



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WITHDRAWN	Noes _____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 23, between lines 36 and 37, begin a new paragraph and insert:
- 2 "SECTION 17. IC 6-3.1-46 IS ADDED TO THE INDIANA CODE
- 3 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]:
- 5 **Chapter 46. Tariff Impact Mitigation**
- 6 **Sec. 1. The tax credit allowed by section 14 of this chapter**
- 7 **applies to a taxable year beginning after December 31, 2026.**
- 8 **Sec. 2. As used in this chapter, "department" refers to the**
- 9 **department of state revenue.**
- 10 **Sec. 3. As used in this chapter, "fund" refers to the tariff impact**
- 11 **mitigation fund established by section 12 of this chapter.**
- 12 **Sec. 4. As used in this chapter, "office" refers to the office of**
- 13 **management and budget established by IC 4-3-22-3.**
- 14 **Sec. 5. As used in this chapter, "qualified tariffs" refers to the**
- 15 **tariffs that were:**
- 16 **(1) imposed by the federal government on goods imported**
- 17 **from another country during the period beginning January**
- 18 **20, 2025, and ending February 21, 2026; and**
- 19 **(2) ruled unconstitutional by the Supreme Court of the United**
- 20 **States in New Learning, Inc. v. Trump, President of the**
- 21 **United States, et al.**
- 22 **Sec. 6. As used in this chapter, "state tax liability" means a**

1 taxpayer's total tax liability that is incurred under IC 6-3-1
2 through IC 6-3-7 (the adjusted gross income tax) as computed after
3 the application of the credits that under IC 6-3.1-1-2 are to be
4 applied before the credit provided by this chapter.

5 Sec. 7. As used in this chapter, "taxpayer" means an individual
6 who has any state tax liability.

7 Sec. 8. Before July 1, 2026, the office shall contract with a state
8 educational institution for a study to determine the economic
9 impact of qualified tariffs upon the residents of Indiana. The office
10 shall submit a report to the:

11 (1) legislative council in an electronic format under IC 5-14-6;

12 and

13 (2) budget committee;

14 identifying the state educational institution contracted under this
15 section.

16 Sec. 9. The study required by section 8 of this chapter must be
17 completed before July 1, 2027. The office and the state educational
18 institution conducting the study shall present the results of the
19 study to the legislative council and the budget committee before
20 August 1, 2027.

21 Sec. 10. (a) Before August 15, 2027, the office shall submit a
22 request to the United States Secretary of the Treasury for
23 reimbursement from the federal government in an amount equal
24 to the total economic impact of the qualified tariffs upon the
25 residents of Indiana as determined by the study conducted under
26 this chapter.

27 (b) The request submitted under this section is subject to
28 IC 4-12-19-4.

29 Sec. 11. The governor shall deposit any money received in
30 response to the request submitted under section 10 of this chapter
31 into the fund.

32 Sec. 12. (a) The tariff impact mitigation fund is established.

33 (b) The fund consists of money deposited into the fund under
34 section 11 of this chapter.

35 (c) The treasurer of state shall invest the money in the fund not
36 currently needed to meet the obligations of the fund in the same
37 manner as other public funds may be invested.

38 (d) Money in the fund may only be used to offset tax credits
39 provided under this chapter.

40 Sec. 13. On January 1, 2028, and each year thereafter, the office
41 shall report to the department of state revenue the balance of the
42 fund that is available to offset tax credits provided under this
43 chapter for taxable years ending on December 31 of the previous
44 calendar year. The department of state revenue shall publish the
45 amount reported under this section on the department's website.

46 Sec. 14. (a) Subject to the availability of money in the fund to
47 offset tax credits under this chapter, a taxpayer may claim a tax

1 credit for a particular taxable year to mitigate the impact of
2 qualified tariffs upon the taxpayer.

3 (b) To claim a credit under this chapter, a taxpayer must claim
4 the credit on the taxpayer's annual state tax return or returns in
5 the manner prescribed by the department.

6 Sec. 15. (a) The amount of a taxpayer's tax credit determined
7 under this section is subject to section 16 of this chapter.

8 (b) Except as provided by subsection (c), the amount of a
9 taxpayer's credit is equal to:

10 (1) the balance of the fund that the office reports is available
11 for that particular taxable year under section 13 of this
12 chapter; divided by

13 (2) the total number of annual state tax returns filed by
14 Indiana residents in the previous calendar year as:

15 (A) individuals filing single returns;

16 (B) married couples filing joint returns; and

17 (C) married individuals filing separate returns.

18 (c) In the case of a married couple filing a joint return, the
19 amount of the credit is:

20 (1) the amount determined under subsection (a); multiplied by

21 (2) two (2).

22 Sec. 16. (a) The total amount of tax credits provided under this
23 chapter for a particular taxable year may not exceed the amount
24 described in section 15(b)(1).

25 (b) If the amount of tax credits claimed under section 14 of this
26 chapter exceeds the amount described in section 15(b)(1), the
27 department shall reduce the amount of each credit awarded under
28 this chapter by multiplying the credit amount determined under
29 section 15 of this chapter by the result of:

30 (1) the number of annual state tax returns described in section
31 15(b)(2); divided by

32 (2) the total number of annual state tax returns filed by
33 taxpayers claiming the tax credit under section 14 of this
34 chapter.

35 Sec. 17. If the amount of a taxpayer's tax credit under section 15
36 or 16 of this chapter exceeds the taxpayer's state tax liability for
37 the taxable year, the taxpayer is entitled to a refund equal to the
38 amount of the excess."

39 Renumber all SECTIONS consecutively.

(Reference is to ESB 4 as printed February 19, 2026.)

Representative Hamilton