

2009 CASS COUNTY PROPERTY TAX REPORT

WITH COMPARISONS TO 2007 AND 2008

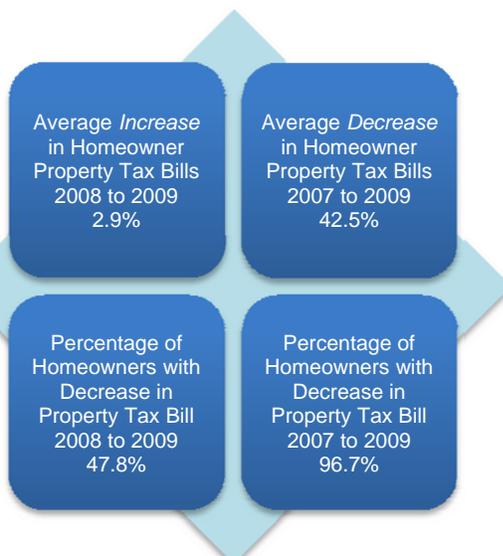


Legislative Services Agency

November 2009 (Updated)

In March 2008, the Indiana General Assembly enacted the most substantial property tax reforms in 35 years. Many of these reforms took effect for the first time in 2009. Property taxes for the school general fund, county welfare funds, and several smaller funds were eliminated and their costs taken over by the state. State property tax replacement credits and most state homestead credits were eliminated, with the money used to fund added state school and welfare costs. Homeowners received a new 35% deduction from their homestead assessments. Property tax caps limited tax bills to a fixed percentage of property assessments. These caps were 1.5% for homesteads, 2.5% for other housing and farmland, and 3.5% for all other property. Taxpayers with tax bills higher than these caps received added tax credits. Local governments did not collect the property tax amounts above the caps.

Details of Changes to Homeowner Property Tax Bills Cass County



Change in Tax Bill	Change from 2008 to 2009		Change from 2007 to 2009	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or More	1,449	13.9%	100	1.0%
10% to 19%	1,596	15.3%	63	0.6%
1% to 9%	2,298	22.1%	100	1.0%
0%	93	0.9%	83	0.8%
-1% to -9%	1,899	18.2%	113	1.1%
-10% to -19%	1,118	10.7%	265	2.5%
-20% to -29%	599	5.8%	801	7.7%
-30% to -39%	267	2.6%	1,993	19.1%
-40% to -49%	149	1.4%	3,161	30.3%
-50% to -59%	144	1.4%	2,141	20.6%
-60% to -69%	122	1.2%	563	5.4%
-70% to -79%	105	1.0%	249	2.4%
-80% to -89%	96	0.9%	195	1.9%
-90% to -99%	72	0.7%	169	1.6%
-100%	410	3.9%	421	4.0%
Total	10,417	100.0%	10,417	100.0%
Higher Tax Bill	5,343	51.3%	263	2.5%
No Change	93	0.9%	83	0.8%
Lower Tax Bill	4,981	47.8%	10,071	96.7%
Average Change in Tax Bill	2.9%		-42.5%	

Note: Percentages may not total due to rounding.

Policy Changes with Offsetting Effects on Tax Bills. The interaction of multiple policy changes, plus local changes in levies and assessments, determine how tax bills change in each county. Eliminating the school general fund and county welfare levies reduced levies by 30.6% statewide. The new 35% supplemental homestead deduction reduced tax bills for homeowners, but also reduced taxable assessed value in each jurisdiction. Taxable assessed value fell 14.3% in Indiana as a whole. As a result of the lower assessed value, tax rates were not reduced by the full amount of the levy reductions. The elimination of the property tax replacement and homestead credits partially offset the drop in tax rates. The average property tax replacement credit statewide was 20.1% in 2008. Total state homestead credits averaged 39.5% statewide in 2008, and this rate fell to 7.2% in 2009. The circuit breaker tax caps reduced tax bills in places with high tax rates. Counties that adopted new local option income taxes delivered additional property tax relief. (Statewide averages are now based on 85 counties reporting.)

Factors Affecting Homeowner Tax Bills	Cass County	State Average
Net Assessed Value, 2008 to 2009 (% change)	-13.0%	-14.3%
Gross Tax Levy, 2008 to 2009 (% change)	-24.8%	-30.6%
State PTRC Percentage, 2008	20.2%	20.1%
Total State Homestead Credit, 2008	45.0%	39.5%
Total State Homestead Credit, 2009	7.9%	7.2%
Did County Adopt a LOIT in 2008 or 2009?	No	

Note: State Average based on data for 85 counties available November 2009

Effects on County Tax Bills. Statewide, average homeowner tax bills fell by about 1% from 2008 to 2009. Homeowner tax bills in Cass County increased by 2.9%. The elimination of the property tax levies, and the added 35% supplemental homestead deduction, were offset by the elimination of the property tax replacement credits and the state homestead credits. In Cass County, the gross tax levy fell less, because local taxing units increased their levies by more than average. Cass County taxpayers also saw a high state homestead credit rate in 2008. The

loss of this tax relief more than offset the effects of the lower tax rates. Cass County did not adopt a local option income tax for property tax relief, and few Cass County homeowners were eligible for the circuit breaker tax cap credits. Homeowner taxes

2009 Property Tax Changes:

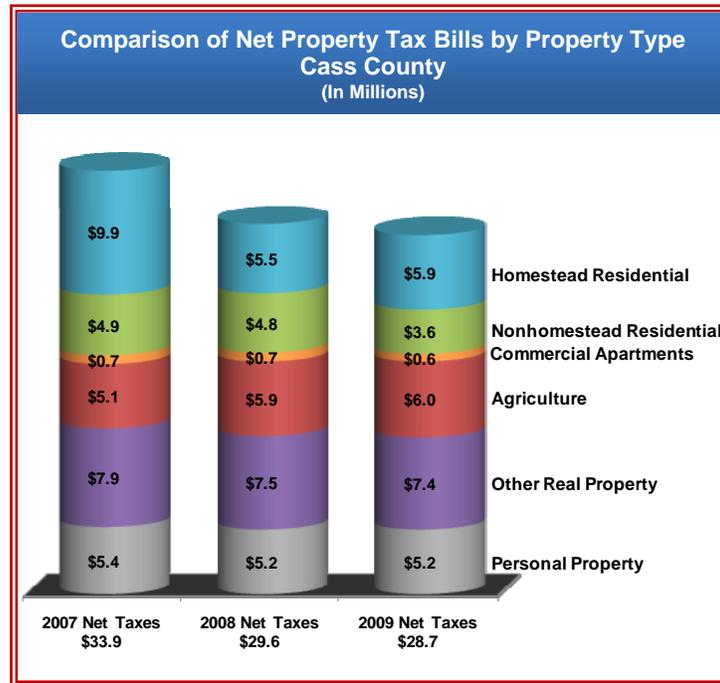
The state took over funding of school general funds, county welfare funds, and several smaller funds – Units where these funds were a large portion of the overall property tax received the greatest benefit.

State Property Tax Replacement Credits were eliminated, and State Homestead Credits were much reduced – Credits didn't apply to debt service levies, so they were lower in units with more debt service; such units lost less from the elimination of the credits, and so received relatively more net benefit from the new tax relief programs.

Counties could adopt new LOIT for property tax relief in 2008 and 2009 - Homeowners in 41 counties that adopted a LOIT saw larger property tax cuts or smaller tax increases; other taxpayers benefitted if counties distributed tax credits to nonhomestead property.

Circuit Breaker Tax Caps were enacted at 1.5% of gross assessed value for homes, 2.5% for rental housing and farmland, and 3.5% for other property- Rental housing and commercial/industrial property received the most tax cap credits; cities and towns and jurisdictions that overlap them lost the most revenue to the caps.

were substantially lower in 2009 compared to 2007 in Cass County, as they were in almost all Indiana counties.



In Cass County from 2008 to 2009, nonhomestead residential properties (small rentals and second homes) saw a 25.0% decline in average property tax bills. Average tax bills on commercial apartments decreased 14.3%. Agricultural business real property (which includes farmland and farm buildings, but not homesteads) saw a 1.7% average tax increase. Other commercial, industrial, and utility real property average tax bills decreased 1.3%. There was no significant change in average tax bills for personal property, which is largely business equipment.

Circuit Breaker Tax Caps. Property tax caps limit taxpayers' tax bills to a fixed percentage of their property's assessed value before deductions. Tax bills that exceed the caps are reduced by a tax credit. The cap rates were 1.5% for homesteads, 2.5% for other residential property and farmland, and 3.5% for other property. In 2010 and after, the cap rates will be 1%, 2%, and 3%, respectively.

Local Revenue Losses. Local governments do not collect the amount of these tax cap credits, and the revenue is not replaced. More taxpayers are likely to be eligible for circuit breaker tax cap credits in jurisdictions with higher tax rates. Tax districts in cities and towns tend to have higher tax rates because the municipal tax rate is added to tax bills. Cities and towns and jurisdictions that share taxpayers with cities and towns tend to lose the most revenue to tax cap credits.

Tax Bill Reductions. Generally, as a result of tax relief from homestead deductions most homeowners did not have tax bills high enough to qualify for tax cap credits. Rental housing has a lower tax cap than other businesses, and much of it is located in cities and towns, so many rental housing owners receive credits. Most farmland is outside cities and towns in jurisdictions with low tax rates. Few farmland owners receive credits. Commercial and industrial property tends to receive credits where tax rates are relatively high.

Total Circuit Breaker Tax Cap Credit Amount for Cass County \$3,206,960

Percentage share of circuit breaker tax cap credits by cap category . . .

1.5 %
Homestead
qualifying property
\$7,613 0.2%

2.5%
Other qualified
residential property
\$1,649,942 51.4%

3.5%
All other real and
personal property
\$1,530,449 47.7%

Elderly
\$18,956 0.6%

Cass County Levy Comparison by Taxing Unit

Unit	2007 Levy	2008 Levy	2009 Levy	2007-2008 Levy Change	2008-2009 Levy Change	2008 - 2009 Comparable Levy Change
County Total	\$45,682,114	\$44,198,745	\$33,218,547	-3.2%	-24.8%	2.3%
State Unit	31,985	33,377	0	4.4%	-100.0%	
Cass County	11,432,003	9,581,843	8,278,139	-16.2%	-13.6%	2.7%
Adams Township	19,660	21,500	22,647	9.4%	5.3%	5.3%
Bethlehem Township	28,193	28,954	29,914	2.7%	3.3%	3.3%
Boone Township	38,801	39,665	40,348	2.2%	1.7%	1.7%
Clay Township	68,973	71,644	75,180	3.9%	4.9%	4.9%
Clinton Township	43,625	45,710	47,207	4.8%	3.3%	3.3%
Deer Creek Township	41,150	43,251	44,634	5.1%	3.2%	3.2%
Eel Township	288,262	298,647	315,753	3.6%	5.7%	5.7%
Harrison Township	64,580	66,923	67,194	3.6%	0.4%	0.4%
Jackson Township	35,885	37,392	39,070	4.2%	4.5%	4.5%
Jefferson Township	28,668	29,441	27,358	2.7%	-7.1%	-7.1%
Miami Township	29,524	122,722	193,137	315.7%	57.4%	57.4%
Noble Township	52,313	52,262	56,798	-0.1%	8.7%	8.7%
Tipton Township	30,083	31,408	32,953	4.4%	4.9%	4.9%
Washington Township	78,963	92,401	96,687	17.0%	4.6%	4.6%
Logansport Civil City	7,806,172	7,702,260	7,602,311	-1.3%	-1.3%	9.4%
Galveston Civil Town	227,304	247,781	229,886	9.0%	-7.2%	-7.2%
Onward Civil Town	8,253	8,976	8,990	8.8%	0.2%	0.2%
Royal Center Civil Town	158,929	158,456	172,131	-0.3%	8.6%	8.6%
Walton Civil Town	133,203	138,122	143,214	3.7%	3.7%	3.7%
Pioneer Regional School Corporation	3,218,202	3,527,069	2,019,038	9.6%	-42.8%	-2.6%
Southeastern School Corporation	5,357,588	5,548,775	2,739,329	3.6%	-50.6%	0.8%
Logansport Community School Corporation	13,704,630	13,364,722	8,709,575	-2.5%	-34.8%	-2.3%
Caston School Corporation	1,157,683	1,250,178	536,602	8.0%	-57.1%	-5.9%
Logansport-Cass Public Library	854,626	889,262	920,225	4.1%	3.5%	3.5%
Royal Center Public Library	68,292	71,382	73,809	4.5%	3.4%	3.4%
Walton Public Library	153,473	163,379	154,936	6.5%	-5.2%	-5.2%
Cass County Solid Waste Mgt. District	0	0	0	0.0%	0.0%	0.0%
Logansport/Cass Co. Airport Authority	521,091	531,243	541,482	1.9%	1.9%	1.9%

Note: 2008 – 2009 Comparable Levy Change reflects the percentage change in the remaining levies after levy reductions for state assumption of pre-1977 police and fire pension fund payments and elimination of these funds: state fair, state forestry, school general, preschool special education, family and children, children’s psychiatric residential treatment, medical assistance to wards, children with special health care needs, and hospital care for the indigent.

Cass County Assessed Values, Levies, Tax Rates, and Credit Rates by Taxing District

Taxing District	Net Assessed Value (In Millions \$)			Gross Levy (\$)			Tax Rate (%)		State PTRC Rate-Real	State Homestead, Total		Total Local Income Tax Credits, Homesteads	
	2008	2009	% Change	2008	2009	% Change	2008	2009	2008	2008	2009	2008	2009
	Adams Township	43.2	39.9	-7.5%	981,682	609,909	-37.9%	2.2739	1.5270	26.25%	46.63%	7.88%	13.40%
Bethlehem Township	44.9	42.1	-6.1%	1,026,992	649,390	-36.8%	2.2888	1.5413	26.07%	46.41%	7.88%	13.40%	21.99%
Boone Township	50.4	48.5	-3.6%	1,308,831	959,596	-26.7%	2.5994	1.9776	21.86%	43.63%	7.88%	13.40%	21.99%
Royal Center Town	16.8	12.9	-23.3%	588,548	421,734	-28.3%	3.5033	3.2738	21.13%	50.04%	7.88%	13.40%	21.99%
Clay Township	93.4	67.5	-27.7%	2,581,177	1,616,823	-37.4%	2.7631	2.3942	18.10%	38.99%	7.88%	13.40%	21.99%
Logansport City-Clay Township	13.0	15.0	15.7%	560,944	626,452	11.7%	4.3191	4.1681	18.13%	48.51%	7.88%	13.40%	21.99%
Clinton Township	53.8	47.2	-12.2%	1,487,978	1,121,883	-24.6%	2.7666	2.3768	18.09%	38.98%	7.88%	13.40%	21.99%
Deer Creek Township	58.4	55.2	-5.6%	1,351,669	936,213	-30.7%	2.3137	1.6969	24.45%	44.48%	7.88%	13.40%	21.99%
Eel Township	54.2	50.5	-6.9%	1,578,970	1,286,807	-18.5%	2.9132	2.5500	18.06%	40.24%	7.88%	13.40%	21.99%
Logansport City-Eel Township	401.0	331.3	-17.4%	17,444,344	13,931,309	-20.1%	4.3501	4.2052	18.11%	48.59%	7.88%	13.40%	21.99%
Harrison Township	47.1	44.8	-4.8%	1,242,251	905,485	-27.1%	2.6389	2.0200	21.53%	43.27%	7.88%	13.40%	21.99%
Jackson Township	80.6	69.8	-13.4%	1,836,083	1,161,617	-36.7%	2.2793	1.6645	24.52%	44.09%	7.88%	13.40%	21.99%
Galveston Town	32.1	24.4	-24.0%	972,475	629,607	-35.3%	3.0280	2.5791	22.62%	48.80%	7.88%	13.40%	21.99%
Jefferson Township	46.6	43.4	-7.0%	1,192,799	838,153	-29.7%	2.5599	1.9332	22.02%	43.55%	7.88%	13.40%	21.99%
Miami Twp-Southeastern School	33.5	29.1	-13.1%	818,663	586,538	-28.4%	2.4445	2.0148	22.83%	42.27%	7.88%	13.40%	21.99%
Miami Township-Logansport Comm	26.4	19.3	-26.9%	764,339	518,816	-32.1%	2.8930	2.6857	17.09%	37.72%	7.88%	13.40%	21.99%
Noble Township-Pioneer Regional	47.2	42.0	-11.0%	1,218,211	830,602	-31.8%	2.5792	1.9755	22.15%	44.14%	7.88%	13.40%	21.99%
Noble Township-Logansport Comm	14.5	10.5	-27.6%	401,941	251,332	-37.5%	2.7706	2.3923	18.20%	39.28%	7.88%	13.40%	21.99%
Logansport City-Noble Township	6.8	5.2	-23.6%	294,585	217,238	-26.3%	4.3266	4.1771	18.15%	48.59%	7.88%	13.40%	21.99%
Tipton Township	74.4	68.5	-8.0%	1,764,552	1,199,514	-32.0%	2.3715	1.7518	23.54%	43.02%	7.88%	13.40%	21.99%
Onward Town	1.4	1.3	-12.7%	42,871	30,718	-28.3%	2.9636	2.4312	22.84%	48.75%	7.88%	13.40%	21.99%
Walton Town	22.4	17.4	-22.6%	661,504	441,669	-33.2%	2.9503	2.5449	22.49%	47.67%	7.88%	13.40%	21.99%
Washington Township-Southeastern	63.0	58.3	-7.5%	1,480,195	1,014,405	-31.5%	2.3487	1.7404	24.34%	44.78%	7.88%	13.40%	21.99%
Washington Township-Logansport	9.9	7.9	-20.1%	277,419	191,136	-31.1%	2.7972	2.4113	18.16%	39.45%	7.88%	13.40%	21.99%
Logansport City-Washington Twp	21.4	23.0	7.5%	927,049	961,432	3.7%	4.3376	4.1843	18.14%	48.60%	7.88%	13.40%	21.99%
Logansport City-Clinton Twp	12.7	14.6	14.7%	550,790	609,576	10.7%	4.3339	4.1821	18.14%	48.59%	7.88%	13.40%	21.99%
Logansport City/Wash Twp/SE School	19.7	18.3	-7.1%	767,725	644,311	-16.1%	3.8891	3.5134	21.86%	53.25%	7.88%	13.40%	21.99%
County Totals/Averages	1,388.8	1,207.9	-13.0%	44,124,588	33,192,266	-24.8%	3.1782	2.7484	20.23%	44.96%	7.88%	13.40%	21.99%

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 *Net Assessed Value* is the total taxable assessed value of all property types, after deductions. It declined in 2009 because of the introduction of the new 35% supplemental deduction for homesteads.

The *Gross Levy* is the amount of property tax to be collected, before credits. It declined in 2009 because of the elimination of the levies for school general funds, county welfare funds, and several smaller funds.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value. Rates fell because the drop in the levies due to levy elimination was greater than the reduction in assessed value due to the new deduction.

State PTRC Rate - Real is the state property tax replacement credit for real property in 2008. This credit was eliminated in 2009.

The *State Homestead, Total* is the sum of the regular state homestead credit rate, which was eliminated in 2009, and the HEA1001-2008 special rate, which was reduced in 2009.

The *Total Local Income Tax Credits - Homesteads* is the sum of the COIT and CEDIT homestead credit rates and the LOIT credit rates for homesteads, residential property, and all property. These are credits funded by local income taxes, including the COIT, the CEDIT, and the CAGIT for property tax relief.

Cass County 2009 Circuit Breaker Cap Credits

Taxing Unit	Total Levy	Circuit Breaker Credits by Property Type				Total
		(1.5%) Homesteads	(2.5%) Other Residential/ Farmland	(3.5%) All Other Real/Personal	Elderly	
Cass County	8,278,139	1,240	271,809	249,624	3,825	526,498
Adams Township	22,647	0	0	0	6	6
Bethlehem Township	29,914	0	0	0	5	5
Boone Township	40,348	0	311	0	3	314
Clay Township	75,180	0	377	283	6	666
Clinton Township	47,207	0	0	749	0	749
Deer Creek Township	44,634	0	0	0	7	7
Eel Township	315,753	100	20,014	15,835	220	36,169
Harrison Township	67,194	0	0	0	2	2
Jackson Township	39,070	0	41	0	12	52
Jefferson Township	27,358	0	0	0	31	31
Miami Township	193,137	0	803	0	55	857
Noble Township	56,798	0	40	122	39	201
Tipton Township	32,953	0	12	0	5	16
Washington Township	96,687	0	50	1,165	17	1,232
Logansport Civil City	7,602,311	3,373	711,645	679,123	6,437	1,400,578
Galveston Civil Town	229,886	0	1,799	0	191	1,989
Onward Civil Town	8,990	0	0	0	3	3
Royal Center Civil Town	172,131	0	12,213	0	123	12,336
Walton Civil Town	143,214	0	768	0	9	777
Pioneer Regional School Corporation	2,019,038	0	9,629	0	951	10,580
Southeastern School Corporation	2,739,329	0	2,771	436	576	3,783
Logansport Community School Corporation	8,709,575	2,662	565,060	535,161	5,574	1,108,457
Caston School Corporation	536,602	0	0	0	112	112
Logansport-Cass Public Library	920,225	157	33,577	31,639	467	65,840
Royal Center Public Library	73,809	0	1,098	0	11	1,110
Walton Public Library	154,936	0	166	0	21	186
Cass County Solid Waste Management District	0	0	0	0	0	0
Logansport/Cass Co. Airport Authority	541,482	81	17,761	16,312	250	34,404
Total - All Taxing Units	33,218,547	7,613	1,649,942	1,530,449	18,956	3,206,960

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.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. It is included to allow comparison to the circuit breaker revenue losses.

Circuit Breaker Credits:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1.5% 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, long-term care facilities, and farmland, in the 2.5% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3.5% 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.

Numbers may not total due to rounding.