

The Cope...



INCMA's Monthly Newsletter

March 2022

GENERAL ASSEMBLY ADJOURNS EARLY: 2022 WRAP UP

The 2022 legislative session wrapped up earlier this week, more than a week ahead of the statutory deadline for adjournment. Substantial effort was spent on attempts at tax reform but also by divisions over education issues, gun permits and other social issues.

Tax Reform

Republicans in the House and Governor Holcomb were out front early in the session advocating for using the massive state surplus to reduce or eliminate some taxes. [HB 1002](#) ultimately passed but does not contain any relief for business personal property tax and the long-hated 30% floor for depreciation on machinery.

INCMA lobbyists testified, in Senate committee, in favor of the portions of HB 1002 that would have eliminated the 30% depreciation floor on new machinery and equipment. Legislators were encouraged to add to the bill by eliminating or reducing the tax on existing equipment. Foundry members were able to provide specific examples of the significant

savings that would be realized and could contribute to expanding our manufacturing economy. The good news is that HB 1002 will cut income taxes from the



current 3.23% to 3.15% in 2023. Then, to 3.1% in 2025 if revenue grows by 2% in 2024; then 3% in 2027 if both revenue grows by 2% AND the pre-1996 teacher pension debt has been fully paid off; and finally, to 2.9% in 2029 if revenue grows by 2% in 2028. The bill ensures that reserves are directed to current pension liabilities.

Special note, INCMA's long partnership with the Indiana Industrial Energy Consumers paid dividends as in addition to the income tax cut, HB 1002 eliminates the **Utility Receipts Tax (URT)** on July 1st – this 1.4% tax is paid by every energy consumer as part of their utility bills associated with water, sewer, steam, electricity, natural gas and telecommunications. INDIEC had led the effort several years ago to repeal

this tax which finally bore fruit this year and is valued at more than \$200 million.

Solid Waste Issues

[HB 1226](#) passed and started off as a vague attempt to push IDEM to change some things regarding solid waste. Some parts of the business community were tired of waiting for the agency to make changes to solid waste rules that direct legitimate reuse of some types of solid waste. INCMA fought for many years to get foundry sand included as a product that can be reused. The bill does not change that but does create some uncertainty on how solid waste destined for reuse is regulated, if at all. The Environmental Committee for INCMA discussed the bill late in the legislative session and will continue to monitor and engage IDEM on rule changes going forward.

Dead Bills

Several other good and bad bills worked on by INCMA died this year including: [HB 1063](#)-De Novo Judicial Review of Certain Agency Actions, [HB 1100](#) Agency Oversight (regulatory

restrictions), [HB 1215](#)-Work Sharing Unemployment Insurance Program, [HB-1280](#) Air Pollution/Odor Regulation and others. Review [INCMA's soon to be final tracking list](#) online. Thanks to all members who took time to stay informed and to reach out to their Representatives and Senators to convey their support/opposition on legislation this year.

LEGISLATIVE SUMMIT

INCMA members gathered on Feb. 23rd for briefings and legislator meetings which included a discussion with former Speaker of the House Brian Bosma seen below. Thanks to all who participated. [More pics](#)



[and info. here!](#)

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...and Drag



Established in 1867 by Albert Dimond, Dimond Bros. mission is 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 300 associates. In 1999, Dimond Bros. began growing through mergers and acquisitions, bringing services to 40+ offices throughout Illinois, Indiana and Wisconsin. 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.