

CCS SCS#2 HCS HB 148 -- COLLECTION OF TAXES

(Vetoed by the Governor)

This bill changes the laws regarding the collection of taxes. In its main provisions, the bill:

(1) Specifies that in counties adopting a charter form of government after January 1, 2008, the county collector will receive a 7% fee for the collection of delinquent and back taxes rather than the 2% or 3% fee that all other charter county collectors receive. Currently, this only applies to Jefferson County;

(2) Specifies that a county adopting a charter form of government after January 1, 2008, is required to have a tax maintenance fund. Currently, this only applies to Jefferson County;

(3) Authorizes counties of the first and second classification to collect and disburse property taxes using electronic records;

(4) Specifies that the county collector-treasurer will assume all duties, compensation, fee schedules, and requirements of the collector-treasurer if a county of the third or fourth classification abolishes its township form of government or a county collector becomes a collector-treasurer;

(5) Requires county auditors in counties of the first and second classification to have access to all records for county-issued licenses and receive a monthly listing of the licenses issued with the specified related information from each county office issuing the licenses. Currently, these county auditors are required to countersign all county-issued licenses and keep a record of them;

(6) Authorizes political subdivisions, for tax year 2009, to levy a property tax rate sufficient to generate as much revenue as was produced in the 2007 tax year, excluding new construction and improvements, as long as the rate does not exceed the greater of the rate in effect for the 1984 tax year or the most recent voter-approved rate. Currently, if a political subdivision experiences a decrease in assessed value, the subdivision may increase its tax rate ceiling up to the most recent voter-approved rate in order to receive the same amount of revenue as allowed in the previous year. Beginning August 28, 2009, the bill allows a political subdivision which experiences a decrease in assessed value to roll-up its tax rate to the greater of the rate in effect for the 1984 tax year or the most recent voter-approved rate in order to collect the same amount of tax revenue

allowed in the previous year;

(7) Requires any political subdivision that levies a property tax rate in excess of the most recent voter-approved rate to provide notice in a newspaper of general circulation three times during the year in which the rate is in effect. Beginning in the 2010 tax year, county collectors will be required to include statements of the most recent voter-approved rate for each purpose for every political subdivision located at least partially within the county levying a property tax; and

(8) Requires county collectors in counties of the first and second classification to file with the county clerk and auditor by the fifteenth day of each month a detailed statement of all taxes and license fees collected during the preceding month and to disburse those funds, less commissions, to the appropriate taxing entities and the Department of Revenue. Taxing authorities are required to request notification of current taxes paid under protest by February 1, and county collectors must provide the information by March 1.