

SENATE BILL No. 158

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-8-16.5.

Synopsis: Lake County rounding of local taxes pilot program. Establishes the Lake County rounding of local taxes pilot program. Requires a local unit to round a tax amount payable to the local unit: (1) downward in the case of a tax amount with one, two, six, or seven in the second decimal place to the next amount divisible by \$0.05; or (2) upward in the case of a tax amount with three, four, eight, or nine in the second decimal place to the next amount divisible by \$0.05.

Effective: January 1, 2027.

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January 5, 2026, read first time and referred to Committee on Tax and Fiscal Policy.



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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

SENATE BILL No. 158

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

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

1 SECTION 1. IC 6-8-16.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2027]:

4 **Chapter 16.5. Lake County Rounding of Local Taxes Pilot**
5 **Program**

6 **Sec. 1. This chapter applies only to locals in Lake County.**

7 **Sec. 2. As used in this chapter, "local unit" means any:**

8 (1) county;

9 (2) township;

10 (3) city;

11 (4) town;

12 (5) school corporation; or

13 (6) special taxing district.

14 **Sec. 3. The Lake County rounding of local taxes pilot program**
15 **is established to accommodate the phaseout of the penny by the**
16 **federal government.**

17 **Sec. 4. (a) If a tax amount payable to a local unit has a:**



- 1 **(1) one (1), two (2), six (6), or seven (7) in the second decimal**
2 **place, the local unit must round the tax amount downward to**
3 **the next amount divisible by five cents (\$0.05); or**
4 **(2) three (3), four (4), eight (8), or nine (9) in the second**
5 **decimal place, the local unit must round the tax amount**
6 **upward to the next amount divisible by five cents (\$0.05).**
7 **(b) For a tax amount payable to a local unit that is less than five**
8 **cents (\$0.05), the local unit shall round the tax amount down to**
9 **zero cents (\$0.00).**

