IC 4-10-22
Chapter 22. Use of Excess Reserves

IC 4-10-22-1
Calculation of state reserves

Sec. 1. (a) After the end of each odd-numbered state fiscal year, the office of management and budget shall calculate in the customary manner the total amount of state reserves as of the end of the state fiscal year. The office of management and budget shall make the calculation not later than July 31 of each odd-numbered year.

(b) The office of management and budget may not consider a balance in the state tuition reserve fund established by IC 4-12-1-15.7 when making the calculation required by subsection (a).

As added by P.L.229-2011, SEC.44. Amended by P.L.160-2012, SEC.2; P.L.205-2013, SEC.60.

IC 4-10-22-2
Determination of excess reserves; presentation to budget committee

Sec. 2. If:

(1) the total amount of state reserves calculated by the office of management and budget exceeds twelve and five-tenths percent (12.5%) of the general revenue appropriations for the current state fiscal year; and

(2) the accounts payable by the state at the end of the preceding state fiscal year are not unusually large as a percentage of the total amount of state reserves (as compared to recent history);

the governor shall make a presentation to the state budget committee regarding the disposition of excess state reserves under section 3 of this chapter. The presentation must be made not later than September 30 of each odd-numbered year.

As added by P.L.229-2011, SEC.44. Amended by P.L.160-2012, SEC.3.

IC 4-10-22-3
Transfer of excess reserves

Sec. 3. If, after completing the presentation to the state budget committee described in section 2 of this chapter, the amount of the excess reserves is fifty million dollars ($50,000,000) or more, the governor shall do the following:

(1) If the year is calendar year 2013, transfer one hundred percent (100%) of the excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund. If the year is calendar year 2014 or thereafter, transfer fifty percent (50%) of any excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund.

(2) If the year is calendar year 2014 or thereafter, use fifty percent (50%) of any excess reserves for the purposes of providing an automatic taxpayer refund under section 4 of this

chapter.

As added by P.L.229-2011, SEC.44. Amended by P.L.160-2012, SEC.4; P.L.205-2013, SEC.61; P.L.91-2014, SEC.1.

IC 4-10-22-4

Refund of excess reserves to taxpayers

Sec. 4. The following apply if sufficient excess state reserves are available to provide an automatic taxpayer refund to each taxpayer eligible for a refund:

(1) To qualify for a refund, a taxpayer:

(A) must have filed an Indiana resident individual adjusted gross income tax return for the taxpayer's taxable year ending in the calendar year immediately preceding the calendar year in which a determination is made under section 1 of this chapter that the state has excess reserves; and

(B) must have adjusted gross income tax liability for the taxpayer's taxable year ending in the calendar year in which a determination is made under section 1 of this chapter that the state has excess reserves.

(2) The amount of the refund is determined for each qualifying taxpayer as follows:

STEP ONE: Determine the total amount of excess state reserves that under section 3 of this chapter are available to provide automatic taxpayer refunds.

STEP TWO: Determine the total number of taxpayers that qualify for a refund under subdivision (1).

STEP THREE: Determine the result of:

(A) the STEP ONE result; divided by

(B) the STEP TWO result;

as rounded to the nearest dollar.

(3) The refund is a refundable credit that shall first be applied as a credit against adjusted gross income tax liability in the taxpayer's taxable year in which a refund is provided. Any remaining unused credit shall be refunded to the taxpayer. The credit may not be carried forward.

(4) If an individual and the individual's spouse are both qualifying taxpayers for purposes of this section for a taxable year and file a joint Indiana resident individual adjusted gross income tax return for the taxable year:

(A) the individual and the individual's spouse are considered two (2) taxpayers for purposes of determining the amount of the refund under subdivision (2) for a qualifying taxpayer; and

(B) the amount of the refund that the individual and the individual's spouse are entitled to claim is equal to the amount of any refund determined under subdivision (2) for a qualifying taxpayer, multiplied by two (2).

As added by P.L.229-2011, SEC.44. Amended by P.L.160-2012, SEC.5.

IC 4-10-22-5
Appropriation

Sec. 5. There is appropriated a sufficient amount in a state fiscal year to carry out this chapter.

As added by P.L.229-2011, SEC.44.