

IC 6-3.1-30

Chapter 30. Headquarters Relocation Tax Credit

Revisor's Note: The effective date of IC 6-3.1-30 was changed to 1-1-2006 by P.L.137-2006, SEC.17.

IC 6-3.1-30-1

"Corporate headquarters"

Sec. 1. As used in this chapter, "corporate headquarters" means the building or buildings where one (1) or more of the following are located:

- (1) The principal offices of the principal executive officers of an eligible business.
- (2) The principal offices of a division or similar subdivision of an eligible business.
- (3) A research and development center of an eligible business.

As added by P.L.193-2005, SEC.21. Amended by P.L.288-2013, SEC.60.

IC 6-3.1-30-1.5

"Corporation"

Sec. 1.5. As used in this chapter, "corporation" refers to the Indiana economic development corporation created under IC 5-28-3 unless the context clearly denotes otherwise.

As added by P.L.288-2013, SEC.61.

IC 6-3.1-30-2

"Eligible business"

Sec. 2. As used in this chapter, "eligible business" means a business that:

- (1) is engaged in either interstate or intrastate commerce;
- (2) maintains a corporate headquarters at a location outside Indiana;
- (3) has not previously maintained a corporate headquarters at a location in Indiana;
- (4) had annual worldwide revenues of at least fifty million dollars (\$50,000,000) for the taxable year immediately preceding the business's application for a tax credit under section 12 of this chapter; and
- (5) commits contractually to relocating its corporate headquarters to Indiana.

As added by P.L.193-2005, SEC.21. Amended by P.L.137-2006, SEC.8; P.L.288-2013, SEC.62.

IC 6-3.1-30-3

"Pass through entity"

Sec. 3. As used in this chapter, "pass through entity" means:

- (1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
- (2) a partnership;
- (3) a limited liability company; or

(4) a limited liability partnership.
As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-4

"Qualifying project"

Sec. 4. As used in this chapter, "qualifying project" means the relocation of the corporate headquarters of an eligible business from a location outside Indiana to a location in Indiana.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-5

"Relocation costs"

Sec. 5. As used in this chapter, "relocation costs" means the reasonable and necessary expenses incurred by an eligible business for a qualifying project. The term includes:

- (1) moving costs and related expenses;
- (2) the purchase of new or replacement equipment;
- (3) capital investment costs; and
- (4) property assembly and development costs, including:
 - (A) the purchase, lease, or construction of buildings and land;
 - (B) infrastructure improvements; and
 - (C) site development costs.

The term does not include any costs that do not directly result from the relocation of the business to a location in Indiana.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-6

"State tax liability"

Sec. 6. 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);
- (2) IC 6-5.5 (the financial institutions tax); and
- (3) IC 27-1-18-2 (the insurance premiums 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.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-7

"Taxpayer"

Sec. 7. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-7.5

Duties of the corporation

Sec. 7.5. The corporation shall do the following:

- (1) Evaluate a taxpayer's relocation project for the taxpayer's eligibility for a tax credit under this chapter.

- (2) Certify the eligibility of taxpayers that meet the requirements for a tax credit under this chapter.
- (3) Determine the percentage used to calculate the amount of a tax credit under section 9 of this chapter.
- (4) Certify the information required under section 12 of this chapter.

As added by P.L.288-2013, SEC.63.

IC 6-3.1-30-8

Tax credit

Sec. 8. (a) If the corporation certifies that a taxpayer:

- (1) is an eligible business;
- (2) completes a qualifying project;
- (3) incurs relocation costs; and
- (4) employs at least seventy-five (75) employees in Indiana;

the taxpayer is entitled to a credit against the taxpayer's state tax liability for the taxable year in which the relocation costs are incurred. The credit allowed under this section is equal to the amount determined under section 9 of this chapter.

(b) For purposes of establishing the employment level required by subsection (a)(4), a taxpayer may include:

- (1) individuals who:
 - (A) were employed in Indiana by the taxpayer before the taxpayer commenced a qualifying project; and
 - (B) remain employed in Indiana after the completion of the taxpayer's qualifying project; and
- (2) individuals who:
 - (A) were not employed in Indiana by the taxpayer before the taxpayer commenced a qualifying project; and
 - (B) are employed in Indiana by the taxpayer as a result of the completion of the taxpayer's qualifying project.

As added by P.L.193-2005, SEC.21. Amended by P.L.137-2006, SEC.9; P.L.1-2007, SEC.58; P.L.288-2013, SEC.64.

IC 6-3.1-30-9

Determination of tax credit amount

Sec. 9. (a) Subject to subsection (b), the amount of the credit to which a taxpayer is entitled under section 8 of this chapter equals the product of:

- (1) a percentage determined by the corporation that may not exceed fifty percent (50%); multiplied by
- (2) the amount of the taxpayer's relocation costs in the taxable year.

(b) The credit to which a taxpayer is entitled under section 8 of this chapter may not reduce the taxpayer's state tax liability below the amount of the taxpayer's state tax liability in the taxable year immediately preceding the taxable year in which the taxpayer first incurred relocation costs.

As added by P.L.193-2005, SEC.21. Amended by P.L.288-2013, SEC.65.

IC 6-3.1-30-10**Pass through entity; shareholder, partner, or member**

Sec. 10. 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, or member 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, or member is entitled.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-11**Carryover; unused tax credit**

Sec. 11. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit 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 unused credit year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-12**Claiming tax credit; returns; information required by department of state revenue**

Sec. 12. 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. The taxpayer shall submit to the department the corporation's certification of the following information:

- (1) Proof of the taxpayer's relocation costs.
- (2) Proof that the taxpayer is employing in Indiana the number of employees required by section 8 of this chapter.
- (3) All other information that the department determines is necessary for the calculation of the credit provided by this chapter.

As added by P.L.193-2005, SEC.21. Amended by P.L.137-2006, SEC.10; P.L.288-2013, SEC.66.

IC 6-3.1-30-13**Determination of expenses resulting from relocation**

Sec. 13. In determining whether an expense of the eligible business directly resulted from the relocation of the business, the department shall consider whether the expense would likely have

been incurred by the eligible business if the business had not relocated from its original location.
As added by P.L.193-2005, SEC.21.