Indiana Auditor of State
LIT PTR Balancing

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Local Government Specialist

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About Me

• Kosciusko County Auditor’s office 14 years
• Auditor of State’s office 14 years
• No children but always have a dog in my life
• Latest trip was to Roatan, tropical island off the coast of Honduras
• Favorite Quote: “Man’s greatest happiness is when he is tested beyond what he thinks is his breaking point, and does not fail.”
What we’ll discuss today

• Types of LIT
• Distributions to Counties
• Property Tax Relief
• PTR and Abstract
• PTR and Settlement
• PTR Balancing

Types of LIT

• Currently there are 6 different funding sources:
  • Certified Shares
  • Public Safety
  • Economic Development
  • Correctional Facility
  • Property Tax Relief
  • Special Purpose
Distributions to Counties

- First of each month
  - Receipt LIT distribution to:
    - Certified Shares County Fund 7330-Distribute to applicable taxing units-County portion to General Fund 1000
    - Public Safety County Fund 7331-Distribute to applicable taxing units-County portion to LIT Public Safety-County Shared Fund 1170
    - LIT Correctional Facility County Fund 1233-LIT Correctional/Rehabilitation Facilities
    - Economic Development County Fund 7332-Distribute to applicable units-County Portion to LIT-Economic Development Fund 1112
    - Property Tax Relief County Fund 6203
    - Special Purpose County Fund 1114
Abstract and Property Tax Relief

- Used to reduce property tax bills for taxpayers
- PTR workbook used to calculate tax billing PTR credit rates the county will use in the calculation of the tax bills

Settlement and Property Tax Relief

- County auditor provides a check to the treasurer for an amount up to ½ of the PTR on the abstract
- County treasurer enters to cashbook, either by district or as a lump sum
- June settlement
  - if county auditor included refunds, there may be a difference in the amount of PTR to distribute
    - if county auditor is distributing more than the PTR provided to the county treasurer, county auditor will provide a check from the PTR Fund 6203 to the county treasurer for the additional PTR needed
    - if county auditor is distributing less than the PTR provided to the county treasurer, county auditor will quietus the difference to the PTR fund 6203
  - if county auditor does not include refunds, the PTR to included with settlement will be the amount provided to the county treasurer
Settlement and Property Tax Relief

- December Settlement
  - Possible items that will affect PTR distribution amounts include
    - Additional charges to property tax bills, mobile homes, auditor assessments
    - Credits to tax bills
    - Refunds
  - County auditors will have a difference between the PTR to distribute and the amount provided to the treasurer
    - if county auditor is distributing more than the PTR provided to the county treasurer, county auditor will provide a check from PTR Fund 6203 to the county treasurer for the additional PTR needed
    - if county auditor is distributing less than the PTR provided to the county treasurer, county auditor will quietus the difference to the PTR fund 6203

Property Tax Relief Balancing

- Receipt to county fund 6203
  - Monthly LIT distributions
  - Supplemental distributions
  - Settlement adjustments if needed
- Distributions from county fund 6203
  - Settlement-normally ½ of county abstract LIT PTR columns
  - Settlement adjustments if needed
**Property Tax Relief Balancing**

- Documents needed:
  - PTR balance per financials for the two prior years
    - When completing for 2019 will need 2017 and 2018 ending balances
  - Annual PTR distribution and Supplemental PTR per DLGF
  - Settlement forms 105 prior settlement both June and December

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### Property Tax Relief Balancing

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2017 Ending Balance</td>
<td>99,881.24</td>
</tr>
<tr>
<td>2018 Certified Distribution</td>
<td>5,144,848.00</td>
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<tr>
<td>Supplemental Distribution</td>
<td>47,249.34</td>
</tr>
<tr>
<td>PTR Available</td>
<td>5,291,978.58</td>
</tr>
<tr>
<td>Less: Spring Distribution (Per 105)</td>
<td>(2,191,706.79)</td>
</tr>
<tr>
<td>Less Fall Distribution (Per 105)</td>
<td>(3,055,854.29)</td>
</tr>
<tr>
<td>Anticipated Ending Balance</td>
<td>44,417.50</td>
</tr>
<tr>
<td><strong>Fund Balance</strong></td>
<td><strong>44,417.50</strong></td>
</tr>
<tr>
<td><strong>Variance</strong></td>
<td><strong>0.00</strong></td>
</tr>
</tbody>
</table>

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Indiana Auditor of State
Tera Klutz, CPA
Property Tax Relief Balancing

- If you do not balance there are items you can review:
  - Check activity in the fund
  - Settlement adjustments
  - Monthly receipts
  - Unidentified receipts/disbursements

Friendly Reminder

- When remitting funds to AOS please send supporting documentation
- For personnel and role changes contact Local Government
Q&A

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