

COUNTY AUDITORS' FALL 2012 CONFERENCE

December Settlement Overview

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Settlement Overview

- 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



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Settlement Overview

- The electronic documents that have been provided in the Auditor folder on the BMV FTP site:
 - Settlement Sheet, Form 105
 - 177C Certificate of Tax Refunds
 - Certificate of Error Summary
 - State and Local HSC and Residential PTRC Reconciliation Worksheet
 - State and Local PTRC Reconciliation Worksheet

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Settlement Overview

Settlement Worksheets continued...

- Report of Settlement of Property Tax Replacement Credit and Homestead Credit Form 105A
- Excise Tax Allocation Worksheet
- Quietus Worksheet
- Fines & Fees Report Form
- County Checklist
- Office Information sheet

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Settlement Overview

- Counties with circuit breaker credit exempt funds must use, where applicable, Property Tax Rates Adjusted for Circuit Breaker Credit Exempt 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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Settlement Overview

- When Settlement is filed must use worksheets we placed in the Auditor and Treasurer folders on the FTP site for your county
- The only exception to this is if your software vendor has created identical worksheets that have been approved by AOS for county use

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Settlement Overview

- The electronic documents that have been provided in the Treasurer folder on the FTP site
 - 49TC Treasurer's Certificate of Tax Collections
 - Treasurer-Auditor Excise Tax Recon Worksheet
 - Office Information Sheet

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Settlement Overview

- Counties with local property tax credits must include the abstract amount less the amount included in the June Settlement
 - 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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Settlement Overview

- Any December Settlements filed that do not include the appropriate amount of property tax credit dollars will be rejected and must be corrected and resubmitted for approval.
- Counties with circuit breaker credit exempt funds must use, where applicable, Property Tax Rates Adjusted for Circuit Breaker Credit Exempt Funds to distribute property tax

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Settlement Overview

- The 2008 & Prior Del Tax Deduction worksheet is no longer a required form to be filed with settlement
 - If your county opts to continue to track the 2008 & Prior Del Tax Deductions you will contact our office for the form
- The Omitted Homestead Credit and Res PTRC worksheet is no longer a required form to be filed with settlement
 - If your county opts to continue to use the Omitted Homestead Credit and Res PTRC worksheet you will contact our office for the form

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Settlement Overview

- Excise Tax
 - The Excise Tax Allocation Deductions continue and will continue at each settlement
 - Must use the current worksheet placed in the Auditor folder on the FTP site your county
 - December Settlement Excise Tax cut-off date
 - Use the normal cut-off date regardless of when December Settlement is done
 - The cutoff dates are either March 31 or April 30 for June Settlement and September 30 or October 31 for the December Settlement

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Settlement Overview

- Treasurer/Auditor Excise Tax Reconciliation Worksheet is required and will continue to be required with each settlement.
 - Must use the current worksheet placed in the Treasurer folder on the BMV FTP site

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Settlement Overview

- **Form 105 Settlement Sheet changes**
 - **Section A-1**
 - Line 41 Plus Late Payment Penalties on Unpaid Special Assessments Collected
 - Line 42 Plus or Minus Other Before Apportionment Adjustments
 - Line 43 Total of Before Apportionment Adjustments
 - Line 44 Net Total Property Tax for Apportionment
 - Line 45 License Excise Tax For Apportionment

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Settlement Overview

- **Tax Refunds**
 - **Are required to be deducted in the December Settlement**
 - But only the refunds that were not deducted in the June Settlement
 - LOIT PTRC and Homestead Credits will need to be broken down by type of credit on the 17TC as applicable
 - If any refunds include State PTRC and/or State Homestead Credit, that portion of the refund must be remitted to the state before you will receive final approval of the December Settlement

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- **A County checklist is available. Please use the checklist to verify data prior to submitting settlement**
- **New item to check this year**
 - Be certain correct distribution rates are in your tax system to allocate the tax collections
 - We will be asking for a listing of distribution rates from your property tax system to verify

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Settlement Overview

- **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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Settlement Overview

- **Remittances Due State before final approval of the December Settlement will be given**
 - Excise Tax Allocations
 - 2008 & Prior Delinquent Tax Deduction
 - State Fair, Forestry, HCI, MAW & CWSHCN
 - State PTRC & State HSC portion of tax refunds
- **Settlement Fines and Fees**
 - Due on or before December 31st
- **If remitting interest to the state, you will need to provide the breakdown of the total interest by fund**

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Settlement Overview

- **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
 - Child Restraint Fine
 - Forest Restoration Fund
 - Canine Research and Education Fund
 - Sex/Violent Offender Registration Fees
 - DLGF Homestead Property Database Fund

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- **Settlement Fines and Fees Remittances continued...**
 - November 30th balances of the Fines and Fees are to be remitted by December 31.
 - If you file a settlement prior to November 30th, you will remit the October 31 balance and list those same balances in Section C of the Form 105
 - If you have remitted any of these fees due to court order, etc., we have documented receipt of those funds and you need to include those amounts with the balances listed in Section C

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Settlement Overview

- **Verify sending state portion only of these fines and fees**
 - Sales Disclosure Fees (\$5 of \$10 fee collected)
 - Coroner's Continuing Education Fee (\$1.75 for each Certificate of Death)
 - Adult & Juvenile Offender Interstate Compact Fees (50% of \$125 application fee charged parolees and probationers who apply to leave the state)
 - Mortgage Recording Fee (\$2.50 of the \$3 recording fee)
 - Canine Research & Education Fees (20% of County Option Dog Tax)

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Settlement Overview

- **State portion of fees to state continued...**
 - Forest restoration penalties for classified forest &/or wildlands properties classified after June 30, 2006 & withdrawn after July 1, 2007 (75% of the withdrawal penalty)
 - Sex/Violent Offender Registration Fee (10% of the fee collected)
 - DLGF Homestead Property Database Fund for Ineligible Homesteads (1% of the 10% civil penalty)
- **Please see the December Settlement Instructions for more details**

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Settlement Overview

- 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 either the Form 105 from BMV FTP site or you may use a property tax software generated form if approved by AOS
 - Treasurer's Certificate of Tax Collections, Form 49TC
 - Must use 49TC from BMV FTP site or you may use a property tax software generated form if approved by AOS
 - Certificate of Tax Refunds, Form 17TC
 - Must use Form 17TC from BMV FTP site or you may use a property tax software generated form if approved by AOS

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- Settlement docs to email for approval continued...
 - Excise Tax Allocation Deduction Calculation Worksheet
 - Must use Excise Tax Allocation worksheet from BMV FTP site
 - 2008 & Prior Del Tax Fund Deduction Calculation Worksheet if applicable
 - Must use AOS provided 2008 & Prior Del Tax Fund Deduction Calculation worksheet
 - Report of Settlement of Property Tax Replacement Credit and Homestead Credit Form 105A
 - Must use the Form 105A from BMV FTP site
 - 17HC Omitted Homestead and Res PTRC Summary Worksheet, if applicable
 - Must use the AOS provided 17HC Omitted Homestead and Res PTRC worksheet

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- Settlement docs to email for approval continued...
 - Certificate of Error Summary -Must use either the C of E Summary from BMV FTP site or may use a property tax system generated C of E Summary if approved by AOS
 - State and Local HSC and Residential PTRC Reconciliation Worksheet-Must use either the Recon worksheet from BMV FTP site or may use a property tax system generated Recon worksheet if approved by AOS

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Settlement Overview

- Settlement docs to email for approval continued...
 - State and Local PTRC Reconciliation Worksheet -Must use the either the Recon worksheet from BMV FTP site or may use a property tax system generated Recon worksheet if approved by AOS
 - Treasurer-Auditor Excise Tax Recon Worksheet - Must use the Recon worksheet from BMV FTP site
 - Distribution rate report from the county software system

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- 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 the settlement

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Treasurer's Certificate of Tax Collections - Form 49TC

- In columns 1 through 7 the treasurer will certify collections
- In column 2, if applicable the treasurer will certify collections of 2007 pay 2008 and prior taxes and penalties
- If applicable County auditor will use the amounts certified in column 2 to calculate the State, County and School Share of 2008 and Prior Delinquent Tax and Penalties Deduction

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Treasurer's Certificate of Tax Collections - Form 49TC

- **Section 3-This is NEW!!!!**

- **Column 29**

- Treasurer will list the collections of the late payment penalties on certain special assessments in taxing district order
 - Total of Column 29 must agree with total in Other Sources Section 1 for late payment penalty collections certified
 - More detail can be found in the December Settlement Instruction manual

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Treasurer's Certificate of Tax Collections - Form 49TC

- County Auditor will complete Section 1, Columns 8 through 13 based on information found on the Apportionment Sheets Form 102's, Line 44

- In Section 2 columns 17 and 18 auditor will enter the breakdown of additional PTRC needed or excess PTRC between state and local PTRC if applicable

- Data is obtained from the State and Local PTRC Reconciliation Worksheet Line 15

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Treasurer's Certificate of Tax Collections - Form 49TC

- In Section 2 columns 22 through 28 auditor will enter the breakdown of additional homestead credit needed or excess homestead credit between state HSC, state HEA 1001 HSC, COIT HSC, CEDIT HSC, CEDIT Res PTRC, Local LOIT (CAGIT or COIT) HSC, Local LOIT (CAGIT or COIT Res PTRC homestead credits

- Information is obtained from the State and Local Homestead Credit and Residential PTRC Reconciliation Worksheet Line 15

- Form 49TC instructions begin on page 87 of the December 2012 Settlement Instructions

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Quietus Worksheet

- The Quietus worksheet is now be a required document to be filed after the settlement has been pre-approved
 - 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
- The worksheet has been redesigned and can be found in Auditor Folder at the BMV FTP site

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Quietus Worksheet

- The Quietus worksheet is now a workbook that consists of 5 different worksheets we will be reviewing today
- The quietus worksheet is a tool to assist the county auditor and the county 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

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Quietus Worksheet

- If completed correctly the quietus worksheet either proves:
 - The total amount to be distributed equals the treasurer's total cash available for distribution, or
 - The total amount to be distributed does not equal the treasurer's total cash available for distribution
- The total amount to be distributed and the treasurer's total cash available for distribution must be the same amount

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Quietus Worksheet

- Quietus Worksheet Instructions start on page 102 of the December 2012 Settlement Instructions
- The instructions address each worksheet of the workbook and every line

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Quietus Worksheet

- Are we ready?



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State Owned Property

- If property is deeded to the Department of Natural Resources, the property tax bills should be sent to
 - DNR Division of Land Acquisition
402 W Washington St Room 261
Indianapolis, IN 46204
 - If parcels already are addressed to a specific division of the DNR do not change the address
 - Questions please call Tom Laycock at 317-234-3419
- If property is deeded to the Department of Transportation, the property tax bills should be sent to
 - INDOT Real Estate Division
100 N Senate Room N642
Indianapolis, IN 46204
 - Questions please call Jeff Hinrichs at 317-232-5026

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State Owned Property

- All other state owned property tax bills, delinquent ditch assessment notices, and all tax sale notices should be sent to:

- State Land Office
402 W Washington Street Room 256
Indianapolis, IN 46204

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More Stuff

- CVET & FIT distributions will occur December 1
- Refunds of taxes for tax years prior to the current tax year including tax years prior to 2009 are deducted in the settlement of the year the tax refund is paid. The payment of a tax refund for prior year tax does not require special settlement treatment regardless of the prior year tax year.
- Late Payment Penalty collections on special assessments are not to be paid to the entity that certified the lien. The collections are included in the property taxes distributed to taxing units.

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More Stuff

- Remember to copy all when sending in settlement
- Take advantage of making payments to the state via ACH
 - Settlement monies
 - Fines & Fees
 - Fines & Forfeitures
 - Judges Supplemental
 - Rainy Day Loan
 - Other payments made to AOS
- Anything else I forgot when putting the presentation together

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