

2020 County Auditors Fall Conference

Kim Diller and Janie Cope
Local Government Division
Indiana Auditor of State



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LOCAL GOVERNMENT DIVISION

The Team

- | | |
|------------------|------------------|
| □ Kim Diller | □ Janie Cope |
| ▪ Director | ▪ Specialist |
| ▪ (317) 232-3309 | ▪ (317) 233-1712 |

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About Me

Name: Kim Diller

Education: Ball State University, BS – Finance
IUPUI, Kelley School of Business, MS - Accounting

Work **Auditor of State's Office (AOS)**

History: March 2020 – Present Local Government Division Director

State of Indiana

IDEM – Chief Financial Officer

ISDH – Controller

Local Government

City of Lawrence – Controller

Marion County – Deputy Auditor

City of Indianapolis – Budget Manager



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What we'll discuss today

- December 2020 Settlement
- Tax Advances
- Abstract
- 2020 AOS Memos



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December 2020 Settlement

- AOS will continue to use FTP site for circulating documents
- Remember to read manual prior to filling out forms
 - Available on AOS website
 - <https://www.in.gov/auditor/1260.htm>
 - Contains instructions and tips



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Settlement Submission and Review

- Make sure to complete checklist prior to submitting settlement for review
- Crowe LLP will conduct initial review and AOS will conduct final review
- AOS will email county auditor when pre-approval is granted
- E-Signature form will be uploaded to FTP site after pre-approval
- Final approval will occur when:
 - AOS receives E-signature form
 - All funds have been remitted to AOS, **must occur on or before December 31, 2020**



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AOS FTP Site

- AOS FTP Site - <https://aosftp.auditor.in.gov/>
 - Used for circulating documents for settlement
 - Contact localgovernment@auditor.in.gov for login assistance and instructions
 - County auditors can upload completed settlement documents to the "To Settlements" folder

<input type="checkbox"/>	Name ▲	Size	Date	Owner
	Up directory			
<input type="checkbox"/>	From Settlements	4 KiB	2019-05-15 11:46:27	wgarth
<input type="checkbox"/>	To Settlements	4 KiB	2019-05-15 14:57:24	wgarth



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Settlement Checklist

- Designed to mimic AOS review process
- Early detection of problems
- Verifies forms balance
- Speeds up review process



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Settlement Forms

- Form 17TC
- Excise Tax Allocation Worksheet
- Excise Tax Reconciliation Worksheet
- Form 49TC
- Form 102 Apportionment Sheet
- Form 105 Settlement Sheet
- Quietus Worksheet
- Correction of Error Summary



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Excise Tax Allocation Worksheet

- Form used to calculate remittance to AOS for SWETA, 2009 Welfare Excise Tax Allocation and 2009 School Excise Tax Allocation only
- The change was due to provide more transparency on the excise distributions.
- By statute, IC 6-6-16, the only excise tax collections subject to the Excise Allocation worksheet are
 - Motor Vehicle Excise Tax
 - Boat Excise
 - Excise Tax Replacement Credit
 - Aircraft Excise
- Other forms of Excise are to be distributed but are not included in the Excise Tax Allocations. These include Auto Rental Excise, Heavy Equipment Rental Excise, and Vehicle Sharing Excise.



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AOS Settlement Review

- **AOS review major components**

1. Verify all forms agree
2. Verify Form 105 Sec A-1 Lines 3 through 6 agree to March abstract (Gateway Abstract)
3. Review Form 105 Sec C changes above 20% threshold
4. Verify excise tax reconciles
5. Review items reported on line 41 of Form 105



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Spring Settlement Issues

- Increased number of re-submissions
- Excise Tax Reconciliation between County Treasurer & County Auditor



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Property Tax Advances

- IC 5-13-6-3
 “The Auditor may not advance any more than the lessor of 95% of the total amount collected at the time of the advance, or 95% of the amount that is anticipated to be distributed at the semiannual distribution.”



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Property Tax Advances

- December Settlement Property Tax Worksheet
 In the third column, **Less Property Tax Advances**, enter the property tax advance amounts as a negative number on the quietus worksheet. You should have previously verified the property tax advance amounts with the county treasurer. Also, the total of this column plus the total of the excise tax advances must agree with the tax advance total of all Form 22 Certificates of Tax Distribution.



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Abstract General Information

- IC 6-1.1-22-5
- County Auditor prepares and delivers a certified copy of an abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in that year in each taxing district of the county
- Submitted through the Gateway Abstract Application



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Abstract Timeline

- Pre-Abstract Survey – January 2021
- Property Tax Relief Workbook (for applicable counties) – February 2021
- Upload text files to Gateway Abstract – February/March 2021
- Verify accuracy of all data uploaded – February/March 2021
- Complete review section questions – February/March 2021
- Submit Gateway Abstract for DLGF review – February/March 2021
- Abstract Approval – March 2021
- Circuit Breaker Adjusted Distribution rates – Prior to June Settlement



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Abstract

Oil & Gas Assessments – Late Penalty Distributions

- IC 6-1.1-4-12.6 – Late submission of the annual Property Schedule for Gas & Oil Well Assessment
- Any penalties collected by the county treasurer will be certified on County Form No. 49TC in the “Statement of Tax Collections” section
- The penalty should be included and apportioned in settlement to the appropriate taxing units
- There will be two columns in the Abstract report for late assessment penalties, “Personal Property Late Assessment Penalties,” and “Oil & Gas Late Assessment Penalties.”



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2020 AOS Communications Summary

- 2020 Vehicle Sharing Excise Tax – May 2020
- State FY 2021 Riverboat Wagering Tax Revenue Sharing Distribution
- Remittance of Forfeitures to the Common School Fund – October 2020



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2020 AOS Communications

2020 Vehicle Sharing Excise Tax

- Prescribed in IC 6-6-16
- Department of Revenue will distribute to the County Treasurer on or before May 20 and November 20 of each year
- Distributed among taxing units in the same manner property taxes are apportioned and distributed based on the location in the taxing district where the tax was originally paid
- Not included in the SWETA calculation



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2020 AOS Communications

State FY 2021 Riverboat Wagering Tax Revenue Sharing Distribution

- Prescribed in IC 4-33-13-5(e)
- Initial \$33 million of wagering taxes are set aside to be distributed as revenue sharing to each county that does not have a riverboat
- Due to the COVID-19 pandemic, the state did not receive \$33 million in the first month of the state fiscal year
- Amount received as of July 31, 2020 was distributed in August
- Remainder of first \$33 million was distributed in September




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2020 AOS Communications

Remittance of Forfeitures to the Common School Fund

- Prescribed in IC 20-49-3-16
- Forfeiture proceeds should first be deposited with the county auditor
- The county auditor will send the accumulated forfeitures to AOS twice per year
- Please communicate this guidance to any local official who handles civil forfeiture dollars



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Questions and Answers

Local Government Division

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