

PROPOSED AMENDMENT

SB 212 # 2

DIGEST

Utility service. Provides that a transaction involving the sale of utility service, as reflected in the total amount billed by a utility in a customer bill that is issued after December 31, 2026, is exempt from the state gross retail tax. Provides that this exemption applies to: (1) the sale of electric, natural gas, water, or wastewater service; and (2) a customer bill issued by a utility after December 31, 2026, regardless of whether the bill includes any fees or charges for utility service provided to the customer before January 1, 2027.

1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:

3 "SECTION 1. IC 6-2.5-5-59.1 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE UPON PASSAGE]: Sec. 59.1. (a) This section applies
6 to a transaction involving the sale of utility service by a utility
7 regardless of whether the utility is under the jurisdiction of the
8 Indiana utility regulatory commission for the approval of rates and
9 charges.

10 (b) As used in this section, "customer" refers to a customer of
11 any class, including:

12 (1) a residential customer;
13 (2) a commercial customer; or
14 (3) an industrial customer;

15 that has agreed to pay for utility service provided by a utility.

16 (c) As used in this section, "utility" means a person, however
17 organized, that provides utility service to a customer.

18 (d) As used in this section, "utility service" means:

19 (1) electric;
20 (2) natural gas;
21 (3) water; or
22 (4) wastewater;

23 service that is provided at retail to a customer in Indiana.

24 (e) A transaction involving the sale of utility service, as reflected
25 in the total amount billed by a utility in a customer bill that is

1 **issued after December 31, 2026, is exempt from the state gross**
2 **retail tax. For purposes of this subsection, the total amount billed**
3 **by a utility in a customer bill includes any:**

4 **(1) fixed charges;**
5 **(2) consumption based charges;**
6 **(3) charges in connection with a periodic rate adjustment**
7 **mechanism;**
8 **(4) taxes other than the state gross retail tax;**
9 **(5) program charges;**
10 **(6) account management or billing fees; and**
11 **(7) other applicable charges or fees;**

12 **that make up the total amount owed for the billing cycle,**
13 **regardless of whether the particular charge or fee appears as a**
14 **separate line item, or is otherwise identified, on the customer bill.**

15 **(f) The exemption provided by subsection (e) applies to a**
16 **customer bill issued by a utility after December 31, 2026,**
17 **regardless of whether the bill includes any fees or charges for**
18 **utility service provided to the customer before January 1, 2027.".**

19 Renumber all SECTIONS consecutively.

(Reference is to SB 212 as introduced.)