

SENATE BILL No. 202

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-15; IC 6-8.1-1-1; IC 28-8-4.1-707.

Synopsis: Taxation of remittances. Requires a money transmitter (entities licensed under the Money Transmission Modernization Act) to collect and remit an international money wiring fee from senders of a money transmission transaction to a location outside of the United States. Provides an income tax credit to an individual who is a citizen or national of the United States, or an alien who has lawful permanent resident status or conditional permanent resident status, and paid an international money wiring fee during the taxable year. Requires the revenue from the international money wiring fee to be deposited in the state general fund. Includes the international money wiring fee under the definition of "listed taxes" that the department of state revenue is required to collect and administer.

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

Tomes

January 8, 2026, read first time and referred to Committee on Insurance and Financial Institutions.



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. 202

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

5 **(1) is:**

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

7 **(B) an alien who has lawful permanent resident status or**
8 **conditional permanent resident status; and**

9 **(2) paid any fees under IC 28-8-4.1-707 for a money**
10 **transmission transaction during the taxable year;**
11 **is entitled to an international money wiring fee credit against the**
12 **individual's adjusted gross income tax liability for the taxable year.**

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

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



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

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

13 SECTION 2. IC 6-8.1-1-1, AS AMENDED BY P.L.1-2023,
 14 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2026]: Sec. 1. "Listed taxes" or "taxes" includes only the
 16 pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the supplemental
 17 wagering tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the
 18 slot machine wagering tax (IC 4-35-8); the type II gambling game
 19 excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the
 20 utility receipts and utility services use taxes (IC 6-2.3) (repealed); the
 21 state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax
 22 (IC 6-3); the pass through entity tax (IC 6-3-2.1); the supplemental net
 23 income tax (IC 6-3-8) (repealed); the county adjusted gross income tax
 24 (IC 6-3.5-1.1) (repealed); the county option income tax (IC 6-3.5-6)
 25 (repealed); the county economic development income tax (IC 6-3.5-7)
 26 (repealed); the local income tax (IC 6-3.6); the auto rental excise tax
 27 (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC
 28 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC
 29 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under
 30 IC 6-8.1-3; the vehicle excise tax (IC 6-6-5); the aviation fuel excise
 31 tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the
 32 excise tax imposed on recreational vehicles and truck campers (IC
 33 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the
 34 heavy equipment rental excise tax (IC 6-6-15); the vehicle sharing
 35 excise tax (IC 6-6-16); the cigarette tax (IC 6-7-1); the closed system
 36 cartridge tax (IC 6-7-2-7.5); the electronic cigarette tax (IC 6-7-4); the
 37 beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine
 38 excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the
 39 petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC
 40 6-9); the various food and beverage taxes (IC 6-9); the county
 41 admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC
 42 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3 and



IC 9-20-18); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-20-18); **the international money wiring fee (IC 28-8-4.1-707)**; and any other tax or fee that the department is required to collect or administer.

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

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

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

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

(B) an amount equal to one percent (1%) of the amount of the transmission that exceeds five hundred dollars (\$500).

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

(c) Fees remitted under this section shall be deposited in the state general fund.

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

(1) is:

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

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

(2) has a valid Social Security number; and

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

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

(e) The international money wiring fee shall be considered a listed tax for purposes of IC 6-8.1.



1 (f) The director of the department, in conjunction with the
 2 department of state revenue, may suspend the license of a licensee
 3 if the licensee fails to report or fails to remit the fee under this
 4 section. If the license of a licensee is suspended under this
 5 subsection, the licensee may not reapply for a license until all
 6 required reports have been filed and all required fee amounts have
 7 been paid as set forth in this section.

8 (g) Upon request of the department of state revenue, the
 9 director of the department may make a claim against the surety
 10 bond of the licensee for noncompliance with this section.

11 (h) The drug enforcement section of the state police department
 12 and the office of the attorney general may assist the department of
 13 state revenue in conducting audits and prosecuting violations of
 14 this section.

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

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

18 (b) This SECTION expires June 30, 2030.

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

