

IN S 361 , Enacted - Final

Indiana

SUMMARY: Makes certain amendments to the Hoosier Business Investment Tax Credit, the Economic Development For a Growing Economy Tax Credit, the Headquarters Relocation Tax Credit, and the Redevelopment Tax Credit; adds veteran owned businesses to the list of businesses that would qualify for an Enhanced Venture Capital Tax Credit; provides for innovation development districts, city and town workforce retention and recruitment funding, and tax credits for media production expenses.~SAME AS:

Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status

01/10/2022 INTRODUCED.

01/10/2022 To SENATE Committee on APPROPRIATIONS.

01/27/2022 From SENATE Committee on APPROPRIATIONS: Do pass as amended.

01/27/2022 Committee amendment adopted on SENATE floor.

01/31/2022 Amended on SENATE floor.

01/31/2022 Ordered Engrossed.

02/01/2022 Passed SENATE. *****To HOUSE.

02/08/2022 To HOUSE Committee on WAYS AND MEANS.

02/22/2022 From HOUSE Committee on WAYS AND MEANS: Do pass as amended.

02/22/2022 Committee amendment adopted on HOUSE floor.

02/24/2022 Amended on HOUSE floor.

02/24/2022 Ordered Engrossed.

02/28/2022 Passed HOUSE. *****To SENATE for concurrence.

03/01/2022 SENATE refused to concur in HOUSE amendments.

03/01/2022 *****To CONFERENCE Committee.

03/08/2022 CONFERENCE Committee Report adopted by SENATE.

03/08/2022 CONFERENCE Committee Report adopted by HOUSE.

03/09/2022 Eligible for GOVERNOR'S desk.

03/15/2022 *****To GOVERNOR.

03/15/2022 Signed by GOVERNOR.

03/16/2022 Public Law No. 135-2022

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session: Indiana 122nd General Assembly - Second Regular Session

cite: 2022 IN S 361

Enacted - Final

March 15, 2022

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Second Regular Session of the 122nd General Assembly (2022)

SENATE ENROLLED ACT No. 361

Public Law Number 135-2022

AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

TEXT OMITTED, DOES NOT PERTAIN TO FILM

SECTION 2. IC 5-28-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:

Sec. 1.5. "Applicable tax credit" means a tax credit available under any of the following:

- (1) IC 6-3.1-13.***
- (2) IC 6-3.1-19.***
- (3) IC 6-3.1-26.***
- (4) IC 6-3.1-30.***
- (5) IC 6-3.1-34.***
- (6) IC 6-3.1-36.***

SECTION 3. IC 5-28-6-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:

Sec. 9. (a) The aggregate amount of applicable tax credits that the corporation may award for a state fiscal year for all taxpayers is three hundred million dollars (\$300,000,000).

(b) For purposes of determining the amount of applicable tax credits that have been awarded for a state fiscal year, the following apply:

- (1) An applicable tax credit is considered awarded in the state fiscal year in which the taxpayer can first claim the credit, determined without regard to any carryforward period or carryback period.***
- (2) An applicable tax credit awarded by the corporation before July 1, 2022, shall be counted toward the aggregate credit limitation under this section.***
- (3) If an accelerated credit is awarded under IC 6-3.1-26-15, the amount counted toward the aggregate credit limitation under this section for a state fiscal year shall be the amount of the credit for the taxable year described in subdivision (1) prior to any discount.***

TEXT OMITTED, DOES NOT PERTAIN TO FILM

SECTION 19. IC 6-3.1-36 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:

Chapter 36. Film and Media Production Tax Credit

Sec. 1. As used in this chapter, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1.

Sec. 2. As used in this chapter, "qualified applicant" means a person, corporation, limited liability partnership, limited liability company, or other entity that is engaged in the business of making a qualified media production in Indiana.

Sec. 3. As used in this chapter, "qualified media production" means:

- (1) a feature length film, including an independent or studio production, or a documentary;***
- (2) a television episodic series, program, or feature;***
- (3) a music production;***
- (4) a digital media production that is intended for reasonable commercial***

exploitation; or

(5) any other similar production as determined by the corporation; that is produced in Indiana.

Sec. 4. As used in this chapter, "qualified production expenses" means expenses incurred by a qualified applicant for a qualified media production.

Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and

(2) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 6. As used in this chapter, "taxpayer" means a qualified applicant that has any state tax liability.

Sec. 7. (a) A qualified applicant may apply to the corporation for a tax credit under this chapter. The corporation shall prescribe the form and contents of the application.

(b) The corporation shall evaluate an applicant's eligibility for a tax credit under this chapter.

(c) The corporation may certify the eligibility of a taxpayer that meets the requirements for a tax credit under this chapter.

(d) If the corporation certifies a taxpayer under subsection (c), the corporation shall determine the percentage used to calculate the amount of a tax credit under section 8(2) of this chapter.

Sec. 8. If the corporation certifies a taxpayer under section 7(c) of this chapter, the taxpayer is entitled to a tax credit under this chapter equal to:

(1) the amount of the taxpayer's qualified production expenses; multiplied by

(2) a percentage determined by the corporation, not to exceed thirty percent (30%).

Sec. 9. If a pass through entity is entitled to a credit under section 8 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, member, or beneficiary of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, member, or beneficiary is entitled.

Sec. 10. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department.

Sec. 11. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the state tax liability of the taxpayer.

(b) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the first taxable year containing the taxable year for which the corporation awards the credit, then the excess may be carried over to succeeding taxable years and used as a credit against the state tax liability of the taxpayer during those taxable years.

(c) Each time that the credit is carried over to a succeeding taxable year, it is to be

reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the first taxable year containing the taxable year for which the corporation awards the credit.

(d) If a taxpayer fails to claim a credit under this chapter for a year in which the taxpayer is otherwise permitted to claim the credit, the credit will be considered to be used for purposes of subsection (c).

Sec. 12. A tax credit awarded under this chapter is subject to the limitations set forth in IC 5-28-6-9.

Sec. 13. This chapter expires July 1, 2027.

*****TEXT OMITTED, DOES NOT PERTAIN TO FILM*****

SECTION 31. *An emergency is declared for this act.*