

## HOUSE BILL No. 1229

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-3-15; IC 12-11-1.1-10; IC 28-8-4.1-707.

**Synopsis:** International money wiring fee. Requires a money transmitter (entities licensed under the Money Transmission Modernization Act) to collect and remit an international money wiring fee from senders of a money transmission to a location outside of the United States. Allows a money transmitter to retain a collection allowance from the fee amounts remitted. Provides an income tax credit to individuals who are a citizen or national of the United States, or an alien who has lawful permanent resident status or conditional permanent resident status, and paid an international money wiring fee during the taxable year. Renames the community services quality assurance fund the community based services fund (fund). Requires 20% of the revenue from the international money wiring fee to be deposited in the state general fund and 80% of the revenue to be deposited in the fund to be used to fund the family supports Medicaid waiver and community integration habilitation Medicaid waiver programs, including applied behavior analysis, in order to reduce the wait list and make additional waiver slots available under these two programs. Provides that, of the money in the fund for that purpose, 50% is subject to review by the budget committee before being expended and the remaining 50% may be used any time following the deposit of the money in the fund.

**Effective:** January 1, 2026 (retroactive); July 1, 2026.

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January 5, 2026, read first time and referred to Committee on Financial Institutions.

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Introduced

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. 1229

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A BILL FOR AN ACT to amend the Indiana Code concerning financial institutions.

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

1 SECTION 1. IC 6-3-3-15 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
3 **JANUARY 1, 2026 (RETROACTIVE)]: Sec. 15. (a) Each taxable**  
4 **year, an individual who:**

5 **(1) is:**

6 **(A) a citizen or national of the United States; or**  
7 **(B) an alien who has lawful permanent resident status or**  
8 **conditional permanent resident status; and**

9 **(2) paid any fees under IC 28-8-4.1-707 for a money**  
10 **transmission transaction during the taxable year;**

11 **is entitled to an international money wiring fee credit against the**  
12 **individual's adjusted gross income tax liability for the taxable year.**

13 **(b) The amount of the credit is equal to the total amount of**  
14 **international money wiring fees the individual paid during the**  
15 **taxable year.**

16 **(c) To receive the credit provided by this section, an individual**  
17 **must claim the credit on the individual's state tax return or returns**



1       **in the manner prescribed by the department. The individual shall**  
 2       **submit to the department all information that the department**  
 3       **determines is necessary for the calculation of the credit provided**  
 4       **by this section.**

5       **(d) The credit provided by this section may not exceed the**  
 6       **amount of the individual's adjusted gross income tax liability for**  
 7       **the taxable year, reduced by the sum of all credits for the taxable**  
 8       **year that are applied before the application of the credit provided**  
 9       **by this section. The amount of any unused credit under this section**  
 10       **for a taxable year may not be carried forward to a succeeding**  
 11       **taxable year, carried back to a preceding taxable year, or**  
 12       **refunded.**

13       **SECTION 2. IC 12-11-1.1-10, AS AMENDED BY P.L.35-2016,**  
 14       **SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**  
 15       **JULY 1, 2026]: Sec. 10. (a) The office may assess providers of**  
 16       **community based services to individuals with a developmental**  
 17       **disability who otherwise qualify to receive ICF/IID (as defined in**  
 18       **IC 16-29-4-2) based services in an amount not to exceed six percent**  
 19       **(6%) of all service revenue included on the annual plan of care**  
 20       **excluding resident living allowances.**

21       **(b) The assessments shall be paid to the office not later than the**  
 22       **tenth day of the month for each month that the individual is in service.**  
 23       **The office or the office's designee may withhold Medicaid payments to**  
 24       **a provider described in subsection (a) that fails to pay an assessment**  
 25       **within thirty (30) days after the due date. The amount withheld may not**  
 26       **exceed the amount of the assessments due.**

27       **(c) The community ~~based~~ services quality assurance fund is created.**  
 28       **The fund shall be administered by the office.**

29       **(d) The fund consists of the following two (2) funding sources:**  
 30       **(1) Revenue from the assessments under this section shall be**  
 31       **deposited into the fund.**  
 32       **(2) Revenue from the international money wiring fee**  
 33       **deposited in the fund under IC 28-8-4.1-707(c)(2).**

34       **(e) Money deposited in the fund under subsection (d)(1) must be**  
 35       **used for community services for persons with developmental**  
 36       **disabilities.**

37       **(f) Subject to subsection (g), money deposited in the fund under**  
 38       **subsection (d)(2) must be used to fund the family supports**  
 39       **Medicaid waiver and community integration habilitation Medicaid**  
 40       **waiver programs, including applied behavior analysis, in order to**  
 41       **reduce the wait list and make additional waiver slots available**  
 42       **under those two (2) programs.**



**(g) The following apply to money deposited in the fund under subsection (d)(2):**

**(1) Fifty percent (50%) of the money may, after review by the budget committee, be used for the purposes under subsection (f).**

**(2) Fifty percent (50%) of the money is not subject to review by the budget committee and may be used for the purposes under subsection (f) any time following the deposit of the money in the fund.**

(e) (h) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) (i) If federal financial participation to match the assessments in subsection (a) becomes unavailable under federal law, the authority to impose the assessments **under subsection (a)** terminates on the date that the federal statutory, regulatory, or interpretive change takes effect.

SECTION 3. IC 28-8-4.1-707 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 707. (a) A licensee shall collect an international money wiring fee from the sender of a money transmission transaction if the recipient of the money is located outside of the United States. The amount of the fee is:**

**(1) in the case of a transaction in which the transmission is in an amount of not more than five hundred dollars (\$500), five dollars (\$5); and**

**(2) in the case of a transaction in which the transmission is in an amount greater than five hundred dollars (\$500), the sum of;**

(A) five dollars (\$5); plus

**(B) an amount equal to three percent (3%) of the amount of the transmission that exceeds five hundred dollars (\$500).**

**(b)** A licensee shall remit the fee collections under subsection (a) to the department quarterly. The licensee shall remit the fees collected during a particular quarter before the fifteenth day of the month immediately following the last month of the quarter. At the time the fees are remitted, the licensee shall file a return on a form prescribed by the department.

**(c) The following apply regarding amounts collected under this section:**

**(1) Twenty percent (20%) of the amounts collected shall be deposited in the state general fund.**

(2) Eighty percent (80%) of the amounts collected shall be



deposited in the community based services fund under  
IC 12-11-1.1-10(d)(2).

**(d) The department shall prescribe a notice with a statement including information that an individual who:**

(1) is:

**(A) a citizen or national of the United States; or**

(B) an alien who has lawful permanent resident status or conditional permanent resident status;

(2) has a valid Social Security number; and

**(3) files an Indiana individual adjusted gross income tax return;**

may be eligible for the international money wiring fee tax credit provided under IC 6-3-3-15. Each licensee and each of the licensee's delegates shall post the notice prescribed by the department.

(e) Each licensee that is required to remit the fee under this section is entitled to deduct and retain from the amount of those fees otherwise required to be remitted, if timely remitted, a collection allowance equal to seventy-three hundredths percent (0.73%) of the fee amounts remitted under this section.

SECTION 4. [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]

**(a) IC 6-3-3-15, as added by this act, applies to taxable years beginning after December 31, 2025.**

(b) This SECTION expires June 30, 2030.

## SECTION 5. An emergency is declared for this act.

