

HOUSE BILL No. 1402

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-9; IC 35-52-6-74.

Synopsis: Innkeeper's tax rates. Repeals the innkeeper's tax law specific to Howard County. (Howard County elected to impose an innkeeper's tax under the uniform innkeeper's tax law beginning in 2014.) Provides that the maximum innkeeper's tax rate for Howard County under the uniform innkeeper's tax law is 8% on the gross income derived from lodging income. (Current law authorizes a maximum tax rate of 5% under the uniform innkeeper's tax law.)

Effective: July 1, 2019.

Karickhoff

January 14, 2019, read first time and referred to Committee on Ways and Means.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1402

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

- 1 SECTION 1. IC 6-9-16 IS REPEALED [EFFECTIVE JULY 1,
- 2 2019]. (Howard County Innkeeper's Tax).
- 3 SECTION 2. IC 6-9-18-3, AS AMENDED BY P.L.175-2018,
- 4 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2019]: Sec. 3. (a) The fiscal body of a county may levy a tax
- 6 on every person engaged in the business of renting or furnishing, for
- 7 periods of less than thirty (30) days, any room or rooms, lodgings, or
- 8 accommodations in any:
 - 9 (1) hotel;
 - 10 (2) motel;
 - 11 (3) boat motel;
 - 12 (4) inn;
 - 13 (5) college or university memorial union;
 - 14 (6) college or university residence hall or dormitory; or
 - 15 (7) tourist cabin;
- 16 located in the county.
- 17 (b) The tax does not apply to gross income received in a transaction



1 in which:

2 (1) a student rents lodgings in a college or university residence
3 hall while that student participates in a course of study for which
4 the student receives college credit from a college or university
5 located in the county; or

6 (2) a person rents a room, lodging, or accommodations for a
7 period of thirty (30) days or more.

8 (c) The tax may not exceed:

9 (1) the rate of five percent (5%) **in a county other than a county**
10 **subject to subdivision (2); or**

11 (2) **after June 30, 2019, the rate of eight percent (8%) in**
12 **Howard County.**

13 **The tax is imposed** on the gross retail income derived from lodging
14 income only and is in addition to the state gross retail tax imposed
15 under IC 6-2.5.

16 (d) The county fiscal body may adopt an ordinance to require that
17 the tax shall be paid monthly to the county treasurer. If such an
18 ordinance is adopted, the tax shall be paid to the county treasurer not
19 more than twenty (20) days after the end of the month the tax is
20 collected. If such an ordinance is not adopted, the tax shall be imposed,
21 paid, and collected in exactly the same manner as the state gross retail
22 tax is imposed, paid, and collected under IC 6-2.5.

23 (e) All of the provisions of IC 6-2.5 relating to rights, duties,
24 liabilities, procedures, penalties, definitions, exemptions, and
25 administration are applicable to the imposition and administration of
26 the tax imposed under this section except to the extent those provisions
27 are in conflict or inconsistent with the specific provisions of this
28 chapter or the requirements of the county treasurer. If the tax is paid to
29 the department of state revenue, the return to be filed for the payment
30 of the tax under this section may be either a separate return or may be
31 combined with the return filed for the payment of the state gross retail
32 tax as the department of state revenue may, by rule, determine.

33 (f) If the tax is paid to the department of state revenue, the amounts
34 received from the tax imposed under this section shall be paid monthly
35 by the treasurer of state to the county treasurer upon warrants issued by
36 the auditor of state.

37 SECTION 3. IC 6-9-29-5, AS ADDED BY P.L.175-2018,
38 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2019]: Sec. 5. (a) As used in this section, "commission" refers
40 to the following:

41 (1) A board of managers established under:

42 (A) IC 6-9-1-2 (St. Joseph County);



- 1 (B) IC 6-9-3-1 (Floyd/Clark County);
 2 (C) IC 6-9-6-2 (LaPorte County);
 3 (D) IC 6-9-10-2 (Wayne County); or
 4 (E) IC 6-9-15-2 (Jefferson County).
 5 (2) A capital improvement board of managers established under:
 6 (A) IC 36-10-9-3 (Marion County); or
 7 (B) IC 36-10-8 (Allen County).
 8 (3) A commission established under:
 9 (A) IC 6-9-10.5-9 (White County);
 10 (B) IC 6-9-18-5 (Uniform County Innkeeper's Tax);
 11 (C) IC 6-9-19-5 (Elkhart County);
 12 (D) IC 6-9-32-5 (Jackson County); or
 13 (E) IC 6-9-37-5 (Hendricks County).
 14 (4) A convention and visitor bureau:
 15 (A) established under IC 6-9-2-3 (Lake County); or
 16 (B) designated as a grant recipient under IC 6-9-9-3(b) (Allen
 17 County).
 18 (5) A convention and visitor commission established under:
 19 (A) IC 6-9-2.5-2 (Vanderburgh County);
 20 (B) IC 6-9-4-2 (Monroe County);
 21 (C) IC 6-9-7-2 (Tippecanoe County);
 22 (D) IC 6-9-11-2 (Vigo County);
 23 (E) IC 6-9-14-2 (Brown County); **or**
 24 ~~(F) IC 6-9-16-2 (Howard County); or~~
 25 ~~(G)~~ **(F)** IC 6-9-17-5 (Madison County).
 26 (6) Any other similar entity that is authorized to administer funds
 27 received from an innkeeper's tax imposed under this article.
 28 (b) Each month, the department of state revenue shall also provide
 29 summary data of the amount of the county's innkeeper's tax collections
 30 to the commission established for that county.
 31 (c) This subsection applies only to a county that has adopted an
 32 ordinance requiring the payment of the innkeeper's tax to the county
 33 treasurer instead of the department of state revenue. The county
 34 treasurer shall determine and report to the department of state revenue
 35 before March 1 of each year the amount of innkeeper's tax collected in
 36 the county in the preceding calendar year. Not later than April 1 of
 37 each year, the department of state revenue shall provide summary data
 38 of the total amount of the county's innkeeper's tax collected in the
 39 preceding calendar year to the commission established for that county.
 40 SECTION 4. IC 35-52-6-74 IS REPEALED [EFFECTIVE JULY 1,
 41 2019]. ~~Sec. 74. IC 6-9-16-8 defines a crime concerning innkeeper's~~
 42 ~~taxes.~~

