
SENATE BILL No. 3

AM000305 has been incorporated into February 24, 2023 printing.

Synopsis: State and local tax review task force.

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SB 3—LS 7167/DI 120



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.

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SENATE BILL No. 3

A BILL FOR AN ACT concerning taxation and to make an appropriation.

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, "task force" refers to the state and local tax review task**
3 **force established by subsection (b).**
4 **(b) The state and local tax review task force is established.**
5 **(c) The task force 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,**
16 **appointed by the speaker of the house of representatives.**
17 **(7) The ranking minority member of the house ways and**

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- 1 means committee.
- 2 (8) One (1) member of the house ways and means committee
- 3 who is a member of the minority party of the house,
- 4 appointed by the minority leader of the house of
- 5 representatives.
- 6 (9) The director of the office of management and budget.
- 7 (10) The director of the budget agency.
- 8 (11) The public finance director of the Indiana finance
- 9 authority.
- 10 (12) One (1) member who is an economist employed at a state
- 11 educational institution (as defined in IC 21-7-13-32),
- 12 appointed jointly by the president pro tempore of the senate
- 13 and the speaker of the house of representatives.
- 14 (d) If a vacancy occurs, the appointing authority that
- 15 appointed the member whose position is vacant shall appoint an
- 16 individual to fill the vacancy.
- 17 (e) Not later than July 1, 2023, the:
- 18 (1) chairperson of the legislative council shall select a
- 19 member of the task force to serve as the chairperson of the
- 20 task force; and
- 21 (2) vice chairperson of the legislative council shall select a
- 22 member of the task force to serve as the vice chairperson of
- 23 the task force.
- 24 The members selected under subdivisions (1) and (2) shall serve as
- 25 chairperson and vice chairperson until January 1, 2024. Beginning
- 26 January 1, 2024, the member initially appointed under subdivision
- 27 (2) shall instead serve as the chairperson of the task force, and the
- 28 member initially appointed under subdivision (1) shall instead
- 29 serve as the vice chairperson of the task force.
- 30 (f) The following apply to the mileage, per diem, and travel
- 31 expenses for members of the task force:
- 32 (1) Each member of the task force who is a state employee is
- 33 entitled to reimbursement for traveling expenses as provided
- 34 under IC 4-13-1-4 and other expenses actually incurred in
- 35 connection with the member's duties as provided in the state
- 36 policies and procedures established by the Indiana
- 37 department of administration and approved by the budget
- 38 agency.
- 39 (2) Each member of the task force who is a member of the
- 40 general assembly or who is not a state employee is entitled to
- 41 receive the same per diem, mileage, and travel allowances
- 42 paid to individuals who serve as legislative and lay members,

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- 1 **respectively, of interim study committees established by the**
- 2 **legislative council.**
- 3 **(g) The task force shall review the following:**
- 4 **(1) The state's near term and long term financial outlook and**
- 5 **overall fiscal position.**
- 6 **(2) The state's appropriation backed debt obligations.**
- 7 **(3) The funded status of pension funds managed by the state,**
- 8 **including methods to reduce the unfunded actuarial accrued**
- 9 **liability of the pre-1996 account within the Indiana state**
- 10 **teachers' retirement fund.**
- 11 **(4) The individual income tax, including methods to reduce**
- 12 **or eliminate the individual income tax.**
- 13 **(5) The corporate income tax.**
- 14 **(6) The state gross retail and use tax, including a review of**
- 15 **the state gross retail tax base.**
- 16 **(7) The property tax, including methods to reduce or**
- 17 **eliminate the tax on homestead properties and reduce or**
- 18 **eliminate the tax on business personal property.**
- 19 **(8) Local option taxes, including the local income tax, food**
- 20 **and beverage taxes, and innkeeper's taxes.**
- 21 **(h) The legislative services agency shall provide staff support**
- 22 **to the task force.**
- 23 **(i) The meetings of the task force must be held in public as**
- 24 **provided under IC 5-14-1.5. However, the task force is permitted**
- 25 **to meet in executive session as determined necessary by the**
- 26 **chairperson of the task force.**
- 27 **(j) The task force shall meet at least four (4) times in calendar**
- 28 **year 2023, and at least four (4) times in calendar year 2024 at the**
- 29 **call of the chairperson.**
- 30 **(k) On or before December 1, 2024, the task force shall**
- 31 **prepare and submit a report to the legislative council, in an**
- 32 **electronic format under IC 5-14-6, that sets forth the topics**
- 33 **reviewed by the task force and the task force's findings and**
- 34 **recommendations.**
- 35 **(l) This SECTION expires June 30, 2025.**
- 36 **SECTION 2. An emergency is declared for this act.**

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