

HOUSE BILL No. 1296

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-51.7; IC 6-3-3-15.5; IC 28-8-4.1-707.

Synopsis: Remittance fee for international money wiring. Establishes the Indiana foreign electronic transfer fees property tax relief fund (fund) for the purpose of issuing property tax relief rebates to individuals who qualify for the over 65 property tax credit. Provides that the department of state revenue administers the fund. Requires the sender of a money transmission transaction to pay a fee if the recipient of the money is located outside of the United States. Provides a tax credit for an individual who: (1) is a citizen or national of the United States, or is an alien who has lawful permanent resident status or conditional permanent resident status; and (2) paid any fees for a money transmission transaction during the taxable year. Makes an appropriation.

Effective: July 1, 2024; January 1, 2025.

Speedy, Haggard

January 10, 2024, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 123rd General Assembly (2024)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2023 Regular Session of the General Assembly.

HOUSE BILL No. 1296

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

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

1 SECTION 1. IC 6-1.1-51.7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2025]:
4 **Chapter 51.7. Foreign Electronic Transfer Fees Property Tax**
5 **Relief Fund**
6 **Sec. 1. As used in this chapter, "eligible individual" means an**
7 **individual who qualifies for a credit under IC 6-1.1-20.6-8.5 for**
8 **property taxes first due and payable for the calendar year.**
9 **Sec. 2. As used in this chapter, "fund" means the Indiana**
10 **foreign electronic transfer fees property tax relief fund established**
11 **by section 4 of this chapter.**
12 **Sec. 3. As used in this chapter, "rebate" refers to a property tax**
13 **relief rebate issued from the fund.**
14 **Sec. 4. (a) The Indiana foreign electronic transfer fees property**
15 **tax relief fund is established for the purpose of issuing property tax**
16 **relief rebates to eligible individuals.**
17 **(b) The department of state revenue shall administer the fund.**



1 (c) The fund consists of fees transferred to the fund under
2 IC 28-8-4.1-707(c).

3 (d) The costs of administering the fund and issuing rebates from
4 the fund may be paid using money in the fund.

5 (e) Money in the fund does not revert to the state general fund
6 at the end of a state fiscal year.

7 (f) Money in the fund is continuously appropriated for the
8 purposes of the fund.

9 Sec. 5. (a) Each calendar year, an eligible individual is entitled
10 to a property tax relief rebate to be paid from the money
11 transferred to the fund in the immediately preceding calendar
12 year.

13 (b) Subject to subsection (c), the amount of a rebate to which an
14 eligible individual is entitled is equal to the:

15 (1) total amount of fees transferred to the fund during the
16 immediately preceding calendar year; divided by

17 (2) number of eligible individuals for the current year.

18 (c) The amount of an eligible individual's rebate under this
19 chapter in a particular year may not exceed the amount of the
20 eligible individual's net property tax liability for property taxes for
21 the eligible individual's homestead first due and payable in the
22 year. If the amount of an eligible individual's rebate in a particular
23 year exceeds the amount of the eligible individual's net property
24 tax liability for property taxes for the eligible individual's
25 homestead first due and payable in that year, the excess must be
26 returned to the fund and shall be considered to be a fee transferred
27 to the fund for rebates in the subsequent year.

28 Sec. 6. (a) Not later than May 1 each year, the county auditor of
29 each county shall notify the department of local government
30 finance and the department of state revenue of each eligible
31 individual who owns a homestead located in the county, including
32 the amount of the eligible individual's net property tax liability for
33 property taxes for the eligible individual's homestead first due and
34 payable in that year, in a form and manner prescribed by the
35 department.

36 (b) The department of state revenue shall issue a rebate to each
37 eligible individual according to the information received under
38 subsection (a).

39 Sec. 7. The department of local government finance and the
40 state comptroller shall provide any information to the department
41 of state revenue that the department of state revenue determines
42 is necessary to carry out this chapter.



1 **Sec. 8. The department of state revenue may adopt rules under**
 2 **IC 4-22-2 to implement and administer this chapter.**

3 SECTION 2. IC 6-3-3-15.5 IS ADDED TO THE INDIANA CODE
 4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 5 JANUARY 1, 2025]: **Sec. 15.5. (a) Each taxable year, an individual**
 6 **who:**

7 **(1) is:**

8 **(A) a citizen or national of the United States; or**

9 **(B) an alien who has lawful permanent resident status or**
 10 **conditional permanent resident status; and**

11 **(2) paid any fees under IC 28-8-4.1-707 for a money**
 12 **transmission transaction during the taxable year;**

13 **is entitled to a foreign electronic transfers fee credit against the**
 14 **individual's adjusted gross income tax liability for the taxable year.**

15 **(b) The amount of the credit is equal to the total amount of**
 16 **foreign electronic transfers fees the individual paid during the**
 17 **taxable year.**

18 **(c) To receive the credit provided by this section, an individual**
 19 **must claim the credit on the individual's state tax return or returns**
 20 **in the manner prescribed by the department. The individual shall**
 21 **submit to the department all information that the department**
 22 **determines is necessary for the calculation of the credit provided**
 23 **by this chapter.**

24 **(d) The credit provided by this section may not exceed the**
 25 **amount of the individual's adjusted gross income tax liability for**
 26 **the taxable year, reduced by the sum of all credits for the taxable**
 27 **year that are applied before the application of the credit provided**
 28 **by this section. The amount of any unused credit under this section**
 29 **for a taxable year may not be carried forward to a succeeding**
 30 **taxable year, carried back to a preceding taxable year, or**
 31 **refunded.**

32 SECTION 3. IC 28-8-4.1-707 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2024]: **Sec. 707. (a) A licensee shall collect a**
 35 **fee from the sender of a money transmission transaction if the**
 36 **recipient of the money is located outside of the United States. The**
 37 **amount of the fee is:**

38 **(1) in the case of a transaction in which the transmission is in**
 39 **an amount of not more than five hundred dollars (\$500), five**
 40 **dollars (\$5); and**

41 **(2) in the case of a transaction in which the transmission is in**
 42 **an amount greater than five hundred dollars (\$500), the sum**



1 of:

2 (A) five dollars (\$5); plus

3 (B) an amount equal to two percent (2%) of the amount of
4 the transmission that exceeds five hundred dollars (\$500).

5 (b) A licensee shall remit the fee collections under subsection (a)
6 to the department quarterly. The licensee shall remit the fees
7 collected during a particular quarter before the fifteenth day of the
8 month immediately following the last month of the quarter. At the
9 time the fees are remitted, the licensee shall file a return on a form
10 prescribed by the department.

11 (c) The department shall transfer fees remitted under this
12 section to the Indiana foreign electronic transfer fees property tax
13 relief fund established by IC 6-1.1-51.7-4.

14 (d) The department shall prescribe a notice with a statement
15 including information that an individual who:

16 (1) is:

17 (A) a citizen or national of the United States; or

18 (B) an alien who has lawful permanent resident status or
19 conditional permanent resident status;

20 (2) has a valid Social Security number; and

21 (3) files an Indiana individual adjusted gross income tax
22 return;

23 may be eligible for the foreign electronic transfers fee tax credit
24 provided under IC 6-3-3-15.5. Each licensee and each of the
25 licensee's delegates shall post the notice prescribed by the
26 department.

27 SECTION 4. [EFFECTIVE JULY 1, 2024] (a) IC 6-3-3-15.5, as
28 added by this act, applies to taxable years beginning after
29 December 31, 2024.

30 (b) This SECTION expires June 30, 2027.

