

Provisional Tax Billing for 2010 – Pay 2011 Taxes

Commissioner Brian Bailey

August 4, 2010



Background

- Long-standing option for counties.
- Used to generate revenue when a county is unable to issue tax bills on-time.
- County did cost-benefit analysis and made local decision.
- Amount based on percentage of the prior year's tax liability.
- During 2008, 2009, and 2010, additional calculations accommodated substantial legislative changes.

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2



Changes for 2010-Pay-2011

- Mandatory Provisional Bills (IC 6-1.1-22.5)
 - If treasurer doesn't have abstract by April 1.
 - Bills must have May 10 due date
- Waiver request from County Council or Treasurer
- Department may grant **only** if:
 - County will have June 10 or earlier due date
 - Delay is the result of a software conversion (June 10 requirement still applies)

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3



Other Details

- Homestead Verification Form
 - Sent with the Reconciliation Bill
- Reconciliation bill is required
- Penalties
 - Deposited in a separate fund
 - Used to offset the cost of provisional billing
 - Remaining revenues go to Reassessment Fund.
- Advance draw of tax collections required
 - 30-day request window
 - If not met, county must pay interest on the undistributed collections

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7



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8
