



CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1406

Citations Affected: IC 5-28; IC 6-1.1; IC 6-2.5-5-26; IC 6-3.1; IC 6-9; IC 23-15-13-4; IC 32-21-14; IC 36-7-32; SEA 243-2026, SECTION 112.

Synopsis: Tax and fiscal matters. Provides, in a county that uses a property tax statement as the notice of assessment, that the county treasurer must send a property tax statement to all property owners regardless of whether the property has any liability. Requires the county treasurer to indicate on the property tax statement whether a taxpayer's property tax liability for property taxes first due and payable in 2027 is less than the taxpayer's property tax liability for property taxes first due and payable in 2026. Requires the Indiana economic development corporation (IEDC) to report to the budget committee concerning any purchase or sale of land. Amends provisions regarding budget committee review of tax credits in determining the annual aggregate tax credit cap. Provides that real property owned directly or indirectly by certain Indiana nonprofit hospital systems is not exempt from property taxation under certain circumstances and unmet conditions. Provides that certain transfer fee covenants are limited only to transfers that involve the sale of property and do not include transactions where the property is gifted, donated, or transferred. Provides that personal property owned by certain entities remains subject to minimum valuation limitations. Amends provisions and revises the effective date for the rounding provisions for cash transactions with regard to the penny phaseout for payments to business entities in ESB 243-2026. Amends the percentage increase in a public library's proposed budget that determines whether the public library's proposed budget is subject to binding review by the applicable county, city, or town fiscal body. Allows the Delaware County executive to adopt an ordinance to consolidate the functions of a board, bureau, commission, authority, or any other similar entity authorized to administer funds received from the Delaware County: (1) innkeeper's tax; or (2) food and beverage tax; into a single, consolidated entity as designated in the consolidating ordinance. Adds certain organizations to the list of organizations for which conducted sales are exempt from state gross retail and use tax. Allows the city of Bedford to impose a food and beverage tax. Requires the IEDC to award \$35,000,000 to development authorities each fiscal year that may be granted to taxpayers proposing a qualified investment in a qualified redevelopment site pursuant to a development plan. Establishes the small town opportunity initiative. Amends the venture capital investment tax credit (tax credit) to specify:



(1) that certain investment policies of funds that qualify as a "qualified Indiana investment fund" apply only to investable capital, excluding management fees, legal fees, and other expenses incurred in the operation of the fund; (2) that a taxpayer is not prevented from combining individual tax credits of less than \$10,000 for assignment; and (3) qualified business eligibility. Prohibits the IEDC from awarding an applicable tax credit to a taxpayer that is organized under the laws of a country that is a foreign adversary or that is otherwise related under certain circumstances to a country that is a foreign adversary. Requires the office of the secretary of family and social services and division of family resources to require a vendor to offer certain technology solutions to prevent theft of SNAP benefits when issuing a request for proposals. 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 and may receive an additional annual incremental income tax deposit of up to \$250,000 until July 1, 2029. Allows the budget agency to augment the appropriation to the grain buyers and warehouse licensing agency from the grain buyers and warehouse licensing agency license fee fund. **(This conference committee report: (1) adds multiple provisions from ESB 4 (as reprinted February 24, 2026), some with modification; (2) adds a modified provision from the Senate passed version of SB 281 to require the IEDC to award \$35,000,000 to development authorities each fiscal year that may be granted to taxpayers proposing a qualified investment in a qualified redevelopment site pursuant to a development plan; (3) amends and revises the effective date for the rounding provisions regarding the penny phaseout for payments to business entities in ESB 243-2026; and (4) adds a provision to allow the budget agency to augment the appropriation to the grain buyers and warehouse licensing agency from the grain buyers and warehouse licensing agency license fee fund.)**

Effective: Upon passage; January 1, 2025 (retroactive); March 15, 2026; July 1, 2026; January 1, 2027.



CONFERENCE COMMITTEE REPORT

MR. PRESIDENT:

Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1406 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 5-28-5-2, AS AMENDED BY P.L.145-2025,
- 3 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2026]: Sec. 2. (a) Subject to subsection (b), the corporation is
- 5 granted all powers necessary or appropriate to carry out the
- 6 corporation's public and corporate purposes under this chapter.
- 7 (b) Before the corporation may purchase land in a county that in
- 8 total exceeds one hundred (100) acres whether acquired in one (1)
- 9 transaction or a series of transactions, the corporation must first give
- 10 notice, in writing, to the board of county commissioners of the county
- 11 in which the land is located not later than thirty (30) days before the
- 12 closing date for the purchase or purchases. If the land is located within
- 13 a city, the corporation must also give notice in writing to the mayor of
- 14 the city in which the land is located not later than thirty (30) days
- 15 before the closing date.
- 16 (c) At the same time the corporation provides the notice described
- 17 in subsection (b) to the county or municipality, or both, in which the
- 18 land is located, the corporation shall also provide a copy of the notice
- 19 described in subsection (b) to the budget committee.

1 (d) Not later than thirty (30) days after the closing date for any
 2 purchase or sale of land, regardless of the amount of acreage, the
 3 corporation shall submit to the budget committee a report
 4 concerning the purchase or sale that must at least include:

- 5 (1) the location and address of the land;
 6 (2) a general description of the land, including any
 7 improvements located on the land;
 8 (3) the total price of the purchase or sale, including the price
 9 of the land and of any improvements located on the land; and
 10 (4) the price paid or received per acre, as applicable.

11 SECTION 2. IC 5-28-6-9, AS AMENDED BY P.L.213-2025,
 12 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 9. (a) Subject to subsection (c), the aggregate
 14 amount of applicable tax credits that the corporation may certify:

- 15 (1) for each state fiscal year ending on or before June 30, 2025,
 16 for all taxpayers is two hundred fifty million dollars
 17 (\$250,000,000); and
 18 (2) for each state fiscal year ending on or after July 1, 2025, for all
 19 taxpayers is three hundred million dollars (\$300,000,000), **fifty**
 20 **million dollars (\$50,000,000) of which must be allocated to**
 21 **fund qualified community projects within local government**
 22 **units under IC 6-3.1-34-24 and to fund development**
 23 **authorities under IC 6-3.1-34-0.5.** Each certification under this
 24 ~~subdivision tax credit award~~ is subject to budget committee
 25 review:

- 26 (A) beginning after February 1, 2026, and before May 1,
 27 2026, after the first calendar quarter in which the award
 28 is made; and
 29 (B) after April 30, 2026, at the next budget committee
 30 meeting immediately following the date of the tax credit
 31 award.

32 (b) For purposes of determining the amount of applicable tax credits
 33 that have been certified for a state fiscal year, the following apply:

- 34 (1) An applicable tax credit is considered awarded in the state
 35 fiscal year in which the taxpayer can first claim the credit,
 36 determined without regard to any carryforward period or
 37 carryback period.
 38 (2) An applicable tax credit awarded by the corporation before
 39 July 1, 2022, shall be counted toward the aggregate credit
 40 limitation under this section.
 41 (3) If an accelerated credit is awarded under IC 6-3.1-26-15, the
 42 amount counted toward the aggregate credit limitation under this
 43 section for a state fiscal year shall be the amount of the credit for
 44 the taxable year described in subdivision (1) prior to any discount.

45 (c) Notwithstanding subsection (a), if the corporation determines
 46 that:

- 47 (1) an applicable tax credit should be certified in a state fiscal
 48 year; and
 49 (2) certification of the applicable tax credit will result in an
 50 aggregate amount of applicable tax credits certified for that state
 51 fiscal year that exceeds the maximum amount provided in

1 subsection (a);
2 the corporation may, after review by the budget committee, certify the
3 applicable tax credit to the taxpayer.

4 (d) This section expires December 31, 2032.

5 SECTION 3. IC 5-28-6-9.5 IS ADDED TO THE INDIANA CODE
6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
7 1, 2026]: **Sec. 9.5. (a) As used in this section, "foreign adversary"
8 means a country described in 15 CFR 791.2 as in effect on July 1,
9 2026.**

10 **(b) The corporation may not award an applicable tax credit to
11 a taxpayer if the corporation determines that the taxpayer is:**

12 **(1) organized under the laws of a country that is a foreign
13 adversary;**

14 **(2) headquartered in a country that is a foreign adversary; or**

15 **(3) majority owned by an organization that is an agency or
16 instrumentality of a foreign adversary, or is a business that is
17 an organization that is organized or headquartered under a
18 foreign adversary.**

19 **(c) The corporation shall require an applicant to, under
20 penalties of perjury, affirm that the applicant is not prohibited
21 from an award under subsection (b).**

22 **(d) If the corporation determines that an award under this
23 section is materially false, the corporation shall:**

24 **(1) revoke the awarding of the applicable tax credit; and**

25 **(2) require repayment of any benefit received.**

26 SECTION 4. IC 6-1.1-8-45, AS AMENDED BY P.L.230-2025,
27 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JANUARY 1, 2025 (RETROACTIVE)]: **Sec. 45. (a) This subsection
29 applies only to a taxpayer's assessable depreciable personal property
30 that is placed in service on or before January 1, 2025. Except as
31 provided in subsections (b) and (c), for each assessment date, the total
32 valuation of a taxpayer's assessable depreciable personal property in a
33 single taxing district may not be less than thirty percent (30%) of the
34 adjusted cost of all the taxpayer's assessable depreciable property in the
35 taxing district.**

36 **(b) The limitation set forth in subsection (a) is to be applied before
37 any special adjustment for abnormal obsolescence. The limitation does
38 not apply to equipment not placed in service, special tooling, and
39 permanently retired depreciable personal property.**

40 **(c) Depreciable personal property that is placed in service after
41 January 1, 2025, is not subject to the minimum valuation limitation
42 under this section. However, if depreciable personal property:**

43 **(1) is placed in service after January 1, 2025, and is located in an
44 existing tax increment allocation area for which the base assessed
45 value is determined before January 1, 2025; or**

46 **(2) is owned by a light, heat, or power company, or a utility
47 company owned, operated, or held in trust by a consolidated
48 city;**

49 the depreciable personal property remains subject to the minimum
50 valuation limitations under this section.

51 SECTION 5. IC 6-1.1-10-16, AS AMENDED BY P.L.230-2025,

1 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2027]: Sec. 16. (a) All or part of a building is exempt
3 from property taxation if it is owned, occupied, and used by a person
4 for educational, literary, scientific, religious, or charitable purposes.

5 (b) A building is exempt from property taxation if it is owned,
6 occupied, and used by a town, city, township, or county for educational,
7 literary, scientific, fraternal, or charitable purposes.

8 (c) A tract of land, including the campus and athletic grounds of an
9 educational institution, is exempt from property taxation if:

10 (1) a building that is exempt under subsection (a) or (b) is situated
11 on it;

12 (2) a parking lot or structure that serves a building referred to in
13 subdivision (1) is situated on it; or

14 (3) the tract:

15 (A) is owned by a nonprofit entity established for the purpose
16 of retaining and preserving land and water for their natural
17 characteristics;

18 (B) does not exceed five hundred (500) acres; and

19 (C) is not used by the nonprofit entity to make a profit.

20 (d) A tract of land is exempt from property taxation if:

21 (1) it is purchased for the purpose of erecting a building that is to
22 be owned, occupied, and used in such a manner that the building
23 will be exempt under subsection (a) or (b); and

24 (2) not more than four (4) years after the property is purchased,
25 and for each year after the four (4) year period, the owner
26 demonstrates substantial progress and active pursuit towards the
27 erection of the intended building and use of the tract for the
28 exempt purpose. To establish substantial progress and active
29 pursuit under this subdivision, the owner must prove the existence
30 of factors such as the following:

31 (A) Organization of and activity by a building committee or
32 other oversight group.

33 (B) Completion and filing of building plans with the
34 appropriate local government authority.

35 (C) Cash reserves dedicated to the project of a sufficient
36 amount to lead a reasonable individual to believe the actual
37 construction can and will begin within four (4) years.

38 (D) The breaking of ground and the beginning of actual
39 construction.

40 (E) Any other factor that would lead a reasonable individual to
41 believe that construction of the building is an active plan and
42 that the building is capable of being completed within eight (8)
43 years considering the circumstances of the owner.

44 If the owner of the property sells, leases, or otherwise transfers a tract
45 of land that is exempt under this subsection, the owner is liable for the
46 property taxes that were not imposed upon the tract of land during the
47 period beginning January 1 of the fourth year following the purchase
48 of the property and ending on December 31 of the year of the sale,
49 lease, or transfer. The county auditor of the county in which the tract
50 of land is located may establish an installment plan for the repayment

1 of taxes due under this subsection. The plan established by the county
 2 auditor may allow the repayment of the taxes over a period of years
 3 equal to the number of years for which property taxes must be repaid
 4 under this subsection.

5 (e) Personal property is exempt from property taxation if it is owned
 6 and used in such a manner that it would be exempt under subsection (a)
 7 or (b) if it were a building.

8 (f) A hospital's property that is exempt from property taxation under
 9 subsection (a), (b), or (e) shall remain exempt from property taxation
 10 even if the property is used in part to furnish goods or services to
 11 another hospital whose property qualifies for exemption under this
 12 section.

13 (g) Property owned by a shared hospital services organization that
 14 is exempt from federal income taxation under Section 501(c)(3) or
 15 501(e) of the Internal Revenue Code is exempt from property taxation
 16 if it is owned, occupied, and used exclusively to furnish goods or
 17 services to a hospital whose property is exempt from property taxation
 18 under subsection (a), (b), or (e).

19 (h) This section does not exempt from property tax an office or a
 20 practice of a physician or group of physicians that is owned by a
 21 hospital licensed under IC 16-21-2 or other property that is not
 22 substantially related to or supportive of the inpatient facility of the
 23 hospital unless the office, practice, or other property:

- 24 (1) provides or supports the provision of charity care (as defined
 25 in IC 16-18-2-52.5), including providing funds or other financial
 26 support for health care services for individuals who are indigent
 27 (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
- 28 (2) provides or supports the provision of community benefits (as
 29 defined in IC 16-21-9-1), including research, education, or
 30 government sponsored indigent health care (as defined in
 31 IC 16-21-9-2).

32 However, participation in the Medicaid or Medicare program alone
 33 does not entitle an office, practice, or other property described in this
 34 subsection to an exemption under this section.

35 (i) A tract of land or a tract of land plus all or part of a structure on
 36 the land is exempt from property taxation if:

- 37 (1) the tract is acquired for the purpose of erecting, renovating, or
 38 improving a single family residential structure that is to be given
 39 away or sold:
 - 40 (A) in a charitable manner;
 - 41 (B) by a nonprofit organization; and
 - 42 (C) to low income individuals who will:
 - 43 (i) use the land as a family residence; and
 - 44 (ii) not have an exemption for the land under this section;
- 45 (2) the tract does not exceed three (3) acres; and
- 46 (3) the tract of land or the tract of land plus all or part of a
 47 structure on the land is not used for profit while exempt under this
 48 section.

49 (j) An exemption under subsection (i) terminates when the property
 50 is conveyed by the nonprofit organization to another owner.

1 (k) When property that is exempt in any year under subsection (i) is
 2 conveyed to another owner, the nonprofit organization receiving the
 3 exemption must file a certified statement with the auditor of the county,
 4 notifying the auditor of the change not later than sixty (60) days after
 5 the date of the conveyance. The county auditor shall immediately
 6 forward a copy of the certified statement to the county assessor. A
 7 nonprofit organization that fails to file the statement required by this
 8 subsection is liable for the amount of property taxes due on the
 9 property conveyed if it were not for the exemption allowed under this
 10 chapter.

11 (l) If property is granted an exemption in any year under subsection
 12 (i) and the owner:

13 (1) fails to transfer the tangible property within eight (8) years
 14 after the assessment date for which the exemption is initially
 15 granted; or

16 (2) transfers the tangible property to a person who:

17 (A) is not a low income individual; or

18 (B) does not use the transferred property as a residence for at
 19 least one (1) year after the property is transferred;

20 the person receiving the exemption shall notify the county recorder and
 21 the county auditor of the county in which the property is located not
 22 later than sixty (60) days after the event described in subdivision (1) or
 23 (2) occurs. The county auditor shall immediately inform the county
 24 assessor of a notification received under this subsection.

25 (m) If subsection (l)(1) or (l)(2) applies, the owner shall pay, not
 26 later than the date that the next installment of property taxes is due, an
 27 amount equal to the sum of the following:

28 (1) The total property taxes that, if it were not for the exemption
 29 under subsection (i), would have been levied on the property in
 30 each year in which an exemption was allowed.

31 (2) Interest on the property taxes at the rate of ten percent (10%)
 32 per year.

33 (n) The liability imposed by subsection (m) is a lien upon the
 34 property receiving the exemption under subsection (i). An amount
 35 collected under subsection (m) shall be collected as an excess levy. If
 36 the amount is not paid, it shall be collected in the same manner that
 37 delinquent taxes on real property are collected.

38 (o) Property referred to in this section shall be assessed to the extent
 39 required under IC 6-1.1-11-9.

40 (p) This subsection applies to assessment dates occurring before
 41 January 1, 2026. A for-profit provider of early childhood education
 42 services to children who are at least four (4) but less than six (6) years
 43 of age on the annual assessment date may receive the exemption
 44 provided by this section for property used for educational purposes
 45 only if all the requirements of section 46 of this chapter are satisfied.
 46 A for-profit provider of early childhood education services that
 47 provides the services only to children younger than four (4) years of
 48 age may not receive the exemption provided by this section for
 49 property used for educational purposes.

50 (q) This subsection applies to assessment dates occurring after

1 December 31, 2025. Property used by a for-profit provider of early
 2 childhood education services to children who are less than six (6) years
 3 of age on the annual assessment date may receive the exemption
 4 provided by this section for property used for educational purposes
 5 only if all the requirements of section 46 of this chapter are satisfied.

6 **(r) This subsection applies only to an Indiana nonprofit hospital
 7 system (as defined in IC 16-21-18-2). A tract of land of a nonprofit
 8 hospital system is exempt from real property taxation if:**

9 **(1) it is purchased for the purpose of erecting a building that
 10 is to be owned, occupied, and used in such a manner that the
 11 building will be exempt under subsection (a) or (b); and**

12 **(2) not more than four (4) years after the property is
 13 purchased, the Indiana nonprofit hospital system proves it has
 14 been issued a certificate of occupancy (or has submitted a
 15 certificate of completion and compliance if applicable).**

16 **If the Indiana nonprofit hospital system sells, leases, or otherwise
 17 transfers a tract of land that is exempt under this subsection, the
 18 Indiana nonprofit hospital system is liable for the property taxes
 19 that were not imposed upon the tract of land during the period
 20 beginning January 1 of the fourth year following the purchase of
 21 the property and ending on December 31 of the year of the sale,
 22 lease, or transfer. The county auditor of the county in which the
 23 tract of land is located may establish an installment plan for the
 24 repayment of taxes due under this subsection. The plan established
 25 by the county auditor may allow the repayment of the taxes over
 26 a period of years equal to the number of years for which property
 27 taxes must be repaid under this subsection.**

28 **(~~r~~) (s) This subsection applies only to property taxes that are first due
 29 and payable in calendar years 2025 and 2026. All or part of a building
 30 is deemed to serve a charitable purpose and is exempt from property
 31 taxation if it is owned by a nonprofit entity that is:**

32 **(1) registered as a continuing care retirement community under
 33 IC 23-2-4 and charges an entry fee of not more than five hundred
 34 thousand dollars (\$500,000) per unit;**

35 **(2) defined as a small house health facility under
 36 IC 16-18-2-331.9;**

37 **(3) licensed as a health care or residential care facility under
 38 IC 16-28; or**

39 **(4) licensed under IC 31-27 and designated as a qualified
 40 residential treatment provider that provides services under a
 41 contract with the department of child services.**

42 **This subsection expires January 1, 2027.**

43 **SECTION 6. IC 6-1.1-17-20.3, AS AMENDED BY P.L.230-2025,
 44 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 45 JULY 1, 2026]: Sec. 20.3. (a) Except as provided in section 20.4 of this
 46 chapter, this section applies only to the governing body of a public
 47 library that:**

48 **(1) is not comprised of a majority of officials who are elected to
 49 serve on the governing body; and**

50 **(2) has a percentage increase in the proposed budget for the
 51 taxing unit for the ensuing calendar year that is equal to or more**

1 than the result of:

- 2 (A) the maximum levy growth quotient determined under
 3 IC 6-1.1-18.5-2 for the ensuing calendar year, rounded to the
 4 nearest thousandth (0.001), minus **one (1); multiplied by**
 5 **(B) ~~one (1); five-tenths (0.5)~~.**

6 For purposes of this section, an individual who qualifies to be
 7 appointed to a governing body or serves on a governing body because
 8 of the individual's status as an elected official of another taxing unit
 9 shall be treated as an official who was not elected to serve on the
 10 governing body.

11 (b) This section does not apply to an entity whose tax levies are
 12 subject to review and modification by a city-county legislative body
 13 under IC 36-3-6-9.

14 (c) If:

- 15 (1) the assessed valuation of a public library's territory is entirely
 16 contained within a city or town; or
 17 (2) the assessed valuation of a public library's territory is not
 18 entirely contained within a city or town but more than fifty
 19 percent (50%) of the assessed valuation of the public library's
 20 territory is contained within the city or town;

21 the governing body shall submit its proposed budget and property tax
 22 levy to the city or town fiscal body in the manner prescribed by the
 23 department of local government finance before September 2 of a year.
 24 However, the governing body shall submit its proposed budget and
 25 property tax levy to the county fiscal body in the manner provided in
 26 subsection (d), rather than to the city or town fiscal body, if more than
 27 fifty percent (50%) of the parcels of real property within the
 28 jurisdiction of the public library are located outside the city or town.

29 (d) If subsection (c) does not apply or the public library's territory
 30 covers more than one (1) county, the governing body of the public
 31 library shall submit its proposed budget and property tax levy to the
 32 county fiscal body in the county where the public library has the most
 33 assessed valuation. The proposed budget and levy shall be submitted
 34 to the county fiscal body in the manner prescribed by the department
 35 of local government finance before September 2 of a year.

36 (e) The fiscal body of the city, town, or county (whichever applies)
 37 shall review each budget and proposed tax levy and adopt a final
 38 budget and tax levy for the public library. The fiscal body may reduce
 39 or modify but not increase the proposed budget or tax levy.

40 (f) If a public library fails to file the information required in
 41 subsection (c) or (d), whichever applies, with the appropriate fiscal
 42 body by the time prescribed by this section, when calculating the
 43 maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for
 44 the public library for the ensuing budget year, instead of multiplying
 45 the maximum levy growth quotient determined under
 46 IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by
 47 the public library's maximum permissible ad valorem property tax levy
 48 for the preceding calendar year as prescribed in STEP TWO of
 49 IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a),
 50 the public library's maximum permissible ad valorem property tax levy

1 for the preceding calendar year must instead be multiplied by the result
2 of the following:

3 STEP ONE: Determine:

4 (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP
5 FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

6 (B) one (1).

7 STEP TWO: Multiply:

8 (A) the STEP ONE result; by

9 (B) ~~eight-tenths (0.8)~~; **forty-nine hundredths (0.49)**.

10 STEP THREE: Add one (1) to the STEP TWO result.

11 However, if the public library files the information as required in
12 subsection (c) or (d), whichever applies, for the budget year
13 immediately following the budget year for which the formula under this
14 subsection is applied, when calculating the maximum ad valorem
15 property tax levy under IC 6-1.1-18.5-3(a) for the public library for the
16 subsequent budget year, the public library's maximum permissible ad
17 valorem property tax levy must be calculated as if the formula under
18 this subsection had not been applied for the affected budget year.

19 (g) If the appropriate fiscal body fails to complete the requirements
20 of subsection (e) before the adoption deadline in section 5 of this
21 chapter for any public library subject to this section, when calculating
22 the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a)
23 for the city, town, or county for the ensuing budget year, instead of
24 multiplying the maximum levy growth quotient determined under
25 IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by
26 the city's, town's, or county's maximum permissible ad valorem
27 property tax levy for the preceding calendar year as prescribed in STEP
28 TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of
29 IC 6-1.1-18.5-3(a), the city's, town's, or county's maximum permissible
30 ad valorem property tax levy for the preceding calendar year must
31 instead be multiplied by the result of the following:

32 STEP ONE: Determine:

33 (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP
34 FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

35 (B) one (1).

36 STEP TWO: Multiply:

37 (A) the STEP ONE result; by

38 (B) eight-tenths (0.8).

39 STEP THREE: Add one (1) to the STEP TWO result.

40 However, if the city, town, or county files the information as required
41 in subsection (e) for the budget year immediately following the budget
42 year for which the formula under this subsection is applied, when
43 calculating the maximum ad valorem property tax levy under
44 IC 6-1.1-18.5-3(a) for the city, town, or county for the subsequent
45 budget year, the unit's maximum permissible ad valorem property tax
46 levy must be calculated as if the formula under this subsection had not
47 been applied for the affected budget year.

48 SECTION 7. IC 6-1.1-22-8.1, AS AMENDED BY P.L.230-2025,
49 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
50 JULY 1, 2026]: Sec. 8.1. (a) The county treasurer shall:

- 1 (1) except as provided in subsection (h), mail to the last known
 2 address of each person liable, as described in subsection (o), for
 3 any property taxes or special assessment, as shown on the tax
 4 duplicate or special assessment records, or to the last known
 5 address of the most recent owner shown in the transfer book; and
 6 (2) transmit by written, electronic, or other means to a mortgagee
 7 maintaining an escrow account for a person who is liable for any
 8 property taxes or special assessments, as shown on the tax
 9 duplicate or special assessment records;
- 10 a statement in the form required under subsection (b).
- 11 (b) The department of local government finance shall prescribe a
 12 form, subject to the approval of the state board of accounts, for the
 13 statement under subsection (a) that includes at least the following:
- 14 (1) A statement of the taxpayer's current and delinquent taxes and
 15 special assessments.
- 16 (2) A breakdown showing the total property tax and special
 17 assessment liability and the amount of the taxpayer's liability that
 18 will be distributed to each taxing unit in the county.
- 19 (3) An itemized listing for each property tax levy, including:
- 20 (A) the amount of the tax rate;
- 21 (B) the entity levying the tax owed; and
- 22 (C) the dollar amount of the tax owed.
- 23 (4) Information designed to show the manner in which the taxes
 24 and special assessments billed in the tax statement are to be used.
- 25 (5) Information regarding how a taxpayer can obtain information
 26 regarding the taxpayer's notice of assessment or reassessment
 27 under IC 6-1.1-4-22.
- 28 (6) A comparison showing any change in the assessed valuation
 29 for the property as compared to the previous year.
- 30 (7) A comparison showing any change in the property tax and
 31 special assessment liability for the property as compared to the
 32 previous year. The information required under this subdivision
 33 must identify:
- 34 (A) the amount of the taxpayer's liability distributable to each
 35 taxing unit in which the property is located in the current year
 36 and in the previous year; and
- 37 (B) the percentage change, if any, in the amount of the
 38 taxpayer's liability distributable to each taxing unit in which
 39 the property is located from the previous year to the current
 40 year.
- 41 (8) An explanation of the following:
- 42 (A) Homestead credits under IC 6-1.1-20.4, IC 6-3.6-5 (before
 43 its expiration), or another law that are available in the taxing
 44 district where the property is located.
- 45 (B) All property tax deductions that are available in the taxing
 46 district where the property is located.
- 47 (C) The procedure and deadline for filing for any available
 48 homestead credits under IC 6-1.1-20.4, IC 6-3.6-5 (before its
 49 expiration), or another law and each deduction.
- 50 (D) The procedure that a taxpayer must follow to:

- 1 (i) appeal a current assessment; or
 2 (ii) petition for the correction of an error related to the
 3 taxpayer's property tax and special assessment liability.
 4 (E) The forms that must be filed for an appeal or a petition
 5 described in clause (D).
 6 (F) The procedure and deadline that a taxpayer must follow
 7 and the forms that must be used if a credit or deduction has
 8 been granted for the property and the taxpayer is no longer
 9 eligible for the credit or deduction.
 10 (G) Notice that an appeal described in clause (D) requires
 11 evidence relevant to the true tax value of the taxpayer's
 12 property as of the assessment date that is the basis for the taxes
 13 payable on that property.
 14 The department of local government finance shall provide the
 15 explanation required by this subdivision to each county treasurer.
 16 (9) A checklist that shows:
 17 (A) homestead credits under IC 6-1.1-20.4, IC 6-3.6-5 (before
 18 its expiration), or another law and all property tax deductions;
 19 and
 20 (B) whether each homestead credit and property tax deduction
 21 applies in the current statement for the property transmitted
 22 under subsection (a).
 23 (10) A remittance coupon indicating the payment amounts due at
 24 each payment due date and other information determined by the
 25 department of local government finance.
 26 (c) The county treasurer shall mail or transmit the statement one (1)
 27 time each year on or before April 15. Whenever a person's tax liability
 28 for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9
 29 of this chapter, a statement that is mailed must include the date on
 30 which the installment is due and denote the amount of money to be
 31 paid for the installment. Whenever a person's tax liability is due in two
 32 (2) installments, a statement that is mailed must contain the dates on
 33 which the first and second installments are due and denote the amount
 34 of money to be paid for each installment. If a statement is returned to
 35 the county treasurer as undeliverable and the forwarding order is
 36 expired, the county treasurer shall notify the county auditor of this fact.
 37 Upon receipt of the county treasurer's notice, the county auditor may,
 38 at the county auditor's discretion, treat the property as not being eligible
 39 for any deductions under IC 6-1.1-12 or any homestead credits under
 40 IC 6-1.1-20.4 and IC 6-3.6-5 (before its expiration).
 41 (d) All payments of property taxes and special assessments shall be
 42 made to the county treasurer. The county treasurer, when authorized by
 43 the board of county commissioners, may open temporary offices for the
 44 collection of taxes in cities and towns in the county other than the
 45 county seat.
 46 (e) The county treasurer, county auditor, and county assessor shall
 47 cooperate to generate the information to be included in the statement
 48 under subsection (b).
 49 (f) The information to be included in the statement under subsection
 50 (b) must be simply and clearly presented and understandable to the

1 average individual.

2 (g) After December 31, 2007, a reference in a law or rule to
3 IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated
4 as a reference to this section.

5 (h) Transmission of statements and other information under this
6 subsection applies in a county only if the county legislative body adopts
7 an authorizing ordinance. Subject to subsection (i), in a county in
8 which an ordinance is adopted under this subsection for property taxes
9 and special assessments, a person may, in any manner permitted by
10 subsection (n), direct the county treasurer and county auditor to
11 transmit the following to the person by electronic mail:

12 (1) A statement that would otherwise be sent by the county
13 treasurer to the person by regular mail under subsection (a)(1),
14 including a statement that reflects installment payment due dates
15 under section 9.5 or 9.7 of this chapter.

16 (2) A provisional tax statement that would otherwise be sent by
17 the county treasurer to the person by regular mail under
18 IC 6-1.1-22.5-6.

19 (3) A reconciling tax statement that would otherwise be sent by
20 the county treasurer to the person by regular mail under any of the
21 following:

22 (A) Section 9 of this chapter.

23 (B) Section 9.7 of this chapter.

24 (C) IC 6-1.1-22.5-12, including a statement that reflects
25 installment payment due dates under IC 6-1.1-22.5-18.5.

26 (4) Any other information that:

27 (A) concerns the property taxes or special assessments; and

28 (B) would otherwise be sent:

29 (i) by the county treasurer or the county auditor to the person
30 by regular mail; and

31 (ii) before the last date the property taxes or special
32 assessments may be paid without becoming delinquent.

33 The information listed in this subsection may be transmitted to a person
34 by using electronic mail that provides a secure Internet link to the
35 information.

36 (i) For property with respect to which more than one (1) person is
37 liable for property taxes and special assessments, subsection (h) applies
38 only if all the persons liable for property taxes and special assessments
39 designate the electronic mail address for only one (1) individual
40 authorized to receive the statements and other information referred to
41 in subsection (h).

42 (j) The department of local government finance shall create a form
43 to be used to implement subsection (h). The county treasurer and
44 county auditor shall:

45 (1) make the form created under this subsection available to the
46 public;

47 (2) transmit a statement or other information by electronic mail
48 under subsection (h) to a person who files, on or before March 15,
49 the form created under this subsection:

50 (A) with the county treasurer; or

- 1 (B) with the county auditor; and
 2 (3) publicize the availability of the electronic mail option under
 3 this subsection through appropriate media in a manner reasonably
 4 designed to reach members of the public.
- 5 (k) The form referred to in subsection (j) must:
- 6 (1) explain that a form filed as described in subsection (j)(2)
 7 remains in effect until the person files a replacement form to:
- 8 (A) change the person's electronic mail address; or
 9 (B) terminate the electronic mail option under subsection (h);
 10 and
- 11 (2) allow a person to do at least the following with respect to the
 12 electronic mail option under subsection (h):
- 13 (A) Exercise the option.
 14 (B) Change the person's electronic mail address.
 15 (C) Terminate the option.
 16 (D) For a person other than an individual, designate the
 17 electronic mail address for only one (1) individual authorized
 18 to receive the statements and other information referred to in
 19 subsection (h).
 20 (E) For property with respect to which more than one (1)
 21 person is liable for property taxes and special assessments,
 22 designate the electronic mail address for only one (1)
 23 individual authorized to receive the statements and other
 24 information referred to in subsection (h).
- 25 (l) The form created under subsection (j) is considered filed with the
 26 county treasurer or the county auditor on the postmark date or on the
 27 date it is electronically submitted. If the postmark is missing or
 28 illegible, the postmark is considered to be one (1) day before the date
 29 of receipt of the form by the county treasurer or the county auditor.
- 30 (m) The county treasurer shall maintain a record that shows at least
 31 the following:
- 32 (1) Each person to whom a statement or other information is
 33 transmitted by electronic mail under this section.
 34 (2) The information included in the statement.
 35 (3) Whether the county treasurer received a notice that the
 36 person's electronic mail was undeliverable.
- 37 (n) A person may direct the county treasurer and county auditor to
 38 transmit information by electronic mail under subsection (h) on a form
 39 prescribed by the department submitted:
- 40 (1) in person;
 41 (2) by mail; or
 42 (3) in an online format developed by the county and approved by
 43 the department.
- 44 (o) Liability, for purposes of ~~subsection (a)~~, **subsections (a) and**
 45 **(q)**, means property taxes or special assessments that are greater than
 46 zero dollars (\$0).
- 47 (p) **Except as provided in subsection (q)**, the county treasurer is
 48 not required to mail or transmit a statement for property that is exempt
 49 from taxation and does not have a reported **net** assessed value.
- 50 (q) **A county treasurer, in a county that opts to use a property**

1 tax statement as the notice of assessment under IC 6-1.1-4-22, must
 2 send a property tax statement to all property owners regardless of
 3 whether the property has any liability.

4 (r) This subsection applies only to a property tax statement sent
 5 for property taxes first due and payable in 2027. The county
 6 treasurer shall indicate on the property tax statement whether the
 7 taxpayer's property tax liability for property taxes first due and
 8 payable in 2027 is less than the taxpayer's property tax liability for
 9 property taxes first due and payable in 2026, including the amount,
 10 if applicable.

11 SECTION 8. IC 6-2.5-5-26, AS AMENDED BY P.L.193-2023,
 12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2026]: Sec. 26. (a) Sales of tangible personal property by an
 14 organization are exempt from the state gross retail tax if either of the
 15 following apply:

16 (1) The organization:

17 (A) is described in section 25(a)(1)(A) through 25(a)(1)(C) of
 18 this chapter, section 25(a)(1)(D)(i) through 25(a)(1)(D)(iii) of
 19 this chapter, or section 25(a)(1)(D)(ix) of this chapter;

20 (B) makes the sale to make money to carry on a not-for-profit
 21 purpose; and

22 (C) did not make more than one hundred thousand dollars
 23 (\$100,000) in sales in the current calendar year or the previous
 24 calendar year.

25 (2) The organization:

26 (A) is described in section 25(a)(1)(D)(iv) through
 27 25(a)(1)(D)(viii) of this chapter; or

28 (B) is a youth organization focused on agriculture;

29 **(C) is a youth organization listed in 36 U.S.C. 101 et. seq.**
 30 **that:**

31 **(i) has an educational purpose; and**

32 **(ii) promotes patriotism and civic involvement; or**

33 **(D) is an organization that:**

34 **(i) is exempt from federal income taxation under Section**
 35 **501(c)(3) of the Internal Revenue Code; and**

36 **(ii) promotes youth shooting sports.**

37 Once sales of an organization that meets the qualifications under
 38 subdivision (1), but does not meet the qualifications under subdivision
 39 (2), exceed the amount described in subdivision (1), the organization
 40 is required to collect state gross retail tax on sales on an ongoing basis
 41 for the remainder of the calendar year and each calendar year thereafter
 42 until the organization makes less than one hundred thousand dollars
 43 (\$100,000) in sales for two (2) consecutive years.

44 (b) For purposes of subsection (a), the sales of an organization
 45 include sales made by all units operating under the organization's
 46 registration pursuant to section 25(c) of this chapter.

47 (c) If the qualifications of subsection (a) are not met, sales of
 48 tangible personal property by an organization described in section
 49 25(a)(1) of this chapter are exempt from the state gross retail tax, if:

50 (1) the organization is not operated predominantly for social
 51 purposes;

1 (2) the property sold is designed and intended primarily either for
 2 the organization's educational, cultural, or religious purposes, or
 3 for improvement of the work skills or professional qualifications
 4 of the organization's members; and

5 (3) the property sold is not designed or intended primarily for use
 6 in carrying on a private or proprietary business.

7 (d) Sales of tangible personal property by a public library, or a
 8 charitable organization described in section 25(a)(1) of this chapter
 9 formed to support a public library, are exempt from the state gross
 10 retail tax if the property sold consists of:

11 (1) items in the library's circulated and publicly available
 12 collections, including items from the library's holdings; or

13 (2) items that would typically be included in the library's
 14 circulated and publicly available collections and that are donated
 15 by individuals or organizations to a public library or to a
 16 charitable organization described in section 25(a)(1) of this
 17 chapter formed to support a public library.

18 The exemption provided by this subsection does not apply to any other
 19 sales of tangible personal property by a public library.

20 (e) The exemption provided by this section does not apply to an
 21 accredited college or university's sales of books, stationery,
 22 haberdashery, supplies, or other property.

23 (f) To obtain the exemption provided by this section, a taxpayer
 24 must follow the procedures set forth in section 25(c) of this chapter.

25 SECTION 9. IC 6-3.1-24-7, AS AMENDED BY P.L.172-2011,
 26 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2026]: Sec. 7. (a) The Indiana economic development
 28 corporation shall certify that a business is a qualified Indiana business
 29 if the corporation determines that the business:

30 (1) has its headquarters in Indiana;

31 (2) is primarily focused on professional motor vehicle racing,
 32 commercialization of research and development, technology
 33 transfers, or the application of new technology, or is determined
 34 by the Indiana economic development corporation to have
 35 significant potential to:

36 (A) bring substantial capital into Indiana;

37 (B) create jobs;

38 (C) diversify the business base of Indiana; or

39 (D) significantly promote the purposes of this chapter in any
 40 other way;

41 (3) has had average annual revenues of less than ten million
 42 dollars (\$10,000,000) in the two (2) years preceding the year in
 43 which the business received qualified investment capital from a
 44 taxpayer claiming a credit under this chapter;

45 (4) has:

46 (A) at least fifty percent (50%) of its employees residing in
 47 Indiana; or

48 (B) at least seventy-five percent (75%) of its assets located in
 49 Indiana; and

50 (5) is not engaged in a business involving:

- 1 (A) real estate;
 2 (B) real estate development;
 3 (C) insurance;
 4 (D) professional services provided by an accountant, a lawyer,
 5 or a physician;
 6 (E) retail sales, except when:
 7 (i) the primary purpose of the business is the development
 8 or support of electronic commerce using the Internet; or
 9 **(ii) the business is engaged in retail sales as a method to**
 10 **sell a unique product that the business developed, for**
 11 **which the business holds patents, or of which the**
 12 **business otherwise has ownership; or**
 13 (F) oil and gas exploration.
- 14 (b) A business shall apply to be certified as a qualified Indiana
 15 business on a form prescribed by the Indiana economic development
 16 corporation.
- 17 (c) If a business is certified as a qualified Indiana business under
 18 this section, the Indiana economic development corporation shall
 19 provide a copy of the certification to the investors in the qualified
 20 Indiana business for inclusion in tax filings.
- 21 (d) Except as provided in subsection (e), the Indiana economic
 22 development corporation may impose an application fee of not more
 23 than two hundred dollars (\$200).
- 24 (e) The Indiana economic development corporation may not impose
 25 the application fee authorized by subsection (d) for applications
 26 submitted during the period beginning July 1, 2011, and ending June
 27 30, 2013.
- 28 SECTION 10. IC 6-3.1-24-7.5, AS ADDED BY P.L.165-2021,
 29 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2026]: Sec. 7.5. (a) The Indiana economic development
 31 corporation may certify that an investment fund is a qualified Indiana
 32 investment fund if the corporation determines that the fund meets the
 33 definition in section 2.5 of this chapter and the requirements in
 34 subsection (b).
- 35 (b) The Indiana economic development corporation may only certify
 36 a fund as a qualified Indiana investment fund if the fund makes
 37 investments according to a policy that:
 38 (1) requires eligible companies to be primarily focused on the
 39 commercialization of research and development, technology
 40 transfer, or application of new technology; and
 41 (2) prioritizes investments in companies that:
 42 (A) have received a grant, loan, or other investment funds
 43 provided by the Indiana twenty-first century research and
 44 technology fund established by IC 5-28-16-2; or
 45 (B) maintain a substantial presence in Indiana.
- 46 **The policy referred to in this subsection shall apply only to**
 47 **investable capital in the fund, excluding management fees, legal**
 48 **fees, and other expenses incurred in the operation of the fund.**
- 49 (c) An investment fund must apply to be certified as a qualified
 50 Indiana investment fund on a form prescribed by the Indiana economic
 51 development corporation.

1 (d) If an investment fund is certified as a qualified Indiana
 2 investment fund under this section, the Indiana economic development
 3 corporation shall provide a copy of the certification to the investors in
 4 the qualified Indiana investment fund for inclusion in tax filings.

5 SECTION 11. IC 6-3.1-24-12, AS AMENDED BY P.L.165-2021,
 6 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2026]: Sec. 12. (a) If the amount of the credit determined
 8 under section 8 or 8.5 of this chapter for a taxpayer in a taxable year
 9 exceeds the taxpayer's state tax liability for that taxable year, the
 10 taxpayer may carry the excess credit over for a period not to exceed the
 11 taxpayer's following five (5) taxable years. The amount of the credit
 12 carryover from a taxable year shall be reduced to the extent that the
 13 carryover is used by the taxpayer to obtain a credit under this chapter
 14 for any subsequent taxable year. A taxpayer is not entitled to a
 15 carryback or a refund of any unused credit amount.

16 (b) If the corporation certifies a credit for an investment that is made
 17 after June 30, 2020, and before July 1, 2029, the taxpayer may assign
 18 all or part of the credit to which the taxpayer is entitled under this
 19 chapter, subject to the limitations set forth in subsection (c).

20 (c) The following apply to the assignment of a credit under this
 21 chapter:

22 (1) A taxpayer may not assign all or part of a credit or credits to
 23 a particular person in amounts that are less than ten thousand
 24 dollars (\$10,000).

25 (2) Before a credit may be assigned, the taxpayer must notify the
 26 corporation of the assignment of the credit in the manner
 27 prescribed by the corporation.

28 (3) An assignment of a credit must be in writing, and both the
 29 taxpayer and assignee shall report the assignment on the
 30 taxpayer's and assignee's state tax returns for the year in which the
 31 assignment is made, in the manner prescribed by the department.

32 (4) Once a particular credit or credits are assigned, the assignee
 33 may not assign all or part of the credit or credits to another
 34 person.

35 (5) A taxpayer may not receive value in connection with an
 36 assignment under this section that exceeds the value of that part
 37 of the credit assigned.

38 **Nothing in this subsection shall prevent a taxpayer from combining**
 39 **individual credits of less than ten thousand dollars (\$10,000) for**
 40 **assignment.**

41 (d) The corporation shall collect and compile data on the
 42 assignments of tax credits under this chapter and determine the
 43 effectiveness of each assignment in getting projects completed. The
 44 corporation shall report its findings under this subsection to the
 45 legislative council in an electronic format under IC 5-14-6 before
 46 November 1, 2022. This subsection expires January 1, 2023.

47 SECTION 12. IC 6-3.1-34-0.5 IS ADDED TO THE INDIANA
 48 CODE AS A NEW SECTION TO READ AS FOLLOWS
 49 [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. (a) In order to facilitate the**
 50 **redevelopment and rehabilitation of property in Indiana that**
 51 **promotes regional collaboration and long term strategic planning,**

1 the corporation may commit a tax credit to a development
 2 authority pursuant to a development plan approved by the
 3 corporation, which may subsequently be awarded by the
 4 corporation at the request of a development authority to a
 5 taxpayer proposing a qualified investment in a qualified
 6 redevelopment site that is included in the development authority's
 7 development plan.

8 (b) The corporation shall award thirty-five million dollars
 9 (\$35,000,000) to development authorities each fiscal year that may
 10 be granted to taxpayers proposing qualified investment in a
 11 qualified redevelopment site pursuant to a development plan
 12 approved by the corporation.

13 SECTION 13. IC 6-3.1-34-2.1 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2026]: **Sec. 2.1. (a) As used in this chapter,**
 16 **"development authority" refers to a regional development**
 17 **authority established under IC 36-7.5-2-1, IC 36-7.6-2-3, or**
 18 **IC 36-7.7-3-1.**

19 (b) For the period beginning July 1, 2026, and ending June 30,
 20 2028, the term "development authority" includes a qualified
 21 nonprofit organization formed to support economic development
 22 across the region and which does not represent a single interest
 23 group or local unit or units within a single county. This subsection
 24 expires July 1, 2028.

25 SECTION 14. IC 6-3.1-34-2.2 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2026]: **Sec. 2.2. (a) As used in this chapter,**
 28 **"development plan" refers to a comprehensive strategic**
 29 **development plan approved by the development authority for its**
 30 **jurisdiction and which outlines its economic development strategy,**
 31 **the anticipated local resource commitments, the proposed**
 32 **regionally significant projects, the return on investment analysis**
 33 **reflecting a positive state return for such projects, the requirement**
 34 **that an equal or greater level of local public financial participation**
 35 **in the aggregate across all projects, the requirement that projects**
 36 **are reasonably expected to spur a total investment across all**
 37 **projects that is four (4) times greater than the level of the state**
 38 **resources provided on a present value basis, and that each project**
 39 **supported would not occur but for the provision of the requested**
 40 **state resources.**

41 (b) The development plan shall also include specific, measurable
 42 five (5) and ten (10) year objectives, and plans for achieving the
 43 objectives, for the region, including targets for:

- 44 (1) per capita income;
- 45 (2) population;
- 46 (3) employment; and
- 47 (4) credential attainment among residents;

48 in the region.

49 SECTION 15. IC 6-3.1-34-24 IS ADDED TO THE INDIANA
 50 CODE AS A NEW SECTION TO READ AS FOLLOWS
 51 [EFFECTIVE JULY 1, 2026]: **Sec. 24. (a) As used in this section,**

- 1 **"downtown area" means:**
2 (1) the central business district of a city or town; or
3 (2) any commercial or mixed use area within a neighborhood
4 of a city or town that has traditionally served, since the
5 founding of the community, as the retail service and
6 communal focal point within the community.
7 (b) As used in this section, "initiative" means the small town
8 opportunity initiative established by subsection (f).
9 (c) As used in this section, "nonprofit taxpayer" means a
10 taxpayer:
11 (1) that is tax exempt under Section 501 of the Internal
12 Revenue Code;
13 (2) for which some or all of its mission is to revitalize the
14 community it serves; and
15 (3) whose leadership includes primarily members of the
16 community it serves.
17 (d) As used in this section, "qualified community project"
18 means a project that:
19 (1) is located in the:
20 (A) downtown area of a city or a town with a population of
21 less than thirty thousand (30,000);
22 (B) downtown area of a city or a town that is located in a
23 county with a population of less than seventy-five thousand
24 (75,000); or
25 (C) unincorporated territory of a county with a population
26 of less than seventy-five thousand (75,000) if the site of the
27 project is an area of the unincorporated territory that
28 serves as the retail service and communal focal point
29 within the unincorporated territory;
30 (2) involves the:
31 (A) historic preservation;
32 (B) redevelopment; or
33 (C) rehabilitation;
34 of real property; and
35 (3) has a total project budget of at least fifteen million dollars
36 (\$15,000,000).
37 (e) As used in this section, "qualified investment" means the
38 amount of the taxpayer's expenditures that are:
39 (1) for the redevelopment or rehabilitation of real property as
40 part of a qualified community project; and
41 (2) approved by the corporation before the expenditure is
42 made.
43 (f) The small town opportunity initiative is established.
44 (g) The corporation shall administer the initiative.
45 (h) The purpose of the initiative is to undertake qualified
46 community projects within local government units to do the
47 following:
48 (1) Advance historic preservation.
49 (2) Redevelop or rehabilitate distressed buildings or
50 underutilized property.
51 (3) Redevelop or rehabilitate sites where distressed buildings

1 **once stood.**

2 **(i) A for-profit taxpayer undertaking a qualified community**
 3 **project under the initiative is entitled to a redevelopment tax credit**
 4 **under this chapter equal to twenty percent (20%) of the taxpayer's**
 5 **cost of the project.**

6 **(j) A nonprofit taxpayer undertaking a qualified community**
 7 **project under the initiative is entitled to a redevelopment tax credit**
 8 **under this chapter equal to thirty percent (30%) of the taxpayer's**
 9 **cost of the project.**

10 **(k) Qualified community projects undertaken under this section**
 11 **are not subject to any statutory or administrative repayment**
 12 **obligation.**

13 **(l) Notwithstanding any other provision of this section, for a**
 14 **nonprofit taxpayer undertaking a qualified community project**
 15 **under this section, expenditures incurred to acquire, hold, or**
 16 **prepare real property for redevelopment or rehabilitation before**
 17 **the date the taxpayer's initial application or application for**
 18 **certification is approved by the corporation shall be included in the**
 19 **taxpayer's qualified investment if:**

20 **(1) the expenditures were incurred for the primary purpose**
 21 **of future redevelopment consistent with subsection (h);**

22 **(2) the nonprofit taxpayer obtained site control in furtherance**
 23 **of a locally supported redevelopment effort; and**

24 **(3) the corporation determines, as part of the application or**
 25 **certification process, that inclusion of such expenditures is in**
 26 **the public interest and supportive of early stage community**
 27 **redevelopment efforts.**

28 **(m) For purposes of determining whether an expenditure is**
 29 **included as part of a qualified investment under subsection (l), an**
 30 **expenditure shall be treated as if it were approved by the**
 31 **corporation as of the date the expenditure was originally incurred.**

32 **SECTION 16. IC 6-9-30 IS ADDED TO THE INDIANA CODE AS**
 33 **A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY**
 34 **1, 2026]:**

35 **Chapter 30. Delaware County Hospitality Tax Board**
 36 **Consolidation Ordinance**

37 **Sec. 0.5. This chapter applies only to Delaware County.**

38 **Sec. 1. As used in this chapter, "consolidated entity" means a**
 39 **board resulting from the adoption of an ordinance under section**
 40 **4 of this chapter to consolidate the functions of each former entity**
 41 **into the consolidated entity.**

42 **Sec. 2. As used in this chapter, "executive" has the meaning set**
 43 **forth in IC 36-1-2-5.**

44 **Sec. 3. As used in this chapter, "former entity" means a board,**
 45 **bureau, commission, authority, or any other similar entity**
 46 **authorized to administer funds received from the county:**

47 **(1) innkeeper's tax imposed under IC 6-9-18; or**

48 **(2) food and beverage tax imposed under IC 6-9-21.**

49 **Sec. 4. The county executive may adopt an ordinance to**
 50 **consolidate the functions of a former entity with respect to the**
 51 **administration of funds received from the county:**

1 (1) innkeeper's tax imposed under IC 6-9-18; or
 2 (2) food and beverage tax imposed under IC 6-9-21;
 3 into a single consolidated entity as designated in the ordinance to
 4 administer funds received from both of those taxes.

5 **Sec. 5.** If an ordinance is adopted under section 4 of this chapter,
 6 each former entity is abolished on the date the ordinance is
 7 adopted and may not exercise any of the powers, duties, or
 8 responsibilities conferred on the former entity under IC 6-9-18 or
 9 IC 6-9-21. In addition, the term of any individual serving on each
 10 former entity ends on the date the ordinance is adopted. The
 11 consolidated entity designated in the ordinance shall exercise the
 12 functions of each abolished former entity.

13 **Sec. 6. (a)** If an ordinance is adopted under section 4 of this
 14 chapter, the county executive may determine the number of
 15 members to serve on the consolidated entity, which must be an odd
 16 number. All members appointed to the consolidated entity must
 17 reside in the county. The county executive shall determine:

18 (1) the qualifications to be appointed to the consolidated
 19 entity, which may not include consideration of political party
 20 affiliation;

21 (2) the term of a member, which may not exceed four (4)
 22 years, but may provide for:

23 (A) the staggering of the terms of members initially
 24 appointed to the consolidated entity;

25 (B) reappointment following the expiration of a member's
 26 term; and

27 (C) the filling of vacancies if a vacancy occurs;

28 (3) the grounds for removal;

29 (4) the number of members required for a quorum; and

30 (5) any other matters that the county executive determines
 31 reasonably relate to the composition of the consolidated
 32 entity.

33 A member of the consolidated entity may not receive a salary or
 34 benefits. However, a member of the consolidated entity is entitled
 35 to reimbursement for necessary expenses incurred in the
 36 performance of the member's respective duties.

37 (b) Each member of the consolidated entity, before entering the
 38 member's duties, shall take an oath of office in the usual form, to
 39 be endorsed upon the member's certificate of appointment and
 40 promptly filed with the clerk of the circuit court of the county.

41 **Sec. 7.** If an ordinance is adopted under section 4 of this chapter,
 42 the ordinance is final and the county executive may not adopt a
 43 subsequent ordinance to restore each former entity and transfer
 44 the powers, duties, and responsibilities concerning the
 45 administration of the innkeeper's tax imposed under IC 6-9-18 or
 46 food and beverage tax imposed under IC 6-9-21 back to each
 47 former entity.

48 **Sec. 8.** If an ordinance is adopted under section 4 of this chapter,
 49 money in a fund established under a provision of IC 6-9-18 or
 50 IC 6-9-21 on the date the ordinance is adopted remains in the fund
 51 and is available to be administered and used by the consolidated

1 entity for the purposes allowed under IC 6-9-18 or IC 6-9-21.
 2 **Sec. 9.** If an ordinance is adopted under section 4 of this chapter,
 3 any bonds, leases, contractual agreements, or other obligations
 4 issued, entered into, or in effect on or before the date the ordinance
 5 is adopted are transferred to and assumed by the consolidated
 6 entity.
 7 **Sec. 10.** If an ordinance is adopted under section 4 of this
 8 chapter, all records and property of each former entity are
 9 transferred on the date the ordinance is adopted to the
 10 consolidated entity.
 11 **Sec. 11.** If an ordinance is adopted under section 4 of this
 12 chapter, the county executive must immediately send a certified
 13 copy of the ordinance to each of the following:
 14 (1) The commissioner of the department of state revenue.
 15 (2) The treasurer of state.
 16 (3) The state comptroller.
 17 **Sec. 12.** If an ordinance is adopted under section 4 of this
 18 chapter, a reference to a former entity in IC 6-9-18, IC 6-9-21,
 19 another statute, a rule, or any other document is considered a
 20 reference to the consolidated entity.
 21 SECTION 17. IC 6-9-79 IS ADDED TO THE INDIANA CODE AS
 22 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 23 1, 2026]:
 24 **Chapter 79. Bedford Food and Beverage Tax**
 25 **Sec. 1.** This chapter applies to the city of Bedford.
 26 **Sec. 2.** The definitions in IC 6-9-12-1 apply throughout this
 27 chapter.
 28 **Sec. 3. (a)** The fiscal body of the city may adopt an ordinance to
 29 impose an excise tax, known as the city food and beverage tax, on
 30 transactions described in section 4 of this chapter. The fiscal body
 31 of the city may adopt an ordinance under this subsection only after
 32 the fiscal body has previously held at least one (1) separate public
 33 hearing in which a discussion of the proposed ordinance to impose
 34 the city food and beverage tax is the only substantive issue on the
 35 agenda for the public hearing.
 36 (b) If the city fiscal body adopts an ordinance under subsection
 37 (a), the city fiscal body shall immediately send a certified copy of
 38 the ordinance to the department of state revenue.
 39 (c) If the city fiscal body adopts an ordinance under subsection
 40 (a), the city food and beverage tax applies to transactions that
 41 occur after the later of the following:
 42 (1) The day specified in the ordinance.
 43 (2) The last day of the month that succeeds the month in
 44 which the ordinance is adopted.
 45 **Sec. 4. (a)** Except as provided in subsection (c), a tax imposed
 46 under section 3 of this chapter applies to a transaction in which
 47 food or beverage is furnished, prepared, or served:
 48 (1) for consumption at a location or on equipment provided by
 49 a retail merchant;
 50 (2) in the city; and
 51 (3) by a retail merchant for consideration.

1 **(b) Transactions described in subsection (a)(1) include**
 2 **transactions in which food or beverage is:**

- 3 **(1) served by a retail merchant off the merchant's premises;**
 4 **(2) sold in a heated state or heated by a retail merchant;**
 5 **(3) made of two (2) or more food ingredients, mixed or**
 6 **combined by a retail merchant for sale as a single item (other**
 7 **than food that is only cut, repackaged, or pasteurized by the**
 8 **seller, and eggs, fish, meat, poultry, and foods containing these**
 9 **raw animal foods requiring cooking by the consumer as**
 10 **recommended by the federal Food and Drug Administration**
 11 **in chapter 3, subpart 3-401.11 of its Food Code so as to**
 12 **prevent food borne illnesses); or**
 13 **(4) sold with eating utensils provided by a retail merchant,**
 14 **including plates, knives, forks, spoons, glasses, cups, napkins,**
 15 **or straws (for purposes of this subdivision, a plate does not**
 16 **include a container or package used to transport food).**

17 **(c) The city food and beverage tax does not apply to the**
 18 **furnishing, preparing, or serving of a food or beverage in a**
 19 **transaction that is exempt, or to the extent the transaction is**
 20 **exempt, from the state gross retail tax imposed by IC 6-2.5.**

21 **Sec. 5. The city food and beverage tax rate:**

- 22 **(1) must be imposed in an increment of twenty-five**
 23 **hundredths percent (0.25%); and**
 24 **(2) may not exceed one percent (1%);**

25 **of the gross retail income received by the merchant from the food**
 26 **or beverage transaction described in section 4 of this chapter. For**
 27 **purposes of this chapter, the gross retail income received by the**
 28 **retail merchant from a transaction does not include the amount of**
 29 **tax imposed on the transaction under IC 6-2.5.**

30 **Sec. 6. A tax imposed under this chapter shall be imposed, paid,**
 31 **and collected in the same manner that the state gross retail tax is**
 32 **imposed, paid, and collected under IC 6-2.5. However, the return**
 33 **to be filed with the payment of the tax imposed under this chapter**
 34 **may be made on a separate return or may be combined with the**
 35 **return filed for the payment of the state gross retail tax, as**
 36 **prescribed by the department of state revenue.**

37 **Sec. 7. The amounts received from the tax imposed under this**
 38 **chapter shall be paid monthly by the treasurer of state to the city**
 39 **fiscal officer upon warrants issued by the state comptroller.**

40 **Sec. 8. (a) If a tax is imposed under section 3 of this chapter by**
 41 **the city, the city fiscal officer shall establish a food and beverage**
 42 **tax receipts fund.**

43 **(b) The city fiscal officer shall deposit in the fund all amounts**
 44 **received under this chapter.**

45 **(c) Money earned from the investment of money in the fund**
 46 **becomes a part of the fund.**

47 **Sec. 9. Money in the food and beverage tax receipts fund must**
 48 **be used by the city only for the following purposes:**

- 49 **(1) Economic development and tourism related purposes or**
 50 **facilities, including the purchase of land for economic**
 51 **development or tourism related purposes.**

1 **(2) The pledge of money under IC 5-1-14-4 for bonds, leases,**
 2 **or other obligations incurred for a purpose described in**
 3 **subdivision (1).**

4 **Revenue derived from the imposition of a tax under this chapter**
 5 **may be treated by the city as additional revenue for the purpose of**
 6 **fixing its budget for the budget year during which the revenues are**
 7 **to be distributed to the city.**

8 **Sec. 10. With respect to obligations for which a pledge has been**
 9 **made under section 9 of this chapter, the general assembly**
 10 **covenants with the holders of the obligations that this chapter will**
 11 **not be repealed or amended in a manner that will adversely affect**
 12 **the imposition or collection of the tax imposed under this chapter**
 13 **if the payment of any of the obligations is outstanding.**

14 **Sec. 11. (a) If the city imposes the tax authorized by this chapter,**
 15 **the tax terminates on January 1, 2049.**

16 **(b) This chapter expires January 1, 2049.**

17 SECTION 18. IC 23-15-13-4, AS ADDED BY SEA 243-2026,
 18 SECTION 106, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE MARCH 15, 2026]: Sec. 4. (a) For a total transaction
 20 amount payable to a business entity, except as provided in subsection
 21 (b), the business entity ~~must~~ **may** round the total transaction amount for
 22 all transactions with a number other than zero (0) or five (5) in the
 23 second decimal place by either:

24 (1) rounding the total transaction amount downward to the next
 25 amount divisible by five cents (\$0.05);

26 (2) ~~round~~ **rounding** the total transaction amount upward to the
 27 next amount divisible by five cents (\$0.05); or

28 (3) **rounding** to the nearest five cent (\$0.05) increment by:

29 (A) for a total transaction amount with one (1), two (2), six (6),
 30 or seven (7) in the second decimal place, rounding the total
 31 transaction amount downward to the next amount divisible by
 32 five cents (\$0.05); or

33 (B) for a total transaction amount with three (3), four (4), eight
 34 (8), or nine (9) in the second decimal place, rounding the total
 35 transaction amount upward to the next amount divisible by
 36 five cents (\$0.05).

37 (b) For a total transaction amount that is less than five cents (\$0.05),
 38 the business entity may round the amount downward or upward to
 39 either zero cents (\$0.00) or five cents (\$0.05).

40 SECTION 19. IC 32-21-14-0.5 IS ADDED TO THE INDIANA
 41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 42 [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. For purposes of this**
 43 **chapter, transfer fee covenants are limited to only transactions that**
 44 **involve the transfer of property for consideration to the owner.**

45 SECTION 20. IC 32-21-14-1, AS AMENDED BY P.L.6-2012,
 46 SECTION 207, IS AMENDED TO READ AS FOLLOWS
 47 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,
 48 "transfer" means the transfer of an interest in real property located in
 49 Indiana by:

50 (1) sale;

51 (2) ~~gift~~;

- 1 ~~(3)~~ **(2)** conveyance;
 2 ~~(4)~~ **(3)** assignment; **or**
 3 ~~(5)~~ inheritance; **or**
 4 ~~(6)~~ **(4)** other means of transfer;
 5 **for consideration to the owner.**

6 SECTION 21. IC 36-7-32-8.5, AS AMENDED BY P.L.154-2020,
 7 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2026]: Sec. 8.5. As used in this chapter, "income tax
 9 incremental amount" means the following:

- 10 (1) Except as provided in subdivision (2), the remainder of:
 11 (A) the total amount of state adjusted gross income taxes and
 12 local income taxes paid by employees employed in the
 13 territory comprising the certified technology park with respect
 14 to wages and salary earned for work in the territory comprising
 15 the certified technology park for a particular state fiscal year;
 16 minus
 17 (B) the sum of the:
 18 (i) income tax base period amount as defined in section 8 of
 19 this chapter; and
 20 (ii) tax credits awarded by the Indiana economic
 21 development corporation under IC 6-3.1-13 to businesses
 22 operating in a certified technology park as the result of
 23 wages earned for work in the certified technology park for
 24 the state fiscal year;
 25 as determined by the department of state revenue.
 26 (2) In the case of a certified technology park for which the amount
 27 limit under section 22(c), ~~or 22(d)~~, **or 22(e)** of this chapter has
 28 been exceeded, the remainder of:
 29 (A) the total amount of state adjusted gross income taxes and
 30 local income taxes paid by employees employed in the
 31 territory comprising the certified technology park with respect
 32 to wages and salary earned for work in the territory comprising
 33 the certified technology park for a particular state fiscal year;
 34 minus
 35 (B) the sum of the:
 36 (i) income tax base period amount as defined in section 8 of
 37 this chapter; and
 38 (ii) tax credits awarded by the Indiana economic
 39 development corporation under IC 6-3.1-13 to businesses
 40 operating in a certified technology park as the result of
 41 wages earned for work in the certified technology park for
 42 the state fiscal year;
 43 as determined by the department of state revenue.
 44 SECTION 22. IC 36-7-32-22, AS AMENDED BY P.L.145-2025,
 45 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 46 JULY 1, 2026]: Sec. 22. (a) The treasurer of state shall establish an
 47 incremental tax financing fund for each certified technology park
 48 designated under this chapter. The fund shall be administered by the
 49 treasurer of state. Money in the fund does not revert to the state general
 50 fund at the end of a state fiscal year.

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

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

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

15 (A) The adjusted gross income tax.

16 (B) The local income tax (IC 6-3.6).

17 (3) In the case of a certified technology park to which subsection
 18 (e) **or (f)** applies, the amount determined under subsection (e) **or**
 19 **(f)**, if any **and as applicable**.

20 (c) Except as provided in subsections (d), ~~and (e)~~, **and (f)**, not more
 21 than a total of five million dollars (\$5,000,000) may be deposited in a
 22 particular incremental tax financing fund for a certified technology
 23 park over the life of the certified technology park.

24 (d) Except as provided in ~~subsection (e)~~; **subsections (e) and (f)**, in
 25 the case of a certified technology park that is operating under a written
 26 agreement entered into by two (2) or more redevelopment
 27 commissions, and subject to section 26(b)(4) of this chapter:

28 (1) not more than a total of five million dollars (\$5,000,000) may
 29 be deposited over the life of the certified technology park in the
 30 incremental tax financing fund of each redevelopment
 31 commission participating in the operation of the certified
 32 technology park; and

33 (2) the total amount that may be deposited in all incremental tax
 34 financing funds, over the life of the certified technology park, in
 35 aggregate, may not exceed the result of:

36 (A) five million dollars (\$5,000,000); multiplied by

37 (B) the number of redevelopment commissions that have
 38 entered into a written agreement for the operation of the
 39 certified technology park.

40 (e) If a certified technology park has reached the limit on deposits
 41 under subsection (c) or (d) and maintains its certification under section
 42 11(c) of this chapter, the certified technology park shall become a
 43 Level 2 certified technology park and an additional annual deposit
 44 amount shall be deposited in the incremental tax financing fund for the
 45 certified technology park equal to the following:

46 (1) For a certified technology park to which subsection (c)
 47 applies, the lesser of:

48 (A) the income tax incremental amount as defined in section
 49 8.5(2) of this chapter; or

50 (B) two hundred fifty thousand dollars (\$250,000).

- 1 (2) For a certified technology park to which subsection (d)
 2 applies, the lesser of:
 3 (A) the aggregate income tax incremental amounts as defined
 4 in section 8.5(2) of this chapter attributable to each
 5 redevelopment commission that has entered into a written
 6 agreement for the operation of the certified technology park;
 7 or
 8 (B) two hundred fifty thousand dollars (\$250,000) multiplied
 9 by the number of redevelopment commissions that have
 10 entered into a written agreement for the operation of the
 11 certified technology park.
- 12 (3) The following apply to deposits under this subsection:
 13 (A) If a certified technology park reached its limit on deposits
 14 based on a state fiscal year ending before July 1, 2020, the
 15 certified technology park shall receive deposits based on the
 16 income tax incremental amount as defined in section 8.5(2) of
 17 this chapter for each state fiscal year ending after June 30,
 18 2019.
 19 (B) If a certified technology park reached its limit on deposits
 20 based on a state fiscal year ending after June 30, 2020, the
 21 certified technology park shall receive deposits based on the
 22 income tax incremental amount as defined in section 8.5(2) of
 23 this chapter for the state fiscal year in which it reached its limit
 24 on deposits under subsection (c) or (d) and each state fiscal
 25 year thereafter.
 26 (C) If a certified technology park is permitted to receive
 27 deposits under this subsection during the state fiscal year in
 28 which it reached its limit on deposits under subsection (c) or
 29 (d), the income tax incremental amount for purposes of
 30 subdivision (1)(A) or (1)(B) for that state fiscal year shall be
 31 reduced by an amount equal to:
 32 (i) the deposit amount for the state fiscal year under
 33 subsection (b) required to reach the limit on deposits under
 34 subsection (c) or (d); minus
 35 (ii) the gross retail incremental amount determined under
 36 section 6.5 of this chapter;
 37 but not less than zero (0).
- 38 **(f) This subsection applies to a certified technology park that is**
 39 **located within a qualified military base enhancement area under**
 40 **IC 36-7-34. Subject to subsection (g), if a certified technology park**
 41 **has reached the limit on deposits under subsection (e) and**
 42 **maintains its certification under section 11(c) of this chapter, the**
 43 **certified technology park shall become a Level 3 certified**
 44 **technology park and an additional annual deposit amount shall be**
 45 **deposited in the incremental tax financing fund for the certified**
 46 **technology park equal to the lesser of:**
 47 **(1) the aggregate income tax incremental amounts as defined**
 48 **in section 8.5(2) of this chapter attributable to each**
 49 **redevelopment commission that has entered into a written**
 50 **agreement for the operation of the certified technology park;**
 51 **or**

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

5 **However, no amount of state gross retail and use taxes that are**
 6 **remitted under IC 6-2.5 for transactions occurring after June 30,**
 7 **2029, by businesses operating in the certified technology park and**
 8 **no amount of adjusted gross income tax or local income tax paid by**
 9 **employees employed in the certified technology park with respect**
 10 **to wages and salary earned for work in the certified technology**
 11 **park after June 30, 2029, may be deposited in the incremental tax**
 12 **financing fund for the certified technology park, regardless of**
 13 **whether the maximum annual amount under subdivision (1) or (2)**
 14 **has been met.**

15 **(g) For purposes of calculating the income tax incremental**
 16 **amount for the additional annual deposit amount under subsection**
 17 **(f), only wages attributable to new employees hired on or after the**
 18 **date the certified technology park becomes a Level 3 certified**
 19 **technology park shall be included in the calculation. The**
 20 **department of state revenue shall determine the incremental**
 21 **amount based only on the net payroll increase over the base payroll**
 22 **determined at the time of the Level 3 designation.**

23 **(h) Once a certified technology park meets the requirements of**
 24 **designation as a Level 3 certified technology park, the department**
 25 **of state revenue shall, not later than ninety (90) days after receipt**
 26 **of all information necessary to make the determination, issue a**
 27 **written determination establishing:**

- 28 **(1) the date on which the certified technology park became a**
 29 **Level 3 certified technology park; and**
 30 **(2) the base payroll amount to be used for purposes of**
 31 **calculating the income tax incremental amount under section**
 32 **8.5 of this chapter.**

33 **The department of state revenue may require the submission of**
 34 **documentation reasonably necessary to make the determination**
 35 **under this subsection.**

36 ~~(f)~~ **(i) This subsection applies to a Level 2 or Level 3 certified**
 37 **technology park designated in subsection (e) or (f). When the office**
 38 **recertifies a certified technology park as required under section 11 of**
 39 **this chapter, the office shall make a determination of whether the**
 40 **certified technology park shall continue to be designated as a Level 2**
 41 **or Level 3 certified technology park.**

42 ~~(g)~~ **(j) On or before the twentieth day of each month, all amounts**
 43 **held in the incremental tax financing fund established for a certified**
 44 **technology park shall be distributed to the redevelopment commission**
 45 **for deposit in the certified technology park fund established under**
 46 **section 23 of this chapter.**

47 **SECTION 23. [EFFECTIVE UPON PASSAGE] (a) As used in this**
 48 **SECTION, "division" means the division of family resources**
 49 **established by IC 12-13-1-1.**

50 **(b) As used in this SECTION, "EBT card" refers to a magnetic**
 51 **stripe card issued by or on behalf of the division for distribution of**

1 SNAP assistance through an electronic benefits transfer program.

2 (c) As used in this SECTION, "SNAP" refers to the federal
3 Supplemental Nutrition Assistance Program under 7 U.S.C. 2011
4 et seq.

5 (d) The office of the secretary of family and social services and
6 division shall, when issuing a request for proposals for vendors to
7 implement or maintain an electronic benefits transfer program in
8 Indiana for SNAP assistance, require that, as part of its services,
9 a vendor offer a mobile application that allows the division to
10 implement technology solutions to prevent theft of SNAP benefits
11 and allow for the following:

12 (1) EBT card locking and unlocking.

13 (2) Blocking use of an EBT card for out-of-state transactions.

14 (3) Blocking use of an EBT card for online transactions.

15 (4) Receiving alerts for suspicious transactions using an EBT
16 card.

17 (e) This SECTION expires July 1, 2029.

18 SECTION 24. [EFFECTIVE MARCH 15, 2026] (a)
19 Notwithstanding the January 1, 2027, effective date of IC 6-2.5-1-5
20 as amended by SEA 243-2026, SECTION 2, the effective date of
21 IC 6-2.5-1-5 as amended by SEA 243-2026, SECTION 2, is March
22 15, 2026.

23 (b) Notwithstanding the "upon passage" effective date of
24 IC 23-15-13, as added by SEA 243-2026, SECTION 106, the
25 effective date of IC 23-15-13, as added by SEA 243-2026,
26 SECTION 106, is March 15, 2026.

27 (c) This SECTION expires January 1, 2030.

28 SECTION 25. [EFFECTIVE MARCH 15, 2026] (a) IC 6-2.5-1-5,
29 as amended by SEA 243-2026, SECTION 2, and IC 23-15-13, as
30 added by SEA 243-2026, SECTION 106, both as amended by this
31 act, apply only to cash transactions occurring after March 14,
32 2026.

33 (b) Except as provided in subsection (c), a retail transaction is
34 considered to have occurred after March 14, 2026, if the property
35 whose transfer constitutes selling at retail is delivered to the
36 purchaser or to the place of delivery designated by the purchaser
37 after March 14, 2026.

38 (c) Notwithstanding the delivery of the property constituting
39 selling at retail after March 14, 2026, a transaction is considered
40 to have occurred before March 15, 2026, to the extent that:

41 (1) the agreement of the parties to the transaction is entered
42 into before March 15, 2026; and

43 (2) payment for the property furnished in the transaction is
44 made before March 15, 2026.

45 (d) This SECTION expires January 1, 2030.

46 SECTION 26. SEA 243-2026, SECTION 112, IS AMENDED TO
47 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2027]: SECTION
48 112. (a) ~~IC 6-2.5-2-2~~, as amended by this act, and IC 5-36.5, and
49 ~~IC 23-15-13~~, both as added by this act, ~~apply~~ **applies** only to cash
50 transactions occurring after December 31, 2026.

51 (b) Except as provided in subsection (c), a retail transaction is

1 considered to have occurred after December 31, 2026, if the property
 2 whose transfer constitutes selling at retail is delivered to the purchaser
 3 or to the place of delivery designated by the purchaser after December
 4 31, 2026.

5 (c) Notwithstanding the delivery of the property constituting selling
 6 at retail after December 31, 2026, a transaction is considered to have
 7 occurred before January 1, 2027, to the extent that:

8 (1) the agreement of the parties to the transaction is entered into
 9 before January 1, 2027; and

10 (2) payment for the property furnished in the transaction is made
 11 before January 1, 2027.

12 (d) This SECTION expires January 1, 2030.

13 SECTION 27. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
 14 **SECTION, "data center" means one (1) or more buildings that are**
 15 **rehabilitated or constructed to house a group of networked server**
 16 **computers in one (1) physical location in order to centralize the**
 17 **storage, management, and dissemination of data and information**
 18 **pertaining to a particular business, taxonomy, or body of**
 19 **knowledge.**

20 (b) **As used in this SECTION, "data center equipment" has the**
 21 **meaning set forth in IC 6-2.5-15-2.**

22 (c) **The Indiana finance authority (established by IC 5-1.2-3-1),**
 23 **in collaboration with the Indiana economic development**
 24 **corporation (established by IC 5-28-3-1), shall conduct a study and**
 25 **prepare a report evaluating the following:**

26 (1) **Each of the:**

27 (A) **property tax incentives that may be granted by a local**
 28 **unit;**

29 (B) **state adjusted gross income tax incentives;**

30 (C) **state gross retail and use tax incentives; and**

31 (D) **other tax incentives;**

32 **that are available to data centers or are applicable to data**
 33 **center equipment under current Indiana law, including a**
 34 **review of the state and local fiscal impact of the utilization of**
 35 **any of the tax incentives.**

36 (2) **The impact of data centers on the:**

37 (A) **costs of utilities; and**

38 (B) **water supply;**

39 **for local governments and consumers.**

40 (3) **The local and regional environmental impacts of data**
 41 **centers.**

42 **The report shall include recommendations on whether the**
 43 **continued availability of each tax incentive, with or without new**
 44 **statutory limitations on the amounts of tax incentives that may be**
 45 **awarded, is beneficial to the state and local economies and**
 46 **workforces. The report shall also include recommendations**
 47 **concerning the impacts on utilities and the water supply for local**
 48 **governments and consumers, and recommendations concerning the**
 49 **local and regional environmental impacts. Not later than**
 50 **November 1, 2026, the Indiana finance authority (established by**
 51 **IC 5-1.2-3-1) shall submit the report to the interim study**

1 committee on fiscal policy.
2 (d) This SECTION expires July 1, 2027.
3 SECTION 28. [EFFECTIVE UPON PASSAGE] (a)
4 Notwithstanding any provision to the contrary in SECTION 6 of
5 P.L.213-2025 (HEA 1001-2025) or any other law, the budget
6 agency may, subject to budget committee review, augment the
7 amount appropriated in SECTION 6 of P.L.213-2025 (HEA
8 1001-2025) to the grain buyers and warehouse licensing agency for
9 the state fiscal year beginning July 1, 2026, and ending June 30,
10 2027, from the grain buyers and warehouse licensing agency
11 license fee fund (established by IC 26-3-7-6.3), in an amount that
12 may not exceed three hundred thousand dollars (\$300,000) for the
13 purposes of implementation and administration of IC 26-3-7 and
14 IC 26-3-7.5.
15 (b) This SECTION expires July 1, 2027.
16 SECTION 29. An emergency is declared for this act.
 (Reference is to EHB 1406 as printed February 18, 2026.)

Conference Committee Report
on
Engrossed House Bill 1406

Signed by:

Representative Thompson
Chairperson

Senator Holdman

Representative Snow

Senator Hunley

House Conferees

Senate Conferees