

PROPERTY TAXES IN BLACKFORD COUNTY, INDIANA, 2007-2008



Legislative Services Agency

February 2009

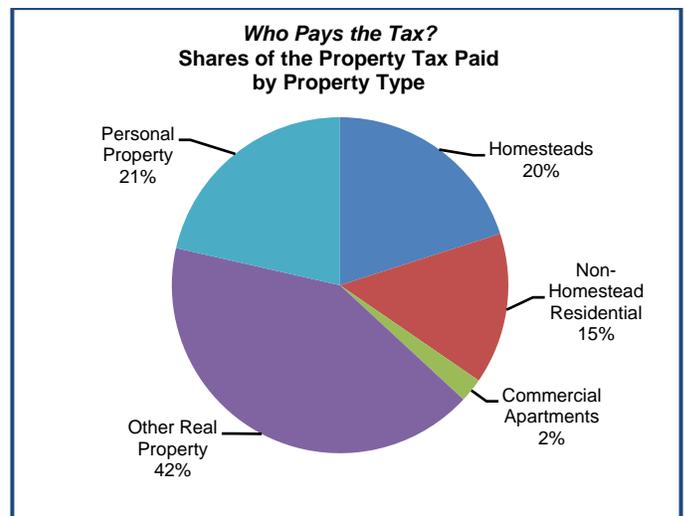
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over by the state. Homeowners will also receive a substantial new deduction from their home assessments. And “circuit breakers” will limit homeowner tax bills to a fixed percentage of their assessments, 1.5% in 2009 and 1% beginning in 2010. The circuit breaker for homeowners is 2% in 2008.

In 2008, substantial tax relief is provided through an added homestead credit. The credit will be financed with payments from the new race track casinos and from the added sales tax. Statewide, this amounts to added property tax relief of \$870 million. Homeowner taxes should fall by about one-third. Each county is different, however. Homeowner tax bills depend on changes in the homestead’s assessment and the assessments of other property, on changes in local government tax collections, on new local income tax adoptions, as well as on added state credits. Blackford County did not adopt a new local option income tax for 2008.

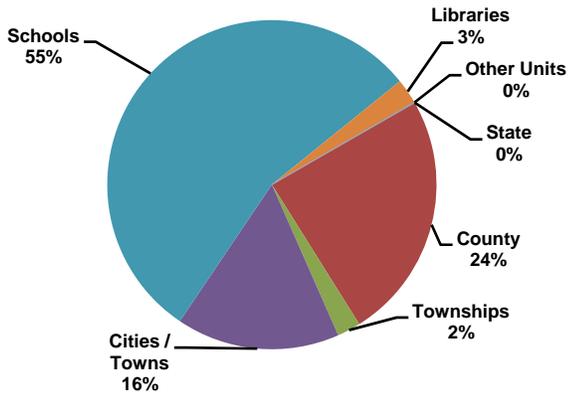
In Blackford County, the average homeowner saw their tax bill decrease by 34.8% for 2008, with 93.4% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 4.0%, and 60.8% of homeowners would have seen tax bill increases.

In Blackford County, 20% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 15% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 2% are paid by owners of larger rental housing units (commercial apartments); and 63% are paid by other agricultural, commercial, industrial, or utility businesses on their real property (land and buildings) or on their personal property (equipment).

<u>Change in Tax Bill</u>	With Added 2008 Homestead Credit		Illustrated Without Added 2008 Homestead Credit	
	<u>Number of Homesteads</u>	<u>% Share of Total</u>	<u>Number of Homesteads</u>	<u>% Share of Total</u>
20% or more	144	3.1%	800	17.0%
10% to 19%	28	0.6%	864	18.3%
1% to 9%	61	1.3%	1,205	25.5%
0%	78	1.7%	83	1.8%
-1% to -9%	119	2.5%	1,041	22.1%
-10% to -19%	289	6.1%	337	7.1%
-20% to -29%	740	15.7%	157	3.3%
-30% to -39%	1,646	34.9%	71	1.5%
-40% to -49%	1,228	26.0%	61	1.3%
-50% to -59%	206	4.4%	20	0.4%
-60% to -69%	89	1.9%	11	0.2%
-70% to -79%	23	0.5%	16	0.3%
-80% to -89%	27	0.6%	14	0.3%
-90% to -99%	11	0.2%	9	0.2%
-100%	29	0.6%	29	0.6%
Total	4,718	100.0%	4,718	100.0%
Higher Tax Bill	233	4.9%	2,869	60.8%
No Change	78	1.7%	83	1.8%
Lower Tax Bill	4,407	93.4%	1,766	37.4%
Average Change in Tax Bill	-34.8%		4.0%	



**Who Gets the Revenue?
Property Tax Levies by Government Type**



On average, Blackford County property tax levies increased 4.2% from 2007 to 2008. This is lower than the expected statewide average increase of 5%. The largest increases were in the county's general fund and jail bond fund.

In Blackford County, school corporations receive 55% of all property taxes. The county, the cities, and the town receive most of the rest. Townships, library districts, and the state receive a small share of property taxes.

In 2009 the school and county shares of property tax revenue will decrease significantly when the state takes over the school general fund and county welfare levies.

**Changes in Property Tax Levies from 2007 to 2008
by Governmental Units in Blackford County**

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$13,711,190	\$14,283,399	4.2%
State Unit	10,090	10,694	6.0%
Blackford County	2,943,779	3,478,256	18.2%
Harrison Township	50,569	55,659	10.1%
Jackson Township	27,504	61,078	122.1%
Licking Township	169,477	174,493	3.0%
Washington Township	23,589	36,932	56.6%
Hartford City Civil City	1,937,075	1,825,724	-5.7%
Dunkirk Civil City	20,093	19,488	-3.0%
Montpelier Civil City	402,169	419,076	4.2%
Shamrock Lakes Civil Town	27,738	28,698	3.5%
Blackford County School Corporation	7,750,560	7,795,708	0.6%
Jay County School Corporation	24,314	22,440	-7.7%
Hartford City Public Library	251,118	279,976	11.5%
Montpelier Public Library	70,596	75,177	6.5%
Dunkirk Public Library	2,519	0	-100.0%