

STATE OF INDIANA

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Questions and Answers from the Treasurers' Conference (Distributed September 2, 2009)

1. *We have several hundred improvements on leased ground that are assessed and taxed as separate real estate parcels. What can we do to make these go away and quit recycling these at tax sale?*

The decision on how to bill these types of properties is between the taxpayers. They can choose to consolidate both parcels and split the bill.

2. *Explain the Supplemental Homestead. Is it a one year deduction?*

Under HEA 1001-2008, there was enacted the additional homestead credit and a supplemental standard deduction. The credit was a one-time infusion of money for 2008 (\$620 million); the deduction, however, is permanent. It is equal to 35% of the first \$600,000 of assessed value of a homestead (25% above that amount) after the application of the \$45,000 initial homestead standard deduction.

3. *If the electronic tax bill is requested from the sales disclosure form, how will treasurers get the information regarding to what e-mail address to send the tax bill?*

Whenever a county adopts the electronic tax bill option, they can contact the Department to have a report generated of all of the taxpayers who have elected to receive them. No later than 30 days prior to the *mailing date*, the Department will send a refreshed list of e-mail addresses to the county. Of course, this information would be available from the county auditor's system, and the county auditor and treasurer should work together to develop a system locally to transfer this information.

4. *Why in 2010 do people have to show proof of Homestead Credit—is this happening in 2010?*

This change is part of a larger effort to give counties tools to detect and eliminate homestead fraud. The law now requires Homestead applicants to provide identifying information when submitting applications to receive the homestead standard deduction. Beginning in 2010 and going through 2012, the law also requires mailings be sent to each homestead along with the tax bill that allow them to verify their primary residence. The DLGF will use this information to create a searchable, secure database for counties to use in order to help combat the growing problem of homestead fraud.