



PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 4 be amended to read as follows:

- 1 Page 13, between lines 33 and 34, begin a new paragraph and insert:
- 2 "SECTION 8. IC 6-1.1-10-44, AS AMENDED BY P.L.256-2019,
- 3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2026]: Sec. 44. (a) As used in this section, "designating body"
- 5 means the fiscal body of:
- 6 (1) a county that does not contain a consolidated city; or
- 7 (2) a municipality.
- 8 (b) As used in this section, "eligible business" means an entity that
- 9 meets the following requirements:
- 10 (1) The entity is engaged in a business that:
- 11 (A) operates; or
- 12 (B) leases qualified property for use in;
- 13 one (1) or more facilities or data centers dedicated to computing,
- 14 networking, or data storage activities.
- 15 (2) The entity's qualified property is located at a facility or data
- 16 center in Indiana.
- 17 (3) The entity, the lessor of qualified property (if the entity is a
- 18 lessee), and all lessees of qualified property invest in the
- 19 aggregate at least twenty-five million dollars (\$25,000,000) in
- 20 real and personal property at the facility or data center after June
- 21 30, 2012.

1 (4) The average wage of employees who are located in the county
 2 or municipality and engaged in the operation of the facility or data
 3 center is at least one hundred twenty-five percent (125%) of the
 4 county average wage for the county in which the facility or data
 5 center operates.

6 (c) As used in this section, "enterprise information technology
 7 equipment" means the following:

8 (1) Hardware supporting computing, networking, or data storage
 9 functions, including servers and routers.

10 (2) Networking systems having an industry designation as
 11 equipment within the "enterprise" or "data center" class of
 12 networking systems that support the computing, networking, or
 13 data storage functions.

14 (3) Generators and other equipment used to ensure an
 15 uninterrupted power supply to equipment described in subdivision
 16 (1) or (2).

17 The term does not include computer hardware designed for single user,
 18 workstation, or departmental level use.

19 (d) As used in this section, "fiscal body" has the meaning set forth
 20 in IC 36-1-2-6.

21 (e) As used in this section, "municipality" has the meaning set forth
 22 in IC 36-1-2-11.

23 (f) As used in this section, "qualified property" means enterprise
 24 information technology equipment purchased after June 30, 2012, and
 25 any additions to or replacements to such property.

26 (g) **Subject to subsection (i)**, a designating body may enter into an
 27 agreement with an eligible business to grant the eligible business a
 28 property tax exemption. In the case of a county, the exemption applies
 29 only to qualified property that is located in unincorporated territory of
 30 the county. In the case of a municipality, the exemption applies only to
 31 qualified property that is located in the municipality. The property tax
 32 exemption applies to the qualified property only if the designating body
 33 and the eligible business enter into an agreement concerning the
 34 property tax exemption. The agreement must specify the duration of the
 35 property tax exemption. The agreement may specify that if the
 36 ownership of qualified property is transferred by an eligible business,
 37 the transferee is entitled to the property tax exemption on the same
 38 terms as the transferor. If a designating body enters into an agreement
 39 with an eligible business, the qualified property owned by the eligible
 40 business is exempt from property taxation as provided in the resolution
 41 and the agreement.

42 (h) If a designating body enters into an agreement under subsection
 43 (g) to provide a property tax exemption, the property tax exemption
 44 continues for the period specified in the agreement.

45 (i) **Notwithstanding any other law, after June 30, 2026, and**
 46 **before May 1, 2027, a designating body may not enter into an**

1 agreement with an eligible business to grant the eligible business a
 2 property tax exemption on qualified property in an amount that
 3 exceeds fifteen percent (15%) of the total net assessed value of the
 4 tangible property attributable to the data center in the county. An
 5 agreement to grant a property tax exemption on qualified property
 6 that was entered into before July 1, 2026, may continue for the
 7 period specified and for the amount specified in the agreement."

8 Page 17, between lines 36 and 37, begin a new paragraph and insert:

9 "SECTION 11. IC 6-2.5-15-0.2 IS ADDED TO THE INDIANA
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 0.2. (a) Notwithstanding any**
 11 **other provision in this chapter, the corporation may not issue a**
 12 **new specific transaction award certificate under this chapter after**
 13 **June 30, 2026, and before May 1, 2027, for transactions involving**
 14 **the purchase of data center equipment.**

15
 16 **(b) Subsection (a) may not be construed to affect the terms of a**
 17 **specific transaction award certificate issued under this chapter**
 18 **before July 1, 2026.**

19 SECTION 12. IC 6-3-1-10.5 IS ADDED TO THE INDIANA CODE
 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 21 1, 2026]: **Sec. 10.5. The term "data center" means one (1) or more**
 22 **buildings that are rehabilitated or constructed to house a group of**
 23 **networked server computers in one (1) physical location in order**
 24 **to centralize the storage, management, and dissemination of data**
 25 **and information pertaining to a particular business, taxonomy, or**
 26 **body of knowledge.**

27 SECTION 13. IC 6-3.1-24-2, AS AMENDED BY P.L.4-2005,
 28 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2026]: **Sec. 2. As used in this chapter, "qualified Indiana**
 30 **business" means an independently owned and operated business that**
 31 **is certified as a qualified Indiana business by the Indiana economic**
 32 **development corporation under section 7 of this chapter. The term**
 33 **does not include a business operated as a data center (as defined in**
 34 **IC 6-3-1-10.5)."**

35 Page 20, between lines 33 and 34, begin a new paragraph and insert:

36 "SECTION 17. IC 6-3.1-24-16 IS ADDED TO THE INDIANA
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2026]: **Sec. 16. Notwithstanding any other**
 39 **provision of this chapter, after June 30, 2026, and before May 1,**
 40 **2027, an entity that is operated as a data center (as defined in**
 41 **IC 6-3-1-10.5) is not eligible for, shall not be awarded, and may not**
 42 **claim a credit against the entity's adjusted gross income tax**
 43 **liability under this chapter."**

44 Page 21, between lines 35 and 36, begin a new paragraph and insert:

45 "SECTION 21. IC 6-3.1-34-6, AS AMENDED BY P.L.135-2022,
 46 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JULY 1, 2026]: Sec. 6. As used in this chapter, "qualified
2 redevelopment site" means a vacant or underutilized property in
3 Indiana as determined by the corporation. **The term does not include**
4 **land on which a data center (as defined in IC 6-3-1-10.5) is located.**

5 SECTION 22. IC 6-3.1-34-23.5 IS ADDED TO THE INDIANA
6 CODE AS A NEW SECTION TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2026]: **Sec. 23.5. (a) Notwithstanding any**
8 **other provision of this chapter, after June 30, 2026, and before**
9 **May 1, 2027, an entity that is operated as a data center (as defined**
10 **in IC 6-3-1-10.5) is not eligible for, shall not be awarded for the**
11 **first time, and may not claim a credit against the entity's adjusted**
12 **gross income tax liability under this chapter.**

13 **(b) This section shall not apply to an entity that has entered into**
14 **an agreement with the Indiana economic development corporation**
15 **under section 17 of this chapter for an award of a tax credit under**
16 **this chapter before July 1, 2026."**

17 Page 42, between lines 17 and 18, begin a new paragraph and insert:

18 "SECTION 39. [EFFECTIVE UPON PASSAGE] **(a) As used in**
19 **this SECTION, "data center" means one (1) or more buildings that**
20 **are rehabilitated or constructed to house a group of networked**
21 **server computers in one (1) physical location in order to centralize**
22 **the storage, management, and dissemination of data and**
23 **information pertaining to a particular business, taxonomy, or body**
24 **of knowledge.**

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

27 **(c) The budget committee shall, with the assistance of the budget**
28 **agency, review and prepare a report evaluating:**

- 29 **(1) property tax incentives that may be granted by a local**
30 **unit;**
- 31 **(2) state adjusted gross income tax incentives;**
- 32 **(3) state gross retail and use tax incentives; and**
- 33 **(4) any other tax incentives;**

34 **that are available to data centers or are applicable to data center**
35 **equipment under current Indiana law, including the state and local**
36 **fiscal impact of the utilization of any of the tax incentives and**
37 **recommendations on whether the continued availability of each tax**
38 **incentive, with or without new statutory limitations on the amounts**
39 **of tax incentives that may be awarded, is beneficial to the state and**
40 **local economies and workforces. Not later than September 30,**
41 **2026, the budget committee shall provide the report in an**

- 1 **electronic format under IC 5-14-6 to the legislative council.**
- 2 **(d) This SECTION expires July 1, 2027."**
- 3 Renumber all SECTIONS consecutively.
(Reference is to ESB 4 as printed February 19, 2026.)

Representative DeLaney