



Solving Problems That May Arise

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Incomplete Filing

- What if the filing is not complete? For example, what if the Form SB-1 or CF-1 is missing?
- The county auditor could deny it or could send a request for the information and give 10 days to provide it. If not received, the claim for the deduction could then be denied.

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Late Filing

- IC 6-1.1-12.1-5 states that if a taxpayer desires to obtain an abatement deduction, he must file a deduction application before May 10 or 30 days after the Form 11 is mailed, if not sent before April 10.
- A deduction application filed late should be denied immediately.

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Waiver of Noncompliance

- The taxpayer could accept the loss of Year #1 of the abatement and claim it for Year #2 through the remainder of the abatement's term or...
- The taxpayer could request a waiver of non-compliance through the designating body in order to forgive the mistake.

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Waiver of Noncompliance

- If the designating body wishes to waive non-compliance, they shall conduct a public hearing and then may adopt a resolution. IC 6-1.1-12.1-11.3
- The decision to grant, deny, or partially grant a waiver of non-compliance rests on the shoulders of the designating body.

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Waiver of Noncompliance

- IC 6-1.1-12.1-11.3 covers:
 - Failure to submit the Form SB-1 to the designating body before the hearing.
 - Failure to submit the Form SB-1 to the designating body before the project begins.
 - Failure to designate the ERA zone before the project begins.

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Waiver of Noncompliance

- IC 6-1.1-12.1-11.3 covers:
 - Failure to make the required findings of fact before designating the area.
 - Failure to file a timely application.
 - Failure to file a complete application.
 - NOTE: It does not give the designating body the authority to grant abatements on assets that don't qualify.

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Waiver of Noncompliance

- IC 6-1.1-12.1-9.5 covers:
 - Correction of clerical errors such as mathematical errors or omitted signatures.
 - The adoption of a waiver of non-compliance resolution is the remedy to correct these issues as well.

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Frequently Asked Questions

- Question: If the taxpayer fails to claim an abatement for the first three years of the ten year abatement cycle, could we begin the first year of the abatement cycle in the property's fourth year of being assessed?

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Frequently Asked Questions

- Answer: No, the tax abatement cycle begins when the new structure or rehabilitation of real property is first assessed (or occupied for VBD). In this example, the taxpayer can claim the abatement in the fourth year of the ten year cycle or request a waiver of non-compliance from the designating body for the past unclaimed deductions.

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Frequently Asked Questions

- Question: But won't granting a waiver of non-compliance on unclaimed deductions create shortfalls?
- Answer: Yes, most likely shortfalls in the budget could be created so the designating body should consider the facts and their options before making a decision.

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An Unclaimed Deduction, Waivers, & Amended Returns

- If a taxpayer fails to claim the abatement deduction in a timely manner, he could request a Waiver of Non-Compliance hearing after he receives his tax bill.
- To grant the waiver could mean a shortfall to the local units of government; however, the designating body may feel that the taxpayer deserves the deduction.

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