

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.)