THE INDIANA CAST METALS ASSOCIATION

The Cope…

INCMA's Monthly Newsletter April 2025

2025 SESSION NEARS END WITH POSITIVE FOUNDRY IMPACTS

The 2025 legislative session must wrap up by April 29th. After much debate regarding property taxes, the last 10 days have seen the final iteration of SB 1 be amended and adopted. Couple that with the Senate revisions to the state budget in HB 1001, and Indiana businesses should be aware of the many benefits these priority bills bring in tax breaks, credits, incentives, and more.

Property Taxes

As many municipalities reach their cap thresholds, property taxes are receiving a much-needed redesign, and part of this new approach focuses on Business Personal Property (BBP) tax. Under current law, Indiana has a 30% floor for BPP depreciation, meaning you are still paying BPP tax of 30% of the original acquisition cost long after the value is much lower.

While INCMA has long advocated for eliminating the 30% floor completely, under SB 1, that floor is removed for BPP put in place after January 1, 2025. Unfortunately it doesn't apply to existing equipment and may only offset shifts from other property classes, but it's still progress and supports new investment. Additionally, the bill raises the threshold for BPP taxes to kick-in from the current $80,000 up to $2 million over the next few years giving small to mid-level sized businesses much less to worry about going forward.

AFS Fly-IN June 10-11th Mark Your Calendar

After the House approved the bill last Thursday with a 65-29 vote, the Senate took up the Motion to Concur late Monday night, and after nearly two hours of debate, voted 27-22 at 12:20 a.m. Tuesday morning to send the bill to the Governor. Shortly after, Governor Braun announced on X that he looked forward to signing the bill "as soon as possible."

State Budget

As for the state budget, concerns with Medicaid, education, and looming federal funding cuts have dominated the conversation. Despite this, noteworthy provisions remain in the bill that help to incentivize business development. The most straightforward of this is likely the $4 million for the Hoosier Workforce Investment Tax Credit, which provides $5000 per employee, up to $50,000 per business, if the employer grows the worker's average wage by 25% for at least 2 calendar quarters.

Another benefit is the over $6 million towards the Workforce Ready Grant, which helps to reimburse tuition and other mandatory fees for those working toward college degrees in fields such as Advanced Manufacturing, Building & Construction, Transportation & Logistics, etc. This will help to incentivize more workers in these high-demand fields as both the state and country continue to face a qualified worker shortage, especially in manufacturing and industry as a whole.

Overall, these priority bills encourage investments in Indiana's business, not only through less-stringent policies, but with incentives and credits that work to lead their industry forward, and promote a healthy workforce for the future.

Energy/ Environment

HB 1007 (Soliday-R, Valparaiso) is scheduled for a final vote in the Senate. The bill would establish a tax credit of up to 10% for the manufacturer's development cost of small modular nuclear reactors (SMR). The bill also provides for 80% utility cost recovery via rates.

HB 1037 Storm Water Management (Miller-R, Elkhart) is scheduled for a final vote in the Senate and provides that a local gov't entity does not have the power to adopt a regulation more stringent than the requirements of IDEM's Construction Stormwater General Permit (CSGP).

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Dimond Bros.
INSURANCE

Established in 1867 by Albert Dimond, our company was founded to offer sound insurance coverage to the hardworking people in our community. Our small staff of two in 1867 has grown to a service-minded, highly professional group of over 250 associates. In 1999, Dimond began growing through mergers and acquisitions, bringing services to over 40 offices throughout Illinois, Indiana and Wisconsin. We are one of the top 50 privately held insurance agencies in the United States.

Foundry exposures have been core knowledge of our Carmel office for the last 25 years. While most agencies are in and out of the foundry market, the long-term approach has yielded consistent growth and retention. Strong insurance programs are structured for clients, as well as equally strong relationships with clients. These results have not gone unnoticed by the insurance carriers. Unique to the Dimond Bros. team's knowledge base, carriers have changed how they rate liability- net tonnage, not sales. This more accurately reflects a foundry's exposure.

In 2017 a program was introduced exclusively to members of INCMA, and available only through our agency for workers compensation. In partnership with a carrier rated "Excellent" by AM Best we have built a dividend program for members. A portion of the program profits are returned to INCMA member participants once program thresholds are met. Dimond Bros. is honored to partner with INCMA.