

**COUNTY AUDITORS' SPRING
2010
CONFERENCE**

Miscellaneous Auditor of State
Topics

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**Commercial Vehicle Excise Tax
(CVET)**

- May 2010 CVET distribution was a classic case of if it could go wrong it went wrong
- Processing problems resulted in a delay of the distributions
 - Deposits of the distributions extended over a three day period
- The memo was absent fire territory distribution instructions
 - A revised memo was issued
- Then we learned the way I set up formulas on the CVET distribution breakdown reports resulted in the county amount and school amount shown on the reports to be incorrect on many of the county reports

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**FIRE TERRITORIES & CVET
DISTRIBUTIONS**

- The fire territory rate or rates are included in the allocation of CVET for the providing taxing unit and each participating taxing unit
- If a fire territory rate or rates exist as a part of the taxing district rates, then a fire territory exist
- If the providing taxing unit or one of the participating taxing units is a township, then the township CVET fire amount is allocated using the fire territory rate or rates

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FIRE TERRITORIES & CVET DISTRIBUTIONS

- If the providing taxing unit or one of the participating taxing units is a city or a town, then the fire territory rate or rates are included with the city or town rates to allocate the city or town CVET amount
- The total of the fire territory CVET allocations is distributed to the providing taxing unit of the fire territory for the fire territory

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May 2010 CVET Distribution Report

- On many of the May 2010 CVET Distribution Reports the amount shown as the County Amount Net of Welfare Allocation doesn't equal the county amount minus the welfare allocation
- Also, on many of the reports the amount shown as the School Amount Net of School Allocation doesn't equal the school amount minus the school allocation
- But the amount we distributed is the county amount minus the welfare allocation and is the school amount minus the school allocation

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CVET DISTRIBUTION

- Section 241 of House Enrolled Act (HEA) 1001(ss)-2009 amended IC6-6-5.5-20 and changed the distribution amount of CVET
- Beginning with the calendar year 2009 the CVET distribution the amount distributed was no longer a guaranteed increase of at least 5% over the previous year distribution

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CVET DISTRIBUTION

- Beginning with calendar year 2009 each county's total CVET distribution amount is determined by the following calculation:
 - The county's distribution percentage determined by DLGF in 2000 and certified to the auditor of state in 2000
 - Times the total CVET revenue deposited in the state CVET Fund in the previous calendar year
 - 2010 distribution is based on calendar year 2009 CVET revenue
- One-half of the CVET amount is distributed in May and one-half in December

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TAXING UNIT CVET DISTRIBUTION AMOUNT

- Each taxing unit's CVET amount equals:
 - The taxing unit's distribution percentage determined by DLGF in 2000 and certified to the auditor of state in 2000
 - Times the county's total CVET distribution amount
- Auditor of state's office determines each taxing unit's amount and provides the taxing unit breakdown to the county auditor at each CVET distribution

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TAXING UNIT CVET DISTRIBUTION AMOUNT

- The county taxing unit CVET distribution is reduced by the Welfare CVET Allocation
- The school taxing unit CVET distribution is reduced by the School CVET Allocation

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TAXING UNIT CVET DISTRIBUTION AMOUNT

- Each taxing unit's CVET distribution is allocated to the funds of the taxing unit with the property tax rates applicable to the calendar year of the CVET distribution
- For example the 2009 pay 2010 property tax rates are used to allocate 2010 CVET

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CVET

- CVET can only be distribute to taxing units after DLGF has certified 2010 property tax rates
- Do not distribute 2010 CVET with 2009 property tax rates
- Counties who have adopted Operating Levy Freeze LOIT must add the "LOIT Equivalency Rate" provided by DLGF to the certified property tax rate to get the rates to use to calculate CVET distributions

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Financial Institutions Tax (FIT)

- DLGF has created 2010 FIT Worksheets for all of the counties who have 2009 pay 2010 property tax rates
- We have sent the February and May 2010 FIT distributions to those counties
- Counties who receive tax rates later in the year will receive catch up distributions at that time

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FIT

- Use DLGF's FIT Worksheets to calculate distributions to taxing units
 - Don't recalculate fund amounts use the fund amounts shown on the report
 - May have to adjust one of the fund amounts because in some instances on the DLGF FIT Worksheet the sum of the fund amounts don't equal the taxing unit total by a rounding difference
- FIT must be distributed to taxing units by the time of the June & December Settlement

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FIT

- Remaining distribution dates
 - First week of August 2010
 - $\frac{1}{2}$ of the total amount due the county
 - First week of December 2010
 - $\frac{1}{2}$ of the total amount due the county
- Counties who receive 2010 property tax rates after the first week of December 2010 will receive the 2010 FIT full year amount once 2010 property tax rates are certified

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2010 Riverboat Wagering Tax Revenue Sharing

- \$33 million to be distributed by August 15, 2010 to counties who do not have a riverboat
- Each county's total amount is determined by population ratio of counties who do not have a riverboat
- Each county's total amount is allocated on a population basis between the county and the cities & towns within the county
 - The allocation within Marion County is on a different basis

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**2010 Riverboat Wagering
Tax Revenue Sharing**

- **Permissible use of 2010 Riverboat Wagering Tax Revenue Sharing**
 - Any governmental purpose appropriated by the Fiscal Body (County Council)
 - Does not reduce property tax levy or maximum levy

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2011 Revenue Estimates

- **We will be emailing by mid-June 2010, the 2011 Budget Revenue estimate formulas for:**
 - Cigarette Tax distributions
 - ABC Gallonage tax distributions
 - MVH, LRS, MVH #1 and MVH #2
- **And the calculation of the estimates for:**
 - August 2010 & 2011 Riverboat Wagering Tax Revenue Sharing distribution

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2011 Revenue Estimates

- **Please provide these estimates to the proper local officials**
 - County Highway Department
 - To Cities and Towns

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2010 Census

- 2010 Census population counts will be used for state distributions beginning

- May 1, 2012

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EFT Deposits

- State distributions and other payments processed through the Auditor of State's Office appear on bank statements as "Auditor of State Payables"
- Payments process through other state agencies i.e. BMV, Workforce Development etc. will not appear as "Auditor of State Payables"

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Federal EFT Deposit Symbols

- TREAS 220
 - Austin, TX 512-342-7300
- TREAS 310
 - Kansas City, MO 816-4142100
- TREAS 312
 - San Francisco, CA 510-594-7300
- DOJ
 - Dept of Justice 800-421-6770

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State Agency Contacts

- We have a short list of state agency contacts we have provided today
- We will email an update as those contacts change
- There is a complete list for all state agencies Brandon will begin to email to you each month
- Whenever you have a question about a payment please contact the state agency indicated on the EFT Notification because we normally can't answer specific questions about payments initiated by another state agency

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County Engineer Affidavits

- Only send us an affidavit if the county is eligible for the county engineer salary subsidy
- The county is eligible if
 - The engineer is a full time county highway engineer on the county's payroll
 - An Indiana licensed engineer with an active professional license number
 - An Indiana resident

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Microsoft Office 2007

- Our office has upgraded to Office 2007
- Counties on an earlier version of Office will need to install a Microsoft Office compatibility pack
- In order to open and use future Excel or Word documents from our office
- To get and install the compatibility pack go to
- <http://www.microsoft.com/downloads/details.aspx?Familyid=941B3470-3AE9-4AEE-8F43-C6BB74CD1466&displaylang=en>
- Or just go to microsoft.com and navigate your way to downloads and compatibility pack

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