

TAX MATTERS

**FEBRUARY 21, 2012, Issue #12-02, by Bernard Ridens, Executive Director
Taxpayers Association of Vigo County, Inc.**

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REVIEW OF PAST TAX MATTERS

JANUARY 12, 2012 (#12-01)

- **TAX RELATED ERRORS MADE BY THE STATE OF INDIANA**
 - \$320 million was recently found by state officials. We are aware of many serious errors that have been made by the state whereby interest and penalties have been charged to corporations and individuals incorrectly.
- **NANTWORKS LLC**
 - NantWorks, LLC's plans to acquire the former Pfizer Exubera facility, 606 lab building and adjoining acreage (approximately 211 acres total) for conversion of the site to a center of excellence for pharmaceutical manufacturing of various finished dosage forms.
- **SENATE BILL 0222 – WHAT ARE YOUR THOUGHTS ON THIS?**
 - Introduction of a bill that would alter municipality annexation laws.

DECEMBER 1, 2011 (#11-08)

- **2011 ANNUAL REPORT**
 - As of this date all members should have received a paper color version of the 2011 Annual Report. If you didn't receive said report please let us know.

The Taxpayers Association is a not-for-profit 501(c)(4) organization supported by membership dues. Any citizen or group of citizens in Vigo County may be a member. Current members are encouraged to promote membership in the organization by giving the attached application to a potential member. [See the TA application and dues structure.](#) This is NOT an invoice for your dues.

1. TAX ERRORS

The response to my request for input concerning financial errors made by the state was good and very alarming.

The item from last month's *Tax Matters*:

At this time, I have an important question.

Please understand that your response will be kept confidential and anonymous.

Have you had any problems with the State of Indiana concerning state taxes, (business and or personal) during the past 10 years whereby the state was in error? Or, have you had problems with local property assessments and appeals?

The reason for this request is related to the \$320 million recently found by state officials.

We are aware of many serious errors that have been made by the state whereby interest and penalties have been charged to corporations and individuals incorrectly.

The Taxpayers Association was the victim of a mistake with worrisome letters being mailed by the state on March 11, 2010 and apologies sent on March 15, 2010. We have now heard that this happened to many taxpayers. We are also aware of many other types of errors and plan to ask legislators to address this issue at the Cracker Barrel on Saturday.

One has to wonder if anything is correct. Remember the four million EDIT dollars that Vigo County was shorted a few years back? Please respond to this ASAP.

This problem was presented to our area legislators at the February 11 Cracker Barrel by me as was noted in the Sunday, February 12 issue of the *Tribune-Star*. Since then, I have learned some interesting facts about how state revenues are deposited. A few of these facts are from the FISCAL YEAR 2011 report (July 1, 2010-June 30, 2011):

1. The Indiana Treasurer of State, Richard Mourdock, is required by law to submit an annual report of the business transactions for Indiana's General Fund and all other funds managed by his office.
2. As part of the investment program, the Treasurer maintains deposits in the form of certificates of deposit and repurchase agreements in 200 banks, savings and loans, and credit unions across Indiana.
3. The average daily balance for these deposits is: \$6,782,407,640.00
4. The interest earned for this report period was: \$232,158,548.00

This 20-page report can be found at
<http://www.in.gov/tos/files/20111026113043006.pdf>.

2. SPECIAL IMPORTANT SURVEY

TAX MATTERS is sent to all current members and is added to our web site at www.taxtopics.org under Publications.

At this time we need to know if the material is read by our members as well as others and therefore worth the time and money spent preparing it. Please respond to this edition by answering the following question ASAP:

Have you ever visited the Taxpayers Association web site? By answering this question we can estimate the number of members that at least opened Tax Matters for February 2012 and read enough to see this question. Your response is very important. Suggestions are always welcome.

3. 2012 MEMBER ANNUAL DUES

Invoices for 2012 were mailed December 1, 2011. Mailing the invoices on or after December 1 has been our practice for the past seven years. This allows that members may use funds still available for 2011 or make the payment using 2012 budgets. This is also an opportunity to correct the payment according to the approved dues schedule. The schedule is shown below. Dues for 2012 were due **January 31, 2012**. Your correct amount may be more or less. You may also contribute more than the suggested amount. We are also seeking names of potential new members. If you know of a person or business that might support the Association please let me or any board member know of the person to contact. Our revenue for 2011 was down compared to 2010 but not enough to reduce the services you may expect. At this time dues paid for 2012 have increased but are still below budget requirements.

4. 2012 HIGH SCHOOL COMPETITION – YOUR SPECIAL SUPPORT IS REQUESTED

Once again, the Taxpayers Association will encourage educational taxation, government and citizenship insight by sponsoring a competition involving our local high schools. This year, teams of five students will represent their high school and take a test on taxation, government and citizenship. Top scores from individual students will be given cash awards, and a team cash award will be given to the winning school. All students will receive a participation certificate. The media will be notified before and after the contest, and co-sponsors will be given credit. The budget for this competition includes special taxation and government handbooks provided to each school, cash awards, and certificates. It is hoped that several members will contribute to this worthy cause with a cash contribution over and beyond regular dues. We project the budget for this competition to be about \$1,300. Last year, we awarded the first place student \$300, second place \$200 and third place \$100. We also awarded \$400 to the winning school, which was Terre Haute North Vigo.

5. 2012 ANNUAL MEETING – SPONSORS NEEDED

The 2012 Annual Meeting will be held on Thursday, April 19th, 2012, at 12:00 noon. It will be held at the Idle Creek Banquet Center. Our guest speaker will be Dr. Dottie King, President of Saint Mary-of-the-Woods College. You are invited to be a sponsor of this event for the reasonable cost of \$50.00. Sponsor names and/or logos will be published and shown on the program for the event. We plan to have at least 70 persons attend this event. Special invitations and reservation forms will be mailed the final week of March.

6. MARCH CRACKERBARREL

The third cracker-barrel of 2012 will be held on Saturday, March 10 from 10 am until noon at the Vigo County Public Library. All of the state senators and representatives who represent Vigo County have been invited to participate. This is a great opportunity if you have a question or questions you'd like to ask. You can also hear their perspective about pending bills.

WHAT IS A CRACKER BARREL?

According to dictionaries, “**cracker barrel**” (noun) refers to barrels of soda crackers that used to be found in country stores.

“**cracker-barrel**” (with a hyphen) is an *adjective* used to describe “the simple rustic informality and directness thought to be characteristic of life in and around a country store: *homespun, cracker-barrel philosophy.*”

A second definition of “cracker-barrel” (adj.): “Resembling or characteristic of the extended informal discussions carried on by persons habitually assembled at a country store”

A search for “**Cracker Barrel Session**” (spelled primarily with two separate words) came up with the following:

The name originates from the days of the general store, when the cracker barrel would often serve as the table for a checkerboard. The conversations that would take place among those who came to play and those watching the games would cover local news, gossip, and any other topics of interest. When used to describe an educational session, it implies an open discussion and sharing of ideas, often around a particular subject.

(<http://www.asaecenter.org/wiki/?Page=cracker%20barrel%20session>)

7. THREE ECONOMIC MISCONCEPTIONS THAT NEED TO DIE

According to *Motley Fool* contributor Morgan Housel, there are three misconceptions he feels should be put to rest:

1. Most of what Americans spend their money on is made in China.
2. We owe most of our debt to China.
3. We get most of our oil from the Middle East.

You can read the rest of his argument here: <http://www.dailyfinance.com/2012/02/13/3-economic-misconceptions-that-need-to-die/>

8. DUES SCHEDULE

TAXPAYERS ASSOCIATION of VIGO COUNTY

VOLUNTARY MEMBERSHIP DUES SCHEDULE

EFFECTIVE JANUARY 1, 2008

BUSINESS:						
<i>If you own your business property, use the "Property Tax \$\$\$" columns. If you lease your business property, use the "Lease Footage" columns.</i>						
Property Tax \$\$\$			Dues	Lease Footage (in square feet)		
\$0	-	\$2,000	\$110.00	0	-	2,000
\$2001	-	\$5,000	\$137.50	2001	-	5,000
\$5,001	-	\$10,000	\$275.00	5,001	-	10,000
\$10,001	-	\$30,000	\$550.00	10,001	-	30,000
\$30,001	-	\$60,000	\$825.00	30,001	-	60,000
\$60,001	-	\$100,000	\$1,100.00	60,001	-	100,000
\$100,001	-	\$200,000	\$1,650.00	100,001	-	200,000
\$200,001	-	\$350,000	\$2,200.00	200,001	-	350,000
\$350,001	-	\$500,000	\$2,750.00	350,001	-	500,000
\$500,001	-	\$1,000,000	\$3,850.00	500,001	-	1,000,000
\$1,000,001	and up		\$5,500.00	1,000,001	and up	
NON-BUSINESS:			Personal Dues	\$55.00		

9. 2010 U.S. CENSUS MAP

On the New York Times web site, a color-coded map represents different statistics such as population change that were taken from the 2010 United State Census. It also gives the ability to zoom in on counties such as Vigo County and show county statistics. It is found at

<http://projects.nytimes.com/census/2010/map?nl=todaysheadlines&emc=thab1>.

10. TAX CALENDAR

FEBRUARY

FEBRUARY 28, 2012

- Due date of Transmittal of Wage and Tax Statements (Form W-3) and Copy A of Form W-2. Send to: Social Security Administration, Data Operations Center, Wilkes-Barre, PA 18769. (Note: 250 or more Forms W-2 require electronic media filing.) **IRS.**
- Due date of Employers Annual Information Return of Tip Income and Allocated Tips (Form 8027 and 8027-T) for 2011. Send to: Internal Revenue Service, Cincinnati, OH 45999. (Note: 250 or more Forms 8027 require electronic or magnetic media filing.) **IRS.**
- Due date of Annual Summary and Transmittal of U.S. Information Returns (Form 1096) and Copy A of Forms 1098, 1099, and W-2G. For non-employee compensation, dividend and interest payments of \$10 or more, rents, annuities, royalties, gambling winnings, etc. (Note: 250 or more Forms 1098, 1099, or W-2G require electronic or magnetic media filing.) **IRS.**
- Last day to renew aircraft registration and pay excise tax without penalty and interest being charged (Form #40146). **IDOR.**
- Dealer aircraft inventory excise tax due on all inventory held at close of business day (Form #7695/Dealer Tax Computation Sheet). **IDOR.**
- Last day for employers to file withholding tax statements (Form W-2/Form WH-18) for all employees and annual reconciliation (Form WH-3) for state withholding. **IDOR.**
- Due date of Employers Annual Railroad Retirement Tax Return (Form CT-1). Send to: Internal Revenue Service Center, Cincinnati, OH 45999-0007. **IRS.**
- Payment due of 2011 estimated tax by farmers (Form 1040ES voucher) unless tax return is filed and tax paid by February 28, 2012. **IRS.**

MARCH

MARCH 1, 2012

- Last day for farmers and fishermen to file their 2011 U.S. Individual Income Tax Return (Form 1040) and pay in full any tax in lieu of having filed 2011 form 1040ES (Estimated Tax for Individuals.) **IRS.**
- Last day for farmers to file 2011 individual income tax returns and pay in full any tax in lieu of having filed 2011 Form IT-40ES. **IDOR.**
- Assessment date for all tangible property (except mobile homes not assessed as real property). **Township and County Assessors.**
- Public utility and railroad assessment reports due. **Indiana Department of Local Government Finance.**
- Balance of 2011 insurance gross premium tax and reports due. **Indiana Department of Insurance.**
- Annual permit fees are due for regulated places of amusement and entertainment one year from the month the permit was issued. **State Fire Marshal.**

MARCH 6, 2012

- Last day for fiduciary to file Form 1041-T to allocate estimated tax payments to beneficiaries (calendar year). **IRS.**

MARCH 15, 2012

- Last day to provide Schedule K-1 (Form 1065-B) to partners in electing large partnerships. **IRS.**
- Annual Withholding Tax Return for U.S. Source Income of Foreign Persons (Form 1042) is due. Send Forms 1042 and Forms 1042-S to: Internal Revenue Service Center, Philadelphia, PA 19255. (Note: 250 or more Forms 1042-S require electronic or magnetic media filing.) **IRS.**
- Last day for calendar-year domestic corporations to file their 2011 income tax return (Form 1120, 1120-A, or 1120S). **IRS.**
- Dealer aircraft inventory excise tax subject to penalty if paid after March 15 (see February 28). **IDOR.**
- Last day for calendar-year corporations to file Form 2553 to elect S-corporation status. **IRS.**

MARCH 30, 2012

- Last date to file for property tax deductions for 2011 pay 2012 on a mobile or manufactured home that is not assessed as real property. **County Auditors.**

MARCH 31, 2012

- First day to file for property tax deductions for 2012 pay 2013 on a mobile or manufactured home that is not assessed as real property. **County Auditors.**

Source: <http://www.indianachamber.com/media/pdf/2012TaxCalendar.pdf>

HAVE YOU TAKEN A LOOK AT OUR WEB SITE?

Just a reminder that if you want to read old Taxpayers Association publications or tax-related information, go to our www.taxtopics.org web site.

11. PUBLIC MEETINGS

The purpose of this calendar is to encourage taxpayers to attend public meetings. Taxpaying persons working at your business or living in your neighborhood should be encouraged to attend a meeting of their choice at least once per year. The date and time for the meetings listed below are always subject to change. Organizations that are underlined have a web page that can be accessed by clicking on their respective hyperlinks. The contact person is also listed. You should call the appropriate office and confirm the date and time if you plan to attend.

Date	Time	Public Meeting	Location	Contact Info
Tue. Feb. 21	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Tue. Feb. 21	10:00 am	<u>City Board of Sanitary Commissioners</u>	City Hall – 3 rd Floor	Sally 235-5458
Wed. Feb. 22	5:30 pm	<u>Information Technology Advisory Board</u>	City Hall – 1 st Floor	Brad 244-2316
Wed. Feb. 22	7:00 pm	<u>Airport Authority</u>	Airport	Kara 877-2524
Mon. Feb. 27	2:00 pm	<u>Board of Public Works and Safety</u>	City Hall – Board of Public Works Room	Robin 232-4767
Mon. Feb. 27	4:00 pm	<u>County Park Board</u>	County Annex	Julia 462-3391
Mon. Feb. 27	5:30 pm	Terre Haute Housing Authority	2001 N. 19 th Street	Jeff 232-1381
Mon. Feb. 27	6:00 pm	<u>Vigo County School Board</u>	VCSC Board Room	Judy 462-4216
Tue. Feb. 28	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Thur. Mar. 1	6:00 pm	<u>City Council – Sunshine Meeting</u>	City Hall – Courtroom	Michelle 232-3375
Mon. Mar. 5	6:30 pm	Riley Town Board	Riley Town Hall	Wanda 894-2410
Tue. Mar. 6	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Tue. Mar. 6	10:00 am	<u>City Board of Sanitary Commissioners</u>	City Hall – 3 rd Floor	Sally 235-5458
Tue. Mar. 6	4:30 pm	Honey Creek Conservancy District	3241 S. 3 rd Place	Craig 232-4311
Wed. Mar. 7	9:00 am	<u>City Board of Zoning Appeals</u>	City Hall – 1 st Floor Conf. Room	Judy 462-3367
Wed. Mar. 7	6:00 pm	<u>County Area Planning Commission</u>	County Annex	Vickie 462-3354
Thur. Mar. 8	6:00 pm	<u>City Council – Regular Meeting</u>	City Hall – Courtroom	Michelle 232-3375
Mon. Mar. 12	12:00 pm	<u>Human Relations Commission</u>	Booker T. Washington Center	Jeff 232-0110
Mon. Mar. 12	2:00 pm	<u>Board of Public Works and Safety</u>	City Hall – Board of Public Works Room	Robin 232-4767
Mon. Mar. 12	6:00 pm	<u>Vigo County School Board</u>	VCSC Board Room	Judy 462-4216
Mon. Mar. 12	6:00 pm	West Terre Haute Town Board	500 W. Nat'l, WTH	Melody 533-2034
Tue. Mar. 13	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Tue. Mar. 13	4:15 pm	<u>Vigo County Redevelopment Commission</u>	County Annex	Amanda 234-2524
Tue. Mar. 13	5:00 pm	<u>County Council</u>	County Annex	Auditor 462-3361
Tue. Mar. 13	7:00 pm	Seelyville Town Board	Seelyville Water Office	Tamara 877-2665
Wed. Mar. 14	10:00 am	<u>County Board of Zoning Appeals</u>	County Annex	Judy 462-3367
Wed. Mar. 14	2:00 pm	<u>E-911 Advisory Board</u>	County Jail – Sheriff's Training Room	Greg 462-3226 ext. 320
Wed. Mar. 14	7:00 pm	<u>Airport Authority</u>	Airport	Kara 877-2524
Thur. Mar. 15	2:00 pm	Tree Advisory Board	City Hall Mayor's Conf. Room	Jennifer 232-4028
Mon. Mar. 19	5:30 pm	<u>Vigo County Public Library</u>	Vigo County Public Library	Nancy 232-1113
Tue. Mar. 20	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Tue. Mar. 20	10:00 am	<u>City Board of Sanitary Commissioners</u>	City Hall – 3 rd Floor	Sally 235-5458

Date	Time	Public Meeting	Location	Contact Info
Wed. Mar. 21	9:30 am	Clay-Owen-Vigo Solid Waste District	109 E. Nat'l, Brazil IN	Janet 800-387-3380
Wed. Mar. 21	4:00 pm	<u>City Redevelopment Commission</u>	City Hall – 1 st Floor	Phenny 232-0018
Wed. Mar. 21	4:30 pm	<u>City Park Board</u>	Deming Park	Eddie 232-2727
Thur. Mar. 22	12:00 pm	<u>Taxpayers Association Board Meeting</u>	ISU Foundation (30 N. 5 th St.)	Bernard 235-1361
Mon. Mar. 26	2:00 pm	<u>Board of Public Works and Safety</u>	City Hall – Board of Public Works Room	Robin 232-4767
Mon. Mar. 26	4:00 pm	<u>County Park Board</u>	County Annex	Julia 462-3391
Mon. Mar. 26	5:30 pm	Terre Haute Housing Authority	2001 N. 19 th Street	Jeff 232-1381
Mon. Mar. 26	7:00 pm	<u>Vigo County School Board</u>	VCSC Board Room	Judy 462-4216
Tue. Mar. 27	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Wed. Mar. 28	5:30 pm	<u>Information Technology Advisory Board</u>	City Hall – 1 st Floor	Brad 244-2316
Wed. Mar. 28	7:00 pm	<u>Airport Authority</u>	Airport	Kara 877-2524

12. OFFICE NEEDS

The Taxpayers Association office is in need of six matching chairs, a paper cutter and a paper shredder.

END

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