

**TIPPECANOE COUNTY COUNCIL  
SPECIAL MEETING  
SEPTEMBER 23, 2003**

The Tippecanoe County Council held a Special Meeting on Tuesday, September 23, 2003 at 4:00 P.M. in the Tippecanoe Room in the County Office Building. Council members present were: President Connie Basham, Vice President Ronald L. Fruitt, David S. Byers, Betty J. Michael, and Kathy Vernon. Others present were: Auditor Robert A. Plantenga, Attorney David W. Luhman, and Secretary Pauline E. Rohr. (Councilmembers Jeffrey Kessler and Jeffrey A. Kemper were absent.)

Also present was Treasurer Oneta Tolle.

President Basham called the meeting to order.

***RESOLUTION 2003-32-CL: Requesting Reduction of Penalty for Late payment of Property Taxes***

Resolution 2003-32-CL will appear in its entirety in the Ordinance and Resolution Book in the County Auditor's Office. The Resolution is a request to reduce the penalty for late payment of Property Taxes.

Councilmember Byers asked the time frame if the resolution is passed. President Basham said it will be in effect from November 2003 to May 10, 2004 for 2002 taxes payable in 2003.

Attorney Luhman explained the Department of Local Government Finance (DLGF) has said they can give permission to waive the 10% penalty on a late payment and the 6% interest requirements if requested by a county. He was unsure when the 6% can be imposed but thought it might be when a property goes to Tax Sale. He said most interest has been expressed for some relief on the 10% penalty.

When asked, Treasurer Tolle said she doesn't know the impact of reducing the 10% penalty because she doesn't know if taxpayers who haven't paid intend to do so by November 10 or after.

Auditor Plantenga distributed a printout showing 2002 taxes billed, excluding Benton School Corp.

2002 net taxes billed	\$120,807,686.88
2002 delinquent taxes	4,046,547.42
2002 delinquent penalties (10%)	508,302.33

He explained that each % of penalty will equal an estimated \$50,000 of billing. If the penalty is cut in half, he estimates there will be \$250,000 less to distribute to the taxing units in 2004.

Councilmember Michael questioned if it is fair to taxpayers who have already paid to give relief to those who haven't paid.

Treasurer Tolle said the MITS Department will be responsible for putting on the penalties if the percentage is changed because her department does not have the time or capability.

Councilmember Byers said he has no problem lowering the penalty from 10% to 5% but all entities have to have operating funds.

Councilmember Fruitt asked Lafayette City Clerk Lisa Decker, who was in the audience, how this resolution coincides with the City's resolution. Mrs. Decker responded that the City's intent was to give relief to those whose property taxes increased more than 20% over 2001 pay 2002. She said she knows this will be difficult to administrate.

Auditor Plantenga interjected it is his understanding that the State will not approve such a plan. He said the County will need something more concrete. The County's resolution is based on correspondence from Beth Henkel, Commissioner Department of Local Government Finance (DLGF), outlining the relief the Department will allow:

(quote)

- Permitted an extension of the deadline for taxpayers to pay property taxes in Marion County. The auditor and treasurer must request an extension in writing, due to local emergency.
- Permitted counties to accept payments in installments.
- Permitted counties to waive the ten percent penalty and six percent interest requirements otherwise provided by law. The Department has required that county and municipal officials be consulted and that the installment plan and waiver program be approved by the county fiscal body. Several counties, including Marion, LaPorte, and Allen, are looking at this alternatives.

(unquote)

Attorney Luhman informed the Council that the Auditor and Treasurer took action to give taxpayers relief by requesting and receiving permission from the DLGF to extend the September 22 deadline to November 10. Although the Council was not required to approve that action, the Council is required to act on waiving or reducing the 10% penalty.

- Councilmember Byers moved to approve Resolution 2003-32-CL requesting the DLGF to reduce the late payment penalty from 10% to 5% for 2002 pay 2003 taxes paid prior to May 10, 2004, seconded by Councilmember Vernon.

Attorney Luhman read Resolution 2003-32-CL as amended. He said the Resolution makes no reference to the 6% interest since no change is requested.

Treasurer Tolle confirmed that the reduction in penalty is for real property only.

Auditor Plantenga noted that, as of this afternoon, almost \$58 million of the total \$125 million has been collected and approximately \$33 million has been distributed to the entities.

Councilmember Fruitt asked why the Council should be the bad guys to those who have already paid their taxes. Councilmember Michael agreed and said this is giving a tax break. President Basham countered that the Council wanted to give some relief when it endorsed the City of Lafayette's resolution for Property Tax relief on September 9<sup>th</sup>. She said the Council is doing as much as the DLGF has said we can do.

Councilmember Vernon didn't agree that those who have already paid are penalized because there will still be a penalty if the taxes are not paid by November 10. She said this will give those people who pay late some relief.

Auditor Plantenga said those who will benefit are those who can't get the money together to pay on time. It will also help those who always pay late.

- The motion to approve Resolution 2003-32-CL as amended carried.

***RESOLUTION 2003-33-CL: Approving Excess Levy Appeal***

Attorney Luhman read Resolution 2003-33-CL that will appear in its entirety in the Ordinance and Resolution Book in the County Auditor's Office. As approved by the Council on September 9, 2003, the Resolution affirms the County's intent to submit an appeal to the DLGF to increase its maximum tax levy in order to raise revenues to cover the amount of increased police pension payments and contributions for 2004 over the preceding year.

- Councilmember Michael moved to approve Resolution 2003-33-CL, seconded by Councilmember Fruitt; motion carried.

***ADJOURNMENT***

- There being no further business, the meeting adjourned upon the motion of Councilmember Byers and the second of Councilmember Fruitt.

TIPPECANOE COUNTY COUNCIL

Connie Basham  
Connie Basham, President

Ronald L. Fruitt  
Ronald L. Fruitt, Vice President

David S. Byers  
David S. Byers

Attest: Robert A. Plantenga  
Robert A. Plantenga, Auditor

Jeffrey A. Kemper  
Jeffrey A. Kemper

Jeffrey Kessler  
Jeffrey Kessler

Betty J. Michael  
Betty J. Michael

Kathy Vernon  
Kathy Vernon