

SENATE BILL No. 212

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-1-11.

Synopsis: State income tax conformity. Amends the definition of "Internal Revenue Code" to conform with certain provisions enacted in Public Law 119-21 (H.R. 1) (commonly known as the One Big Beautiful Bill Act of 2025).

Effective: January 1, 2025 (retroactive).

Holdman

January 6, 2026, read first time and referred to Committee on Tax and Fiscal Policy.



Introduced

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. 212

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 6-3-1-11, AS AMENDED BY P.L.194-2023,
2 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2025 (RETROACTIVE)]: Sec. 11. (a) **Except as**
4 **provided in subsection (e)**, the term "Internal Revenue Code" means
5 the Internal Revenue Code of 1986 of the United States as amended
6 and in effect on January 1, 2023.

7 (b) Whenever the Internal Revenue Code is mentioned in this
8 article, or in another provision of the Indiana Code that cites the
9 definition of "Internal Revenue Code" provided in this section, the
10 particular provisions that are referred to, together with all the other
11 provisions of the Internal Revenue Code in effect on January 1, 2023,
12 that pertain to the provisions specifically mentioned, shall be regarded
13 as incorporated in this article by reference and have the same force and
14 effect as though fully set forth in this article. To the extent that a
15 federal statute in the United States Code is enacted or amended in a
16 title other than the Internal Revenue Code on or before January 1,
17 2023, and affects federal adjusted gross income, federal taxable



1 income, federal tax credits, or other federal tax attributes, the federal
2 statute shall be considered to be part of the Internal Revenue Code as
3 amended and in effect on January 1, 2023. To the extent:

4 (1) the provisions of the Internal Revenue Code apply to this
5 article, regulations adopted under Section 7805(a) of the Internal
6 Revenue Code, and in effect on January 1, 2023; and

7 (2) a federal statute in the United States Code that is enacted or
8 amended in a title other than the Internal Revenue Code on or
9 before January 1, 2023, and affects federal adjusted gross income,
10 federal taxable income, federal tax credits, or other federal tax
11 attributes applies to this article, regulations adopted under the
12 federal statute of the United States Code and in effect on January
13 1, 2023;

14 shall be regarded as rules adopted by the department under this article,
15 unless the department adopts specific rules that supersede the
16 regulation.

17 (c) An amendment to the Internal Revenue Code made by an act
18 passed by Congress before January 1, 2023, other than the federal 21st
19 Century Cures Act (P.L. 114-255) and the federal Disaster Tax Relief
20 and Airport and Airway Extension Act of 2017 (P.L. 115-63), that is
21 effective for any taxable year that began before January 1, 2023, and
22 that affects:

23 (1) individual adjusted gross income (as defined in Section 62 of
24 the Internal Revenue Code);

25 (2) corporate taxable income (as defined in Section 63 of the
26 Internal Revenue Code);

27 (3) trust and estate taxable income (as defined in Section 641(b)
28 of the Internal Revenue Code);

29 (4) life insurance company taxable income (as defined in Section
30 801(b) of the Internal Revenue Code);

31 (5) mutual insurance company taxable income (as defined in
32 Section 821(b) of the Internal Revenue Code); or

33 (6) taxable income (as defined in Section 832 of the Internal
34 Revenue Code);

35 is also effective for that same taxable year for purposes of determining
36 adjusted gross income under section 3.5 of this chapter and
37 IC 6-5.5-1-2.

38 (d) This subsection applies to a taxable year ending before January
39 1, 2013. The following provisions of the Internal Revenue Code that
40 were amended by the Tax Relief Act, Unemployment Insurance
41 Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are
42 treated as though they were not amended by the Tax Relief Act,



1 Unemployment Insurance Reauthorization, and Job Creation Act of
2 2010 (P.L. 111-312):

3 (1) Section 1367(a)(2) of the Internal Revenue Code pertaining to
4 an adjustment of basis of the stock of shareholders.
5 (2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal
6 Revenue Code pertaining the treatment of certain dividends of
7 regulated investment companies.
8 (3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code
9 pertaining to regulated investment companies qualified entity
10 treatment.
11 (4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code
12 pertaining to the modification of tax treatment of certain
13 payments to controlling exempt organizations.
14 (5) Section 613A(c)(6)(H)(ii) of the Internal Revenue Code
15 pertaining to the limitations on percentage depletion in the case
16 of oil and gas wells.
17 (6) Section 451(i)(3) of the Internal Revenue Code pertaining to
18 special rule for sales or dispositions to implement Federal Energy
19 Regulatory Commission or state electric restructuring policy for
20 qualified electric utilities.
21 (7) Section 954(c)(6) of the Internal Revenue Code pertaining to
22 the look-through treatment of payments between related
23 controlled foreign corporation under foreign personal holding
24 company rules.

25 The department shall develop forms and adopt any necessary rules
26 under IC 4-22-2 to implement this subsection.

27 **(e) Solely for purposes of the provisions specified in subsection
28 (f), the term "Internal Revenue Code" shall mean the Internal
29 Revenue Code as in effect on July 4, 2025, and any reference to
30 January 1, 2023, in this section shall be applied as if the reference
31 is to July 4, 2025.**

32 **(f) The provisions to which subsection (e) is to be applied are as
33 follows:**

34 **(1) Section 23 of the Internal Revenue Code.
35 (2) Section 168(e)(3)(B)(vi) of the Internal Revenue Code.
36 (3) Section 223(c)(2)(E) of the Internal Revenue Code.**

37 **SECTION 2. An emergency is declared for this act.**

