

Driver 2: Business Costs

Indiana faces challenges in maintaining an appropriate balance between the state's revenue needs, a competitive tax climate and investing for future growth. Since Economic Vision 2010's inception, the tax climate has improved dramatically. A major victory was the historic 2002 tax restructuring that substantially reduced personal property tax burdens.

Furthermore, the state must maintain its low-cost, abundant supplies of energy in the face of dwindling reserves. Continually rising health care costs must be controlled to allow as wide a participation in the health care system as possible.

Goal 1

Create a competitive state tax environment for Indiana businesses

Initiatives

1. Develop dynamic economic impact analysis and orchestrate communication campaign to encourage passage of the constitutional amendment to eliminate inventory tax to be placed before voters in the 2004 general election.
2. Develop and execute smart, aggressive marketing programs of Indiana's improved business tax climate and other assets.
3. Continue restructuring Indiana's tax system to achieve a more competitive and stable business investment climate, while incentivizing productive investment.
4. Expand incentive programs to include capital investment in addition to job creation.
5. Enact legislation to make the Research and Development (R&D) income tax credits permanent.
6. Exempt purchases of R&D and high technology equipment from Indiana sales tax.
7. Change sales factor apportionment formula to single factor sales apportionment for corporate income tax purposes.

Goal 2

Maintain a civil justice system that is fair, consistent and timely

Initiatives

1. Educate businesses on the benefits of Alternative Dispute Resolution (ADR) and encourage extensive utilization of ADR.
2. Recruit more business-minded attorneys to serve on the Judicial Nominating Commission.

Goal 3

Aggressively promote a state policy that provides a reliable, adequate, cost-effective and diversified supply of energy

Initiatives

1. Using the Indiana Chamber developed assessment matrix, enact legislation that maintains low electric rates, adequate energy supplies and a strong domestic utility industry.
2. Position the Chamber as a source of credible, responsible energy information to our members.

Goal 4

Encourage the widest possible participation in the health care system

Initiatives

1. Create an informed consumer by providing access to information on cost and quality measures from health care providers.
2. Advocate allowing health insurers to issue minimum coverage health insurance policies, that do not necessarily contain all of the state's mandated health insurance benefits, to employees.
3. Ensure the availability of competitively priced individual health insurance policies for small businesses and individuals.