

## SENATE BILL No. 3

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** Noncode.

**Synopsis:** State and local tax review commission. Establishes the state and local tax review commission (commission). Specifies the membership of the commission and the topics the commission is required to review.

**Effective:** Upon passage.

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## Holdman

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January 9, 2023, read first time and referred to Committee on Tax and Fiscal Policy.

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First Regular Session of the 123rd General Assembly (2023)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

## SENATE BILL No. 3

A BILL FOR AN ACT concerning taxation.

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

1       SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **As used in this**  
2 **SECTION, "commission" refers to the state and local tax review**  
3 **commission established by subsection (b).**

4       **(b) The state and local tax review commission is established.**

5       **(c) The commission consists of the following members:**

6           **(1) The chairperson of the senate tax and fiscal policy**  
7 **committee.**

8           **(2) The ranking minority member of the senate tax and fiscal**  
9 **policy committee.**

10          **(3) The chairperson of the senate appropriations committee.**

11          **(4) The ranking minority member of the senate**  
12 **appropriations committee.**

13          **(5) The chairperson of the house ways and means committee.**

14          **(6) One (1) member of the house ways and means committee**  
15 **who is a member of the majority party of the house, appointed**  
16 **by the speaker of the house of representatives.**

17          **(7) The ranking minority member of the house ways and**  
18 **means committee.**



(8) One (1) member of the house ways and means committee who is a member of the minority party of the house, appointed by the minority leader of the house of representatives.

(9) The director of the office of management and budget.

(10) The director of the budget agency.

(11) The public finance director of the Indiana finance authority.

(12) One (1) member representing either the Association of Indiana Counties or Accelerate Indiana Municipalities, appointed by the president pro tempore of the senate.

(13) One (1) member representing the Indiana Manufacturers Association, appointed by the speaker of the house of representatives.

(14) One (1) member who is an economist employed at a state educational institution (as defined in IC 21-7-13-32), appointed by the president pro tempore of the senate.

(d) The chairperson of the legislative council shall select the chairperson of the commission.

(e) The commission shall review the following:

(1) Paying down the unfunded liability of the pre-1996 account within the Indiana state teachers' retirement fund.

(2) State appropriation backed debt obligations and methods to reduce those debt obligations.

(3) Methods that can be used to eliminate the individual state income tax, including potential replacement revenue sources.

(4) The property tax structure.

(5) Government efficiency at the state and local level.

(6) The state's financial position and reserve fund balances.

(f) The legislative services agency shall provide staff support to the commission.

(g) The meetings of the commission must be held in public as provided under IC 5-14-1.5. However, the commission is permitted to meet in executive session as determined necessary by the chairperson of the commission.

(h) The commission shall meet four (4) times in calendar year 2023, and four (4) times in calendar year 2024.

(i) The commission may, by vote, create subcommittees and must specify membership of the subcommittee at the time of creation. The members of a subcommittee are not required to be members of the commission. The meetings of a subcommittee must be held in public as provided under IC 5-14-1.5. A subcommittee may take public testimony and may make recommendations to the



1 commission on topics assigned to the subcommittee.

2 (j) On or before December 1, 2024, the commission shall  
3 prepare and submit a report to the legislative council, in an  
4 electronic format under IC 5-14-6, that sets forth the topics  
5 reviewed by the commission and the commission's findings and  
6 recommendations.

7 (k) This SECTION expires June 30, 2025.

8 SECTION 2. An emergency is declared for this act.

