. Upon completion of the department's secondary review, the department shall either determine that the previous adjustments were correct or issue revised adjustments of relevant tax attributes.

Provides that a taxpayer and the department may enter into a binding agreement to resolve, in whole or in part, any issues relating to one or more adjustments.

Provides that for purposes of IC 6-8.1-5-1, IC 6-8.1-9-1, or an appeal related to these sections, an adjustment that does not result in an assessment or refund denial for any taxable year at the time of the adjustment or the result of the department's secondary review does not constitute a final determination and may not be construed to treat any adjustment as finally determined.

Effective Date: July 1, 2020

Code: IC 6-8.1-5-1.5

Enrolled Act: SEA 408, Sec. 41

Summary: Clarifies that for gasoline use tax, fuel inventory taxes, cigarette tax, tobacco products tax, food and beverage taxes, and county innkeeper's taxes, the due date of the return is considered to be December 31 of the year for which the return is filed for purposes of the three-year statute of limitations on assessments.

Clarifies that, for use tax, the due date of the return for purposes of the three-year statute of limitations for assessments is three years from the first taxable year in which a taxable use occurs (other than a minimal taxable use).

Clarifies that, for purposes of the erroneous refund recovery statute of limitations, the period is the longer of the regular statute of limitations or the periods specified in subsection (g) for erroneous refunds.

Provides that the statute of limitations for assessments based on federal partnership-level assessments is extended to the later of the otherwise-applicable statute of limitations or December 31, 2021.

Effective Date: July 1, 2020

Code: IC 6-8.1-5-2

Enrolled Act: SEA 408, Sec. 42

Summary: Authorizes the department to disclose information related to a listed tax regarding a taxpayer to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) if five conditions are met: (1) the individual is authorized to file returns and remit payments for one or more listed taxes on behalf of the taxpayer through the department's online tax system before September 8, 2020; (2) the information relates to a listed tax for which the individual is authorized to file returns and remit payments; (3) the taxpayer has been notified by the department of the individual's ability to access the taxpayer's information for the listed taxes and the taxpayer has not objected to the individual's access; (4) the individual's authorization or right to access the taxpayer's information for the listed tax has not been withdrawn by the taxpayer; and (5) disclosure of the information to the individual is not prohibited by federal law.

Prohibits, except as otherwise provided by IC 6-8.1, the disclosure of any correspondence from the department that is mailed or otherwise delivered to the taxpayer relating to the specified listed taxes for which the individual was given authorization by the taxpayer.

Directs that the department shall establish a date, which may be earlier but not later than September 1, 2023, after which a taxpayer's information concerning returns and remittances for a listed tax may not be disclosed to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) by providing notice to the affected taxpayers and previously authorized individuals, including notification published on the department's website. After the earlier of the date established by the department or September 1, 2023, the department may not disclose a taxpayer's information concerning returns and remittances for a listed tax to an individual unless the individual has a power of attorney under IC 6-8.1-3-8(a)(2) or the disclosure is otherwise allowed under IC 6-8.1.

Effective Date: July 1, 2020

Code: IC 6-8.1-7-1

Enrolled Act: SEA 408, Sec. 43

Summary: Clarifies that for gasoline use tax, fuel inventory taxes, cigarette tax, tobacco products tax, food and beverage taxes, and county innkeeper's taxes, the due date of the return is considered to be December 31 of the year for which the return is filed for purposes of the three-year statute of limitations on refund claims.

Clarifies language regarding legal determinations of refund denials and supplemental memoranda of decisions.

Provides that, in the case of federal partnership-level determinations that result in refunds, the statute of limitations is extended to December 31, 2021.

Provides a special statute of limitations for income tax for individuals who had tax withheld on certain federal combat injury pay and who were permitted a federal income tax refund pursuant to the Combat-Injured Veterans Tax Fairness Act of 2016.

Effective Date: April 1, 2020

Code: IC 6-8.1-9-1

Enrolled Act: SEA 408, Sec. 44

Summary: Provides that an excess tax payment under IC 6-8.1-9-1(k) (relating to refunds on certain combat injury pay) that is not refunded or credited against a current or future tax liability within 90 days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from April 1, 2020. For purposes of IC 6-8.1-9-2(h), a refund claim filed prior to April 1, 2020, shall be treated as filed on April 1, 2020.

Effective Date: July 1, 2020

Code: IC 6-8.1-9-2

Enrolled Act: SEA 408, Sec. 45

Summary: Provides that taxpayers who submit a payment that is dishonored are generally subject to a \$35 penalty (current law provides 10% of the dishonored payment increasing to 30% if the dishonored payment is not remitted with 10 days of notice of dishonor).

Provides that the \$35 penalty must be assessed within 30 days of the department not being able to obtain payment.

Provides that the \$35 penalty must be paid within 20 days of notice and can be added to a pre-existing tax warrant if the penalty relates to the liability under the warrant.

Provides that the \$35 penalty is not subject to administrative or judicial review except in circumstances where the payment was not actually dishonored.

Increases the penalty to 100% of the dishonored payment if dishonor was fraudulent or with knowledge that the payment would be dishonored.

Provides that the 100% must be assessed within three years of the dishonored payment

Provides that the 100% penalty is subject to regular administrative and judicial review.

However, if the penalty is reduced to \$35, the penalty is not subject to further review except as otherwise provided for other \$35 penalties.

Effective Date: January 1, 2021

Code: IC 6-8.1-10-5

Enrolled Act: SEA 408, Sec. 46

Summary: Clarifies that the taxpayer advocate's office shall act as an intermediary between taxpayers and the department to facilitate the resolution of taxpayer complaints and problems not resolved through the normal administrative channels or operational procedures within the department.

Directs that the taxpayer advocate office shall perform the following duties:

- (1) Receive and evaluate complaints and make appropriate recommendations to the commissioner.
- (2) Identify statutes and regulations as well as policies and practices of the department that might inhibit the equitable treatment of taxpayers, and recommend alternatives to the commissioner.
- (3) Provide expeditious service to taxpayers whose problems are not resolved through normal channels, including but not limited to: assisting taxpayers with matters that have been pending for an unreasonable length of time, assisting with matters where the taxpayer has been unable to communicate with the department, and working with department personnel to resolve the most complex and sensitive taxpayer problems.

Effective Date: July 1, 2020

Code: IC 6-8.1-11-3

Enrolled Act: SEA 408, Sec. 47

Summary: Repeals the department's pilot program fund.

Effective Date: July 1, 2020

Code: IC 6-8.1-16.3-5

Enrolled Act: SEA 408, Sec. 48

Summary: Transfers any balance remaining on June 30, 2020, in the state revenue pilot program fund to the motor carrier regulation fund established by IC 8-2.1-23-1. Provides that notwithstanding any other law, any proceeds derived from agreements or a contract made with third parties under IC 6-8.1-16.3, and any other revenue received under IC 6-8.1-16.3, that would have been deposited in the state revenue pilot program fund (before its repeal) shall be deposited in the motor carrier regulation fund established by IC 8-2.1-23-1.

Effective Date: June 30, 2020

Code: IC 6-8.1-16.3-5.5

Enrolled Act: SEA 408, Sec. 49

Summary: Eliminates the previous provision that required the treasurer of state to transfer any amount of money in the motor carrier regulation fund at the end of a fiscal year in excess of \$500,000 to the motor vehicle highway account established in IC 8-14-1.

Effective Date: July 1, 2020

Code: IC 8-2.1-23-4

Enrolled Act: SEA 408, Sec. 50

Summary: Provides that the payment rules under IC 6-8.1-10-5, as amended by SEA 408, shall be effective for attempted payments made after December 31, 2020.

Effective Date: January 1, 2021

Code: Non-code

Enrolled Act: SEA 408, Sec. 51

Summary: As added by SEA 408, extends the statute of limitations for refund claims described under IC 6-8.1-9-1(k) that have expired before April 1, 2020 under IC 6-8.1-9-1(a) or otherwise expire after March 31, 2020 under IC 6-8.1-9-1(a). They are extended to December 31, 2020.

Effective Date: April 1, 2020

Code: Non-code

Enrolled Act: SEA 408, Sec. 52

Summary: Declares that IC 6-8.1-5-2(g), as amended by SEA 408, is intended to be a clarification of the law and not a substantive change in the law and as such shall be applied for purposes of erroneous refunds issued after June 30, 2009.

Effective Date: July 1, 2009 (RETROACTIVE)

Code: Non-code

Enrolled Act: SEA 408, Sec. 53

HEA 1052

Summary: Extends the authorization for the Pulaski County fiscal body to impose a tax on the adjusted gross income of local taxpayers at a tax rate that does not exceed 0.3% for calendar years beginning before January 1, 2036. Restricts, for calendar years beginning after December 31, 2020, revenue from a calendar year from being used for purposes other than paying the costs of renovating a courthouse or a justice center.

Effective Date: July 1, 2020

Code: IC 6-3.6-7-18

Enrolled Act: HEA 1052, Sec. 1

HEA 1059

Summary: Adds a new statute to the code that acts in the same manner as the former IC 6-2.5-2-4, which sunset on July 1, 2019. The statute provides that sales of a cargo trailers or recreational vehicles to a resident of a nonreciprocal state or foreign country are subject to a special Indiana sales tax rate as long as the purchaser intends to transport the vehicle to a destination outside Indiana within 30 days after delivery for titling or registering for use in another state or country, and that the vehicle will not be titled or registered for use in Indiana. The Indiana sales tax rate on the cargo trailer or recreational vehicle is the rate of the nonreciprocal state or foreign country (excluding any locally imposed tax rates) in which the cargo trailer or recreational vehicle will be titled or registered, as certified by the seller and purchaser in an affidavit satisfying the requirements prescribed by the department. Provides form requirements and information required for the affidavit, which the department may audit and base proposed assessments upon.

Effective Date: July 1, 2020

Code: IC 6-2.5-2-5

Enrolled Act: HEA 1059, Sec. 1

HEA 1065

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “qualified state tax liability” against which the enterprise zone employer’s tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3-3-10

Enrolled Act: HEA 1065, Sec. 9

Summary: Decouples from the federal 529 education savings plan rules by excepting qualified education loan repayments under Section 529(c)(9) of the Internal Revenue Code from the definition of “qualified higher education expenses.”

Permits a married individual filing a separate return to claim the tax credit for contributions to college choice education savings plan for taxable years beginning after December 31, 2019. Establishes that in the case of a married individual filing a separate return, the most credit a taxpayer may claim in any taxable year is \$500.

Effective Date: January 1, 2020 (RETROACTIVE)

Code: IC 6-3-3-12

Enrolled Act: HEA 1065, Sec. 10

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the enterprise zone loan interest tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-7-1

Enrolled Act: HEA 1065, Sec. 11

Summary: Places nonprofit agricultural organization health coverage tax in IC 6-8-15 in the order in which an enterprise zone loan interest tax credit is applied to tax liabilities. A credit to which a taxpayer is entitled under IC 6-3.1-7 shall be applied against taxes owed by the taxpayer in the following order:

(1) First, against the taxpayer’s adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.

(2) Second, against the taxpayer’s insurance premiums tax liability (IC 27-1-18-2) or nonprofit agricultural organization health coverage tax liability (IC 6-8-15) for the taxable year.

(3) Third, against the taxpayer’s financial institutions tax liability (IC 6-5.5) for the taxable year.

Effective Date: July 1, 2020

Code: IC 6-3.1-7-4

Enrolled Act: HEA 1065, Sec. 12

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the industrial recovery tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-12

Enrolled Act: HEA 1065, Sec. 13

Summary: Establishes that a taxpayer is entitled to a credit against the taxpayer’s state tax liability for a taxable year if the taxpayer makes a qualified investment as certified by the corporation for that year. Previously, the taxpayer was entitled to the tax credit for the year in which the qualified investment was made.

Eliminates the restriction that a taxpayer may make only one assignment of a credit. HEA 1065 permits a taxpayer to make more than one assignment of the credit, but the taxpayer may not assign the same part of a credit more than once. Prohibits an assignee from further assigning the credit.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-16

Enrolled Act: HEA 1065, Sec. 14

Summary: Places nonprofit agricultural organization health coverage tax in IC 6-8-15 in the order in which an industrial recovery tax credit is applied to tax liabilities. A credit to which a taxpayer is entitled under IC 6-3.1-11 shall be applied against taxes owed by the taxpayer in the following order:

- (1) First, against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Second, against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) or nonprofit agricultural organization health coverage tax liability (IC 6-8-15) for the taxable year.
- (3) Third, against the taxpayer's financial institutions tax liability (IC 6-5.5) for the taxable year.

Effective Date: July 1, 2020

Code: IC 6-3.1-11-22

Enrolled Act: HEA 1065, Sec. 15

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "state tax liability" against which the economic development for a growing economy (EDGE) tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-13-9

Enrolled Act: HEA 1065, Sec. 16

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "state and local tax liability" against which the community revitalization enhancement district tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-19-1

Enrolled Act: HEA 1065, Sec. 17

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "state tax liability" against which the venture capital investment tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-24-4

Enrolled Act: HEA 1065, Sec. 18

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "state tax liability" against which the Hoosier business investment tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-26-9

Enrolled Act: HEA 1065, Sec. 19

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of "state tax liability" against which the school scholarship tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-30.5-5

Enrolled Act: HEA 1065, Sec. 20

Summary: Defines "mine reclamation site" for purposes of the redevelopment tax credit to mean: (1) land that has been mined using surface mining methods or underground mining methods, specifically and primarily for the removal of coal; and (2) land that is contiguous to land described in (1).

Effective Date: July 1, 2020

Code: IC 6-3.1-34-3.5

Enrolled Act: HEA 1065, Sec. 21

Summary: Adds "mine reclamation site" to the definition of "qualified redevelopment site" for purposes of the redevelopment tax credit.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-6

Enrolled Act: HEA 1065, Sec. 22

Summary: Adds nonprofit agricultural organization health coverage tax in IC 6-8-15 to the definition of “state tax liability” against which the redevelopment tax credit may be applied.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-9

Enrolled Act: HEA 1065, Sec. 23

Summary: Clarifies that an “assignee”—not just a “person”—that is assigned part or all of a credit under IC 6-3.1-34-14 is entitled to the redevelopment tax credit.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-10

Enrolled Act: HEA 1065, Sec. 24

Summary: Places nonprofit agricultural organization health coverage tax in IC 6-8-15 in the order in which a redevelopment tax credit is applied to tax liabilities. A credit to which a taxpayer is entitled under IC 6-3.1-11 shall be applied against taxes owed by the taxpayer in the following order:

- (1) First, against the taxpayer’s adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Second, against the taxpayer’s insurance premiums tax liability (IC 27-1-18-2) or nonprofit agricultural organization health coverage tax liability (IC 6-8-15) for the taxable year.
- (3) Third, against the taxpayer’s financial institutions tax liability (IC 6-5.5) for the taxable year.

Effective Date: July 1, 2020

Code: IC 6-3.1-34-12

Enrolled Act: HEA 1065, Sec. 25

Summary: Urges the legislative council to assign to the interim study committee on fiscal policy during the 2020 legislative interim the task of studying tax credits and other fiscal incentives for a film and media production program.

Directs that if the legislative council assigns the task to the interim study committee on fiscal policy during the 2020 legislative interim, the legislative services agency shall prepare a study of film and media production tax incentives in other states and submit the study to the interim study committee on fiscal policy before October 1, 2020. The study must include at least the following:

- (1) Information concerning film and media production incentives offered in all other states.
- (2) Information concerning the effectiveness of film and media production incentives offered in all other states.

Effective Date: Upon passage

Code: Non-code

Enrolled Act: HEA 1065, Sec. 51

HEA 1093

Summary: Permits a state agency to allow a person to electronically file or submit a document to the state agency, even if a state statute or rule requires a person to use a different means of filing or submitting the document or does not expressly authorize a person to electronically file or submit a document. Establishes that methods to collect electronic filings or submissions must be approved by the office of technology to ensure all data is transmitted securely. Directs that any other means of filing or submitting documents to the state agency that is required or allowed by state statute or rule must still be made available to the public as an option.

Effective Date: July 1, 2020

Code: IC 1-1-7.7

Enrolled Act: HEA 1093, Sec. 1

HEA 1235

Summary: Extends through June 30, 2023, the period during which the statewide 911 board may increase the enhanced prepaid wireless charge. Absent this legislative provision, the authority was to expire July 1, 2020. Provides that the increase in the charge may not exceed 10 cents. Previously, the amount of the increase had to be 10 cents.

Directs that if the statewide 911 board increases the enhanced prepaid wireless charge, the board must provide written notice to the department no later than 60 days before the date the increase takes effect. The written notice must include the effective date for the increase and the amount of the charge as increased by the board.

Effective Date: Upon passage

Code: IC 36-8-16.6-11

Enrolled Act: HEA 1235, Sec. 2

HEA 1246

Summary: Provides that an application for a certificate of title submitted only to remove a satisfied lien is not required to be accompanied by the previously issued certificate of title if the application is accompanied by a written instrument on the lienholder's letterhead, and which identifies the vehicle identification number and states that the lien has been satisfied.

Effective Date: January 1, 2021

Code: IC 9-17-2-4

Enrolled Act: HEA 1246, SEC. 17

Summary: Alters the requirement that a security agreement covering a security interest in a vehicle that is not inventory held for sale can be perfected only if the bureau indicates the security interest on the certificate of title or duplicate. Instead of that process, it is only perfected when the record of the lien is electronically received by the bureau, if the application for certificate of title is received electronically, or the application for certificate of title is submitted to the bureau if the application for certificate of title is submitted in physical form.

Effective Date: January 1, 2021

Code: IC 9-17-5-5

Enrolled Act: HEA 1246, SEC. 19