

CHICAGO TITLE INDUSTRY Awareness

CHICAGO TITLE INDIANAPOLIS METRO

March, 2009

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Marion County Tax Q&A

The most recent information received from the Marion County Treasurer's office is that the 2007 pay 2008 reconciliation bill is expected to be mailed out in June of 2009. Furthermore, the first 2008 pay 2009 property tax statement is not expected to be mailed out until fall 2009.

What is a reconciling tax bill?

The reconciling tax statement is the final tax statement for taxes due in 2008. Based on the 2007 reassessed values, new tax rates will be determined and then multiplied by the new assessed value to determine taxes due.

Has the new tax rate been determined?

No. As of this publication, no new tax rates have been established for Marion County.

How will proration of taxes be determined for properties being sold between now and when the reconciliation bill comes out?

Per the Indiana Association of Realtors Purchase Agreement, a title company will use the prior year taxes for purpose of proration. The 2007 pay 2008 provisional

bill, which was due December 16, 2008, included only one estimated tax installment and not a full year's taxes as the purchase agreement states.

Therefore, since the 2006 pay 2007 tax bill was the last known prior year taxes, this bill will be used for proration purposes.

*We are not suggesting nor guaranteeing that all title companies are adhering to this standard.

Can the purchase agreement contain an addendum to state what tax amount will be prorated and agreed upon by both buyer and seller?

Yes, as long as a title company is provided with an addendum of which all parties have agreed upon, we will use whatever tax amount and proration is instructed of us.

How can I better estimate what the 2008 pay 2009 tax bill will be?

You can use the following websites to estimate the tax bill based on criteria such as improvements, land, and exemption credits.

- <http://cms.indygov.org/mypropertytax>
- www.in.gov/dlgf/4932.htm
- www.stats.indiana.edu/dlgf_calculators/calculator.asp

