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SENATE BILL No. 3

Proposed Changes to February 24, 2023 printing by AM000309

DIGEST OF PROPOSED AMENDMENT

Task force topics. Adds to the list of topics the task force must study and provide a report on.

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**
- 18 **means committee.**
- 19 **(8) One (1) member of the house ways and means committee**
- 20 **who is a member of the minority party of the house,**

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- 1 appointed by the minority leader of the house of
2 representatives.
- 3 (9) The director of the office of management and budget.
- 4 (10) The director of the budget agency.
- 5 (11) The public finance director of the Indiana finance
6 authority.
- 7 (12) One (1) member who is an economist employed at a state
8 educational institution (as defined in IC 21-7-13-32),
9 appointed by the president pro tempore of the senate.
- 10 (d) If a vacancy occurs, the appointing authority that
11 appointed the member whose position is vacant shall appoint an
12 individual to fill the vacancy.
- 13 (e) The chairperson of the legislative council shall select the
14 chairperson of the task force before July 1, 2023. The individual
15 selected to serve as the chairperson of the task force under this
16 subsection shall serve as the task force's chairperson for the
17 duration of the task force.
- 18 (f) The following apply to the mileage, per diem, and travel
19 expenses for members of the task force:
- 20 (1) Each member of the task force who is a state employee is
21 entitled to reimbursement for traveling expenses as provided
22 under IC 4-13-1-4 and other expenses actually incurred in
23 connection with the member's duties as provided in the state
24 policies and procedures established by the Indiana
25 department of administration and approved by the budget
26 agency.
- 27 (2) Each member of the task force who is a member of the
28 general assembly or who is not a state employee is entitled to
29 receive the same per diem, mileage, and travel allowances
30 paid to individuals who serve as legislative and lay members,
31 respectively, of interim study committees established by the
32 legislative council.
- 33 (g) The task force shall review the following:
- 34 (1) Paying down the unfunded liability of the pre-1996
35 account within the Indiana state teachers' retirement fund.
- 36 (2) State appropriation backed debt obligations and methods
37 to reduce those debt obligations.
- 38 (3) Methods that can be used to eliminate the individual state
39 income tax, including potential replacement revenue sources.
- 40 (4) Application of the sales tax, corporate tax, and property
41 tax, including the elimination of property taxes on all
42 homestead properties.

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

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

3 [(7) The number of jobs that have been created, and the
4 average wage of the jobs created, as a result of the reduction
5 of the corporate adjusted gross income tax as provided in
6 IC 6-3-2-1(c) and the reduction of the financial institutions
7 tax as provided in IC 6-5.5-2-1(b).

8 (8) The number of Indiana residents who have elected to
9 remain residents of Indiana and use the state of Indiana as
10 the residents' domicile as a result of the elimination of the
11 state inheritance tax.

12 [(h) The legislative services agency shall provide staff support
13 to the task force.

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

18 (j) The task force shall meet at least four (4) times in calendar
19 year 2023, and at least four (4) times in calendar year 2024 at the
20 call of the chairperson.

21 (k) The task force may, by vote, create subcommittees and
22 must specify membership of the subcommittee at the time of
23 creation. The members of a subcommittee are not required to be
24 members of the task force. The meetings of a subcommittee must
25 be held in public as provided under IC 5-14-1.5. A subcommittee
26 may take public testimony and may make recommendations to the
27 task force on topics assigned to the subcommittee.

28 (l) On or before December 1, 2024, the task force shall prepare
29 and submit a report to the legislative council, in an electronic
30 format under IC 5-14-6, that sets forth the topics reviewed by the
31 task force and the task force's findings and recommendations.

32 (m) This SECTION expires June 30, 2025.

33 SECTION 2. [EFFECTIVE JULY 1, 2023] (a) There is
34 appropriated to the legislative council created by IC 2-5-1.1-1 from
35 the state general fund two hundred thousand dollars (\$200,000) for
36 the biennium beginning July 1, 2023, and ending June 30, 2025, for
37 the use of the state and local tax review task force, as added by this
38 act. The amount appropriated by this SECTION is allocated as
39 follows:

40 (1) One hundred thousand dollars (\$100,000) for the state
41 fiscal year beginning July 1, 2023, and ending June 30, 2024.

42 (2) One hundred thousand dollars (\$100,000) for the state

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1 **fiscal year beginning July 1, 2024, and ending June 30, 2025.**
2 **Amounts appropriated by this SECTION must be used to pay the**
3 **state and local tax review task force's expenses.**
4 **(b) This SECTION expires July 1, 2025.**
5 **SECTION 3. An emergency is declared for this act.**

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