



**CONFERENCE COMMITTEE REPORT  
DIGEST FOR ESB 3**

**Citations Affected:** Noncode.

**Synopsis:** State and local tax review task force. Establishes the state and local tax review task force (task force). Specifies the membership of the task force and the topics the task force is required to review. Provides that the member of the task force who is an economist is appointed jointly by the president pro tempore of the senate and the speaker of the house of representatives. Provides for the selection of the chairperson and vice chairperson of the task force. **(This conference committee report is the same as the version of the bill passed out of the House Ways and Means committee (April 6, 2023), except that it changes the date from January 1, 2024, to May 1, 2024, on which the initially appointed vice chairperson serves as chairperson and the initially appointed chairperson instead serves as vice chairperson.)**

**Effective:** Upon passage.



## CONFERENCE COMMITTEE REPORT

**MADAM PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill No. 3 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT concerning taxation.
- 3 Delete everything after the enacting clause and insert the following:
- 4 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
- 5 **SECTION, "task force" refers to the state and local tax review task**
- 6 **force established by subsection (b).**
- 7 **(b) The state and local tax review task force is established.**
- 8 **(c) The task force consists of the following members:**
- 9 **(1) The chairperson of the senate tax and fiscal policy**
- 10 **committee.**
- 11 **(2) The ranking minority member of the senate tax and fiscal**
- 12 **policy committee.**
- 13 **(3) The chairperson of the senate appropriations committee.**
- 14 **(4) The ranking minority member of the senate**
- 15 **appropriations committee.**
- 16 **(5) The chairperson of the house ways and means committee.**
- 17 **(6) One (1) member of the house ways and means committee**
- 18 **who is a member of the majority party of the house, appointed**
- 19 **by the speaker of the house of representatives.**
- 20 **(7) The ranking minority member of the house ways and**
- 21 **means committee.**

- 1 (8) One (1) member of the house ways and means committee  
 2 who is a member of the minority party of the house, appointed  
 3 by the minority leader of the house of representatives.  
 4 (9) The director of the office of management and budget.  
 5 (10) The director of the budget agency.  
 6 (11) The public finance director of the Indiana finance  
 7 authority.  
 8 (12) One (1) member who is an economist employed at a state  
 9 educational institution (as defined in IC 21-7-13-32),  
 10 appointed jointly by the president pro tempore of the senate  
 11 and the speaker of the house of representatives.
- 12 (d) If a vacancy occurs, the appointing authority that appointed  
 13 the member whose position is vacant shall appoint an individual to  
 14 fill the vacancy.
- 15 (e) Not later than July 1, 2023, the:
- 16 (1) chairperson of the legislative council shall select a member  
 17 of the task force to serve as the chairperson of the task force;  
 18 and  
 19 (2) vice chairperson of the legislative council shall select a  
 20 member of the task force to serve as the vice chairperson of  
 21 the task force.
- 22 The members selected under subdivisions (1) and (2) shall serve as  
 23 chairperson and vice chairperson until May 1, 2024. Beginning  
 24 May 1, 2024, the member initially appointed under subdivision (2)  
 25 shall instead serve as the chairperson of the task force, and the  
 26 member initially appointed under subdivision (1) shall instead  
 27 serve as the vice chairperson of the task force.
- 28 (f) The following apply to the mileage, per diem, and travel  
 29 expenses for members of the task force:
- 30 (1) Each member of the task force who is a state employee is  
 31 entitled to reimbursement for traveling expenses as provided  
 32 under IC 4-13-1-4 and other expenses actually incurred in  
 33 connection with the member's duties as provided in the state  
 34 policies and procedures established by the Indiana  
 35 department of administration and approved by the budget  
 36 agency.  
 37 (2) Each member of the task force who is a member of the  
 38 general assembly or who is not a state employee is entitled to  
 39 receive the same per diem, mileage, and travel allowances  
 40 paid to individuals who serve as legislative and lay members,  
 41 respectively, of interim study committees established by the  
 42 legislative council.
- 43 (g) The task force shall review the following:
- 44 (1) The state's near term and long term financial outlook and  
 45 overall fiscal position.  
 46 (2) The state's appropriation backed debt obligations.  
 47 (3) The funded status of pension funds managed by the state,  
 48 including methods to reduce the unfunded actuarial accrued  
 49 liability of the pre-1996 account within the Indiana state  
 50 teachers' retirement fund.  
 51 (4) The individual income tax, including methods to reduce or

- 1           eliminate the individual income tax.
- 2           **(5) The corporate income tax.**
- 3           **(6) The state gross retail and use tax, including a review of the**
- 4           **state gross retail tax base.**
- 5           **(7) The property tax, including methods to reduce or**
- 6           **eliminate the tax on homestead properties and reduce or**
- 7           **eliminate the tax on business personal property.**
- 8           **(8) Local option taxes, including the local income tax, food**
- 9           **and beverage taxes, and innkeeper's taxes.**
- 10          **(h) The legislative services agency shall provide staff support to**
- 11          **the task force.**
- 12          **(i) The meetings of the task force must be held in public as**
- 13          **provided under IC 5-14-1.5. However, the task force is permitted**
- 14          **to meet in executive session as determined necessary by the**
- 15          **chairperson of the task force.**
- 16          **(j) The task force shall meet at least four (4) times in calendar**
- 17          **year 2023, and at least four (4) times in calendar year 2024 at the**
- 18          **call of the chairperson.**
- 19          **(k) On or before December 1, 2024, the task force shall prepare**
- 20          **and submit a report to the legislative council, in an electronic**
- 21          **format under IC 5-14-6, that sets forth the topics reviewed by the**
- 22          **task force and the task force's findings and recommendations.**
- 23          **(l) This SECTION expires June 30, 2025.**
- 24          **SECTION 2. An emergency is declared for this act.**  
              (Reference is to ESB 3 as reprinted April 14, 2023.)

**Conference Committee Report**  
**on**  
**Engrossed Senate Bill 3**

**S**igned by:

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Senator Holdman  
Chairperson

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Representative Thompson

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Senator Randolph Lonnie M

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Representative Porter

**Senate Conferees**

**House Conferees**