



COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 242, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the amendment AM024202 adopted by the Senate Tax and
- 2 Fiscal Policy Committee on January 13, 2026.
- 3 Page 2, between lines 22 and 23, begin a new paragraph and insert:
- 4 "SECTION 4. IC 6-9-45.5-13 IS REPEALED [EFFECTIVE JULY
- 5 1, 2025 (RETROACTIVE)]. See: 13. (a) As used in this section,
- 6 "another food and beverage tax" refers to an excise tax that is imposed
- 7 under any law other than this chapter and that is levied in all or any
- 8 part of Orange County on a transaction in which food or beverage is
- 9 furnished; prepared; or served:
 - 10 (1) for consumption at a location; or on equipment; provided by
 - 11 a retail merchant;
 - 12 (2) in the area in which the food and beverage tax is imposed; and
 - 13 (3) by a retail merchant for consideration.
- 14 (b) Notwithstanding any other law, another food and beverage tax
- 15 does not apply to transactions described in section 9 of this chapter.".
- 16 Page 2, delete lines 23 through 42.
- 17 Delete page 3.
- 18 Page 4, delete lines 1 through 23, begin a new paragraph and insert:
- 19 "SECTION 1. IC 6-9-56-4, AS ADDED BY P.L.236-2023,

1 SECTION 121, IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) If a tax is imposed under
3 section 3 of this chapter, the county treasurer shall establish the
4 following funds:

5 (1) A convention, visitor, and tourism promotion fund.
6 (2) A tourism capital fund, if the county fiscal body adopts an
7 ordinance to increase the tax rate under section 3 of this chapter
8 and both the county fiscal body and the county executive adopt
9 ordinances approving the establishment of a tourism capital fund.

10 The county treasurer shall deposit in each fund all amounts the county
11 treasurer receives under section 3 of this chapter and in accordance
12 with the allocations required by sections 7 and 8 **8.5** of this chapter.

13 (b) The county auditor shall issue a warrant directing the county
14 treasurer to transfer money from the convention, visitor, and tourism
15 promotion fund and tourism capital fund to the commission's treasurer
16 if the commission submits a written request for the transfer.

17 (c) Money in a convention, visitor, and tourism promotion fund, or
18 money transferred from such a fund under subsection (b), may be
19 expended only to promote and encourage conventions, visitors, and
20 tourism within the county. Expenditures under this subsection may
21 include expenditures for advertising, promotional activities, trade
22 shows, special events, and recreation.

23 (d) Money in a tourism capital fund, or money transferred from such
24 a fund under subsection (b), may be expended on infrastructure
25 projects that improve or benefit the tourism economy. Expenditures
26 may include acquisition, construction, alteration, improvements, or
27 installation costs of any existing tangible property or tangible property
28 that is to be constructed. Expenditures may include fees for
29 professional services such as architectural, building consulting or
30 planning, and infrastructure feasibility.

31 SECTION 4. IC 6-9-56-5, AS ADDED BY P.L.236-2023,
32 SECTION 121, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) The county executive shall
34 create a commission to promote the development and growth of the
35 convention, visitor, and tourism industry in the county.

36 (b) The county executive shall determine the number of members,
37 which must be an odd number and may not exceed fifteen (15)
38 members, to be appointed to the commission. A simple majority of the

1 members must **not** represent the hospitality industry or be:

2 (1) engaged in a convention, visitor, or tourism business; or

3 (2) involved in or promoting conventions, visitors, or tourism.

4 A member appointed to the commission under subdivision (1) or (2)

5 need not be a resident of the county if the member is an owner or an

6 executive level employee of a convention, visitor, or tourism business

7 that is located within the county. However, the member must be a

8 resident of Indiana. If available and willing to serve, at least two (2) of

9 the members must be engaged in the business of renting or furnishing

10 rooms, lodging, or accommodations (as described in section 3 of this

11 chapter). Not more than one (1) member may be affiliated with the

12 same business entity. Except as otherwise provided in this subsection,

13 each member must reside in the county. The county executive shall

14 also determine who will make the appointments to the commission.

15 (c) All terms of office of commission members begin on January 1.

16 Initial appointments must be for staggered terms, with subsequent

17 appointments for two (2) year terms. A member whose term expires

18 may be reappointed to serve another term. If a vacancy occurs, the

19 appointing authority shall appoint a qualified person to serve for the

20 remainder of the term. If an initial appointment is not made by

21 February 1 or a vacancy is not filled within thirty (30) days, the

22 commission shall appoint a member by majority vote.

23 (d) A member of the commission may be removed for cause by the

24 member's appointing authority.

25 (e) Members of the commission may not receive a salary. However,

26 commission members are entitled to reimbursement for necessary

27 expenses incurred in the performance of their respective duties.

28 (f) Each commission member, before entering the member's duties,

29 shall take an oath of office in the usual form, to be endorsed upon the

30 member's certificate of appointment and promptly filed with the clerk

31 of the circuit court of the county.

32 (g) The commission shall meet after January 1 each year for the

33 purpose of organization. It shall elect one (1) of its members president,

34 another vice president, another secretary, and another treasurer. The

35 members elected to those offices shall perform the duties pertaining to

36 the offices. The first officers chosen shall serve from the date of their

37 election until their successors are elected and qualified. A majority of

38 the commission constitutes a quorum, and the concurrence of a

1 majority of the commission is necessary to authorize any action.

2 SECTION 5. IC 6-9-56-8 IS REPEALED [EFFECTIVE JULY 1,
3 2026]. See: 8. (a) The county treasurer shall deposit in the tourism
4 capital fund the amount of money received under section 3 of this
5 chapter that exceeds five percent (5%). Money deposited in the tourism
6 capital fund shall be transferred or expended only as provided in this
7 section.

8 (b) The commission must approve any transfer of money from the
9 tourism capital fund and may transfer money from the tourism capital
10 fund to support capital projects in the county that promote long term
11 tourism, convention, or recreation projects proposed by any of the
12 following:

13 (1) The county government.

14 (2) A city government.

15 (3) A separate body corporate and politic in Hamilton County.

16 (4) Any Indiana nonprofit corporation in Hamilton County.

17 The commission may transfer money under this subsection on a
18 monthly basis or at another frequency as determined by the
19 commission.

20 (c) The commission may also review and approve proposals
21 submitted by applicants that seek money from the tourism capital fund
22 with the purpose and view of enhancing or providing support for
23 capital projects that promote long term tourism, convention, or other
24 economic development related to recreation. Funding available under
25 this subsection shall be made available on an annual basis. In
26 determining whether to provide funding to a particular capital project
27 under this subsection, the commission may use the following factors as
28 a guide for capital project funding:

29 (1) The proposed capital project is believed to be economically
30 sound to the Hamilton County tourism, convention, or recreation
31 economy and is also believed to be beneficial to:

32 (A) the general population of Hamilton County; or

33 (B) a particular location in Hamilton County.

34 (2) The proposed capital project provides for reasonably adequate
35 public assembly, gathering, or entertainment space and is
36 integrally related to enhancing the tourism, convention, or
37 recreation opportunities in Hamilton County or a particular
38 location in Hamilton County.

(3) The commission makes a reasonable effort to assess whether a proposed capital project aligns with the purpose of the commission and has a direct, indirect, or supportive relationship to the mission and promotional efforts of the commission as established and funded by the convention, visitor, and tourism promotion fund.

7 A capital project proposed by an applicant that does not meet at least
8 one (1) of the criteria set forth in this subsection will not be funded;
9 and any remaining funds collected revert to the tourism capital fund for
10 distribution by the commission on projects within Hamilton County.

11 (d) An applicant that receives a grant of money from the tourism
12 capital fund under subsection (c):

16 (2) may be subject to annual financial reporting and audit.

17 SECTION 6. IC 6-9-56-8.5 IS ADDED TO THE INDIANA CODE
18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
19 1, 2026]: Sec. 8.5. (a) The county treasurer shall transfer the
20 amount of money received under section 3(c)(2) of this chapter that
21 is generated by a rate that exceeds five percent (5%) to the fiscal
22 officer of each of the following cities with each city receiving an
23 equal twenty-five percent (25%) share of the total amount
24 collected;

25 (1) Noblesville.

26 (2) Carmel.

27 (3) Fishers.

28 (4) Westfield.

36 (c) Money in the fund may be used only for capital projects for
37 tourism related purposes as determined by the city fiscal body. The
38 city fiscal body may issue bonds, enter into leases, or incur other

1 **obligations for the purposes of this subsection.**

2 **(d) Money transferred to a city under subsection (a) shall not be**
3 **used by the city for tourism marketing, tourism promotion, or**
4 **tourism planning purposes.".**

5 Page 5, line 39, after "To" insert "**contract with the convention**
6 **and visitor bureau in the county referenced in IC 6-9-9-3 to".**

7 Page 6, line 23, delete "twenty-two (22) years" and insert "**five (5)**
8 **years".**

9 Page 6, after line 32, begin a new paragraph and insert:

10 **"SECTION 9. [EFFECTIVE JULY 1, 2025 (RETROACTIVE)] For**
11 **purposes of IC 6-9-47.5:**

12 **(1) the imposition and collection of tax after June 30, 2025,**
13 **under that chapter with regard to a taxpayer that also is**
14 **subject to a tax under IC 6-9-45.5 is permitted as if**
15 **IC 6-9-45.5-13 had been repealed by P.L.230-2025; and**
16 **(2) no refund shall be permitted for the tax imposed under**
17 **IC 6-9-47.5 after June 30, 2025, based on the imposition of tax**
18 **under IC 6-9-45.5 on the same transaction.**

19 **SECTION 10. An emergency is declared for this act.".**

20 Renumber all SECTIONS consecutively.

 (Reference is to SB 242 as introduced, and amended by the Senate
 Tax and Fiscal Policy Committee on January 13, 2026.)

and when so amended that said bill do pass.

Committee Vote: Yeas 11, Nays 0.

Holdman

Chairperson