

2012 Benton County Property Tax Report with Comparison to 2011



Legislative Services Agency

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This report describes property tax changes in Benton County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Benton County the average tax bill for all taxpayers decreased by 2.5%. This tax bill drop was the result of a 5.6% increase in the tax levy of all local government units and the addition of previously withheld AV to the certified net AV tax base. Benton County net assessed value rose mainly due to a big increase in farmland assessments. Business real and personal property assessments fell. Net assessed values rose more than levies, so tax rates fell in almost all Benton County tax districts. This decreased tax cap credits. Credits as a percent of the levy fell by 0.6% in Benton County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-2.5%	\$11,527,798	\$758,548,741	2.0%
Change		5.6%	17.3%	-0.6%
2011	10.9%	\$10,920,846	\$646,678,332	2.6%

Homestead Property Taxes

Homestead property taxes decreased 1.4% on average in Benton County in 2012. Tax rates in most Benton County tax districts decreased. The county average tax rate fell by 10.0%. The percentage of Benton County homesteads at their tax caps fell, from 6.6% in 2011 to 5.7% in 2012. Benton County's local homestead credit and property tax replacement credit rates increased in 2012.

Net Tax Bill Changes - All Property Types

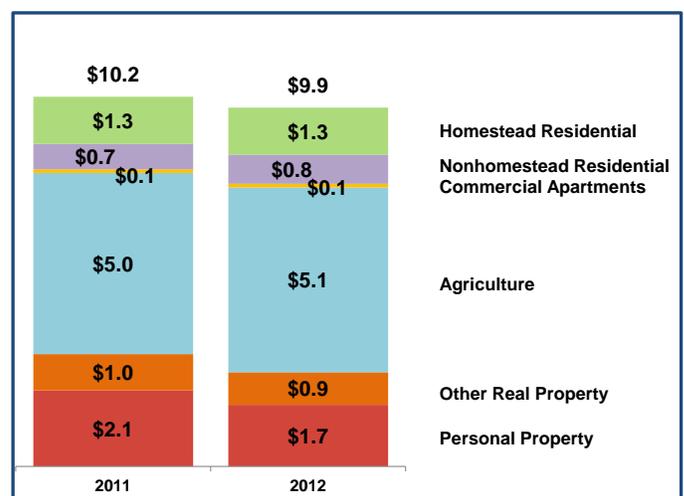
Most of Benton County's 2012 net property taxes were paid by owners of agricultural property. Net tax bills for all taxpayers decreased 2.5% in Benton County in 2012. Net taxes were much lower for commercial apartments and personal property and lower for homesteads and other real property. Net taxes were higher for agriculture and nonhomestead residential property.

Comparable Homestead Property Tax Changes in Benton County

	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	674	26.2%
No Change	241	9.4%
Lower Tax Bill	1,656	64.4%
Average Change in Tax Bill	-1.4%	
Detailed Change in Tax Bill		
20% or More	236	9.2%
10% to 19%	93	3.6%
1% to 9%	345	13.4%
0%	241	9.4%
-1% to -9%	1,147	44.6%
-10% to -19%	280	10.9%
-20% or More	229	8.9%
Total	2,571	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in almost all Benton County tax districts. The average tax rate fell by 10.0%, because the net assessed value increased more than the levy.

Levies in Benton County rose by 5.6%. The largest levy increases were in the Benton Community School Corporation's bus replacement fund and debt service fund. The Otterbein and Boswell Public Libraries had small levy decreases.

Benton County's total net assessed value increased 7.2% in 2012. Agricultural assessments rose 14.6%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments fell 1.9%, mainly due to a drop in business real and personal assessments.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$229,343,849	\$233,049,150	1.6%	\$80,669,067	\$84,719,703	5.0%
Other Residential	41,446,750	40,964,500	-1.2%	41,166,100	40,721,186	-1.1%
Ag Business/Land	393,233,800	450,785,500	14.6%	392,604,810	449,976,518	14.6%
Business Real/Personal	806,501,151	642,377,694	-20.4%	198,783,533	189,236,178	-4.8%
Total	\$1,470,525,550	\$1,367,176,844	-7.0%	\$713,223,510	\$764,653,585	7.2%

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Benton County were \$227,759, or 2% of the levy. This was much less than the state average percentage of the levy of 9.2%, and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Benton County's tax rates were below the state median.

More than three-quarters of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. The largest percentage losses were in the towns of Fowler, Boswell, and Oxford, where district tax rates were near or above \$3 per \$100 assessed value. The largest dollar losses were in the town of Fowler and in the Benton School Corporation.

Tax Cap Credits by Category

Tax cap credits decreased in Benton County in 2012 by \$56,926, or 20%. The percentage of the levy lost to credits fell by 0.6%. There were no major changes in state policy to affect tax cap credits in 2012. Benton County credits decreased mainly because most district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$44,668	\$35,659	-\$9,009	-20.2%
2%	237,721	190,185	-47,536	-20.0%
3%	0	0	0	0.0%
Elderly	2,296	1,915	-381	-16.6%
Total	\$284,685	\$227,759	-\$56,926	-20.0%
% of Levy	2.6%	2.0%		-0.6%

Benton County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	15,110,052	10,738,546	10,967,751	10,920,846	11,527,798	-28.9%	2.1%	-0.4%	5.6%
State Unit	14,243	0	0	0	0	-100.0%			
Benton County	3,212,933	2,677,789	2,805,468	2,890,005	3,000,818	-16.7%	4.8%	3.0%	3.8%
Bolivar Township	24,949	25,757	26,606	26,844	27,842	3.2%	3.3%	0.9%	3.7%
Center Township	53,789	55,658	57,872	60,331	62,930	3.5%	4.0%	4.2%	4.3%
Gilboa Township	11,458	12,792	12,584	14,451	10,657	11.6%	-1.6%	14.8%	-26.3%
Grant Township	17,921	18,751	19,452	19,718	20,426	4.6%	3.7%	1.4%	3.6%
Hickory Grove Township	50,052	51,183	53,793	55,391	51,558	2.3%	5.1%	3.0%	-6.9%
Oak Grove Township	31,248	32,050	33,116	33,427	34,570	2.6%	3.3%	0.9%	3.4%
Parish Grove Township	16,894	17,554	18,317	18,566	19,222	3.9%	4.3%	1.4%	3.5%
Pine Township	16,730	16,911	17,512	17,738	18,494	1.1%	3.6%	1.3%	4.3%
Richland Township	26,920	28,175	29,216	29,445	30,758	4.7%	3.7%	0.8%	4.5%
Union Township	10,904	11,383	11,782	11,929	12,335	4.4%	3.5%	1.2%	3.4%
York Township	13,506	13,433	14,071	14,459	15,146	-0.5%	4.7%	2.8%	4.8%
Ambia Civil Town	22,603	23,480	24,718	24,773	26,275	3.9%	5.3%	0.2%	6.1%
Boswell Civil Town	194,258	199,417	210,249	215,330	223,615	2.7%	5.4%	2.4%	3.8%
Earl Park Civil Town	52,999	54,304	57,188	57,548	60,819	2.5%	5.3%	0.6%	5.7%
Fowler Civil Town	829,670	846,400	888,532	909,146	941,502	2.0%	5.0%	2.3%	3.6%
Otterbein Civil Town	144,630	142,983	150,700	156,796	164,502	-1.1%	5.4%	4.0%	4.9%
Oxford Civil Town	245,195	251,157	258,729	267,162	272,752	2.4%	3.0%	3.3%	2.1%
Benton Community School Corp	8,360,591	5,134,281	4,968,777	4,662,660	5,044,166	-38.6%	-3.2%	-6.2%	8.2%
South Newton School Corp	499,966	230,449	364,357	501,519	516,054	-53.9%	58.1%	37.6%	2.9%
Tri County School Corp	773,798	350,451	366,065	343,921	395,896	-54.7%	4.5%	-6.0%	15.1%
Boswell Public Library	101,403	111,649	117,408	117,580	107,580	10.1%	5.2%	0.1%	-8.5%
Earl Park Public Library	26,117	26,840	28,271	28,739	30,038	2.8%	5.3%	1.7%	4.5%
Otterbein Public Library	86,002	124,844	137,043	141,110	127,223	45.2%	9.8%	3.0%	-9.8%
Oxford Public Library	96,427	98,711	103,819	106,334	110,194	2.4%	5.2%	2.4%	3.6%
Benton County Public Library	165,346	172,400	181,838	186,555	193,453	4.3%	5.5%	2.6%	3.7%
York Township Public Library	9,500	9,744	10,268	9,369	8,973	2.6%	5.4%	-8.8%	-4.2%
Northwest Indiana Solid Waste Mgmt Dist	0	0	0	0	0				

Benton County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates				Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	
04001	Bolivar Township	1.3836	12.1292%	--	5.8132%	--	--	1.1353
04002	Otterbein (Bolivar)	2.3549	12.1292%	--	1.2465%	--	--	2.0399
04003	Center Township	1.2750	12.1292%	--	17.4016%	--	--	0.8985
04004	Fowler (Center)	3.2693	12.1292%	--	1.3711%	--	--	2.8279
04005	Gilboa Township	1.1887	12.1292%	--	11.6734%	--	--	0.9058
04006	Grant Township	1.3670	12.1292%	--	7.9319%	--	--	1.0928
04007	Boswell (Grant)	3.2860	12.1292%	--	1.8080%	--	--	2.8280
04008	Hickory Grove Township	1.3255	12.1292%	--	14.5553%	--	--	0.9718
04009	Ambia (Hickory Grove)	2.4556	12.1292%	--	0.5860%	--	--	2.1434
04010	Oak Grove Township	1.3689	12.1292%	--	11.2434%	--	--	1.0490
04011	Oxford (Oak Grove)	2.8016	12.1292%	--	1.6748%	--	--	2.4149
04012	Parish Grove Township	1.2490	12.1292%	--	11.3187%	--	--	0.9561
04013	Pine Township	1.2586	12.1292%	--	6.3370%	--	--	1.0262
04014	Richland Township	1.2940	12.1292%	--	10.3181%	--	--	1.0035
04015	Earl Park (Richland)	2.3321	12.1292%	--	1.4703%	--	--	2.0149
04016	Union Township	1.2426	12.1292%	--	11.0026%	--	--	0.9552
04017	York Township	1.3407	12.1292%	--	14.0995%	--	--	0.9891

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT, COIT, and CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Benton County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type				Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly			
<i>Non-TIF Total</i>	35,659	189,749	0	1,915	227,323	11,527,798	2.0%
<i>TIF Total</i>	0	435	0	0	435	1,612	27.0%
<i>County Total</i>	35,659	190,185	0	1,915	227,759	11,529,410	2.0%
Benton County	4,334	23,783	0	281	28,399	3,000,818	0.9%
Bolivar Township	1	32	0	5	37	27,842	0.1%
Center Township	160	573	0	3	736	62,930	1.2%
Gilboa Township	0	0	0	0	0	10,657	0.0%
Grant Township	2	110	0	1	113	20,426	0.6%
Hickory Grove Township	0	28	0	0	28	51,558	0.1%
Oak Grove Township	5	198	0	3	206	34,570	0.6%
Parish Grove Township	0	0	0	0	0	19,222	0.0%
Pine Township	0	0	0	0	0	18,494	0.0%
Richland Township	0	8	0	0	8	30,758	0.0%
Union Township	0	0	0	0	0	12,335	0.0%
York Township	0	0	0	1	1	15,146	0.0%
Ambia Civil Town	0	697	0	0	697	26,275	2.7%
Boswell Civil Town	420	19,931	0	146	20,497	223,615	9.2%
Earl Park Civil Town	16	376	0	0	392	60,819	0.6%
Fowler Civil Town	21,216	76,170	0	368	97,754	941,502	10.4%
Otterbein Civil Town	32	1,794	0	235	2,062	164,502	1.3%
Oxford Civil Town	381	14,143	0	225	14,748	272,752	5.4%
Benton Community School Corp	8,542	46,869	0	524	55,935	5,044,166	1.1%
South Newton School Corp	0	0	0	35	35	516,054	0.0%
Tri County School Corp	0	0	0	0	0	395,896	0.0%
Boswell Public Library	34	1,620	0	12	1,666	107,580	1.5%
Earl Park Public Library	1	20	0	0	21	30,038	0.1%
Otterbein Public Library	5	300	0	44	349	127,223	0.3%
Oxford Public Library	37	1,369	0	22	1,427	110,194	1.3%
Benton County Public Library	474	1,727	0	8	2,209	193,453	1.1%
York Township Public Library	0	0	0	1	1	8,973	0.0%
Northwest Indiana Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Boswell (Grant)	0	435	0	0	435	1,612	27.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.