



PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 243 be amended to read as follows:

1           Page 36, delete lines 17 through 42, begin a new paragraph and  
2           insert:  
3           "SECTION 6. IC 6-3-1-11, AS AMENDED BY SEA 212-2026,  
4           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5           JANUARY 1, 2026 (RETROACTIVE)]: Sec. 11. (a) Except as  
6           provided in subsection (e), the term "Internal Revenue Code" means  
7           the Internal Revenue Code of 1986 of the United States as amended  
8           and in effect on January 1, ~~2023~~. **2026**.  
9           (b) Whenever the Internal Revenue Code is mentioned in this  
10          article, or in another provision of the Indiana Code that cites the  
11          definition of "Internal Revenue Code" provided in this section, the  
12          particular provisions that are referred to, together with all the other  
13          provisions of the Internal Revenue Code in effect on January 1, ~~2023~~,  
14          **2026**, that pertain to the provisions specifically mentioned, shall be  
15          regarded as incorporated in this article by reference and have the same  
16          force and effect as though fully set forth in this article. To the extent  
17          that a federal statute in the United States Code is enacted or amended  
18          in a title other than the Internal Revenue Code on or before January 1,  
19          ~~2023~~; **2026**, and affects federal adjusted gross income, federal taxable  
20          income, federal tax credits, or other federal tax attributes, the federal  
21          statute shall be considered to be part of the Internal Revenue Code as

1 amended and in effect on January 1, ~~2023~~; **2026**. To the extent:

2 (1) the provisions of the Internal Revenue Code apply to this  
3 article, regulations adopted under Section 7805(a) of the Internal  
4 Revenue Code, and in effect on January 1, ~~2023~~; **2026**; and

5 (2) a federal statute in the United States Code that is enacted or  
6 amended in a title other than the Internal Revenue Code on or  
7 before January 1, ~~2023~~; **2026**, and affects federal adjusted gross  
8 income, federal taxable income, federal tax credits, or other  
9 federal tax attributes applies to this article, regulations adopted  
10 under the federal statute of the United States Code and in effect  
11 on January 1, ~~2023~~; **2026**;

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

15 (c) An amendment to the Internal Revenue Code made by an act  
16 passed by Congress before January 1, ~~2023~~; **2026**, other than the  
17 federal 21st Century Cures Act (P.L. 114-255) and the federal Disaster  
18 Tax Relief and Airport and Airway Extension Act of 2017 (P.L.  
19 115-63), that is effective for any taxable year that began before January  
20 1, ~~2023~~; **2026**, and that affects:

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

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

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

27 (4) life insurance company taxable income (as defined in Section  
28 801(b) of the Internal Revenue Code);

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

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

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

36 (d) This subsection applies to a taxable year ending before January  
37 1, 2013. The following provisions of the Internal Revenue Code that  
38 were amended by the Tax Relief Act, Unemployment Insurance  
39 Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are  
40 treated as though they were not amended by the Tax Relief Act,  
41 Unemployment Insurance Reauthorization, and Job Creation Act of  
42 2010 (P.L. 111-312):

43 (1) Section 1367(a)(2) of the Internal Revenue Code pertaining to  
44 an adjustment of basis of the stock of shareholders.

45 (2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal  
46 Revenue Code pertaining the treatment of certain dividends of

- 1 regulated investment companies.
- 2 (3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code
- 3 pertaining to regulated investment companies qualified entity
- 4 treatment.
- 5 (4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code
- 6 pertaining to the modification of tax treatment of certain
- 7 payments to controlling exempt organizations.
- 8 (5) Section 613A(c)(6)(H)(ii) of the Internal Revenue Code
- 9 pertaining to the limitations on percentage depletion in the case
- 10 of oil and gas wells.
- 11 (6) Section 451(i)(3) of the Internal Revenue Code pertaining to
- 12 special rule for sales or dispositions to implement Federal Energy
- 13 Regulatory Commission or state electric restructuring policy for
- 14 qualified electric utilities.
- 15 (7) Section 954(c)(6) of the Internal Revenue Code pertaining to
- 16 the look-through treatment of payments between related
- 17 controlled foreign corporation under foreign personal holding
- 18 company rules.
- 19 The department shall develop forms and adopt any necessary rules
- 20 under IC 4-22-2 to implement this subsection.
- 21 (e) Solely for purposes of the provisions specified in subsection (f),
- 22 the term "Internal Revenue Code" shall mean the Internal Revenue
- 23 Code as in effect on July 4, 2025, and any reference to January 1, ~~2023,~~
- 24 **2026**, in this section shall be applied as if the reference is to July 4,
- 25 2025.
- 26 (f) The provisions to which subsection (e) is to be applied are as
- 27 follows:
- 28 (1) Section 23 of the Internal Revenue Code.
- 29 (2) Section 168(e)(3)(B)(vi) of the Internal Revenue Code.
- 30 (3) Section 223(c)(2)(E) of the Internal Revenue Code."
- 31 Delete page 37.
- 32 Page 38, delete lines 1 through 16.
- 33 Renumber all SECTIONS consecutively.
- (Reference is to ESB 243 as printed February 17, 2026.)

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Representative Thompson