



**December 29, 2011**

## **Miami County Pays \$8,000 in Taxes and Fines**

Miami County has paid \$8,489 in taxes and late payment charges to the IRS over the last two years but these payments were not known to the state councilors. And they may have not been done in compliance with state guidelines. This was revealed by Councilman Jan Kendall, who was dismayed that the council had not been informed of the payment of penalties and interest.

In March, the county paid \$5,352.01 and in May another \$3,137.14 to the IRS and both payments were approved by the Miami County Commissioners. According to state auditor Jane Lilley, the reasons for the two years' late payments was a software problem in 2010 and the hiring of a new payroll clerk in 2011. But Lilley admitted that council members were kept in the dark about the payments. "No one has been informed in the past," Lilley said of the payment of penalties and interest.

Councilman Kendall asked, "Shouldn't we be informed? This was swept under the rug."

Lilley confirmed that part of the \$8,489 was actual taxes owed and the money for the payments had been appropriated for the payment of taxes. Lilley said late payments had been made in the past, but she did not know whether penalties were paid at that time.

The county supervisor with the Indiana State Board of Accounts, Debbie Gibson said the payments of penalties and interest were not in accordance with state guidelines and has expressed her concerns with the issue. "It's something we would have some concerns with," Gibson said.

According to the State Board of Accounts manual for Indiana counties, officials and employees are responsible for paying claims and remitting taxes on time. At the same time, these officials are duty-bound to work to avoid any unreasonable fees being charged against the governmental unit. If any official has been found to be negligent in discharging his or her duties and as a result, the county becomes liable for penalties, fees or fines, then the negligent official has to pay for it out of his or her own pocket. The manual states that “any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.”

Miami Council President Ralph Duckwall said the two payments came from the commissioners’ budget. “Our responsibility is the overall budget,” Duckwall said.