PROPOSED AMENDMENT
SB 281 # 6

DIGEST

Data centers. Provides that data centers are not eligible for the redevelopment tax credit. Defines "data center" for purposes of the state income tax.

1   Before the enacting clause and line 1, begin a new paragraph and
2   insert:
3   "SECTION 1. IC 6-3-1-10.5 IS ADDED TO THE INDIANA CODE
4   AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
5   JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 10.5. The term "data**
6   **center" means one (1) or more buildings that are rehabilitated or**
7   **constructed to house a group of networked server computers in one**
8   **(1) physical location in order to centralize the storage,**
9   **management, and dissemination of data and information**
10   **pertaining to a particular business, taxonomy, or body of**
11   **knowledge.**".
12   Page 2, between lines 36 and 37, begin a new paragraph and insert:
13   "SECTION 6. IC 6-3.1-34-6, AS AMENDED BY P.L.135-2022,
14   SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15   JULY 1, 2026]: Sec. 6. As used in this chapter, "qualified
16   redevelopment site" means a vacant or underutilized property in
17   Indiana as determined by the corporation. **The term does not include**
18   **land on which a data center (as defined in IC 6-3-1-10.5) is located.**
19   SECTION 7. IC 6-3.1-34-24 IS ADDED TO THE INDIANA CODE
20   AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
21   JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 24. (a) This section**
22   **applies for taxable years beginning after December 31, 2025.**
23   **(b) Notwithstanding any other provision of this chapter, and**
24   **subject to subsection (c), an entity that is operated as a data center**
25   **(as defined in IC 6-3-1-10.5) is not eligible for, shall not be**
26   **awarded, and may not claim a credit against the entity's adjusted**
27   **gross income tax liability under this chapter.**

1   **(c) This section shall not apply to an entity that has entered into**
2   **an agreement with the Indiana economic development corporation**
3   **under section 17 of this chapter for an award of a tax credit under**
4   **this chapter before January 1, 2026.**".
5   Page 4, after line 37, begin a new paragraph and insert:
6   "SECTION 14. **An emergency is declared for this act.**".
7   Renumber all SECTIONS consecutively.
    (Reference is to SB 281 as reprinted January 28, 2026.)