

PROPERTY TAXES IN BOONE COUNTY, INDIANA, 2007-2008



Legislative Services Agency

November 2008

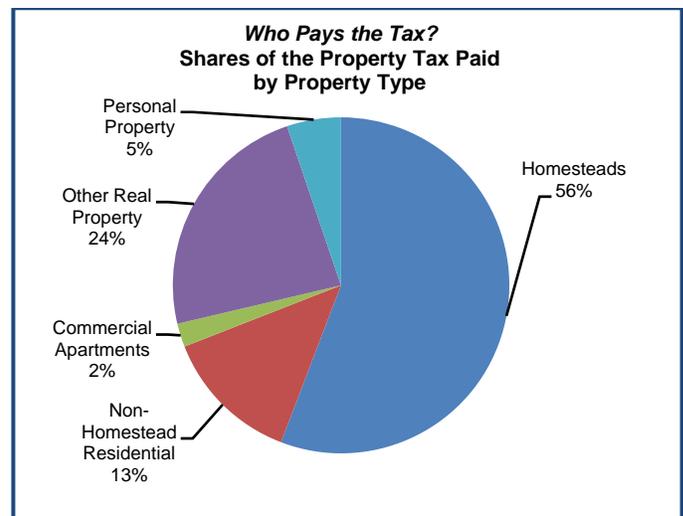
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over 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. Boone County did not adopt a new local option income tax for 2008.

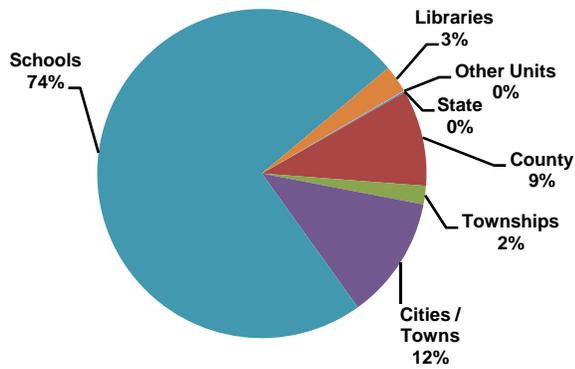
In Boone County, the average homeowner saw their tax bill decrease by 9.8% for 2008, with 92.8% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 2.0%, and 49.4% of homeowners would have seen tax bill increases.

In Boone County, 56% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 13% 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 29% are paid by other agricultural, commercial, industrial, or utility businesses on their real property (land and buildings) or on their personal property (equipment).

Change in Tax Bill	With Added 2008 Homestead Credit		Illustrated Without Added 2008 Homestead Credit	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or more	253	1.8%	493	3.4%
10% to 19%	149	1.0%	738	5.1%
1% to 9%	601	4.2%	5,855	40.8%
0%	22	0.2%	24	0.2%
-1% to -9%	4,565	31.8%	5,451	38.0%
-10% to -19%	6,501	45.3%	1,372	9.6%
-20% to -29%	1,877	13.1%	271	1.9%
-30% to -39%	259	1.8%	74	0.5%
-40% to -49%	71	0.5%	33	0.2%
-50% to -59%	27	0.2%	18	0.1%
-60% to -69%	10	0.1%	6	0.0%
-70% to -79%	6	0.0%	6	0.0%
-80% to -89%	3	0.0%	3	0.0%
-90% to -99%	1	0.0%	1	0.0%
-100%	4	0.0%	4	0.0%
Total	14,349	100.0%	14,349	100.0%
Higher Tax Bill	1,003	7.0%	7,086	49.4%
No Change	22	0.2%	24	0.2%
Lower Tax Bill	13,324	92.8%	7,239	50.4%
Average Change in Tax Bill	-9.8%		2.0%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Boone County property tax levies increased 8.9% from 2007 to 2008. This is higher than the expected statewide average increase of 5%. The largest tax levy increases were in the Zionsville Community School Corporation and Lebanon Community School Corporation general and capital projects funds.

In Boone County, school corporations receive 74% of all property taxes. The county, city, and towns receive most of the rest. Townships, library districts, the redevelopment commission, 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 Boone County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$85,818,368	\$93,479,518	8.9%
State Unit	93,351	103,344	10.7%
Boone County	9,128,985	8,810,017	-3.5%
Center Township	432,395	694,118	60.5%
Clinton Township	12,957	13,382	3.3%
Eagle Township	20,269	20,651	1.9%
Harrison Township	9,014	9,298	3.2%
Jackson Township	33,180	33,819	1.9%
Jefferson Township	16,267	16,550	1.7%
Marion Township	12,832	13,219	3.0%
Perry Township	43,317	45,368	4.7%
Sugar Creek Township	55,607	57,693	3.8%
Union Township	67,064	384,768	473.7%
Washington Township	11,945	11,841	-0.9%
Worth Township	117,370	395,804	237.2%
Lebanon Civil City	3,346,018	3,243,870	-3.1%
Advance Civil Town	82,437	85,372	3.6%
Jamestown Civil Town	90,433	99,586	10.1%
Thorntown Civil Town	143,084	149,671	4.6%
Ulen Civil Town	32,383	32,981	1.8%
Whitestown Civil Town	293,339	358,802	22.3%
Zionsville Civil Town	7,588,735	7,323,983	-3.5%
Western Boone County School Corporation	7,015,206	7,631,443	8.8%
Zionsville Community School Corporation	36,062,871	41,790,297	15.9%
Lebanon Community School Corporation	17,148,797	18,163,165	5.9%
Sheridan Community Schools	1,260,087	1,414,766	12.3%
Lebanon Public Library	1,053,234	952,040	-9.6%
Thorntown Public Library	356,326	349,781	-1.8%
Hussey - Mayfield Memorial Library	1,243,999	1,203,354	-3.3%
Zionsville Redevelopment Commission	46,866	70,535	50.5%