

REAL TAX GENERAL INFORMATION

St. Joseph County, Indiana

This information is not all inclusive of every tax situation, but has been compiled as a reference for most transactions. Please contact our office if you have questions.

Persons must have their deed and or mortgage recorded by March 1 of any calendar year to be eligible for allowed exemptions for that tax year billed the following year. If not recorded by this date, exemptions filed by the current property owner (if any) will remain on the property for taxes in the current calendar year, due and payable to the following year.

Exemptions can be filed at anytime during the year, but must be filed prior to May 10 to be in effect for that tax year, billed the following year. If the May 10th cut off date has been missed the exemptions will be reflected on the following years billing (please note the March 1 recording date is also a factor).

Exemption filing is done in person at the County Auditors Office in the County/City Building. Residents of Clay, Harris and Penn Townships may file at the Assessor's Office in their township.

Items necessary to file for Homestead and Mortgage Exemptions are:

- **Tax Parcel Number**
- **Recorded Document Number for Mortgage (obtained from County Recorder)**
- **Name of Mortgage Company**
- **Balance of Mortgage**

Once you file for an exemption (Homestead, Mortgage, Veterans, Over 65, Disabled, Tax Exempt, Etc.) it will remain in effect until one of the following happens:

- **Property is transferred by deed**
- **Tax exempt status has not been filed (if applicable)**
- **Upon the death of all parties in title**
- **Mortgage release is recorded (ie: Refinance)**
- **A new deed is recorded on property (including or excluding person or changing status, ie: to husband and wife)**
- **Seller vacates property prior to March 1**

When an exemption has been allowed in error, the County can go back 3 years to collect the difference between what was actually paid and what would have been due without the exemption. Typically this is discovered at the time of closing and the adjustment made then.

Taxes are due on May 10 and November 10 with on half of annual tax due at each date. If total tax for the year is less than \$25 the entire tax will be due on May 10

In Indiana Real Estate Taxes are paid in arrears. So, as an example the 2000 tax due will be billed and payable in 2001. Credits are typically given to purchaser at time of closing for all of the current property owners tax obligation. This proration is based on the tax information available at the time of closing and may not be the exact amount that is billed. When working with the current Contract to Purchase for use by MLS of South Bend – Mishawaka and Elkhart County prorations for taxes for the current year payable the following year at closing are based on the applicable assessments, credits and last published tax rates on the day of closing. The MLS Contract to Purchase further includes the following: **“WARNING:** The succeeding year tax bill for estates, recently constructed homes or following reassessment periods may greatly exceed the last tax bill available to the agent. The Purchaser shall be responsible for all taxes regardless of credits authorized following the closing. Seller shall be charged at closing for all assessments or charges upon or applying to the said real estate for public or municipal improvements or service which on the date of closing are constructed or installed on or about the real estate or are serving the real estate.

New Construction Transfers:

The St. Joseph County Assessors will assess new construction for the calendar year based on the percentage of completion as of March 1 of that year. As an example, if the house is considered 75% complete as of March 1st the tax bill for the year from January 1 to December 31 would be 75% of the total tax. Parties should be aware that even though the house was complete or partially complete the Assessor will not have those figures calculated until around September thru December of that year. It is recommended that at the time of negotiating the contract all parties are in agreement as to how prorations of taxes will be addressed and the possible costs involved to each party.