

PROPERTY TAXES IN CASS COUNTY, INDIANA, 2007-2008



Legislative Services Agency

September 2008

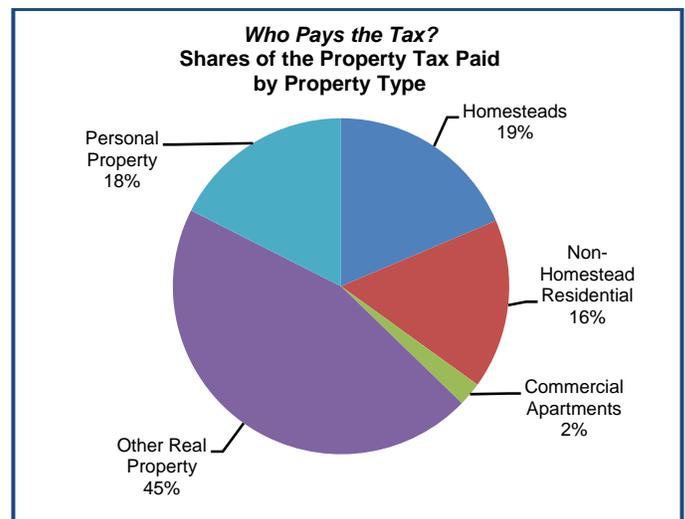
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

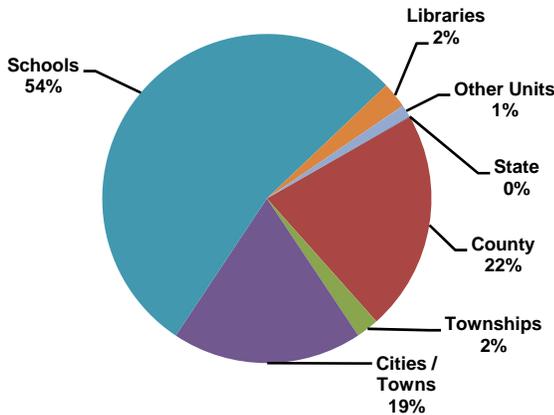
In Cass County, the average homeowner saw their tax bill decrease by 44.2% for 2008, with 97.4% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by 5.3%, but only 72.3% of homeowners would have seen tax bill decreases.

In Cass County, 19% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 16% 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).

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	95	0.9%	586	5.4%
10% to 19%	45	0.4%	488	4.5%
1% to 9%	53	0.5%	1,865	17.1%
0%	89	0.8%	92	0.8%
-1% to -9%	93	0.9%	4,618	42.3%
-10% to -19%	205	1.9%	2,569	23.5%
-20% to -29%	522	4.8%	418	3.8%
-30% to -39%	1,633	15.0%	118	1.1%
-40% to -49%	4,726	43.3%	67	0.6%
-50% to -59%	3,143	28.8%	28	0.3%
-60% to -69%	205	1.9%	15	0.1%
-70% to -79%	50	0.5%	9	0.1%
-80% to -89%	18	0.2%	14	0.1%
-90% to -99%	25	0.2%	15	0.1%
-100%	18	0.2%	18	0.2%
Total	10,920	100.0%	10,920	100.0%
Higher Tax Bill	193	1.8%	2,939	26.9%
No Change	89	0.8%	92	0.8%
Lower Tax Bill	10,638	97.4%	7,889	72.3%
Average Change in Tax Bill	-44.2%		-5.3%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Cass County property tax levies decreased 3.2% from 2007 to 2008. This is less than the expected statewide average increase of 5%. The county welfare levies accounted for most of the decrease.

In Cass County, school corporations receive 54% of all property taxes. The county, the city, and the towns receive most of the rest. Townships, library districts, the airport authority, and the state collect 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 Cass County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$45,682,114</i>	<i>\$44,198,745</i>	<i>-3.2%</i>
State Unit	31,985	33,377	4.4%
Cass County	11,432,003	9,581,843	-16.2%
Adams Township	19,660	21,500	9.4%
Bethlehem Township	28,193	28,954	2.7%
Boone Township	38,801	39,665	2.2%
Clay Township	68,973	71,644	3.9%
Clinton Township	43,625	45,710	4.8%
Deer Creek Township	41,150	43,251	5.1%
Eel Township	288,262	298,647	3.6%
Harrison Township	64,580	66,923	3.6%
Jackson Township	35,885	37,392	4.2%
Jefferson Township	28,668	29,441	2.7%
Miami Township	29,524	122,722	315.7%
Noble Township	52,313	52,262	-0.1%
Tipton Township	30,083	31,408	4.4%
Washington Township	78,963	92,401	17.0%
Logansport Civil City	7,806,172	7,702,260	-1.3%
Galveston Civil Town	227,304	247,781	9.0%
Onward Civil Town	8,253	8,976	8.8%
Royal Center Civil Town	158,929	158,456	-0.3%
Walton Civil Town	133,203	138,122	3.7%
Pioneer Regional School Corporation	3,218,202	3,527,069	9.6%
Southeastern School Corporation	5,357,588	5,548,775	3.6%
Logansport Community School Corporation	13,704,630	13,364,722	-2.5%
Caston School Corporation	1,157,683	1,250,178	8.0%
Logansport-Cass Public Library	854,626	889,262	4.1%
Royal Center Public Library	68,292	71,382	4.5%
Walton Public Library	153,473	163,379	6.5%
Logansport/Cass Co. Airport Authority	521,091	531,243	1.9%