

THE COUNTY BULLETIN

And Uniform Compliance Guidelines

ISSUED BY STATE BOARD OF ACCOUNTS

Vol. No. 403

April 2017

REMINDER OF ORDER OF BUSINESS

April

- 1 On or before April 1 is the last regular day for filing applications for tax exemption by Churches, Educational and Charitable organizations. (IC 6-1.1-11-3)

On or before April 1, of each even numbered year, the County Auditor shall provide to the County Assessor a list by taxing district of property for which a tax exemption was in effect for the immediately preceding year. (IC 6-1.1-11-5)
- 14 Good Friday – Legal Holiday (IC 1-1-9-1)
- 15 Members of Tax Adjustment Board to be appointed before this date to serve one year in counties that have not abolished such board. (IC 6-1.1-29-2) Abolishment of the board is provided under IC 6-1.1-29-9.
- 18-20 State Board of Accounts called meeting for County Recorders – Columbus
- 30 Last day to file quarterly report of federal withholding tax with Director of Internal Revenue Service.

May

- 1 Prepare report of school funds to Auditor of State and make payment of principal and interest due to Treasurer of State on the Common and Permanent Endowment Funds, and pay the Treasurer of State all fines and forfeitures on hand April 30, 2017, as shown in this report. (IC 20-42-1-6)
- 10 First installment of property taxes due. (IC 6-1.1-22-9)
- 15 Due date for personal property tax returns and filing for exemption. (IC 6-1.1-3-1.5) (IC 6-1.1-3-7.2)
- 24, 25, & 26 State Board of Accounts called meeting for County Auditors - Indianapolis
- 29 Memorial Day – Legal Holiday (IC 1-1-9-1)

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REMINDER OF ORDER OF BUSINESS
(Continued)

June

- 1 Last date for filing County Highway Annual Operational Report with the State Board of Accounts and other governmental agencies. (IC 8-17-4.1-7)

On or before this date the County Treasurer shall search the records to ascertain if person so certified is delinquent in payment of Property Taxes and certify to Auditor of State and state agencies the names of state employees owing delinquent taxes. (IC 6-1.1-22-16)

County Auditor to prepare a list of persons owing delinquent taxes and believed to have money due from Auditor of State, Indiana Department of Transportation or any state institution or state school and furnish the list to those agencies on or before June 1.

- 13, 14, & 15 State Board of Accounts called meeting for Clerk of the Circuit Courts - Indianapolis

- 20 On or before June 20th and December 20th of each year, the county auditor and the county treasurer shall meet in the office of the county auditor. Before each semi-annual meeting, the county auditor shall complete an audit of the county treasurer's monthly reports required under IC 36-2-10-16. In addition, the county auditor shall: (1) prepare a certificate of settlement on the form prescribed by the state board of accounts; and (2) deliver the certificate of settlement to the county treasurer at least two (2) days before each semi-annual meeting. (IC 6-1.1-27-1(a))

- 24 State Board of Accounts called meeting for County Council - Shelbyville

- 30 Immediately after each semi-annual settlement, the county auditor shall send a copy of the certificate of settlement and a statement of the distribution of the taxes collected to the state auditor. On or before June 30th and December 31st of each year, the county treasurer shall pay to the state treasurer the money due the state as shown by the certificate of settlement. (IC 6-1.1-27-3)

Last day for County Treasurer to certify list of real property eligible for tax sale to County Auditor if May 10 was first payment due date.

On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the County Treasurer shall certify to the county auditor a list of real property eligible for tax sale. (IC 6-1.1-24-1(a))

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OBSOLETE VOLUMES

All articles from Volumes 359 and earlier of *The County Bulletin* have now been updated and are no longer applicable; thus Volumes 359 and earlier may be deleted from your file.

COUNTY COMMISSIONERS COMPENSATION

It has recently come to our attention that some Counties may be paying county commissioners different salaries based on differing duties performed by the commissioners. Based on IC 36-2-6-8 (below), it is our position that all county commissioners of a particular county should receive the same compensation. There should not be additional compensation for "extra duties" that are within the capacity of the commissioners. Each commissioner has the same or equal responsibilities as a commissioner to perform those duties regardless of how the commissioners may decide to divide those duties. For example, the commissioners may determine that a commissioner is needed in the office on a daily basis. There is only one commissioner who is able to perform this duty which is clearly within the capacity of the commissioners' responsibilities. This commissioner would not be entitled to more compensation.

IC 36-2-6-8 Prohibited allowances; allowances to certain officers; violation; offense

- (a) The county executive or a court may not make an allowance to a county officer for:
- (1) services rendered in a criminal action;
 - (2) services rendered in a civil action; or
 - (3) extra services rendered in the county officer's capacity as a county officer.
- (b) The county executive may make an allowance to the clerk of the circuit court, county auditor, county treasurer, county sheriff, township assessor (if any), or county assessor, or to any of those officers' employees, only if:
- (1) the allowance is specifically required by law; or
 - (2) the county executive finds, on the record, that the allowance is necessary in the public interest.
- (c) A member of the county executive who recklessly violates subsection (b) commits a Class C misdemeanor and forfeits the member's office.

HIGHWAY ENGINEER - STATE SUBSIDY

IC 8-17-5-9 requires the county auditor to certify annually to the state auditor if the county employs a full-time county highway engineer. Such certification must show the name and address of the county highway engineer and the serial number of his certificate of registration issued by the State Board of Registration for Professional Engineers. Upon receipt of the annual certification, the state auditor shall distribute from the county highway engineer fund to the counties a grant-in-aid subsidy in the amount of \$20,000 which is to be applied toward the engineer's annual salary. If the county highway engineer is employed by the two (2) counties, acting jointly, the amount to be distributed to each such county unit shall be \$10,000 (IC 8-17-5-10).

Also, if the amount fixed by council, as compensation for services as highway engineer is greater than the amount set for serving as county surveyor, then the amount the person receives as compensation as engineer is in lieu of the amount set for the surveyor (IC 36-2-12-15).

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SURPLUS TAX – REFUND

Surplus tax may only be refunded after being transferred by quietus from the Treasurer's Daily Balance of Cash and Depositories (Cashbook), line 53, to the Surplus Tax Fund. County treasurers are not authorized to make refunds from the "Other Sources" section of the Daily Balance of Cash and Depositories. Both the County Auditor and County Treasurer must approve all Surplus Tax Fund claims in accordance with IC 6-1.1-26-6.

We would not object to the transfer (by quietus) at more frequent intervals other than at settlement time. If your county chooses to make more frequent transfers, remember to complete the Surplus Tax Fund Ledger. Also, be sure to adjust the amounts reported on column 6 of the county Treasurer's Certificate of Tax Collections for surplus tax remitted prior to settlement.

Surplus tax should not be confused with a tax refund, as the handling of the two requires different procedures. Tax refunds should be handled in accordance with Section P, Chapter 10, of the *Accounting and Uniform Compliance Guideline Manual for County Auditors*.

STATE EMPLOYEES - GARNISHMENT OF WAGES TO PAY CHILD SUPPORT AND SMALL CLAIMS JUDGMENTS

If the wages of a state employee are being garnished for two or more causes in the same court, the Auditor of State will be sending only one warrant or electronic funds transfer to the Clerk of the Circuit Court in payment of these multiple orders.

The receipt issued by the Clerk of the Circuit Court shall list each cause individually. If the accounting system prohibits the Clerk of the Circuit Court from listing more than one cause on a single receipt multiple receipts shall be issued for the warrant received from the Auditor of State.

ASSESSORS - TOWNSHIP - BOND PREMIUM – PAYMENT

The bond premium on the official bond of the township assessor should be paid from county funds and not from township funds.

IC 5-4-1-18 requires the township assessor to file an individual surety bond, blanket bond, or crime insurance policy in the amount fixed by the fiscal body at not less than eight thousand five hundred dollars (\$15,000). Statutes do not require the deputy assessor to execute a bond; however, such bond may be required by the elected township assessor. When so required, such bond must be recorded in the office of county recorder.

ASSESSOR BOOKS AND SUPPLIES

"Before the assessment date of each year, the county auditor shall deliver to each township assessor (if any) and the county assessor the proper assessment books and necessary blanks for the listing and assessment of personal property." (IC 6-1.1-3-5)

COUNTY COUNCIL & COMMISSIONERS - TERM

The term of office of a member of the fiscal or executive body is four (4) years, beginning January 1 after election and continuing until his successor is elected and qualified.(IC 36-2-3-3(b)) (IC 36-2-2-3(b))

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CARE OF CEMETERIES BY COUNTY

Affected Cemeteries

IC 23-14-67 applies to cemeteries that:

- (1) are without funds or sources of funds for reasonable maintenance;
- (2) have suffered neglect and deterioration;
- (3) may be the burial grounds for Indiana pioneer leaders as well as for veterans of every American war including the Revolutionary War; and
- (4) either:
 - (A) was established before 1875; or
 - (B) is a burial ground for a veteran of the Civil War.

Appointment and Term of Commission

The board of commissioners of a county may appoint a county cemetery commission of five (5) county residents. County cemetery commission members shall be appointed for a term of five (5) years, staggered by the board of county commissioners to permit an appointment or a reappointment of one (1) commissioner member per year. (IC 23-14-67-2)

Annual Tax Levy and Budget

The commission may request the levy of an annual tax not exceeding fifty cents (\$.50) on each one hundred dollars (\$100) of assessed valuation of property in the county for the purpose of restoring and maintaining the cemeteries described above. (IC 23-14-67-3)

The county cemetery commission shall present an annual plan and budget to the board of county commissioners and the county council for approval and shall make an annual report to those bodies and the Indiana Historical Bureau. (IC 23-14-67-4) (IC 23-14-67-3.5)

Trusts for Cemetery Associations

IC 23-14-70 authorizes the following:

The board of commissioners of a county may receive from or on behalf of any cemetery corporation, church, association, or organization that has been dissolved or is to be dissolved a deposit of money to be held in trust under terms that are designated in writing. The interest on the money shall be used to keep in good condition any abandoned cemetery, public incorporated cemetery, or lots, monuments, mausoleums, vaults, or other burial structures in any cemetery. The board of commissioners may not expend more for this purpose than the interest earned from the loan or investment of the funds. (IC 23-14-70-1)

All money received by the board of commissioners may be invested in compliance with IC 20-42-1-14. (IC 23-14-70-2)

The county auditor shall make distribution of the interest earned on any cemetery fund or funds on the last Monday of January of each year and to the following person or persons:

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CARE OF CEMETERIES BY COUNTY (Continued)

- (1) To the trustee of the township in which an abandoned or unincorporated cemetery is located.
- (2) To the trustee of the township lying on the east or south of the cemetery if the cemetery is located on a county boundary or on a township boundary.
- (3) To the treasurer of the board of directors of an incorporated cemetery. (IC 23-14-70-3)

The township trustee or the treasurer of the board of directors shall each make a receipt or voucher for any money paid out, stating the amount paid out, the purpose for which it was expended, and the fund from which it came. The receipts and vouchers shall be filed with county auditor before January 2 each year and shall be presented to the board of commissioners for examination and approval at its January meeting. (IC 23-14-70-4)

The auditor is liable on his bond for any neglect or failure of duty with respect to this fund in the same manner as with respect to the school fund. The county is also liable for the preservation of the principal and the payment of the interest on the fund to the same extent that it is liable with respect to the principal and interest of the school fund. (IC 23-14-70-5)

If a cemetery is under the control of a duly organized board of directors of an incorporated cemetery or the trustees or officers of the church, association, or other organization, the board of county commissioners may, on its own initiative or upon request of the proper officers of the cemetery, pay over or return to the treasurer of the cemetery any money deposited with the county, to be held and managed by the corporation, church, association, or organization in compliance with the terms of the bequest, legacy, or endowment and applicable statutes. (IC 23-14-70-6)

ACCOUNTING FOR WHEEL AND SURTAX

There has been some confusion about the proper way to record wheel tax and surtax when it is received from the BMV. Wheel Tax and Surtax are not treated the same as excise tax on the Treasurer's Cashbook. Excise tax collections should be entered in the Other Sources section of the cashbook and the wheel tax and surtax are to be quietused to the county auditor's Wheel Tax /Surtax Fund and entered into the Treasurer's Cashbook in the Funds Ledger section. Wheel tax and surtax should not be included with excise tax and held until settlement. It is the county's decision on whether to track the wheel tax and surtax in separate funds or use one fund for both.

The Auditor should quietus wheel tax and surtax into the Funds Ledger from the information provided on the deposit reports from the BMV. This could mean that daily quietuses are done if deposit reports from the BMV are received and downloaded daily. However, we are aware that the Auditor and Treasurer may not be downloading these reports daily and may be doing it at different times. If the Auditor has not quietused the wheel tax and surtax into the Funds Ledger at the time the Treasurer is posting the deposit report information to the cashbook, the Treasurer would need to create a separate line in the Other Sources section for the wheel tax and surtax to "hold it" until the Auditor quietuses it in. When it is quietused, the Treasurer would move it down to the Funds Ledger section, in the column 'Transferred from Accounts Above by Quiteus'. The amount of wheel tax and surtax quietused by the Auditor should be reconciled to the amounts on the deposit reports and the amounts posted to the cashbook by the Treasurer.

The county auditor is to distribute monthly the wheel tax and surtax funds collected to the appropriate county fund and to the cities and towns within the county.

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DETERMINING LAND VALUES

Per IC 6-101-4-13.6, the county assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. The assessor determining the values of land shall submit the values, all data supporting the values, and all information required under rules of the department of local government finance relating to the determination of land values to the county property tax assessment board of appeals by the dates specified in the county's reassessment plan.

If the county assess fails to determine land values before the deadlines in the county's reassessment plan, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the land values become effective, the department of local government finance shall determine the values.

The county assessor shall notify all township assessors in the county of the values. Assessing officials shall use the values determined under this section.

A petition for the review of the land values determined by a county assessor under this section may be filed with the department of local government finance not later than forty-five (45) days after the county assessor makes the determination of the land values. The petition must be signed by at least the lesser of: one hundred (100) property owners in the county; or five percent (5%) of the property owners in the county.

Upon receipt of a petition for review, the department of local government finance shall review the land values determined by the county assessor; and after a public hearing, shall: approve; modify; or disapprove the land values.

DELINQUENT TAX JUDGEMENTS - DISTRIBUTION OF INTEREST & PENALTY

Per IC 6-1.1-37-12, the interest and penalty collected from, or credited or refunded to, a taxpayer shall be credited or charged to the appropriate taxing district. Such interest and penalty would not be quietused to the County General Fund.

Form No. 18TJ (Rev. 1987), County Treasurer's Receipt for Personal Property Tax Judgment, should be used when receipting in such payments. All tax collections received on a receipt Form No. 18TJ should be posted daily to the proper taxing district in detail.



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AMOUNTS AUTHORIZED TO BE RECEIVED BY SHERIFFS FOR BOARD OF PRISONERS

By authority of IC 36-8-10-7, I, Paul D. Joyce, CPA, State Examiner of the State Board of Accounts, do hereby fix the exact amount per meal which the sheriff of each county in the State of Indiana, shall be entitled to receive for feeding prisoners legally in his charge, including Federal prisoners, for a period of one year, beginning April 15, 2017. Amounts received by the sheriff from the Federal government for board and care of Federal prisoners shall be paid into the County General Fund.

In determining and fixing the amount per meal, the use of wholesome food in quantities and varieties necessary for the preservation of the health of the prisoners is contemplated. All expenses related to preparing and serving meals, except for the costs of food, shall be borne by the county.

The amounts fixed are for meals actually served such prisoners during each respective month. Not more than three meals at county expense are to be served to any one prisoner in any one day.

The term "month" shall mean a period of time beginning April 15, 2017 and thereafter ending on the fourteenth (14th) day of each succeeding month. Claims for meals for the month beginning December 15th will be paid from the appropriation for the succeeding year.

For number of meals served during a period of one month, per meal:

In counties having a population of less than 20,000	\$1.94
In counties having a population of 20,001 to 40,000.	\$1.88
In counties having a population of 40,001 to 60,000.	\$1.80
In counties having a population of 60,001 to 80,000.	\$1.59
In counties having a population of 80,001 to 100,000.	\$1.35
In counties having a population of 100,001 to 200,000.	\$1.23
In counties having a population of 200,001 or over.	\$1.15

The following counties will not be allowed the amounts authorized above:

- Allen
- Lake
- Marion
- Vanderburgh

Paul D. Joyce

Paul D. Joyce CPA
State Examiner

Dated this 6th day of April, 2017
SML/LR:db