

End of Year Procedures

Below is a summary of tasks that happen around the time of closing your current books for the year. Keep in mind that these procedures will be effected based on your county's decision on how to handle payments made between October 10th and the closing of the books. The two options are:

- Convert individual parcels to delinquent as taxpayers come in to pay, and then collect on a delinquent receipt.
- Collect parcels on a current receipt with a 10% penalty, using the "C" key feature on the payment screen.

If county practices and procedures do not require one method or the other, we generally recommend the second option – it seems to provide a cleaner cut-off point. However, please talk to your auditor and/or County Clerk before switching methods. The standard procedures below are documented with this method in mind. At the end, differences are noted for counties converting to delinquent on an individual basis.

Prior to closing the tax books

- Process all current receipts from mail, etc
- Process all current year debits and credits
- Process all current year homestead credit corrections
- OPTIONAL - Run a proof list of parcels that will be converted to delinquent. From Property Search screen, select Current in the Tax Book selection box. Then click Record Filter and build a new filter for Balance greater than 0. Once the record filter is set, click Search. All current year taxes with a balance due will be selected. You can then review these on screen, or print them out using any of the Property List reports.

Any other checks and balances you need to run to make sure everything is posted and finalized prior to the conversion to delinquent. Remember it is MUCH easier to correct these situations now than it is after the parcel has gone delinquent.

OPTIONAL – reprint current book. In many counties, if you are not posting receipts to your current book, you will reprint the current book at this point which will show all the receipt postings for you.

Once these steps are done, you are ready to close your book and convert all unpaid parcels to delinquent. When you are ready to perform this task, select the "Close Books" option under Actions. This will require "Mass Update" security. This process will walk you through the steps. We recommend that while this task is running, you do not perform any receipts or adjustments in the system. However, it is ok to keep the program up to check balances if you need to.

After Converting to Delinquent

Once the convert to delinquent process is complete, your current books are closed. At this point all unpaid current taxes are officially showing as delinquent. No further current receipts should be run at this time. Once this is done, there are a number of other steps that can be performed.

Print Delinquent Tax Book – this book will list all parcels that went delinquent. Note that it is a county option whether this book includes ALL current year parcels that were unpaid, or only first year delinquents. The first option would include prior year delinquents and certified property, whereas the second option only includes those parcels that had no prior delinquencies before October 10th.

Delinquent Publication List – To run the publication list, you must first select the parcels you want to appear. For example, you may do one list for personal property and one list for real estate. In other counties, either list may be divided by geographic area, school districts, or other divisions. To keep this flexible, the publication list will be built based on the parcels you select in the search list. When you are ready to print this list, we will help you use the search screen to select the records you want.

There is a fundamental difference between the tax book and the publication list. The tax book is the official record of what parcels went delinquent, and therefore includes ALL parcels delinquent for the current year. This is true regardless of when you print the tax book. If after closing the book, you receipt several delinquent parcels, and then print the book, those parcels will still appear on the book, because they were considered delinquent for the current year, even though they have already since been paid.

The publication list is a list of ONLY those parcels still outstanding at the time that the report is run. In the above example, if parcels are receipted after closing the book but prior to running the list, those parcels will appear on the book but NOT on the publication list. This is to avoid printing people in the paper that have already paid.

In some counties, there is an expectation that the delinquent book and publication list will balance to each other. If that is the case, you MUST print both of these reports before processing ANY delinquent receipts after the conversion.

Other Tasks

Once you have your book and publication list printed, you are ready to move into your delinquent phase for the rest of the year. During this time tasks you will perform are as follows.

- Day-to-day receipting on delinquent receipts
- Printing of the Tax Credit Summary report for the state
- Final Settlement

Alterations for Counties Converting to Delinquent

If your county chooses to convert each parcel to delinquent as people need to pay while the current books are still open, there are just a few modifications that need to be made. The reason for this is that we never get to a point in time where we can say that ALL currents have been receipted and NO delinquents have been receipted, because those times overlap in this situation. This is the reason why we now recommend the other method. However, this was actually the original method from the first year of the software, and we understand that some counties prefer this. It is certainly still supported – we just need to keep these things in mind.

- **IMPORTANT** – keep in mind that parcels should only be converted to delinquent if they will immediately be paid. Do not convert parcels to delinquent in a “what-if” situation to estimate delinquent taxes or in expectation of a receipt. Use the delinquent notice feature from unpaid current for this situation.
- After converting to delinquent, see the “IMPORTANT NOTE” section regarding balancing your delinquent book and publication list. It is probably quite obvious that in this approach to delinquencies, it is impossible for those to balance, because you will always have parcels that have already been paid and therefore don’t show up on the publication list. That is not a problem and is working exactly as designed, but you (or your auditors or Clerk) need to be aware of what each is representing. If you try to balance your final settlement against the totals from the publication list, it will be wrong.