

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058
INDIANAPOLIS, IN 46204
PHONE (317) 232-3777
FAX (317) 232-8779

TO: County Assessors, County Auditors, and County Treasurers
FROM: Brian E. Bailey, Commissioner BEB
RE: Amended Personal Property Tax Returns
DATE: June 1, 2011

House Enrolled Act 1004-2011 amended IC 6-1.1-3-7.5 to extend the deadline, under certain circumstances, for filing an amended personal property tax return and set new criteria for resulting taxpayer credits. This memorandum will discuss the changes to the law.

I. Filing Dates for Amended Personal Property Returns

A taxpayer may file an amended personal property tax return as follows:

1. If the statutory filing deadline for the original personal property tax return was before May 15, 2011, not more than 6 months after the later of:
 - a. the filing date for the original personal property tax return, if the taxpayer is not granted an extension; or
 - b. the extension date for filing the original personal property tax return.
2. If the statutory filing deadline for the original personal property tax return is after May 14, 2011, not more than 12 months after the later of:
 - a. the filing date for the original personal property tax return, if the taxpayer is not granted an extension; or
 - b. the extension date for filing the original personal property tax return.

II. Reduction of Credit or Refund by County Auditor

If a person files an amended personal property tax return more than 6 months, but less than 12 months, after the statutory filing date or the extension date granted for the original personal property tax return, and, as a result, is entitled to a credit or refund, the county auditor must reduce the amount of the credit or refund by ten percent (10%) of the credit or refund amount.

For example, if a taxpayer files an amended personal property return on November 22 for a May 15 statutory due date and is entitled to a \$1000 refund or credit, the taxpayer will instead receive a \$900 credit or refund.

III. No Interest on Credit

A county is not required to pay interest on any amount that a taxpayer is entitled to receive as a credit that resulted from the filing of an amended personal property tax return.

IV. Credit Applied by County Auditor

A county auditor may apply the credit that is the result of an amended personal property tax return against the taxpayer's personal property payable in the year or years that immediately succeed the year in which the taxes were paid and use the credit against the taxpayer's personal property taxes as follows:

1. If the amount of the credit to which the taxpayer is initially entitled does not exceed \$25,000, the county auditor may carry the credit forward to the year immediately succeeding the year in which the taxes were paid.
2. If the amount of the credit to which the taxpayer is initially entitled exceeds \$25,000, the county auditor may carry the credit forward for not more than 3 consecutive years immediately succeeding the year in which the taxes were paid. The credit is reduced each time the credit is applied by the amount applied.

For example, if the taxpayer is entitled to a \$30,000 credit and the auditor applies \$10,000 in the first year, the total credit remaining is \$20,000. Thereafter, the auditor applies \$10,000 in the second year, and the total credit remaining is \$10,000.

V. Refund of Excess Credit

If an excess credit remains after the credit is applied in the final year to which a credit may be carried forward, the county auditor must refund to the taxpayer, not later than December 31 of the final year, the amount of excess that remains.

If you have questions or concerns, please contact Assistant General Counsel Cathy Wolter at 317-233-4361 or cwolter@dlgf.in.gov.