



Adopted	Rejected
---------	----------

COMMITTEE REPORT

YES:	12
NO:	10

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred Senate Bill 243, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, line 6, delete "(a)".
- 2 Page 1, delete lines 7 through 8.
- 3 Page 2, between lines 10 and 11, begin a new paragraph and insert:
- 4 **"Sec. 4. As used in this chapter, "state or local tax" means a tax,**
- 5 **fine, fee, or other amount required to be paid to the state or a local**
- 6 **unit. The term includes any interest, penalties, or other additional**
- 7 **fees or costs associated with a late payment or nonpayment of an**
- 8 **amount described in this section. The term does not include**
- 9 **payments for property or services sold or provided by the state or**
- 10 **local unit."**
- 11 Page 2, line 11, delete "Sec. 4." and insert "**Sec. 4.5.**".
- 12 Page 2, line 11, after "For a" insert "**state or local**".
- 13 Page 2, line 11, delete "fine, fee, or any other amount payable to".

- 1 Page 2, line 12, delete "the state or a local unit,".
- 2 Page 2, line 12, after "if the" insert "**state or local**".
- 3 Page 2, line 12, after "tax" delete ",".
- 4 Page 2, line 12, delete "fine, fee, or other amount".
- 5 Page 2, line 15, after "round the" insert "**state or local**".
- 6 Page 2, line 17, after "For a" insert "**state or local**".
- 7 Page 2, line 17, after "tax" delete ",".
- 8 Page 2, line 17, delete "fine, fee, or any other amount".
- 9 Page 2, line 20, delete "Any tax, fine, fee, or other amount payable
- 10 to the state or" and insert "**For a state or local tax that is imposed on**
- 11 **a transaction and that is required to be remitted by a person or an**
- 12 **entity to the state or local unit as an agent or a trustee of the state**
- 13 **or local unit the state or local tax shall be computed on the total**
- 14 **transaction amount, as defined in IC 23-15-13-3, prior to any**
- 15 **rounding requirement required by IC 23-15-13.**
- 16 (d) For any state or local tax that is:
- 17 (1) not imposed on a transaction but is required to be
- 18 withheld by a person or entity acting as an agent or trustee
- 19 for the state or a local unit; or
- 20 (2) otherwise included in a total transaction amount as
- 21 defined in IC 23-15-13-3;
- 22 the state or local tax withheld or included shall be computed
- 23 without rounding and, if applicable, the total transaction amount,
- 24 as defined in IC 23-15-13-3, shall be rounded in the manner
- 25 provided under IC 23-15-13-4.
- 26 (e) For purposes of this section, the following apply:
- 27 (1) The aggregate amount of a state or local tax described in
- 28 subsection (c) or (d) remitted by a person or entity, reduced
- 29 by any collection allowances or similar amounts permitted to
- 30 be retained by the person or entity, shall be subject to the
- 31 rounding provisions described in subsections (a) and (b).
- 32 (2) If multiple state or local taxes are required to be reported
- 33 on a single form, the rounding of a remittance under
- 34 subsection (a) or (b) shall be applied to the total state or local
- 35 tax amount resulting from the computation on the form and
- 36 the remittance period.
- 37 (3) For state or local taxes not described in subdivision (2), the
- 38 rounding of a state or local tax remittance described in

1 subsection (a) or (b) shall be determined separately for each
2 state or local tax type and for each remittance period.

3 **(4) If a state or local tax liability is reported in the manner**
4 **provided under subdivision (2), but the state or local unit**
5 **determines a separate liability from other state and local**
6 **taxes, subdivision (3) applies to the payment of the separate**
7 **liability.**

8 **(f) For purposes of subsections (c) and (d), if multiple state or**
9 **local taxes are required to be paid, each state or local tax shall be**
10 **computed separately and, if applicable, the total transaction**
11 **amount as defined in IC 23-15-13-3 shall be computed including all**
12 **state or local taxes required to be paid on the total transaction**
13 **amount."**

14 Page 2, delete lines 21 through 23.

15 Page 5, delete lines 1 through 28.

16 Page 51, line 14, delete "To conform with Section 224 of the
17 Internal Revenue Code".

18 Page 51, delete line 15.

19 Page 51, line 16, delete "Beautiful Bill Act, 2025), a" and insert "A".

20 Page 51, between lines 20 and 21, begin a new paragraph and insert:

21 **"(c) If a taxpayer has both qualified tips that are included in the**
22 **taxpayer's adjusted gross income and qualified tips that are not**
23 **included in the taxpayer's adjusted gross income, the deduction for**
24 **purposes of this article and IC 6-3.6 shall be equal to the qualified**
25 **tips deducted from the taxpayer's federal adjusted gross income**
26 **under Section 224 of the Internal Revenue Code multiplied by the**
27 **quotient of:**

28 **(1) the qualified tips included in the taxpayer's adjusted gross**
29 **income after the application of any other exemption,**
30 **deduction, or exclusion of qualified tips from the taxpayer's**
31 **adjusted gross income under this article or IC 6-3.6; divided**
32 **by**

33 **(2) the qualified tips included in the taxpayer's federal**
34 **adjusted gross income.**

35 **This subsection shall be applied separately to this article and**
36 **IC 6-3.6 to the extent that the taxpayer's adjusted gross income is**
37 **determined separately for each article."**

38 Page 51, line 26, delete "To conform with Section 225 of the

- 1 Internal Revenue Code".
- 2 Page 51, delete line 27.
- 3 Page 51, line 28, delete "Beautiful Bill Act, 2025), a" and insert "A".
- 4 Page 51, between lines 32 and 33, begin a new paragraph and insert:
- 5 **"(c) If a taxpayer has both qualified overtime compensation that**
- 6 **is included in the taxpayer's adjusted gross income and qualified**
- 7 **overtime compensation that is not included in the taxpayer's**
- 8 **adjusted gross income, the deduction for purposes of this article**
- 9 **and IC 6-3.6 shall be equal to the qualified overtime compensation**
- 10 **deducted from the taxpayer's federal adjusted gross income under**
- 11 **Section 225 of the Internal Revenue Code multiplied by the**
- 12 **quotient of:**
- 13 **(1) the qualified overtime compensation included in the**
- 14 **taxpayer's adjusted gross income after the application of any**
- 15 **other exemption, deduction, or exclusion of qualified tips from**
- 16 **the taxpayer's adjusted gross income under this article or**
- 17 **IC 6-3.6; divided by**
- 18 **(2) the qualified overtime compensation included in the**
- 19 **taxpayer's federal adjusted gross income.**
- 20 **This subsection shall be applied separately to this article and**
- 21 **IC 6-3.6 to the extent that the taxpayer's adjusted gross income is**
- 22 **determined separately for each article."**
- 23 Page 51, line 38, delete "To conform with Section 163(h)(4) of the
- 24 Internal Revenue".
- 25 Page 51, delete line 39.
- 26 Page 51, line 40, delete "Big Beautiful Bill Act, 2025), a" and insert
- 27 "A".
- 28 Page 52, between lines 4 and 5, begin a new paragraph and insert:
- 29 **"(c) The deduction under this section shall be allowable only if**
- 30 **the taxpayer is a resident of this state at the time the interest is**
- 31 **paid or accrued. In the case of a married couple filing a joint**
- 32 **return under this article, the taxpayer shall be the individual who**
- 33 **would be treated as paying the interest if the couple were not**
- 34 **married.**
- 35 **(d) The deduction under this section shall not be permitted**
- 36 **against the adjusted gross income of an estate or trust."**
- 37 Page 83, line 28, delete "shall stamp or firmly affix" and insert
- 38 "shall:".

- 1 Page 83, delete line 29, begin a new line block indented and insert:
 2 **"(1) stamp or firmly affix stamps immediately on each**
 3 **individual package if the retailer is also a licensed distributor;**
 4 **or**
 5 **(2) if the retailer is not a licensed distributor, return the**
 6 **stamps to the distributor from whom the stamps that were to**
 7 **have been firmly affixed were purchased."**
- 8 Page 135, line 17, delete "(a)".
- 9 Page 135, delete lines 18 through 19.
- 10 Page 135, between lines 32 and 33, begin a new line block indented
 11 and insert:
 12 **"(13) estate;"**
- 13 Page 135, line 33, delete "(13)" and insert **"(14)"**.
- 14 Page 135, line 33, delete "or".
- 15 Page 135, line 34, delete "(14)" and insert **"(15)"**.
- 16 Page 135, line 34, delete "organization." and insert **"organization;**
 17 **or"**.
- 18 Page 135, between lines 34 and 35, begin a new line block indented
 19 and insert:
 20 **"(16) state or local unit, for transactions that include a state or**
 21 **local unit selling or otherwise providing property or services**
 22 **for consideration.**
- 23 **Sec. 3. For purposes of this chapter, "total transaction amount"**
 24 **means the amount of the transaction prior to any tax imposed in**
 25 **addition to any tax imposed on the transaction and paid to the**
 26 **business entity, regardless of whether the tax is required to be**
 27 **separately stated or whether the business entity is an agent or**
 28 **trustee of a governmental entity. A tax under this section includes**
 29 **state or local taxes as defined in IC 5-36.5-1-4 and any amounts**
 30 **imposed by any other governmental entity other than a state or**

- 1 **local unit."**
- 2 Page 135, line 35, delete "Sec. 3." and insert "**Sec. 4.**".
- 3 Renumber all SECTIONS consecutively.
 (Reference is to SB 243 as printed January 21, 2026.)

and when so amended that said bill do pass.

Representative Thompson