

# HOUSE BILL No. 1225

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-7-32.

**Synopsis:** Certified technology parks. Provides that if a Level 2 certified technology park (park): (1) has reached the limit of deposits for a Level 2 park; (2) maintains its certification; and (3) is located within a qualified military base enhancement area; the park shall become a Level 3 park upon reaching its Level 2 deposit limit. Provides that a Level 3 park may receive an additional annual incremental income tax deposit of up to \$250,000.

**Effective:** July 1, 2026.

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**Lindauer**

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January 5, 2026, read first time and referred to Committee on Ways and Means.

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Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

## HOUSE BILL No. 1225

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

1       SECTION 1. IC 36-7-32-8.5, AS AMENDED BY P.L.154-2020,  
2       SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2026]: Sec. 8.5. As used in this chapter, "income tax  
4       incremental amount" means the following:

5       (1) Except as provided in subdivision (2), the remainder of:

6       (A) the total amount of state adjusted gross income taxes and  
7       local income taxes paid by employees employed in the  
8       territory comprising the certified technology park with respect  
9       to wages and salary earned for work in the territory comprising  
10      the certified technology park for a particular state fiscal year;  
11      minus

12      (B) the sum of the:

13      (i) income tax base period amount as defined in section 8 of  
14      this chapter; and

15      (ii) tax credits awarded by the Indiana economic  
16      development corporation under IC 6-3.1-13 to businesses  
17      operating in a certified technology park as the result of



wages earned for work in the certified technology park for the state fiscal year; as determined by the department of state revenue.

(2) In the case of a certified technology park for which the amount limit under section 22(c), ~~or~~ 22(d), **or 22(e)** of this chapter has been exceeded, the remainder of:

(A) the total amount of state adjusted gross income taxes and local income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus

(B) the sum of the:

(i) income tax base period amount as defined in section 8 of this chapter; and

(ii) tax credits awarded by the Indiana economic development corporation under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

SECTION 2. IC 36-7-32-22, AS AMENDED BY P.L.145-2025, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) The treasurer of state shall establish an incremental tax financing fund for each certified technology park designated under this chapter. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Subject to subsection (c), the following amounts shall be deposited during each state fiscal year in the incremental tax financing fund established for a certified technology park under subsection (a):

(1) The aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the certified technology park, until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount for the certified technology park.

(2) Except as provided in subdivision (3), the aggregate amount of the following taxes paid by employees employed in the certified technology park with respect to wages earned for work in the certified technology park, until the amount deposited equals the income tax incremental amount as defined in section 8.5(1) of this chapter:



- 1 (A) The adjusted gross income tax.
- 2 (B) The local income tax (IC 6-3.6).
- 3 (3) In the case of a certified technology park to which subsection
- 4 (e) applies, the amount determined under subsection (e), if any.
- 5 (c) Except as provided in subsections (d), ~~and (e)~~, **and (f)**, not more
- 6 than a total of five million dollars (\$5,000,000) may be deposited in a
- 7 particular incremental tax financing fund for a certified technology
- 8 park over the life of the certified technology park.
- 9 (d) Except as provided in ~~subsection (e)~~, **subsections (e) and (f)**, in
- 10 the case of a certified technology park that is operating under a written
- 11 agreement entered into by two (2) or more redevelopment
- 12 commissions, and subject to section 26(b)(4) of this chapter:
- 13 (1) not more than a total of five million dollars (\$5,000,000) may
- 14 be deposited over the life of the certified technology park in the
- 15 incremental tax financing fund of each redevelopment
- 16 commission participating in the operation of the certified
- 17 technology park; and
- 18 (2) the total amount that may be deposited in all incremental tax
- 19 financing funds, over the life of the certified technology park, in
- 20 aggregate, may not exceed the result of:
- 21 (A) five million dollars (\$5,000,000); multiplied by
- 22 (B) the number of redevelopment commissions that have
- 23 entered into a written agreement for the operation of the
- 24 certified technology park.
- 25 (e) If a certified technology park has reached the limit on deposits
- 26 under subsection (c) or (d) and maintains its certification under section
- 27 11(c) of this chapter, the certified technology park shall become a
- 28 Level 2 certified technology park and an additional annual deposit
- 29 amount shall be deposited in the incremental tax financing fund for the
- 30 certified technology park equal to the following:
- 31 (1) For a certified technology park to which subsection (c)
- 32 applies, the lesser of:
- 33 (A) the income tax incremental amount as defined in section
- 34 8.5(2) of this chapter; or
- 35 (B) two hundred fifty thousand dollars (\$250,000).
- 36 (2) For a certified technology park to which subsection (d)
- 37 applies, the lesser of:
- 38 (A) the aggregate income tax incremental amounts as defined
- 39 in section 8.5(2) of this chapter attributable to each
- 40 redevelopment commission that has entered into a written
- 41 agreement for the operation of the certified technology park;
- 42 or



(B) two hundred fifty thousand dollars (\$250,000) multiplied by the number of redevelopment commissions that have entered into a written agreement for the operation of the certified technology park.

(3) The following apply to deposits under this subsection:

(A) If a certified technology park reached its limit on deposits based on a state fiscal year ending before July 1, 2020, the certified technology park shall receive deposits based on the income tax incremental amount as defined in section 8.5(2) of this chapter for each state fiscal year ending after June 30, 2019.

(B) If a certified technology park reached its limit on deposits based on a state fiscal year ending after June 30, 2020, the certified technology park shall receive deposits based on the income tax incremental amount as defined in section 8.5(2) of this chapter for the state fiscal year in which it reached its limit on deposits under subsection (c) or (d) and each state fiscal year thereafter.

(C) If a certified technology park is permitted to receive deposits under this subsection during the state fiscal year in which it reached its limit on deposits under subsection (c) or (d), the income tax incremental amount for purposes of subdivision (1)(A) or (1)(B) for that state fiscal year shall be reduced by an amount equal to:

(i) the deposit amount for the state fiscal year under subsection (b) required to reach the limit on deposits under subsection (c) or (d); minus

(ii) the gross retail incremental amount determined under section 6.5 of this chapter;

but not less than zero (0).

**(f) This subsection applies to a certified technology park that is located within a qualified military base enhancement area under IC 36-7-34. If a certified technology park has reached the limit on deposits under subsection (e) and maintains its certification under section 11(c) of this chapter, the certified technology park shall become a Level 3 certified technology park and an additional annual deposit amount shall be deposited in the incremental tax financing fund for the certified technology park equal to the lesser of:**

**(1) the aggregate income tax incremental amounts as defined in section 8.5(2) of this chapter attributable to each redevelopment commission that has entered into a written**



1        **agreement for the operation of the certified technology park;**  
 2        **or**  
 3        **(2) two hundred fifty thousand dollars (\$250,000) multiplied**  
 4        **by the number of redevelopment commissions that have**  
 5        **entered into a written agreement for the operation of the**  
 6        **certified technology park.**

7        ~~(f)~~ **(g)** This subsection applies to a Level 2 **or Level 3** certified  
 8        technology park designated in subsection (e) **or (f)**. When the office  
 9        recertifies a certified technology park as required under section 11 of  
 10       this chapter, the office shall make a determination of whether the  
 11       certified technology park shall continue to be designated as a Level 2  
 12       **or Level 3** certified technology park.

13       ~~(g)~~ **(h)** On or before the twentieth day of each month, all amounts  
 14       held in the incremental tax financing fund established for a certified  
 15       technology park shall be distributed to the redevelopment commission  
 16       for deposit in the certified technology park fund established under  
 17       section 23 of this chapter.

