

COUNTY AUDITORS' SPRING 2014 CONFERENCE

2014 Abstract Recap
2014 June Settlement
Miscellaneous Reminders

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2013 Pay 2014 Abstract Recap

- Abstract Review Items
 - When completing LOIT Rate Calculation Worksheets, verify you have entered the net values against the correct taxing district. Not all systems have the taxing districts in the same order as the worksheet. (All taxing district names are entered by us using the abstract)
 - When entering the TIF District Name, you must enter the corresponding DLGF Taxing District Code in the name description. The abstract will be sent back to your office if the DLGF Taxing District Code is not included in the name description of the TIF Taxing District

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2013 Pay 2014 Abstract Recap

- Entering Tax Rates and Credit Rates
 - TIF Referendum Funds

HEA 1313-2011 added new sections providing that for taxes first due and payable in 2012 or a subsequent year, if a referendum conducted after April 30, 2010 approves the imposition of property taxes in an allocation area (as defined in IC 6-1.1-21.2-3) to benefit a taxing unit for which the referendum was held, the county auditor must distribute these proceeds to that unit.
 - TIF - Annexation

IC 36-7-14-3.5 a County TIF District does not receive increment taxes from city/town rates if the annexation occurred after the creation of the County TIF District
 - TIF - Fire District

IC 36-7-14-1.5 a TIF District established after June 1, 1992 does not receive increment taxes from a Fire Protection District.

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2013 Pay 2014 Abstract Recap

- In the scenarios described on the previous slide do the following. When entering the TIF Rate in the Abstract Section 4, Column 25 reduce the TIF Rate by the applicable Referendum Rate, Annexation Rate and/or Fire Protection District Rate.
- Enter the applicable Referendum Rate, Annexation Rate and/or Fire Protection District rate in the appropriate fund column on the TIF District line.

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2013 Pay 2014 Abstract Recap

- Abstract Review Items
 - AOS abstract worksheet needs to be balanced against your system generated abstract report.
 - Verify that the total column for each taxing district on the AOS abstract worksheet matches the applicable total column on the system abstract report
 - By verifying the total columns you determine that all data for a taxing district has been entered on the correct line.
 - Verify that the Grand Total line of all columns on the AOS abstract worksheet match the Grand Total line of all columns on the system report
 - By verifying the Grand Total amount of all columns, you determine that all data for the column type has been entered correctly.
 - The only negative amounts you should see in the abstract (excluding the Review Area) are in Section 1A, Column 17 and Section 1B, Column 28 on the TIF DISTRICT Lines.

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2014 June Settlement

- Instructions are on the Auditor of State's website www.in.gov/auditor/
 - The instructions can be found on the website by first selecting Departments
 - Then select Settlements
- PLEASE READ INSTRUCTIONS
 - Instructions include information for the treasurer

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2014 June Settlement

- The electronic documents that will be placed on the county's FTP site are:
 - Settlement Sheet, Form 105
 - 49TC Treasurer's Certificate of Tax Collections
 - 17TC Certificate of Tax Refunds
 - Treasurer/Auditor Excise Tax Reconciliation Form
 - Excise Tax Allocation Worksheet
 - Quietus Worksheet
 - Fines & Fees Report Form
 - County Checklist
 - Office Information sheet
- To the applicable counties we have emailed the 2013 Pay 2014 Property Tax Rates Adjusted for Circuit Breaker Credit Exempt and Protected/Unprotected funds

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2014 June Settlement

- When Settlement is filed must use worksheets we placed on the FTP site
- Counties with circuit breaker credit exempt and protected/unprotected funds must use, where applicable, property tax rates adjusted for circuit breaker credit exempt and protected/unprotected funds to distribute property tax
- LOIT Operating Levy Freeze counties must use DLGF equivalency rates plus DLGF certified property tax rates to distribute excise tax

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2014 June Settlement

- Counties with local property tax credits must include at least 5/12 (can be 1/2) of the abstract amount in the June Settlement
 - CREDIT HSC
 - COIT HSC
 - LOIT (CAGIT or COIT) PTRC
 - LOIT (CAGIT or COIT) HSC
 - And/or LOIT (CAGIT or COIT) Qualified Residential PTRC

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2014 June Settlement

- The 2008 & Prior Del Tax Deduction is no longer a required form for Settlement
 - If your county chooses to continue to track the collection of 2008 & prior delinquent taxes contact AOS for the form
- The Excise Tax Allocation Deductions continue and will continue at each settlement
 - Must use the current worksheet for your county placed on the FTP site (if your county has annexed areas with phase in rates, make sure those have been added to the Excise Allocation Worksheet)

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2014 June Settlement

- Form 105, Section A
 - Before Apportionment Adjustments include
 - Line 4-Erroneous Tax, Penalties and Interest Refunded, if applicable
 - Line 5-State's Share of 2008 & Prior Delinquent Tax and Penalties Collected, if applicable
 - Line 6-Late Payment Penalties on Special Assessments Collected
 - Line 7-Plus or Minus Other Before Apportionment Adjustments
 - Line 9-License Excise Tax for Apportionment

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2014 June Settlement

- Tax Refunds
 - Can be deducted in the June Settlement, but not required
 - Are required to be deducted in the December Settlement
 - But only the refunds that were not deducted in the June Settlement
 - If refunds are deducted in the June Settlement, then the State PTRC & State HSC, if any, portion of refunds must be remitted to the state before you will receive final approval of the June Settlement
 - Note: The last year for State PTRC & State HSC was the 2007 Pay 2008 Tax Year

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2014 June Settlement

- Late payment penalty collections on special assessments (not including conservancy district taxes and ditch assessments)
 - Treasurer will receipt in Other Sources on Cashbook
 - Treasurer will certify as Other Collections on the 49TC
- Late payment penalties on conservancy district and ditch assessment taxes are accounted for and settled with conservancy district taxes and ditch assessment taxes

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2014 June Settlement

- Late payment penalty collections on special assessments will be listed as a pre-apportionment adjustment on line 6, Section A of the 102 and 105 Form. This adjustment does not include conservancy district taxes and ditch assessments.
 - Formula in this cell will reduce the apportionment
 - Enter as a negative to increase the apportionment
 - Enter as a positive to decrease the apportionment

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2014 June Settlement

- Excise Tax
 - June Settlement Excise Tax cut-off date
 - The cut-off dates are March 31 or April 30 for June Settlement and September 30 or October 31 for December settlement.
 - With the BMV change to a 14 day lag time between the transaction date and the deposit and report date, counties may want to consider using March 31 as the cut-off date for the June Settlement and September 30 for December settlement

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2014 June Settlement

- Additional Motor Vehicle Excise Tax
 - On March 14, 2014 you received a letter from the State Board of Accounts regarding an additional \$0.55 on every transaction from motor vehicle excise over the period from January 1, 2010 to January 5, 2014.
 - These excise dollars must be included in the Excise Allocation worksheet and in the 2014 June Settlement.

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2014 June Settlement

- Reminder, LOIT Levy Freeze counties are to include the equivalency rates when apportioning the Excise Tax to the units
- Treasurer/Auditor Excise Tax Reconciliation Worksheet is required and will continue to be required with each settlement.
 - Must use the worksheet placed on the FTP site

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2014 June Settlement

- A County checklist is available and required to be completed prior to submitting settlement to verify accuracy of data
- It is a requirement to provide a listing of your distribution rates (property and excise rates) from your tax system you used to allocate the tax collections as a part of the settlement approval process.

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2014 June Settlement

- Deadline to settle with taxing units
 - 51 days after tax due date to settle without payment of interest to taxing units
 - If interest is due, the interest amount is calculated on undistributed property and excise tax
 - If interest is due, the interest rate used to calculate the interest amount equals the average rate the county is earning on investments
 - The interest amount equals the undistributed tax amount times the average interest rate divided by 365 times the number of days after 51 days

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2014 June Settlement

- Settlement Fines and Fees due by
 - June 30th whether a June Settlement is filed or not
 - If you file a settlement prior to June 30th, you will remit the May 31 balance and report those balances in Section C of the Form 105
 - If you file a settlement prior to May 31, you will remit the April 30 balance and report those balances in Section C of the Form 105

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2014 June Settlement

- Remittances due State before final approval of June Settlement will be given
 - Excise Tax Allocation
 - State PTRC & State HSC portion of tax refunds, if applicable
 - Note: The last year for State PTRC & State HSC was the 2007 Pay 2008 Tax Year
 - State's Share of 2008 & Prior Delinquent Tax Collections, if applicable

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2014 June Settlement

- Settlement Fines and Fees Remittances
 - Infraction Judgment Fines
 - Overweight Vehicle Fines
 - Special Death Benefit
 - Sales Disclosure Fees
 - Coroner's Continuing Education Fees
 - Adult & Juvenile Offender Interstate Compact Fees
 - Mortgage Recording Fees

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2014 June Settlement

- Settlement Fines and Fees Remittances Continued...
 - Child Restraint Fine
 - Forest Restoration Fund
 - Canine Research and Education Fund
 - Sex/Violent Offender Registration Fees
 - DLGF Homestead Property Data Base Fund
 - Violent Crime Victims Compensation Fund

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Settlement Fines and Fees

- The following settlement fines and fees require two funds for proper accounting and segregation of state and local funds
 - Sales Disclosure Fees
 - County Sales Disclosure Fund ½ of the fees
 - State Sales Disclosure Fund ½ of the fees - then remitted to state at settlement
 - Adult & Juvenile Offender Interstate Compact Fees
 - County Offender Transportation Fund ½ of the fees
 - Adult & Juvenile Offender Interstate Compact Fee Fund ½ of the fees - then remitted to state at settlement
 - Mortgage Recording Fees
 - \$0.50 of the \$3 fee to County Recorder's Records Perpetuation Fund
 - \$2.50 of the \$3 fee to Mortgage Fee Fund - then remitted to state at settlement

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Settlement Fines and Fees

- Settlement fines and fees that require two funds for proper accounting and segregation of state and local funds – continued
 - Forest Restoration Fund
 - Back taxes and penalties collected on withdrawal of applicable classified forest or wild lands;
 - Back taxes and 25% of withdrawal penalty to county general fund
 - 75% of withdrawal penalty to Forest Restoration Fund – then remitted to state at settlement
 - Canine Research and Education Fund
 - County Option Dog Tax
 - 80% of collections retained by county
 - 20% of collections to Canine Research and Education Fund – then remitted to state at settlement

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Settlement Fines and Fees

- Settlement fines and fees that require two funds for proper accounting and segregation of state and local funds – continued
 - Sex/Violent Offender Registration Fees
 - County adopts an annual Sex or Violent Offender Registration Fee and Address Change Fee
 - 90% to County Sex or Violent Offender Administration Fund
 - 10% to State Sex or Violent Offender Fund – then remitted to state at settlement
 - Ineligible Homestead Credit Civil Penalty
 - 99% to County Auditor's Ineligible Deduction Fund
 - 1% remitted to state for DLGF Homestead Property Data Base Fund

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Settlement Fines and Fees

- Note: The 1% of the Civil Penalty on Ineligible homesteads that is quietus into the DLGF Homestead Property Data Base fund at this June settlement can remain in the fund and remitted at the next settlement
- The Violent Crime Victims Compensation Fund
 - IC 11-10-8-6(a)(3) 10% of the gross earnings of an offender employed in a work release program to be deposited in the violent crime victims compensation fund established by IC 5-2-6.12-40

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2014 June Settlement

- When the Settlement is ready for review email to all members of the Settlement Department the following Settlement documents
 - Settlement Sheet, Form 105
 - Must use Form 105 we placed in the county's folder on the FTP site or you may use a property tax software generated form that has been approved by AOS
 - Treasurer's Certificate of Tax Collections, Form 49TC
 - Must use 49TC we placed in the county's folder on the FTP site or you may use a property tax software generated form that has been approved by AOS
 - Certificate of Tax Refunds, Form 17TC
 - Must use Form 17TC we placed in the county's folder on the FTP site or you may use a property tax software generated form that has been approved by AOS

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2014 June Settlement

- Required Settlement documents continued...
 - Excise Tax Allocation Deduction Calculation Worksheet
 - Must use worksheet we placed in the county's folder on the FTP site
 - Treasurer/ Auditor Excise Tax Reconciliation Worksheet
 - Must use worksheet we placed in the county's folder on the FTP site
 - 2008 & Prior Delinquent Tax Collection Worksheet if applicable
 - Must use worksheet provided by AOS
 - Distribution rates (property and excise) listing from your tax system

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2014 June Settlement

Reminders

- Please use the county checklist to verify data prior to sending in settlement forms.
- We review Settlements in the order received. This procedure holds true for re-submitted settlements.
- Complete Section C on the Form 105 prior to submission of settlement.

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Quietus Worksheet

- Is a tool to assist the county auditor and treasurer with the final steps of settlement because the worksheet brings together in one workbook the amounts to be distributed and the cash available for distribution
- Is a required document
- The Settlement Form 105 will no longer be printed and sent to the county until the quietus Worksheet has been sent to and approved by AOS

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Quietus Worksheet

- If your software vendor has created a quietus worksheet we will accept that worksheet. Otherwise must use the form placed on the FTP site
- If completed correctly the quietus worksheet either proves:
 - The total amount to be distributed equals the treasurer's total cash available for distribution or it does not.
- Worksheet provides the county direction on how to quietus the funds for settlement

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Miscellaneous Reminders

- FIT Distribution

- Will receive from the state June 1st. Must be distributed to the taxing units by June 30th.
- Counties who have adopted Operating Levy Freeze LOIT must add the “LOIT Equivalency Rate” provided by DLGF to the certified property tax rate to get the rates to use to calculate FIT distributions
- Do NOT use Circuit Breaker Adjusted Rates
- Prepare and use a Certificate of Tax Distribution – Form 22 when sending distributions to units

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Miscellaneous Reminders

- CVET Distribution

- Was distributed May 1. Must be distributed to the taxing units by June 30th.
- Counties who have adopted Operating Levy Freeze LOIT must add the “LOIT Equivalency Rate” provided by DLGF to the certified property tax rate to get the rates to use to calculate CVET distributions
- Do NOT use Circuit Breaker Adjusted Rates
- Prepare and use a Certificate of Tax Distribution – Form 22 when sending distributions to units

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Miscellaneous Reminders

- Revenue Estimates
 - We will notify you by email when the 2015 Budget Revenue estimate formulas have been placed on the Auditor of State Website for:
 - Cigarette Tax distributions
 - ABC Gallonage tax distributions
 - MVH, LRS, MVH #1 and MVH #2
- And the calculation of the estimates for:
 - August 2014 & 2015 Riverboat Wagering Tax Revenue Sharing distribution

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Miscellaneous Reminders

- Riverboat Revenue Sharing
 - \$33 million to be distributed by August 15, 2014 to counties who do not have a riverboat
 - The amount of the distribution will be the same as 2013

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AOS Contact Information

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