

**ITCA GUIDE FOR COMPLETING THE
PROPERTY TAX CLEARANCE SCHEDULE FORM NO. 1
STATE FORM 1462
Issued March 9, 2017**

This guide is being provided to assist Treasurers' offices in completing the Property Tax Clearance Schedule Form No. 1. Different scenarios and questions remain and we continue to seek final official guidance from the ATC and the State Board of Accounts. As always, if the situation warrants, seek guidance from your county attorney.

1) Is this a **NEW** application? If yes, continue; if no, go to 2) or 3)

- Search all tax records, including Innkeepers, by:
 - ✓ "Name" on schedule
 - ✓ "Permit Location" on schedule
- If all taxes are current by **assessed date** (see example in 3) below), sign the permit; if taxes are unpaid, do not sign the permit.

2) Is this a **RENEWAL** application? If yes, continue; if no, go to 1) or 3).

- Search all tax records, including Innkeepers, by:
 - ✓ "Name" on schedule
 - ✓ "Permit Location" on schedule
- If all taxes are current by **due date**, sign the permit; if taxes are unpaid, do not sign the permit.

3) Is this a **TRANSFER** application? If yes, continue; if no, go to 1) or 2).

- Search all tax records, including Innkeepers, by:
 - ✓ "Name" on schedule
 - ✓ "Permit Location" on schedule
- Taxes for TRANSFERS should be paid current through the **assessment date**. E.g. If application is dated July 2016, then all (spring and fall) installments due in 2016 are due AND estimated taxes due in 2017 should be collected.

ICTA Best Practice is to research the Alcohol License Commission database at IN.gov/atc/. The database contains extensive information on county applications. The database would assist the Treasurer's office in identifying all county applications and would be helpful in monitoring upcoming renewals and applications processed without the County Treasurer's Property Tax Clearance Schedule 1.

(Existing code)

IC 7.1-3-1-5.6

Permit **renewal** requirements

Sec. 5.6. (a) This section applies only in a county having a consolidated city.

(b) This section applies only to an application for the renewal of a permit to sell alcoholic beverages.

(c) The definitions set forth in section 5.5 of this chapter apply to this section.

(d) The renewal of a permit is subject to IC 7.1-3-19-9.5.

(e) Except as provided in section 28(d) of this chapter, subsections (f) and (g) apply to a location in the consolidated city only if the application is for a liquor dealer's permit.

(f) Notwithstanding subsection (d), if:

(1) an applicant has been cited for a violation of law or a rule of the commission; or

(2) the local alcoholic beverage board has received at least five (5) written complaints against the applicant alleging a violation of law or a rule of the commission;

then upon direction of the local board, the applicant shall, at least fifteen (15) days before the date of the local alcoholic beverage board hearing, mail notice of the hearing at the applicant's expense as provided in subsection (g).

(g) The applicant shall mail the notice required under subsection (f) to the following:

(1) Each neighboring property owner.

(2) The department of metropolitan development of the consolidated city.

(3) The following entities that have registered with the department of metropolitan development of the consolidated city:

(A) The principal, headmaster, or other primary administrator of each public, private, or parochial elementary or secondary school located less than one thousand (1,000) feet from the property line of the applicant's property.

Indiana Code 2016

(B) Each church that is located less than one thousand (1,000) feet from the property line of the applicant's property.

(C) Each neighborhood association that represents the area in which the applicant's property is located.

(h) The notice that the applicant mails must provide the following information:

(1) The name and address of the applicant, or if the applicant is a corporation, a club, an association, or an organization, the name and address of the applicant's president, secretary, and principal owners who will be responsible to the public for the sale of alcoholic beverages.

(2) A statement that the applicant has filed an application with the alcohol and tobacco commission for the sale of alcoholic beverages.

- (3) The specific address where alcoholic beverages are asked to be sold.
- (4) The type of alcoholic beverage permit applied for.
- (5) The date, time, and location of the public hearing before the local alcoholic beverage board regarding the application.
- (6) That if there is a desire to remonstrate against the application, the recipient of the notice may attend this public hearing.
 - (i) The applicant shall furnish evidence of the applicant's compliance with this section by filing an affidavit with the local alcoholic beverage board at the public hearing on the application. The affidavit must list the names and addresses of the persons to whom notice was mailed by the applicant.
 - (j) In addition to the information required by subsection (i), the applicant shall file with the local alcoholic beverage board at the public hearing the following information:
 - (1) Verification from the department of metropolitan development of the consolidated city that the applicant is in compliance with zoning requirements for the premises to be licensed.
 - (2) Verification from the department of state revenue that the applicant does not have any outstanding income tax, excise tax, or sales tax liabilities.
 - (3) Verification from the county treasurer that the applicant does not have any outstanding property tax liability.
 - (k) Subsection (j)(1) does not apply to a permit holder that received and held a permit before September 1, 1987.
As added by P.L.52-1994, SEC.4. Amended by P.L.2-1995, SEC.38; P.L.106-1995, SEC.5; P.L.204-2001, SEC.24

ICTA Proposed Legislation in the 2017 Session of the General Assembly

IC 7.1-3-19-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Delinquency in payment of taxes

Sec. 18. (a) This section does not apply to an employee's permit under IC 7.1-3-18-9.

(b) The commission shall not issue or transfer a wholesaler, retailer, dealer, or other permit of any type if the applicant:

(1) has not paid all the property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9 that are assessed currently;

(2) is at least thirty (30) days delinquent in remitting state gross retail taxes under IC 6-2.5 or withholding taxes required to be remitted under IC 6-3-4; or

(3) is on the most recent tax warrant list supplied to the commission by the department of state revenue;

(4) does not provide the commission with property tax clearance Form 1 with an embossed seal from the treasurer.

(c) The commission shall issue or transfer a permit that the commission denied under subsection (b) when the appropriate one (1) of the following occurs:

- (1) The person provides to the commission a statement from the commissioner of the department of state revenue indicating that the person's tax warrant has been satisfied, including any delinquency in innkeeper's tax if the state collects the innkeeper's tax for the county in which the person seeks the permit.
 - (2) The commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).
 - (3) The commission receives a notice from the commissioner of the department of state revenue stating that the state gross retail and withholding taxes described in subsection (b)(3) have been remitted to the department.
- (d) An applicant may not be considered delinquent in the payment of listed taxes if the applicant has filed a proper protest under IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant shall be considered delinquent in the payment of those taxes if the applicant does not remit the taxes owed to the state department of revenue after the later of the following:
- (1) The expiration of the period in which the applicant may appeal the listed tax to the tax court, in the case of an applicant who does not file a timely appeal of the listed tax.
 - (2) When a decision of the tax court concerning the applicant's appeal of the listed tax becomes final, in the case of an applicant who files a timely appeal of the listed tax.
- (e) The commission may require that an applicant for the issuance, renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other permit of any type furnish proof of the payment of a listed tax (as defined by IC 6-8.1-1-1), tax warrant, taxes imposed by IC 6-1.1, or receipt of property tax clearance Form 1 with an embossed seal from the treasurer.

IC 7.1-3-21-15

Delinquency in payment of taxes

Sec. 15. (a) This section does not apply to an employee's permit under IC 7.1-3-18-9.

(b) The commission shall not issue, renew, or transfer a wholesaler, retailer, dealer, or other permit of any type if the applicant:

- (1) is seeking a renewal and the applicant has not paid all the property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9 that are due currently;
- (2) is seeking a transfer and the applicant has not paid all the property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9 for the assessment periods during which the transferor held the permit;
- (3) is seeking a renewal or transfer and is at least thirty (30) days delinquent in remitting state gross retail taxes under IC 6-2.5 or withholding taxes required to be remitted under IC 6-3-4; or
- (4) is on the most recent tax warrant list supplied to the commission by the department of state revenue-;

(5) does not provide the commission with property tax clearance Form 1 with an embossed seal from the treasurer.

(c) The commission shall issue, renew, or transfer a permit that the commission denied under subsection (b) when the appropriate one (1) of the following occurs:

- (1) The person, if seeking a renewal, provides to the commission a statement from the county treasurer of the county in which the property of the applicant was assessed indicating that all the property taxes under IC 6-1.1 and, in a county

where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 that were delinquent have been paid.

(2) The person, if seeking a transfer of ownership, provides to the commission a statement from the county treasurer of the county in which the property of the transferor was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 have been paid for the assessment periods during which the transferor held the permit.

(3) The person provides to the commission a statement from the commissioner of the department of state revenue indicating that the person's tax warrant has been satisfied, including any delinquency in innkeeper's tax if the state collects the innkeeper's tax for the county in which the person seeks the permit.

(4) The commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

(5) The commission receives a notice from the commissioner of the department of state revenue stating that the state gross retail and withholding taxes described in subsection (b)(3) have been remitted to the department.

(d) An applicant may not be considered delinquent in the payment of listed taxes if the applicant has filed a proper protest under IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant shall be considered delinquent in the payment of those taxes if the applicant does not remit the taxes owed to the state department of revenue after the later of the following:

(1) The expiration of the period in which the applicant may appeal the listed tax to the tax court, in the case of an applicant who does not file a timely appeal of the listed tax.

(2) When a decision of the tax court concerning the applicant's appeal of the listed tax becomes final, in the case of an applicant who files a timely appeal of the listed tax.

(e) The commission may require that an applicant for the issuance, renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other permit of any type furnish proof of the payment of a listed tax (as defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by IC 6-1.1.