

Adopted	Rejected
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COMMITTEE REPORT

YES:	21
NO:	0

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1059, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 5-13-6-3, AS AMENDED BY P.L.146-2008,
- 3 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JANUARY 1, 2011]: Sec. 3. (a) All taxes collected by the county
- 5 treasurer shall be deposited as one (1) fund in the several depositories
- 6 selected for the deposit of county funds and, except as provided in
- 7 subsection (b), remain in the depositories until distributed at the
- 8 following semiannual distribution made by the county auditor.
- 9 (b) Every county treasurer who, by virtue of the treasurer's office, is
- 10 the collector of any taxes for any political subdivision wholly or partly
- 11 within the county shall, not later than thirty (30) days after receipt of a
- 12 written request for funds filed with the treasurer by a proper officer of
- 13 any political subdivision within the county, advance to that political
- 14 subdivision a portion of the taxes collected before the semiannual

1 distribution. The amount advanced may not exceed the lesser of:

2 (1) ninety-five percent (95%) of the total amount collected at the
3 time of the advance; or

4 (2) ninety-five percent (95%) of the amount to be distributed at
5 the semiannual distribution.

6 (c) Upon notice from the county treasurer of the amount to be
7 advanced, the county auditor shall draw a warrant upon the county
8 treasurer for the amount. The amount of the advance must be available
9 immediately for the use of the political subdivision.

10 (d) At the semiannual distribution all the advances made to any
11 political subdivision under subsection (b) shall be deducted from the
12 total amount due any political subdivision as shown by the distribution.

13 **(e) If a county auditor fails to make a distribution of tax**
14 **collections by the deadline for distribution under subsection (b), a**
15 **political subdivision that was to receive a distribution may recover**
16 **interest on the undistributed tax collections under IC 6-1.1-27-1.**

17 SECTION 2. IC 6-1.1-22.5-6, AS AMENDED BY P.L.87-2009,
18 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JANUARY 1, 2011]: Sec. 6. (a) ~~Except as provided in subsection (c),~~
20 ~~with respect to This section applies to~~ property taxes payable under
21 this article on assessments determined for the 2003 assessment date or
22 the assessment date in any later year. The county treasurer ~~may, except~~
23 ~~as provided by section 7 of this chapter,~~ **shall** use a provisional
24 statement under this chapter if the county auditor fails to deliver the
25 abstract for that assessment date to the county treasurer under
26 IC 6-1.1-22-5 before March 16 of the year following the assessment
27 date. **The amount to be billed for each installment of the**
28 **provisional statement is the amount determined under section 9 of**
29 **this chapter.**

30 (b) The county treasurer shall give notice of the provisional
31 statement, including disclosure of the method that is to be used in
32 determining the tax liability to be indicated on the provisional
33 statement, by publication one (1) time:

34 (1) in the form prescribed by the department of local government
35 finance; and

36 (2) in the manner described in IC 6-1.1-22-4(b).

37 The notice may be combined with the notice required under section 10
38 of this chapter.

1 (c) Subsection (a) ~~does not apply if~~ **applies regardless of whether**
 2 the county auditor fails to deliver the abstract as provided in
 3 IC 6-1.1-22-5(b). **Section 7 of this chapter does not apply to this**
 4 **section.**

5 (d) This subsection applies after June 30, 2009. Immediately upon
 6 determining to use provisional statements under subsection (a), the
 7 county treasurer shall give notice of the determination to the county
 8 fiscal body (as defined in IC 36-1-2-6).

9 (e) In a county in which an authorizing ordinance is adopted under
 10 IC 6-1.1-22-8.1(h), a person may direct the county treasurer to transmit
 11 a provisional statement by electronic mail under IC 6-1.1-22-8.1(h).

12 SECTION 3. IC 6-1.1-22.5-7, AS AMENDED BY
 13 P.L.182-2009(ss), SECTION 160, IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 7. (a) The county
 15 auditor of a county or fifty (50) property owners in the county may, not
 16 more than five (5) days after the publication of the notice required
 17 under section ~~6(b)~~ or 6.5(f) of this chapter, request in writing that the
 18 department of local government finance waive the use of a provisional
 19 statement under this chapter as to that county for a particular year.

20 (b) With respect to the use of a provisional statement required under
 21 section 6 of this chapter, upon receipt of a request under subsection (a),
 22 the department of local government finance shall give notice of a
 23 hearing concerning the request in the manner provided by IC 5-3-1.
 24 The notice must state:

- 25 (1) the date and time of the hearing;
 26 (2) the location of the hearing, which must be in the county; and
 27 (3) that the purpose of the hearing is to hear:
 28 (A) the request of the county treasurer and county auditor to
 29 waive the requirements of section 6 of this chapter; and
 30 (B) taxpayers' comments regarding that request.

31 (c) After the hearing referred to in subsection (b), the department of
 32 local government finance may waive the use of a provisional statement
 33 under section 6 of this chapter for a particular year as to the county
 34 making the request if the department finds that the petitioners have
 35 presented sufficient evidence to establish that although the abstract
 36 required by IC 6-1.1-22-5 was not delivered in a timely manner:

- 37 (1) the abstract;
 38 (A) was delivered as of the date of the hearing; or

1 (B) will be delivered not later than a date specified by the
2 county auditor and county treasurer; and

3 (2) sufficient time remains or will remain after the date or
4 anticipated date of delivery of the abstract to:

5 (A) permit the timely preparation and delivery of property tax
6 statements in the manner provided by IC 6-1.1-22; and

7 (B) render the use of a provisional statement under section 6
8 of this chapter unnecessary.

9 (d) With respect to a determination to use a provisional statement
10 under section 6.5 of this chapter, upon receipt of a request under
11 subsection (a), the department of local government finance shall give
12 notice of a hearing concerning the request in the manner provided by
13 IC 5-3-1. The notice must state:

14 (1) the date and time of the hearing;

15 (2) the location of the hearing, which must be in the county; and

16 (3) that the purpose of the hearing is to hear:

17 (A) the request of the county treasurer and county auditor to
18 waive the requirements of section 6.5 of this chapter; and

19 (B) taxpayers' comments regarding that request.

20 (e) After the hearing referred to in subsection (d), the department of
21 local government finance may waive the use of a provisional statement
22 under section 6.5 of this chapter for a particular year as to the county
23 making the request if the department finds that the petitioners have
24 presented sufficient evidence to establish that although the property tax
25 rate of one (1) or more cross-county entities with cross-county area in
26 the county was not finally determined before the statement preparation
27 date:

28 (1) that property tax rate:

29 (A) was determined as of the date of the hearing; or

30 (B) will be determined not later than a date specified by the
31 county auditor and county treasurer; and

32 (2) sufficient time remains or will remain after the date or
33 anticipated date of determination of the rate to:

34 (A) permit the timely preparation and delivery of property tax
35 statements in the manner provided by IC 6-1.1-22; and

36 (B) render the use of a provisional statement under section 6.5
37 of this chapter unnecessary.

38 SECTION 4. IC 6-1.1-22.5-8, AS AMENDED BY

1 P.L.182-2009(ss), SECTION 161, IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 8. (a) Subject to
 3 subsection (c), a provisional statement must:

4 (1) be on a form prescribed by the department of local
 5 government finance;

6 (2) except as provided in emergency rules adopted under section
 7 20 of this chapter and subsection (b):

8 (A) for property taxes billed using a provisional statement
 9 under section 6 of this chapter, indicate **that each installment**
 10 **of the taxpayer's tax liability in the is an amount of not more**
 11 **than one hundred percent (100%) equal to fifty percent**
 12 **(50%)** of the tax liability that was payable in the same year as
 13 the assessment date for the property for which the provisional
 14 statement is issued, subject to any adjustments to the tax
 15 liability as prescribed by the department of local government
 16 finance; and

17 (B) for property taxes billed using a provisional statement
 18 under section 6.5 of this chapter, except as provided in
 19 subsection (d), indicate tax liability in an amount determined
 20 by the department of local government finance based on:

21 (i) subject to subsection (c), for the cross-county entity, the
 22 property tax rate of the cross-county entity for taxes first due
 23 and payable in the immediately preceding calendar year; and

24 (ii) for all other taxing units that make up the taxing district
 25 or taxing districts that comprise the cross-county area, the
 26 property tax rates of the taxing units for taxes first due and
 27 payable in the current calendar year;

28 (3) indicate:

29 (A) that the tax liability under the provisional statement is
 30 determined as described in subdivision (2); and

31 (B) that property taxes billed on the provisional statement:

32 (i) are due and payable in the same manner as property taxes
 33 billed on a tax statement under IC 6-1.1-22-8.1; and

34 (ii) will be credited against a reconciling statement;

35 (4) for property taxes billed using a provisional statement under
 36 section 6 of this chapter, include a statement in the following or
 37 a substantially similar form, as determined by the department of
 38 local government finance:

1 "Under Indiana law, _____ County (insert county) has sent
 2 provisional statements because the county did not complete the
 3 abstract of the property, assessments, taxes, deductions, and
 4 exemptions for taxes payable in (insert year) in each taxing
 5 district before March 16, (insert year). The statement is due to be
 6 paid in installments on _____ (insert date) and _____
 7 (insert date). ~~The statement is based on _____ percent (____%)~~
 8 ~~(insert percentage)~~ **Each installment is equal to fifty percent**
 9 **(50%)** of your tax liability for taxes payable in _____ (insert
 10 year), subject to adjustment to the tax liability as prescribed by
 11 the department of local government finance and adjustment for
 12 any new construction on your property or any damage to your
 13 property. After the abstract of property is complete, you will
 14 receive a reconciling statement in the amount of your actual tax
 15 liability for taxes payable in (insert year), minus the amount you
 16 pay under this provisional statement.";

17 (5) for property taxes billed using a provisional statement under
 18 section 6.5 of this chapter, include a statement in the following or
 19 a substantially similar form, as determined by the department of
 20 local government finance:

21 "Under Indiana law, _____ County (insert county) has elected
 22 to send provisional statements for the territory of
 23 _____ (insert cross-county entity) located in
 24 _____ County (insert county) because the property tax rate for
 25 _____ (insert cross-county entity) was not available
 26 in time to prepare final tax statements. The statement is due to be
 27 paid in installments on _____ (insert date) and _____
 28 (insert date). The statement is based on the property tax rate of
 29 _____ (insert cross-county entity) for taxes first
 30 due and payable in _____ (insert immediately preceding calendar
 31 year). After the property tax rate of _____ (insert
 32 cross-county entity) is determined, you will receive a reconciling
 33 statement in the amount of your actual tax liability for taxes
 34 payable in _____ (insert year), minus the amount you pay under
 35 this provisional statement.";

36 (6) indicate liability for:

- 37 (A) delinquent:
 38 (i) taxes; and

- 1 (ii) special assessments;
 2 (B) penalties; and
 3 (C) interest;
- 4 is allowed to appear on the tax statement under IC 6-1.1-22-8.1
 5 for the first installment of property taxes in the year in which the
 6 provisional tax statement is issued;
- 7 (7) include:
- 8 (A) a checklist that shows:
- 9 (i) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or
 10 another law and all property tax deductions; and
 11 (ii) whether each homestead credit and property tax
 12 deduction ~~was~~ were applied in the current provisional
 13 statement;
- 14 (B) an explanation of the procedure and deadline that a
 15 taxpayer must follow and the forms that must be used if a
 16 credit or deduction has been granted for the property and the
 17 taxpayer is no longer eligible for the credit or deduction; and
 18 (C) an explanation of the tax consequences and applicable
 19 penalties if a taxpayer unlawfully claims a standard deduction
 20 under IC 6-1.1-12-37 on:
- 21 (i) more than one (1) parcel of property; or
 22 (ii) property that is not the taxpayer's principal place of
 23 residence or is otherwise not eligible for a standard
 24 deduction; and
- 25 (8) include any other information the county treasurer requires.
- 26 (b) This subsection applies to property taxes first due and payable
 27 for assessment dates after January 15, 2009. The county may apply a
 28 standard deduction, supplemental standard deduction, or homestead
 29 credit calculated by the county's property system on a provisional bill
 30 for a qualified property. If a provisional bill has been used for property
 31 tax billings for two (2) consecutive years and a property qualifies for
 32 a standard deduction, supplemental standard deduction, or homestead
 33 credit for the second year a provisional bill is used, the county shall
 34 apply the standard deduction, supplemental standard deduction, or
 35 homestead credit calculated by the county's property system on the
 36 provisional bill.
- 37 (c) For purposes of this section, property taxes that are:
- 38 (1) first due and payable in the current calendar year on a

1 provisional statement under section 6 or 6.5 of this chapter; and
 2 (2) based on property taxes first due and payable in the
 3 immediately preceding calendar year or on a percentage of those
 4 property taxes;
 5 are determined after excluding from the property taxes first due and
 6 payable in the immediately preceding calendar year property taxes
 7 imposed by one (1) or more taxing units in which the tangible property
 8 is located that are attributable to a levy that no longer applies for
 9 property taxes first due and payable in the current calendar year.

10 (d) If there was no property tax rate of the cross-county entity for
 11 taxes first due and payable in the immediately preceding calendar year
 12 for use under subsection (a)(2)(B), the department of local government
 13 finance shall provide an estimated tax rate calculated to approximate
 14 the actual tax rate that will apply when the tax rate is finally
 15 determined.

16 SECTION 5. IC 6-1.1-22.5-9, AS AMENDED BY P.L.87-2009,
 17 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JANUARY 1, 2011]: Sec. 9. (a) Except as provided in ~~subsections (b)~~
 19 ~~and (c) and~~ section ~~12~~ **12(b)** of this chapter, property taxes billed on a
 20 provisional statement are due in two (2) equal installments on May 10
 21 and November 10 of the year following the assessment date covered by
 22 the provisional statement.

23 ~~(b) If in a county the notices of general reassessment under~~
 24 ~~IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an~~
 25 ~~assessment date in a calendar year are given to the taxpayers in the~~
 26 ~~county after March 26 of the immediately succeeding calendar year; the~~
 27 ~~property taxes that would otherwise be due under subsection (a) on~~
 28 ~~May 10 of the immediately succeeding calendar year are due on the~~
 29 ~~later of:~~

30 ~~(1) May 10 of the immediately succeeding calendar year; or~~
 31 ~~(2) forty-five (45) days after the mailing or transmittal of~~
 32 ~~provisional statements.~~

33 ~~(c) If subsection (b) applies, the property taxes that would otherwise~~
 34 ~~be due under subsection (a) on November 10 of the immediately~~
 35 ~~succeeding calendar year referred to in subsection (b) are due on the~~
 36 ~~later of:~~

37 ~~(1) November 10 of the immediately succeeding calendar year; or~~
 38 ~~(2) a date determined by the county treasurer that is not later than~~

1 ~~December 31~~ of the immediately succeeding calendar year.

2 **(b) The county treasurer may mail or transmit the provisional**
 3 **statement one (1) time each year at least fifteen (15) days before**
 4 **the date on which the first installment is due under subsection (a)**
 5 **in the manner provided in IC 6-1.1-22-8.1, regardless of whether**
 6 **the notice required under section 6(b) of this chapter has been**
 7 **published.**

8 **(c) This subsection applies to a provisional statement issued**
 9 **under section 6 of this chapter. Except when the second installment**
 10 **of a provisional statement is replaced by a final reconciling**
 11 **statement providing for taxes to be due on November 10, the**
 12 **amount of tax due for each installment of a provisional statement**
 13 **issued for a year is fifty percent (50%) of the tax was due for the**
 14 **immediately preceding year or IC 6-1.1-22. If no bill was issued in**
 15 **the prior year, the provisional bill shall be based on the amount**
 16 **that would have been due if a provisional tax statement had been**
 17 **issued for the immediately preceding year. The department of local**
 18 **government finance may prescribe standards to implement this**
 19 **subsection, including a method of calculating the taxes due when**
 20 **an abstract or other information is not complete.**

21 (d) This subsection applies only if a provisional statement for
 22 payment of property taxes and special assessments by electronic mail
 23 is transmitted to a person under IC 6-1.1-22-8.1(h). If a response to the
 24 transmission of electronic mail to a person indicates that the electronic
 25 mail was not received, the county treasurer shall mail to the person a
 26 hard copy of the provisional statement in the manner required by this
 27 chapter for persons who do not opt to receive statements by electronic
 28 mail. The due date for the property taxes and special assessments under
 29 a provisional statement mailed to a person under this subsection is the
 30 due date indicated in the statement transmitted to the person by
 31 electronic mail.

32 SECTION 6. IC 6-1.1-27-1 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 1. (a) On or
 34 before June 20th and December 20th of each year, the county auditor
 35 and the county treasurer shall meet in the office of the county auditor.
 36 Before each semi-annual meeting, the county auditor shall complete an
 37 audit of the county treasurer's monthly reports required under
 38 IC 36-2-10-16. In addition, the county auditor shall:

- 1 (1) prepare a certificate of settlement on the form prescribed by
- 2 the state board of accounts; and
- 3 (2) deliver the certificate of settlement to the county treasurer at
- 4 least two (2) days before each semi-annual meeting.
- 5 (b) If any county treasurer or auditor refuses, neglects, or fails to
- 6 distribute tax money due to a **tax taxing** unit on or before:
- 7 (1) the fifty-first day immediately following each property tax due
- 8 date under IC 6-1.1-22-9 or IC 6-1.1-37-10, whichever applies; **or**
- 9 (2) **the deadline for a distribution requested under**
- 10 **IC 5-13-6-3;**
- 11 the county treasurer and auditor shall pay to the taxing unit from the
- 12 county general fund interest on the taxing unit's undistributed tax
- 13 money if the county treasurer and auditor invest undistributed tax
- 14 money in an interest bearing investment.
- 15 (c) The amount of interest to be paid **if subsection (b)(1) applies**
- 16 equals the taxing unit's proportionate share of the actual amount of
- 17 interest which is received from investments of the undistributed tax
- 18 money from the fifty-second day immediately following the property
- 19 tax due date under IC 6-1.1-22-9 or IC 6-1.1-37-10, whichever applies,
- 20 to the date that the tax money is distributed.
- 21 (d) **The amount of interest to be paid if subsection (b)(2) applies**
- 22 **equals the taxing unit's proportionate share of the actual amount**
- 23 **of interest that is received from investments of the undistributed**
- 24 **tax money from the date the county treasurer receives the taxing**
- 25 **unit's request for funds under IC 5-13-6-3(b) to the date the tax**
- 26 **money is distributed.**

(Reference is to HB 1059 as introduced.)

and when so amended that said bill do pass.

Representative Crawford