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**INDIANA DEPARTMENT OF REVENUE**

TAX CHAPTER

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**About the Cover:** Photo courtesy of George Rogers Park NHP. This cover features the George Rogers Clark Memorial in Vincennes, Ind. An interest in commemorating George Rogers Clark developed in Indiana during the early 1920s. President Franklin D. Roosevelt dedicated the memorial June 14, 1936.

# STATE of INDIANA



INDIANAPOLIS, IN 46204-2253

DEPARTMENT OF REVENUE  
INDIANA GOVERNMENT CENTER NORTH  
100 N. SENATE AVE

Dear Tax Professional:

We are pleased to provide the 2014 "Tax Chapter." We are confident this publication will help you and your clients in preparing 2014 Indiana tax returns.

Remember, we are all trying to achieve the same two goals:

1. Help Indiana taxpayers successfully and correctly complete their annual tax returns.
2. Follow the statutes established by the Indiana General Assembly to support Indiana taxpayers.

This Tax Chapter is intended to assist you in your work with Indiana taxpayers. This year, we updated the Tax Chapter by removing some information that is already available online and adding information practitioners have specifically requested. We hope it serves you well and encourage any comments or suggestions for improvement you may have.

Some key points to make about this year's tax filing process:

1. Providing electronic filing methods and implementing electronic mandates continue to be priorities for the department. We encourage you to use one or more of the electronic filing systems available to your clients; these save time and money for you, your clients, and the state. Remember, too, that electronic filing systems generally provide refunds, when due, much faster than other methods.
2. This year the department will continue to focus on preventing identity theft and fraud. We appreciate the cooperation from the tax practitioner community and hope you share information with your clients about keeping their identity, and tax return, safe.
3. There are many changes to the tax codes that are fully outlined in this Tax Chapter for you. We have worked diligently to include everything you need. Also included is a line-by-line listing of each tax code change.

Again, we hope you find this Tax Chapter useful. If you have comments or suggestions, don't hesitate to submit those to us. Your input can make this an even better product for next year. You can email your input to the external presentation coordinator, Aunjalee Bhullar, at [abhullar@dor.in.gov](mailto:abhullar@dor.in.gov).

Thank you for the professional work you do for Indiana taxpayers.

Sincerely,

A handwritten signature in cursive script that reads "Mike Alley".

Mike Alley  
Commissioner

## 2014 Update

### New Legislation for 2014

The following highlights some of the key changes to Indiana's tax laws, listed by tax type. For a complete listing of all the changes for 2014 and changes that go into effect in 2015, please visit the department's Legislative Summaries webpage ([www.in.gov/dor/3656.htm](http://www.in.gov/dor/3656.htm)) and click the link for the 2014 summary.

### Individual Income Tax

The following changes affect Indiana's individual adjusted gross income tax:

- Effective Jan. 1, 2014 (retroactive), the credit for natural gas-powered vehicles no longer applies to vehicles using alternative fuel and no longer requires the vehicle to be used in providing public transportation. The credit also now requires that the vehicle be purchased or leased from a dealer in Indiana and weigh more than 33,000 pounds to be eligible. Refer to [Information Bulletin #109](#) for more information.
- Effective Jan. 1, 2014, Olympic winners are able to deduct an amount up to the value of an Olympic medal and prize money paid by the United States Olympic Committee.
- Effective Jan. 1, 2014, pass-through entities are eligible to claim the Industrial Recovery Tax Credit.
- Effective July 1, 2014, taxpayers may continue to carry forward any unused tax credit from a prior taxable year even after the tax credit has been repealed, except as otherwise expressly provided.
- Effective July 1, 2014, the Venture Capital Investment credit is repealed.
- Several tax credits have been repealed, effective Jan. 1, 2015: the Indiana Riverboat Building credit, Voluntary Remediation credit, Blended Biodiesel credit, Ethanol Production credit, Prison Investment Credit, and New Employer credit.
- Effective Jan. 1, 2015, taxpayers may claim a state adoption credit. The credit will be limited to the lesser of 10 percent of the adoption credit granted of the taxpayer's federal tax return or the annual state tax liability.
- Effective Jan. 1, 2015, the income limitation for purposes of calculating the Lake County Residential Income Tax Credit will be based on Indiana adjusted gross income instead of earned income.
- Effective Jan. 15, 2015, the state individual extension of time to file due date is extended from June 15 to October 15 (plus 30 days, or until November 14) of the tax year. Also, any penalty shall be based on the amount of tax not paid on or before the end of the extension period (November 14).

### Corporate Income Tax

The following changes affect Indiana's corporate adjusted gross income tax:

- Effective Jan. 1, 2014 (retroactive), the credit for natural gas-powered vehicles no longer applies to vehicles using alternative fuel and no longer requires the vehicle to be used in providing public transportation. The credit also now requires that the vehicle be purchased or leased from a dealer in Indiana and weigh more than 33,000 pounds to be eligible. Refer to [Information Bulletin #109](#) for more information.
- Effective July 1, 2014, taxpayers may continue to carry forward any unused tax credit from a prior taxable year even after the tax credit has been repealed.
- Two tax credits have been repealed, effective July 1, 2014: the Venture Capital Investment credit and Energy Star credit.
- Several tax credits have been repealed, effective Jan. 1, 2015: the Indiana Riverboat Building credit, Voluntary Remediation credit, Blended Biodiesel credit, Ethanol Production credit, and New Employer credit.

## **County Taxes**

The following changes affect Indiana's county taxes:

- Effective July 1, 2014, the following Indiana counties may adopt an ordinance to have a referendum to increase their local option income tax (LOIT) for purposes of funding central Indiana transportation: Delaware, Hamilton, Hancock, Johnson, Madison, and Marion. If the county(s) does not adopt an ordinance to have a referendum, certain townships in the county(s) can request a referendum if the township is located adjacent to a county or another township where a public transportation project has been approved. If a township approves the referendum, the additional tax rate applies to only county taxpayers who reside in the township where the voters have approved a referendum.
- Effective Jan. 1, 2015, the credit for local taxes paid outside of Indiana may be used to offset the county economic development income tax.

## **Sales and Use Tax**

The following changes affect Indiana's sales and use taxes:

- Effective July 1, 2014, the sales tax rate on a motor vehicle that a purchaser intends to transport outside of Indiana within 30 days and title or register for use in another state or country is the rate of that state or country. This applies only to motor vehicles subject to the annual license excise tax if they are used in Indiana. Dealers that sell vehicles to out-of-state buyers are required to complete an affidavit detailing each transaction. Read [Information Bulletin #84](#) for more information.
- Effective July 1, 2014, a gasoline use tax is imposed on gasoline and gasohol fuels. The gasoline use tax replaces the prepaid sales tax on gasoline collected from the retail merchant. The gasoline use tax rate may change on a monthly basis depending on the average Indiana retail price of gasoline. The rate is published monthly in [Departmental Notice #2](#).

## **Other Taxes**

The following changes affect Indiana's special taxes:

- Effective Jan. 1, 2014 (retroactive), owners of vehicles propelled by alternative fuel must obtain an annual alternative fuel decal for the vehicle.
- Effective Jan. 1, 2014 (retroactive), owners of vehicles propelled by alternative fuel and that are registered outside of Indiana but operate on a public highway in Indiana must obtain a temporary trip permit.
- Effective July 1, 2014, the department may deny or suspend an oversize/overweight permit if the applicant or permit holder is delinquent in paying Indiana State Police escort fees.
- Effective July 1, 2014, all reports and taxes relating to cigarette taxes must be filed and remitted in electronic format.
- Effective July 1, 2014, all reports and taxes relating to other tobacco products taxes must be filed and remitted in electronic format.
- Effective July 1, 2014, all reports and taxes relating to alcohol taxes must be filed and remitted in electronic format.
- Effective July 1, 2014, the department will no longer administer or enforce the hazardous waste disposal tax. The tax has been replaced with the hazardous waste disposal fee managed by the Indiana Department of Environment Management.
- Effective July 1, 2014, the department will no longer collect the underground storage tank fee. The Indiana Department of Environment Management is responsible for collecting this fee.

## **Same Sex Marriage Tax Filing Guidance**

The Indiana constitutional ban on same-sex marriages was struck down in *Baskin v. Bogan* (S. D. Indiana 2014), but the decision has been stayed pending appeal. Therefore, in accordance with IC 31-11-1-1, Indiana currently does not recognize same-sex marriages. This issue is still being litigated on appeal.

The department will update tax professionals if this changes. Same-sex couples who file federal returns with a married filing status must each file their Indiana income tax returns with a filing status of single.

In order to calculate Indiana income tax liability, same-sex spouses who file federal returns with a married filing status must each complete a “sample” federal return ([IRS Form 1040](#)), entering information as if single.

Use the information from the “sample” federal return as a basis for completing the Indiana return. Do not file the “sample” return with the IRS or the Department of Revenue. It is recommended that you retain a copy in your records. For more information, visit [www.in.gov/dor/4895.htm](http://www.in.gov/dor/4895.htm).

## **Electronic Mandates**

### **Alcohol, Other Tobacco Products, and Cigarette Taxes**

As of July 1, 2014, any person who is liable for the payment of alcohol, other tobacco products (OTP), or cigarette excise taxes must file returns electronically and submit payments electronically. Any informational returns that do not require a tax payment must also be filed electronically.

- Beginning with the October 2014 filing period, all Indiana alcohol and OTP taxpayers who submit the following tax returns and reports must file and pay electronically:
  - Alcohol tax return forms 610, 710, 725, 726, 810, 910, ABP1-B, and/or ABP1-WL; and,
  - Other Tobacco Product Distributor's Excise Tax Return (OTP-M), Monthly Report of Cigarettes Stamped and Roll-Your-Own Tobacco Purchased (CT-19), and Other Tobacco Products PACT Act Report (Schedule OTP-PACT).
- Beginning with the January 2015 filing period, all Indiana cigarette taxpayers who currently submit CT-5, CT-11, CT-12, CT-13, CT-13P, CT-16P, CT-18P, CT-19, and/or CT-24 reports must file and pay electronically.

The recommended electronic filing method is bulk upload. Taxpayers with fewer than 50 transactions per month who would prefer to enter their tax return information manually should contact the Department of Revenue. For more detailed information about this electronic mandate, visit the following web pages:

- Alcohol: [www.in.gov/dor/5162.htm](http://www.in.gov/dor/5162.htm)
- OTP: [www.in.gov/dor/5168.htm](http://www.in.gov/dor/5168.htm)
- Cigarette: [www.in.gov/dor/5173.htm](http://www.in.gov/dor/5173.htm)

### **Sales and Withholding Taxes**

All Indiana businesses are required by law to report and remit sales tax and withholding tax electronically. As a reminder, the department has discontinued mailing coupons for sales and withholding. Moreover, the coupons are not available upon request. Taxpayers should register for INtax or begin using a third-party agent. Taxpayers can request an exemption from this mandate if they meet certain requirements. They should contact the department at (317) 232-2337 and obtain an Exemption Request form (BT-EX).

### **Fuel Taxes**

All motor carriers are required by law to file and pay their fuel taxes electronically. Carriers can use the [Indiana Fuel Tax System](#) to comply. The system offers motor carriers the ability to manage all their transactions with the Motor Carrier Division online and in one place.

## **Electronic Services**

### **IT-20S Online Filing**

The department is working to offer modernized electronic filing (MeF) for the IT-20S in 2014. The department has already issued electronic filing instructions to vendors and is working with them to provide MeF for S corporations' 2014 taxes to be filed in 2015.

### **Food and Beverage Tax Online**

Taxpayers can file and pay food and beverage tax through [INtax](#) beginning November 2014 for the October 2014 filing period.

### **County Innkeeper's Tax Online**

Taxpayers can file and pay county innkeeper's tax through [INtax](#) beginning November 2014 for the October 2014 filing period.

## **INtax**

The department's online [INtax](#) program provides business taxpayers and preparers with direct access to all business tax accounts, instant access to file and pay Indiana taxes, complete account history, and more. With INtax, a practitioner can file and pay her client's business taxes; take care of several other record-keeping tasks; and manage several business tax types, including Indiana retail sales, out-of-state sales, gasoline use tax, metered pump sales, tire fees, fuel taxes, withholding taxes, and more.

Here are just a few of the other tasks a practitioner can complete using INtax:

- Correspond with the Department of Revenue online through a confidential, secure inbox
- Register and edit multiple clients
- View and print a current client list
- Schedule payments up to 30 days ahead
- File a return even when no tax is due for that filing period so clients can avoid best information available (BIA) bills
- Make a separate electronic payment for each client or pay multiple client accounts through a bulk payment upload
- View the client's payment and return history at any time

Although a client is not required to be registered with INtax before a practitioner can add the client, the client still has the option to register for INtax to be able to access his account information, as well as view the practitioner's activities. Whether the client registers for INtax or not, he is notified that a practitioner is managing his state taxes using INtax. For more information or to register, visit [www.intax.in.gov](http://www.intax.in.gov).

## **Online Payment Plan Tool – INtax Pay**

Individuals who have received a bill after the tax season ends may be able to set up a payment plan for an individual liability online:

- Taxpayer must owe more than \$100.
- Taxpayer must pay 20 percent down.
- Taxpayer must have the case number found on the bill.
- Visit [www.intaxpay.in.gov](http://www.intaxpay.in.gov).

## **ePay Online Application**

ePay is the Department of Revenue's electronic tax payment service where practitioners can:

- Check balances
- Make payment online for a balance due
- Make payment online for one or more liabilities or cases
- Manage estimated tax installment payments or view payment history
- Schedule an eCheck payment for up to 90 days in the future

## Tips

### Audit Updates

There are new policies for the Department of Revenue's audit procedures:

- The department can no longer provide work papers by jump drive. Work papers will be sent via secure email.
- The department can no longer accept data on a jump drive. Data must be submitted via CD-ROM or secure email.
- Power of Attorneys will now receive the audit report via secure email, not in the mail.
- The audit report structure has been enhanced to include a table of contents.

### Secure Email

In September 2014 the department launched a secure email feature, DataMotion, which enables employees to securely email sensitive information. Recipients of secure email will not see the message content in their inbox. Instead, they will be prompted to create a DataMotion site account and then log in to see the secure message. Secure emails will be kept on the DataMotion site for one year, after which they will be archived for seven years.

### New Tax Presentations

The department is working with organizations throughout Indiana to hold free presentations about business taxes. The department recently held a series of presentations regarding taxes for convenience store owners and new and small business owners. For more information, and to view a list of upcoming presentations, visit [www.in.gov/dor/5176.htm](http://www.in.gov/dor/5176.htm).

### New Software Identifies Non-Filers

The department began using a new software program this year that identifies taxpayers who should have filed an Indiana return but did not. Taxpayers who have discrepancies between their federal and Indiana returns, who filed a federal return but not an Indiana return, or who failed to file both federal and Indiana returns may receive a letter informing them of their filing requirement. If they have not filed within 30 days after receiving the letter, they are then sent a best information available (BIA) bill based on income information from the IRS.

### Include All Necessary Schedules

Ensure all necessary and required schedules are included when submitting paper returns. Any missing schedules will delay processing. This happens quite frequently. However, if you or your client has already e-filed, **do not** submit a paper return. Also, if you are submitting a post-filing coupon after e-filing, **do not** send a paper return with the payment. Finally, if you do submit a paper return, please send payment with the return.

### Income Statements

Income statements (e.g. W-2, WH-18, 1099s) must be included with a paper return to claim Indiana credit for state and/or local withholding. Do not send W-2s with information on the front and back. Only send single-sided withholding statements.

### When Complete

Do not black out the 1D barcode found at the bottom of some forms. We use that information to quickly and efficiently process those forms. Also, if you are sending photocopies of returns, please make sure they are legible. Finally, ensure all schedules match the form type being submitted (for example, Schedule CT-40PNR with a Form IT-40PNR).

### Certified

Only use forms that were provided by the Department of Revenue or preparation software that has been certified and approved by the department. Also, make sure that your software is updated regularly. Older versions do not contain the most current versions of the forms or county tax rates.

Using unapproved forms or old forms will cause delays in processing and delay refunds. To see a list of certified software developers, visit [www.in.gov/dor/3848.htm](http://www.in.gov/dor/3848.htm).

**Trust Tax Returns**

Remember, trust taxes must be submitted electronically unless an exemption has been issued.

**Mailing Instructions**

- Mailing instructions for individual income tax returns are determined by payment status:
  - If enclosing payment, mail to: P.O. Box 7224, Indianapolis, IN 46207-7224.
  - Mail all other returns to: P.O. Box 40, Indianapolis, IN 46206-0040.
- FormWH-3 will be mailed based on payment status:
  - If requesting a refund, mail to: P.O. Box 7220, Indianapolis, IN 46207-7220.
  - Mail all other Form WH-3s to: P.O. Box 6108, Indianapolis, IN 46206-6108.
- Correspondence regarding individual tax issues should be mailed to: P.O. Box 7207, Indianapolis, IN 46207-7207.
- Don't forget that you can change the address on an individual account by visiting our website at [www.in.gov/dor/3795.htm](http://www.in.gov/dor/3795.htm).

**2015 Due Date Table for Individual Income Tax Filers**

<b>Date</b>	<b>Form Type/Activity</b>
4/15/15	IT-40; IT-40EZ; IT-40PNR; IT-40RNR; IT-40ES; ES-40 (first estimated installment period); IT-9
6/15/15	IT-40ES; ES-40 (second estimated installment period)
6/30/15	SC-40; IT-40/IT-40PNR filing due date if claiming unified tax credit for the elderly (not including extensions)
9/15/15	IT-40ES; ES-40 (third estimated installment period)
11/16/15	State filing due date if filing under extension (federal Form 4868 and/or IT-9)
1/15/16	IT-40ES; ES-40 (fourth estimated installment period)

**Power of Attorney (Form POA-1)**

This form has been updated recently and now provides greater flexibility. You may submit the form by:

- Fax: (317) 615-2605
- Email: [poa1forms@dor.in.gov](mailto:poa1forms@dor.in.gov)
- Mail: Indiana Department of Revenue, P.O. Box 7230, Indianapolis, IN 46207-7230

**Automatic Updates**

Because receiving vital information timely is important, the State of Indiana offers GovDelivery's Email and Digital Subscription Management service. This tool makes it much easier for tax professionals to get the information they need. To register:

- Visit the department's home page: [www.in.gov/dor](http://www.in.gov/dor).
- Click the "Subscribe for e-mail updates" link.
- Follow the registration steps.

After you have registered, the service will send you an email whenever the department updates the website section you selected. This valuable tool will help you better serve your clients' needs.

## Filing Statistics

Tax Year 2013 individual income tax returns posted by filing method through Aug. 27, 2014.

Filing Method	Total Number of Returns	Percent of Total Returns
Total 2013	3,227,139	
2D Barcode	185,498	5.75%
Fed/State Electronic	2,654,352	82.25%
Paper	387,289	12%

The statistics represent current-year individual income tax returns that have completed processing for tax year 2013.

## Contact Us

Practitioner Hotline	<b>(800) 462-6320 (enter 4367)</b>	<a href="http://www.in.gov/dor/3863.htm">www.in.gov/dor/3863.htm</a>
Individual Income Tax Questions	<b>(317) 232-2240</b>	<a href="http://www.in.gov/dor/4703.htm">www.in.gov/dor/4703.htm</a>
Business Tax Questions	<b>(317) 233-4015</b>	<a href="http://www.in.gov/dor/3335.htm">www.in.gov/dor/3335.htm</a>
Corporate Income Tax	<b>(317) 232-0129</b>	<a href="http://www.in.gov/dor/3335.htm">www.in.gov/dor/3335.htm</a>
INtax Hotline	<b>(317) 232-2337</b>	<a href="http://www.in.gov/dor/4336.htm">www.in.gov/dor/4336.htm</a>
Streamlined Sales Tax	<b>(317) 233-4015</b>	<a href="http://www.in.gov/dor/3341.htm">www.in.gov/dor/3341.htm</a>
Automated Information Line	<b>(317) 233-4018</b>	
Collection/Liability Inquiries	<b>(317) 232-2165</b>	<a href="http://www.in.gov/dor/3959.htm">www.in.gov/dor/3959.htm</a>
Motor Carrier Services	<b>(317) 615-7200</b>	<a href="http://www.in.gov/dor/4106.htm">www.in.gov/dor/4106.htm</a>
Tax Forms Order Line	<b>(317) 615-2581</b>	<a href="http://www.in.gov/dor/3489.htm">www.in.gov/dor/3489.htm</a>

There are a variety of ways in which tax practitioners can contact the department if they are in need of help or want to receive critical updates from the department.

When you have a specific question that our website does not answer, you are encouraged to use the online inquiry center to send your questions and concerns directly to our tax professional area. However, if you have an immediate concern, you can contact the department at (800) 462-6320 (enter 4367) to connect. This number is for tax practitioner use only. If a taxpayer would like to contact the department, she can do so by calling (317) 232-2240.

In addition, the department offers several other ways for you to learn about important tax updates at your convenience:

- Become a Facebook fan by finding the Indiana Department of Revenue on Facebook.
- Follow us on Twitter at [www.twitter.com/INDeptofRevenue](http://www.twitter.com/INDeptofRevenue).
- Subscribe to our *Tax Talk Blog* at [www.in.gov/dor/3877.htm](http://www.in.gov/dor/3877.htm).
- Sign up for automatic email updates on the department's website at [www.in.gov/dor](http://www.in.gov/dor).
- Subscribe to email updates on the department's tax professional page at [www.in.gov/dor/3338.htm](http://www.in.gov/dor/3338.htm).
- Subscribe to *Tax Dispatch*, a publication designed to keep tax professionals up-to-date, at [www.in.gov/dor/3659.htm](http://www.in.gov/dor/3659.htm).

To access tax forms, information bulletins, commissioner's directives, tax publications, and more, visit our website at [www.in.gov/dor/3330.htm](http://www.in.gov/dor/3330.htm).

If you have any suggestions regarding forms or forms processing, please send an email to [feedback@dor.in.gov](mailto:feedback@dor.in.gov).

If you need additional assistance, please call us at any of the phone numbers listed or visit one of our district offices listed on the next page. Our office hours are Monday through Friday from 8:00 a.m. to 4:30 p.m.

## **District Office Locations**

### **Indianapolis (Main Office)**

Indiana Government Center North, Room N105  
100 N. Senate Avenue, Indianapolis, IN 46204  
(317) 232-2240

### **Bloomington**

410 Landmark Avenue  
Bloomington, IN 47403  
(812) 339-1119

### **Clarksville**

#### Physical Location

1446 Horn Street  
Clarksville, IN 47129  
(812) 282-7729

#### Mailing Address

P.O. Box 3249  
Clarksville, IN 47131-3249

### **Columbus**

3520 Two Mile House Road  
Columbus, IN 47201  
(812) 376-3049

### **Evansville**

500 S. Green River Road  
Goodwill Building, Suite 202  
Evansville, IN 47715  
(812) 479-9261

### **Fort Wayne**

1415 Magnavox Way, Suite 100  
Fort Wayne, IN 46804  
(260) 436-5663

### **Kokomo**

117 E. Superior Street  
Kokomo, IN 46901  
(765) 457-0525

### **Lafayette**

100 Executive Dr., Suite B  
Lafayette, IN 47905  
(765) 448-6626

### **Merrillville**

1411 E. 85th Ave  
Merrillville, IN 46410  
(219) 769-4267

### **Muncie**

3640 N. Briarwood Lane, Suite 5  
Muncie, IN 47304  
(765) 289-6196

### **South Bend**

1025 Widener Lane, Suite B  
South Bend, IN 46614  
(574) 291-8270

### **Terre Haute**

30 N. 8<sup>th</sup> Street, 3<sup>rd</sup> Floor  
Terre Haute, IN 47807  
(812) 235-6046

Note: Addresses and telephone numbers are subject to change. Check [www.in.gov/dor/3390.htm](http://www.in.gov/dor/3390.htm) for the most up-to-date listings.

## Legislative Summary by Tax Type

### SALES AND USE TAX (IC 6-2.5)

**Summary:** Specifies that for purposes of computing the sales tax, a seller may elect to round the tax on an item basis or an invoice basis. However, the seller may not round the tax on an item basis to circumvent the tax that otherwise would be imposed on a transaction using an invoice basis.

**Effective Date:** July 1, 2014

**Code:** IC 6-2.5-2-2

**Enrolled Act:** SEA 161, Sec. 1

**Summary:** Provides that the sales tax rate on a motor vehicle that a purchaser intends to transport outside Indiana within 30 days and title or register for use in another state or country is the rate of that state or country.

**Effective Date:** July 1, 2014

**Code:** IC 6-2.5-2-3

**Enrolled Act:** SEA 367, Sec. 9

**Summary:** Repeals the section defining “E85” in the use tax on gasoline chapter because the term is never used.

**Effective Date:** Upon Passage

**Code:** IC 6-2.5-3.5-2

**Enrolled Act:** SEA 24, Sec. 27

**Summary:** Repeals the section defining “price per unit before the addition of state and federal taxes” in the use tax on gasoline chapter because the term is never used.

**Effective Date:** July 1, 2014

**Code:** IC 6-2.5-3.5-7

**Enrolled Act:** SEA 24, Sec. 28

**Summary:** Removes blood glucose monitoring meters from the separate sales tax exemption for blood glucose supplies to comply with the Streamlined Sales and Use Tax Agreement. Provides that blood glucose meters and the packaging or literature for a blood glucose meter furnished without charge by a diabetic supply distributor are exempt from tax.

**Effective Date:** July 1, 2014

**Code:** IC 6-2.5-5-19.5

**Enrolled Act:** SEA 161, Sec. 2

**Summary:** Expands the sales tax exemption for aircraft materials, parts, and engines to allow the exemption if the retail merchant has leased a facility at a public use airport, the retail merchant meets the airport’s minimum standards for an aircraft maintenance facility, and the work is performed by a mechanic who is certified by the Federal Aviation Administration.

**Effective Date:** July 1, 2014

**Code:** IC 6-2.5-5-46

**Enrolled Act:** SEA 367, Sec. 10

**Summary:** Provides that a retail merchant engaged in selling bulk propane at retail in Indiana shall claim a credit before June 30, 2014, equal to the sales tax paid by the retail merchant’s customers after Dec. 31, 2013, and before April 1, 2014, on that part of the price of bulk propane that exceeded \$2.50 per gallon. Requires the retail merchant to provide a credit to its customers on their next purchase of bulk propane

occurring after the retail merchant claims the credit. Specifies that retail merchants are entitled to a collection allowance of 1% for administering the credits provided to customers.

**Effective Date:** Upon Passage

**Code:** IC 6-2.5-5-49.5

**Enrolled Act:** SEA 1, Sec. 8

**Summary:** Resolves technical conflicts between differing 2013 amendments to this section of the Indiana Code pertaining to the sales tax on special fuel.

**Effective Date:** July 1, 2014

**Code:** IC 6-2.5-7-5

**Enrolled Act:** SEA 24, Sec. 29

### **ADJUSTED GROSS INCOME TAX (IC 6-3)**

**Summary:** Phases down the corporate income tax rate from 6.5% in FY 2016 to 4.9% after June 30, 2021. Specifically, the rate decrease is as follows:

FY 2017	6.25%
FY 2018	6.0%
FY 2019	5.75%
FY 2020	5.5%
FY 2021	5.25%
After June 30, 2021	4.9%

**Effective Date:** July 1, 2014

**Code:** IC 6-3-2-1

**Enrolled Act:** SEA 1, Sec. 9

**Summary:** Provides that an entity is not considered to have Indiana income for purposes of the state income tax merely because of certain logistics activities concerning the distribution of legend drugs, medical devices, or medical supplies that are conducted in Indiana by a third-party logistics provider.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-3-2-2.1

**Enrolled Act:** HEA 1380, Sec. 13

**Summary:** Provides that a captive insurer subject to the tax under IC 27-1-2-2.3 is not subject to the adjusted gross income tax.

**Effective Date:** Jan. 1, 2013 (RETROACTIVE)

**Code:** IC 6-3-2-2.8

**Enrolled Act:** HEA 1206, Sec. 1

**Summary:** Provides that the value of an Olympic medal and prize money paid by the United States Olympic Committee to the winner of an Olympic medal are exempt from adjusted gross income tax.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-3-2-24

**Enrolled Act:** SEA 161, Sec. 3

**Summary:** Provides an individual income tax credit for an individual who is eligible to claim the federal adoption credit. The credit is equal to the lesser of 10% of the amount of federal credit allowed per child or \$1,000 for each eligible child. The credit may not exceed the amount of the taxpayer's adjusted gross income tax liability for the taxable year. The amount of any unused credit cannot be carried forward, carried back, or refunded. If all or part of the federal credit is required to be claimed in or carried forward

to a taxable year after the taxable year in which the credit is first allowed, then the credit shall be treated as allowable for Indiana purposes.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3-3-13

**Enrolled Act:** HEA 1222, Sec. 1

### **INCOME TAX CREDITS (IC 6-3.1)**

**Summary:** Provides that a taxpayer may carry forward any unused tax credit from a prior taxable year to a taxable year that begins after the repeal of the statute that provided the tax credits. Provisions concerning the amount of carryforward or the number of years to which an unused credit can be carried forward still apply as though the statute allowing the carryforward had not been repealed.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-1-4

**Enrolled Act:** HEA 1380, Sec. 14

**Summary:** Allows a taxpayer whose qualified investment to build or refurbish a riverboat is certified by the Indiana Economic Development Corporation (IEDC) before Jan. 1, 2015, to claim a tax credit in the year that the qualified investment is made as if the Riverboat Building Tax Credit had not been repealed.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-1-5

**Enrolled Act:** HEA 1380, Sec. 15

**Summary:** The Prison Investment Credit is repealed effective Jan. 1, 2015.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-6

**Enrolled Act:** HEA 1380, Sec. 16

**Summary:** Specifies that contributions to organizations that provide services to individuals who are ex-offenders are eligible for the Neighborhood Assistance Credit.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-9-1; IC 6-3.1-9-2

**Enrolled Act:** SEA 367, Sec. 11 and 12

**Summary:** Authorizes a shareholder, partner, or member of a pass-through entity to claim the Industrial Recovery Tax Credit.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-3.1-11-13

**Enrolled Act:** SEA 367, Sec. 13

**Summary:** Provides that, for taxable years beginning after Dec. 31, 2014, and before Jan. 1, 2019, an Economic Development for a Growing Economy (EDGE) tax credit may be awarded to a business that employs students who have participated in a course of study that includes a cooperative arrangement between the business and an educational institution for the training of students in high-wage, high-demand jobs that require industry certifications.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-13-13

**Enrolled Act:** HEA 1003, Sec. 5

**Summary:** Provides that a person who proposes to employ students who have participated in a course of study as provided in IC 6-3.1-13-15.7 is required to apply to the IEDC to enter into an agreement for a tax credit.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-13-14

**Enrolled Act:** HEA 1003, Sec. 6

**Summary:** Provides that the aggregate amount of tax credits for all taxpayers employing students who have participated in a course of study that includes a cooperative arrangement between the business and an educational institution for the training of students in high-wage, high-demand jobs that require industry certifications may not exceed \$2,500,000 per fiscal year.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-13-15.7

**Enrolled Act:** HEA 1003, Sec. 7

**Summary:** Provides that the taxpayer and the IEDC shall enter into an agreement. The agreement shall include the following information: a detailed description of the applicant's arrangements between the applicant and educational institutions for the training of students, the duration of the credit and the first taxable year that the credit will be allowed, the credit amount that will be allowed for each year, an agreement that the taxpayer will continue its program with the educational institution for two years after the last taxable year that the taxpayer can claim the credit, the method for determining the number of students who participated in the program, the number of employees who participated, the income tax withheld for the employees, and any other information that the IEDC requires.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-13-19.7

**Enrolled Act:** HEA 1003, Sec. 8

**Summary:** Provides that beginning in 2015, the Office of Community and Rural Affairs administers the Historic Rehabilitation Income Tax Credit. Provides that appeals of final determinations by the Office of Community and Rural Affairs are to be made to the Indiana Tax Court.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-16-1; IC 6-3.1-16-2; IC 6-3.1-16-7; IC 6-3.1-16-8; IC 6-3.1-16-9;  
IC 6-3.1-16-10; IC 6-3.1-16-12; IC 6-3.1-16-15

**Enrolled Act:** SEA 367, Sec. 14-21

**Summary:** The Indiana Riverboat Building Credit is repealed effective Jan. 1, 2015.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-17

**Enrolled Act:** HEA 1380, Sec. 17

**Summary:** For purposes of the income tax credit for property taxes paid on homesteads in Lake County, income is defined as adjusted gross income for the taxpayer or the taxpayer and the spouse.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-20-1; IC 6-3.1-20-4; IC 6-3.1-20-5

**Enrolled Act:** SEA 367, Sec. 22-24

**Summary:** Provides that if the cost of the credit is less than \$8,500,000, riverboat admissions tax revenue equal to the difference between \$8,500,000 and the cost of the credits shall be paid to the Northwest Indiana Regional Development Authority and used for public mass rail transportation in Lake County.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-20-7

**Enrolled Act:** SEA 367, Sec. 25

**Summary:** Provides that beginning in 2015, the Office of Community and Rural Affairs administers the Residential Historic Rehabilitation Income Tax Credit. Provides that appeals of final determinations of the Office of Community and Rural Affairs are to be made to the Indiana Tax Court.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-22-1; IC 6-3.1-22-2; IC 6-3.1-22-8; IC 6-3.1-22-9; IC 6-3.1-22-10; IC 6-3.1-22-11; IC 6-3.1-22-13

**Enrolled Act:** SEA 367, Sec. 26-32

**Summary:** The Voluntary Remediation Tax Credit is repealed effective Jan. 1, 2015.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-23

**Enrolled Act:** HEA 1380, Sec. 18

**Summary:** Provides that a Venture Capital Investment Tax Credit is not a security subject to IC 23 (Indiana Uniform Securities Act).

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-24-14

**Enrolled Act:** SEA 375, Sec. 1

**Summary:** The Blended Biodiesel Tax Credits are repealed effective Jan. 1, 2015.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-27

**Enrolled Act:** HEA 1380, Sec. 19

**Summary:** The Ethanol Production Tax Credit is repealed effective Jan. 1, 2015.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-28

**Enrolled Act:** HEA 1380, Sec. 20

**Summary:** Provides that a taxpayer is not entitled to a School Scholarship Tax Credit for a contribution to a scholarship-granting organization that is used to provide a scholarship or other assistance to a child participating in the Early Education Grant Pilot Program.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-30.5-7

**Enrolled Act:** HEA 1004, Sec. 1

**Summary:** The Energy Savings Tax Credit is repealed effective July 1, 2014.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.1-31.5

**Enrolled Act:** HEA 1380, Sec. 21

**Summary:** The New Employer Tax Credit is repealed effective Jan. 1, 2015.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-3.1-33

**Enrolled Act:** HEA 1380, Sec. 22

**Summary:** Provides that a vehicle must be purchased or leased from a dealer in Indiana to be eligible for the tax credit for natural gas-powered vehicles.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-3.1-34.6-6

**Enrolled Act:** HEA 1180, Sec. 1

**Summary:** Provides that the credit for natural gas-powered vehicles no longer applies to vehicles using alternative fuel, but applies to vehicles using a natural gas product as defined in IC 6-6-2.5-16. No longer requires the vehicle to be used in providing public transportation to be eligible for the credit.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-3.1-34.6-10

**Enrolled Act:** HEA 1180, Sec. 2

**Summary:** Requires the taxpayer to apply to the Department of Revenue for approval of the credit for natural gas-powered vehicles at the time of the purchase or lease of a qualified vehicle. Requires the taxpayer to submit proof of purchase or lease and attach the department's approval of the tax credit to the person's tax return. The department will approve credits in the chronological order that the applications for the credit are received. If the total amount of credits approved reaches the maximum amount of credits allowable, the department may not approve any additional credits in that year.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-3.1-34.6-12

**Enrolled Act:** HEA 1180, Sec. 3

#### **LOCAL OPTION INCOME TAXES (IC 6-3.5-1.1; IC 6-3.5-6; IC 6-3.5-7)**

**Summary:** Provides a method of funding for central Indiana transportation. Provides that Hancock and Johnson counties can impose additional county adjusted gross income tax (CAGIT) to fund central Indiana transportation. The counties can adopt an ordinance to use CAGIT revenue attributable to an additional tax rate that may be imposed at a rate of at least 0.1 percent and not more than 0.25 percent. If the counties do not adopt an ordinance to have a referendum, a township in the county can request a referendum if the township is located adjacent to a county or another township where a public transportation project has been approved. If a township approves the referendum, the additional tax rate applies to only county taxpayers who reside in the township where the voters have approved a referendum.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.5-1.1-9; IC 6-3.5-1.1-23; IC 6-3.5-1.1-24; IC 6-3.5-1.1-29

**Enrolled Act:** SEA 176, Sec. 2-5

**Summary:** Provides a method of funding for central Indiana transportation. Provides that Delaware and Madison counties can impose additional county option income tax (COIT) to fund central Indiana transportation. The counties can adopt an ordinance to use COIT revenue attributable to an additional tax rate that may be imposed at a rate of at least 0.1 percent and not more than 0.25 percent. If the counties do not adopt an ordinance to have a referendum, a township in the county can request a referendum if the township is located adjacent to a county or another township where a public transportation project has been approved. If a township approves the referendum, the additional tax rate applies to only county taxpayers who reside in the township where the voters have approved a referendum.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.5-6-17; IC 6-3.5-6-18; IC 6-3.5-6-26; IC 6-3.5-6-30; IC 6-3.5-6-34

**Enrolled Act:** SEA 176, Sec. 7-11

**Summary:** Provides a method of funding for central Indiana transportation. Provides that Hamilton and Marion counties can impose additional county economic development income tax (CEDIT) to fund central Indiana transportation. The counties can adopt an ordinance to use CEDIT revenue attributable to an additional tax rate that may be imposed at a rate of at least 0.1 percent and not more than 0.25 percent.

If the counties do not adopt an ordinance to have a referendum, a township in the county can request a referendum if the township is located adjacent to a county or another township where a public transportation project has been approved. If a township approves the referendum, the additional tax rate applies to only county taxpayers who reside in the township where the voters have approved a referendum.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.5-7-5; IC 6-3.5-7-5.5; IC 6-3.5-7-26; IC 6-3.5-7-29

**Enrolled Act:** SEA 176, Sec. 12-15

**Summary:** Provides that for taxable years beginning after Dec. 31, 2014, there is a credit against county economic development income tax (CEDIT) for taxes paid to local governments outside Indiana.

**Effective Date:** July 1, 2014

**Code:** IC 6-3.5-7-8.1

**Enrolled Act:** HEA 1380, Sec. 23

### **FINANCIAL INSTITUTIONS TAX (IC 6-5.5)**

**Summary:** Phases down the financial institutions tax rate to 4.9% in calendar year 2023. Specifically, the rate decrease is as follows:

CY 2019	6.25%
CY 2020	6.0%
CY 2021	5.5%
CY 2022	5.0%
After Dec. 31, 2022	4.9%

**Effective Date:** July 1, 2014

**Code:** IC 6-5.5-2-1

**Enrolled Act:** SEA 1, Sec. 10

**Summary:** Provides that a captive insurer subject to tax under IC 27-1-2-2.3 is not subject to the financial institutions tax.

**Effective Date:** Jan. 1, 2013 (RETROACTIVE)

**Code:** IC 6-5.5-2-7

**Enrolled Act:** HEA 1206, Sec. 2

### **GASOLINE AND SPECIAL FUEL TAXES (IC 6-6-1.1; IC 6-6-2.5)**

**Summary:** Eliminates liquid or compressed natural gas, or a combination of liquefied petroleum gas and a compressed natural gas product, from the definition of “alternative fuel.”

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-6-2.5-1

**Enrolled Act:** HEA 1180, Sec. 4

**Summary:** Adds a new section to define “natural gas product” as a liquid or compressed natural gas product or a combination of liquefied petroleum gas and a compressed natural gas product used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-6-2.5-16.5

**Enrolled Act:** HEA 1180, Sec. 5

**Summary:** Eliminates alternative fuel from the definition of “special fuel” and includes natural gas products as a special fuel.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-6-2.5-22

**Enrolled Act:** HEA 1180, Sec. 6

**Summary:** Removes a reference to propane and butane in the special fuel tax law in conformance with HEA 1180-2014. This is a technical correction.

**Effective Date:** July 1, 2014

**Code:** IC 6-6-2.5-28

**Enrolled Act:** HEA 1380, Sec. 24

#### **MOTOR CARRIER FUEL USE TAX (IC 6-6-4.1)**

**Summary:** Amends the definitions of “farm product” and “farm vehicle” for purposes of the motor vehicle statutes. This is a technical change in the motor carrier fuel use tax statute. In essence, it provides that a farm product does not include logs, wood chips, bark, or sawdust. A vehicle hauling these products cannot be licensed as a farm vehicle.

**Effective Date:** July 1, 2014

**Code:** IC 6-6-4.1-2

**Enrolled Act:** HEA 1219, Sec. 1

#### **MISCELLANEOUS AND VEHICLE EXCISE TAXES (IC 6-6)**

**Summary:** Makes technical corrections to the commercial vehicle excise tax statute.

**Effective Date:** Jan. 1, 2015

**Code:** IC 6-6-5.5-7

**Enrolled Act:** HEA 1237, Sec. 6

**Summary:** Repeals the hazardous waste disposal tax in IC 6-6-6.6 and replaces it with the hazardous waste disposal fee in IC 13-22-12.

**Effective Date:** July 1, 2014

**Code:** IC 6-6-6.6

**Enrolled Act:** HEA 1342, Sec. 1

**Summary:** Provides that after June 30, 2014, a carrier claiming the road tax credit for consumption of compressed natural gas must claim the credit on a quarterly basis in the manner prescribed by the Department of Revenue. The credits must be claimed before Oct. 30, Jan. 30, April 30, and July 30.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-6-12-5

**Enrolled Act:** HEA 1180, Sec. 7

**Summary:** Clarifies that the credit is 12% of the road taxes paid for the consumption of compressed natural gas in the previous quarter.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-6-12-6

**Enrolled Act:** HEA 1180, Sec. 8

**Summary:** Technical change to the aviation fuel excise tax to clarify that it is a Level 6 felony instead of a Class D felony to intentionally fail to remit the tax to the Department of Revenue.

**Effective Date:** July 1, 2014

**Code:** IC 6-6-13-13

**Enrolled Act:** HEA 1006, Sec. 11

**Summary:** Adds a new chapter concerning alternative fuel decals. Provides that the owner of a vehicle that is propelled by alternative fuel shall obtain an annual alternative fuel decal for the vehicle. The fee for the decal is based on the weight and type of vehicle. The annual fee may be prorated on a quarterly basis if the application is made after June 30 of a year. The owner of an alternative fuel vehicle that is registered outside Indiana but operated on a public highway in Indiana is required to get a temporary trip permit. The permit costs \$5.50 and is valid for 72 hours. A person who wants to make alternative fuel sales in Indiana must be licensed by the Department of Revenue as a propane dealer. The fee for a propane dealer license is \$50. The department can rescind the license if the propane dealer fails to comply with any requirement of IC 6-6-14. The department shall issue a decal to the owner of a vehicle propelled by alternative fuel. The decal is effective from April 1 of each year through March 31 of the next year. A dealer may place alternative fuel in a vehicle only if the vehicle has a valid alternative fuel decal affixed in the lower-left side of the vehicle's front windshield.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-6-14

**Enrolled Act:** HEA 1180, Sec. 9

#### **CIGARETTE AND OTHER TOBACCO PRODUCTS TAX (IC 6-7-1; IC 6-7-2)**

**Summary:** Provides that all reports and taxes relating to cigarette taxes are required to be filed or remitted to the Department of Revenue in an electronic format prescribed by the department.

**Effective Date:** July 1, 2014

**Code:** IC 6-7-1-37

**Enrolled Act:** SEA 367, Sec. 33

**Summary:** Provides that all reports and taxes relating to other tobacco products taxes are required to be filed or remitted to the Department of Revenue in an electronic format prescribed by the department.

**Effective Date:** July 1, 2014

**Code:** IC 6-7-2-12

**Enrolled Act:** SEA 367, Sec. 34

#### **TAX ADMINISTRATION (IC 6-8.1)**

**Summary:** Resolves technical conflicts between differing 2013 amendments to IC 6-8.1-1-1 pertaining to the Department of Revenue's listed taxes.

**Effective Date:** Jan. 1, 2014 (RETROACTIVE)

**Code:** IC 6-8.1-1-1

**Enrolled Act:** SEA 24, Sec. 30

**Summary:** Amends the section concerning listed taxes that the Department of Revenue administers to eliminate the reference to the alternative fuel permit fee, the underground storage tank fee, and the solid waste management fee.

**Effective Date:** July 1, 2014

**Code:** IC 6-8.1-1-1

**Enrolled Act:** HEA 1342, Sec. 2

**Summary:** Repeals the provision that required the Department of Revenue to include a voter registration form in all individual income tax booklets that were mailed to taxpayers using preprinted labels with Indiana addresses.

**Effective Date:** July 1, 2014  
**Code:** IC 6-8.1-3-19  
**Enrolled Act:** SEA 385, Sec. 73

**Summary:** Requires the Department of Revenue to coordinate with the Secretary of State to use an Internet website to share information with other state agencies and to provide a single point of contact for a person to accomplish various requirements to transact business in the state, including completing and submitting an application for a license that is issued by the department; filing with the department documents that are required to transact business in the state; and remitting any fee that must be paid to the department by the person, including application fees, filing fees, permit fees, and registration fees.

**Effective Date:** July 1, 2014  
**Code:** IC 6-8.1-3-23  
**Enrolled Act:** HEA 1198, Sec. 2

**Summary:** Provides that the special tax section of the Department of Revenue will no longer administer and enforce the hazardous waste disposal tax.

**Effective Date:** July 1, 2014  
**Code:** IC 6-8.1-4-1.6  
**Enrolled Act:** HEA 1342, Sec. 3

**Summary:** Allows the Department of Revenue to deny or suspend certain oversize and overweight vehicle permits if the applicant or permit holder is delinquent in paying escort fees to the State Police Department.

**Effective Date:** July 1, 2014  
**Code:** IC 6-8.1-4-4  
**Enrolled Act:** HEA 1380, Sec. 25

**Summary:** Provides that all Indiana adjusted gross income tax return and financial institutions tax return due date extensions are treated the same as extensions granted because of a federal income tax due date extension. Also provides that any penalties shall be based on the amount of tax not paid on or before the end of the extension period.

**Effective Date:** Jan. 1, 2015  
**Code:** IC 6-8.1-6-1  
**Enrolled Act:** HEA 1380, Sec. 26

**Summary:** Resolves technical conflicts between differing 2013 amendments to IC 6-8.1-7-1 pertaining to the Department of Revenue's confidentiality statute.

**Effective Date:** Upon Passage  
**Code:** IC 6-8.1-7-1  
**Enrolled Act:** SEA 24, Sec. 31

**Summary:** Provides that the adjusted rate of interest as determined by the Commissioner of the Department of Revenue shall be based on the average investment yield on State General Fund money, instead of including the earnings from all funds.

**Effective Date:** July 1, 2014  
**Code:** IC 6-8.1-10-1  
**Enrolled Act:** HEA 1005, Sec. 13

## ALCOHOLIC BEVERAGE TAXES (IC 7.1-4)

**Summary:** Provides that all returns and payments of all taxes related to alcoholic beverages shall be filed or remitted to the Department of Revenue in an electronic format prescribed by the department.

**Effective Date:** July 1, 2014

**Code:** IC 7.1-4-6-3.5

**Enrolled Act:** SEA 367, Sec. 36

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

**Summary:** Clarifies that certain eligible telecommunications providers are not considered federal agencies for purposes of the exemption provided to federal government purchasers.

**Effective Date:** Upon Passage

**Code:** IC 36-8-16.6-11

**Enrolled Act:** SEA 396, Sec. 6

## MISCELLANEOUS PROVISIONS

**Summary:** Requires the Commission on State Tax and Financing Policy to review, analyze, and evaluate state and local tax incentives that are provided to encourage economic development or to alter, reward, or subsidize a particular action or behavior by a tax incentive recipient.

**Effective Date:** July 1, 2014

**Code:** IC 2-5-3.2

**Enrolled Act:** HEA 1020, Sec. 1

**Summary:** Specifies that state agencies, including the Department of Revenue, shall provide assistance at no cost to the Secretary of State in developing and maintaining a one-stop Internet website for businesses to use.

**Effective Date:** July 1, 2014

**Code:** IC 4-5-10-1

**Enrolled Act:** HEA 1198, Sec. 1

**Summary:** Eliminates the requirement that excess State General Fund reserves are to be carried over each year for purposes of determining a transfer to the Pension Stabilization Fund and an automatic taxpayer refund.

**Effective Date:** July 1, 2014

**Code:** IC 4-10-22-3

**Enrolled Act:** SEA 225, Sec. 1

**Summary:** Provides that the gross retail (i.e., sales) base period amount for the motorsports investment district is the amount of sales tax remitted by a taxpayer during calendar year 2012.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 4-10-23-5

**Enrolled Act:** HEA 1380, Sec. 1

**Summary:** Provides that the gross retail (i.e., sales) incremental amount is the amount of sales tax remitted by a taxpayer during a calendar year minus the retail base period amount.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 4-10-23-6

**Enrolled Act:** HEA 1380, Sec. 2

**Summary:** Provides that the income tax base period amount for the motorsports investment district is the amount of adjusted gross income taxes paid during calendar year 2012.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 4-10-23-7

**Enrolled Act:** HEA 1380, Sec. 3

**Summary:** Provides that the income tax incremental amount is the amount of income tax remitted by a taxpayer during a calendar year minus the income tax base period amount.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 4-10-23-8

**Enrolled Act:** HEA 1380, Sec. 4

**Summary:** Provides that the Department of Revenue's calculation of the income tax and sales tax incremental amount for the motorsports investment district will be the incremental amount for the preceding calendar year instead of the fiscal year.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 4-10-23-10

**Enrolled Act:** HEA 1380, Sec. 5

**Summary:** Requires the Department of Revenue by the first day of November to determine the amount of income tax incremental amount, sales tax incremental amount, and motorsports admission fee collected in the prior calendar year.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 4-10-23-11

**Enrolled Act:** HEA 1380, SEC. 6

**Summary:** Clarifies that the Department Revenue shall annually notify the Indiana Finance Authority, the State Budget Agency, and the owners of a qualified motorsports facility of the amounts determined in IC 4-10-23-11 and the amount reverted to the State General Fund from the motorsports facility fund established under IC 5-1-17.5-30.5.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 4-10-23-12

**Enrolled Act:** HEA 1380, Sec. 7

**Summary:** Provides that a person who wins a prize payable in installments from the State Lottery Commission may assign the future prize payments under certain circumstances upon court approval. Requires the director of the State Lottery Commission to investigate and certify whether a person who petitions for a lottery prize payment assignment has or has not satisfied debts to state agencies including the Department of Revenue.

**Effective Date:** July 1, 2014

**Code:** IC 4-30-5-6

**Enrolled Act:** SEA 312, Sec. 1

**Summary:** Requires the motorsports commission to establish a Motorsports Facility Fund for the district. The commission shall in each state fiscal year deposit in the fund \$2,000,000 from payments established under IC 5-1-17.5-37(f)(1). The commission shall request an appropriation equal to the amount of money that the commission is required to deposit into the fund for that state fiscal year. Money in the fund will revert to the State General Fund on June 30 of each year.

**Effective Date:** May 15, 2013 (RETROACTIVE)

**Code:** IC 5-1-17.5-30.5

**Enrolled Act:** HEA 1380, Sec. 8

**Summary:** Provides that after Dec. 31, 2015, “commercial vehicle” means a motor vehicle used in commerce to transport property if the vehicle has a declared gross weight of at least 16,000 pounds and is subject to the commercial vehicle excise tax.

**Effective Date:** July 1, 2014

**Code:** IC 9-13-2-31.5

**Enrolled Act:** HEA 1180, Sec. 10

**Summary:** Provides that until Jan. 1, 2016, the Department of Revenue can continue to register vehicles even if the owner’s fleet falls below the 25-vehicle minimum of commercial vehicles.

**Effective Date:** July 1, 2014

**Code:** IC 9-18-2-4.5

**Enrolled Act:** HEA 1180, Sec. 11

**Summary:** After Dec. 31, 2015, the Department of Revenue may issue a license plate for each commercial vehicle that has paid the registration fee and commercial vehicle excise tax if there are more than 25 commercial vehicles in the owner’s fleet. The license plate issued under this section for a commercial motor vehicle is permanently valid. The application for the commercial vehicles must be submitted on an aggregate basis by electronic means. The certificate of registration must be carried at all times in the vehicle for which it is issued. Permanent registration does not relieve the owner of a vehicle from the payment of any applicable commercial vehicle excise taxes due on an annual basis. All vehicles subject to the commercial vehicle excise tax, including trailers and semi-trailers, must be registered with the department and issued a permanent license plate.

**Effective Date:** July 1, 2014

**Code:** IC 9-18-2-4.6

**Enrolled Act:** HEA 1180, Sec. 12

**Summary:** Eliminates the provision that prohibited a vehicle using compressed natural gas as a fuel from operating at night outside the corporate limits of a municipality.

**Effective Date:** July 1, 2014

**Code:** IC 9-19-5-6

**Enrolled Act:** HEA 1180, Sec. 14

**Summary:** Specifies the amount that shall be collected by the Department of Revenue for registrations of vehicles in a commercial fleet, if the department adopts rules to implement staggered registration.

**Effective Date:** Jan. 1, 2015

**Code:** IC 9-29-5-42

**Enrolled Act:** HEA 1380, Sec. 31

**Summary:** Provides that the responsibility for collection of the underground storage tank fee is transferred from the Department of Revenue to the Indiana Department of Environmental Management.

**Effective Date:** July 1, 2014

**Code:** IC 13-23-12-1

**Enrolled Act:** SEA 217, Sec. 3

**Summary:** Provides that a person may not sell, lease, or rent a hearing aid in Indiana unless the hearing aid has been fitted in person by a hearing aid dealer or an audiologist.

**Effective Date:** July 1, 2014

**Code:** IC 25-35.6-4

**Enrolled Act:** HEA 1139, Sec. 4

**Summary:** Allows a professional sports development area (PSDA) in Allen County to be amended after April 30, 2014, and before Jan. 1, 2015.

**Effective Date:** Upon Passage

**Code:** IC 36-7-31.3-9.7

**Enrolled Act:** SEA 308, Sec. 9

**Summary:** Provides that a PSDA in Allen County must terminate before the later of Jan. 1, 2028, or (if the designating body takes final action on the financing before Jan. 1, 2015) a date agreed to jointly by the State Budget Agency and the designating body that established the tax area. Specifies that the expiration date may not be later than 25 years after the debt to finance the facility or proposed facility is issued and that the State Budget Agency must approve the final financing for the facility or proposed facility.

**Effective Date:** Upon Passage

**Code:** IC 36-7-31.3-10

**Enrolled Act:** SEA 308, Sec. 10