

2013 Brown County Property Tax Report with Comparison to 2012

Legislative Services Agency

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This report describes property tax changes in Brown County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Brown County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	-15.0%	\$10,768,499	\$1,228,128,914	0.0%
Change		-6.7%	3.0%	
2012	-10.4%	\$11,540,069	\$1,192,221,635	0.0%

Comparable Homestead Property Tax Changes in Brown County

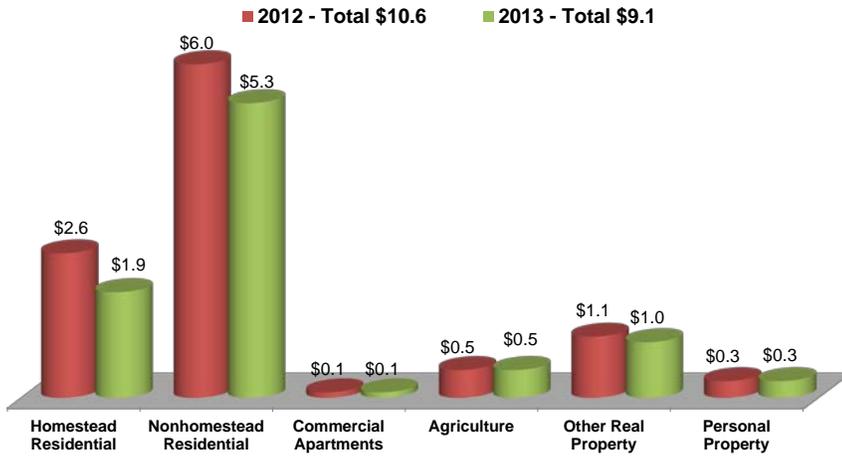
The total tax bill for all taxpayers in Brown County decreased by 15.0% in 2013. The reasons were a 6.7% decrease in the total levy and a large increase in property tax credits, funded by local income taxes. In this reassessment year, certified net assessed value increased by 3.0% in Brown County. Brown County's tax rates were too low for property owners to qualify for tax cap credits.

Brown County homeowners experienced a large 28.4% decrease in property tax bills in 2013. This was due to a large increase in local property tax credits and a large decrease in property tax rates. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	242	5.1%
No Change	36	0.8%
Lower Tax Bill	4,465	94.1%
Average Change in Tax Bill	-28.4%	
Detailed Change in Tax Bill		
20% or More	101	2.1%
10% to 19%	48	1.0%
1% to 9%	93	2.0%
-1% to 1%	36	0.8%
-1% to -9%	186	3.9%
-10% to -19%	683	14.4%
-20% or More	3,596	75.8%
Total	4,743	100.0%

Note: Percentages may not total due to rounding.

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



In Brown County most net property taxes were paid by nonhomestead residential (vacation homes and small rentals) property owners in 2013. Total net property taxes decreased 15.0%, compared to an average 2.1% increase statewide. Net taxes on all categories of property decreased. Commercial apartment net taxes decreased by the largest percentage.

Property tax rates decreased in all 6 Brown County tax districts in 2013. The average tax rate fell by 9.4%, because of a large levy decrease and an increase in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

Brown County decreased by 6.7%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Brown County are included in a later table.

The total levies of all government units in Brown County decreased by 6.7%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Brown County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$801,619,200	\$808,686,200	0.9%	\$403,937,935	\$405,347,608	0.3%
Other Residential	642,444,100	626,558,080	-2.5%	640,958,410	624,405,400	-2.6%
Ag Business/Land	58,233,700	60,425,000	3.8%	56,933,692	59,173,291	3.9%
Business Real/Personal	175,718,104	170,088,343	-3.2%	133,909,614	130,707,097	-2.4%
Total	\$1,678,015,104	\$1,665,757,623	-0.7%	\$1,235,739,651	\$1,219,633,396	-1.3%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while Certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Brown County's total billed net assessed value decreased by 1.3% in 2013. Declines in other residential assessments were the main reason. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$0	\$0	\$0	0.0%
2%	0	0	0	0.0%
3%	0	0	0	0.0%
Elderly	3,987	553	-3,434	-86.1%
Total	\$3,987	\$553	-\$3,434	-86.1%
% of Levy	0.0%	0.0%		

Total tax cap credits in Brown County were \$553, which was a tiny fraction of the levy. This was one of the smallest credit percentages in the state. The state average was 10.9%, and the median or typical county saw credits equal to 4.2% of its levy. Tax rates were the main determinant of tax cap credits. Brown

County's average tax rate was much less than the median rate statewide. All of Brown County's tax cap credits were in the elderly category, which limits homestead property tax increases to 2% per year for some homeowners 65 years of age or older. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Brown County decreased \$3,434 between 2012 and 2013. Credits as a share of the total levy were negligible.

Brown County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
<i>County Total</i>	11,955,145	10,406,768	13,232,766	11,540,069	10,768,499	-13.0%	27.2%	-12.8%	-6.7%
Brown County	3,619,191	3,756,529	3,581,976	3,675,619	3,778,953	3.8%	-4.6%	2.6%	2.8%
Hamblen Township	41,042	39,632	39,178	126,968	121,702	-3.4%	-1.1%	224.1%	-4.1%
Jackson Township	46,236	44,740	44,128	42,946	42,497	-3.2%	-1.4%	-2.7%	-1.0%
Van Buren Township	69,573	66,999	65,763	63,329	61,482	-3.7%	-1.8%	-3.7%	-2.9%
Washington Township	75,771	72,912	72,418	70,116	68,887	-3.8%	-0.7%	-3.2%	-1.8%
Nashville Civil Town	362,659	346,257	331,821	404,435	390,487	-4.5%	-4.2%	21.9%	-3.4%
Brown County School Corporation	7,104,159	5,443,504	8,401,682	6,476,148	5,812,734	-23.4%	54.3%	-22.9%	-10.2%
Brown County Public Library	423,226	425,084	527,392	388,664	234,573	0.4%	24.1%	-26.3%	-39.6%
Hamblen Township Fire Protection Dist	79,065	77,513	34,667	158,315	124,546	-2.0%	-55.3%	356.7%	-21.3%
Brown County Solid Waste Management Dist	134,223	133,598	133,741	133,529	132,638	-0.5%	0.1%	-0.2%	-0.7%

Brown County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
07001	Hamblen Township	0.8498	--	--	--	--	61.7051%	--	0.3254
07002	Jackson Township	0.8269	--	--	--	--	61.7051%	--	0.3167
07003	Van Buren Township	0.8610	--	--	--	--	61.7051%	--	0.3297
07004	Washington Township	0.8349	--	--	--	--	61.7051%	--	0.3197
07005	Nashville Town	1.1214	--	--	--	--	61.7051%	--	0.4294
07006	Hamblen Fire District	0.8887	--	--	--	--	61.7051%	--	0.3403

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.

Brown County 2013 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>	0	0	0	553		553	10,768,499	0.0%
<i>TIF Total</i>	0	0	0	0		0	0	
<i>County Total</i>	0	0	0	553		553	10,768,499	0.0%
Brown County	0	0	0	196		196	3,778,953	0.0%
Hamblen Township	0	0	0	0		0	121,702	0.0%
Jackson Township	0	0	0	4		4	42,497	0.0%
Van Buren Township	0	0	0	1		1	61,482	0.0%
Washington Township	0	0	0	6		6	68,887	0.0%
Nashville Civil Town	0	0	0	18		18	390,487	0.0%
Brown County School Corporation	0	0	0	302		302	5,812,734	0.0%
Brown County Public Library	0	0	0	12		12	234,573	0.0%
Hamblen Township Fire Protection Dist	0	0	0	7		7	124,546	0.0%
Brown County Solid Waste Mgmt Dist	0	0	0	7		7	132,638	0.0%
Brown County Fire Protection District	0	0	0	0		0	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.