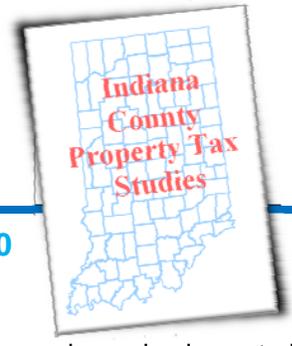


# 2010 Property Tax Report

## Cass County

### with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Cass County between 2009 and 2010, with comparison to changes between 2007 and 2010. The report also shows the overall changes to property tax levies and property assessments since the recent property tax reforms have been implemented. Explanatory information is provided to highlight changes that are unique to Cass County and those that have occurred throughout the state. Statewide averages are based on data from all counties except Lake and LaPorte.

### Comparable Homestead Property Tax Changes in Cass County

	2009 to 2010		2007 to 2010	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>				
Higher Tax Bill	6,369	66.9%	260	2.7%
No Change	520	5.5%	80	0.8%
Lower Tax Bill	2,632	27.6%	9,181	96.4%
<b>Average Change in Tax Bill</b>	<b>1.9%</b>		<b>-41.3%</b>	
<b>Detailed Change in Tax Bill</b>				
20% or More	902	9.5%	114	1.2%
10% to 19%	1,740	18.3%	60	0.6%
1% to 9%	3,727	39.1%	86	0.9%
0%	520	5.5%	80	0.8%
-1% to -9%	1,673	17.6%	172	1.8%
-10% to -19%	470	4.9%	352	3.7%
-20% to -29%	179	1.9%	1,004	10.5%
-30% to -39%	91	1.0%	2,035	21.4%
-40% to -49%	29	0.3%	2,657	27.9%
-50% to -59%	23	0.2%	1,436	15.1%
-60% to -69%	18	0.2%	410	4.3%
-70% to -79%	17	0.2%	237	2.5%
-80% to -89%	11	0.1%	194	2.0%
-90% to -99%	14	0.1%	162	1.7%
-100%	107	1.1%	522	5.5%
<b>Total</b>	<b>9,521</b>	<b>100.0%</b>	<b>9,521</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

The average homeowner saw a 1.9% tax bill increase from 2009 to 2010.

Homestead taxes in 2010 were still 41.3% lower than they were in 2007, before the property tax reforms.

96.4% of homeowners saw lower tax bills in 2010 than in 2007.

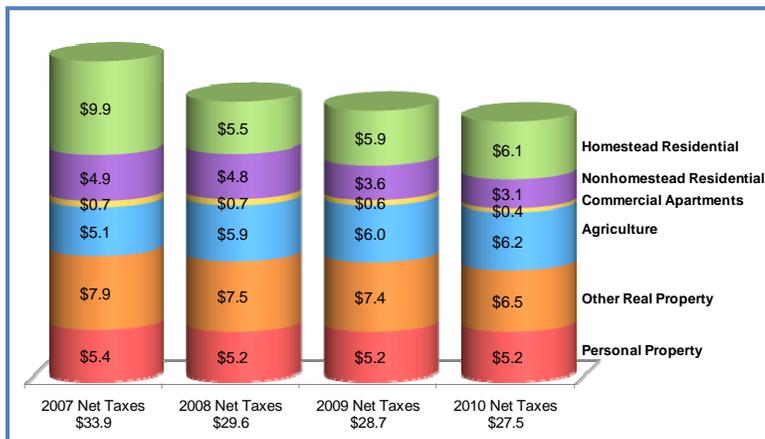
57.4% of homeowners saw tax increases of between 1% and 19% from 2009 to 2010.

The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2010.

### Cass County Overview

The slightly larger-than-average increase in homeowner tax bills had a number of causes. Property tax levies increased 3.3% in Cass County in 2010, somewhat greater than the state average increase of 2.4%. The county, Logansport City, and the Southeastern School Corporation saw most of the levy increases. Local homestead property tax credit rates fell slightly in Cass County in 2010, due to a small decline in the local income tax revenues that fund these credits. Cass County homeowners benefitted less from the one percent property tax cap than did homeowners in the average county, despite relatively high property tax rates in the county. This was because Cass County provides substantial local homestead credits, which reduce homeowner tax bills.

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



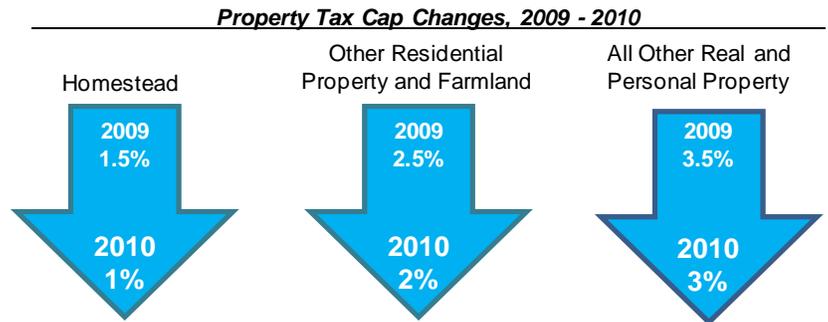
Net tax bills for all taxpayers decreased 4.1% in Cass County from 2009 to 2010. This was greater than the statewide reduction of 1.4%. In 2010 apartment owners saw a 35.6% decrease in tax bills. This large decrease was due mainly to the tightening of the tax caps from 2.5% to 2% for rental housing. The tightening of the tax caps also affected nonhomestead residential property (mostly small rental residences), which saw a 14.9% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw an 11.1% decrease and a 0.3% increase, respectively, in tax bills in 2010. This was mainly because of the tightening of the tax caps from 3.5% to 3% for this property type. Seven of the 27 district tax rates in Cass County were high enough for

this type of property to qualify for tax cap credits. Agricultural business property saw a 3.7% increase in tax payments in 2010 because of the Cass County tax levy increases and the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.

### 2010 Property Tax Policy Changes

**Property Tax Caps.** Property tax caps tightened to their permanent levels. The tighter caps meant more taxpayers were eligible for tax cap credits. This resulted in greater reductions in property tax revenue for local governments.

**State Homestead Credits.** State homestead credits were reduced by 43% between 2009 and 2010 as part of a scheduled phaseout. The average statewide credit rate fell from 8% to 5% as a result. The credit will be eliminated in 2011.



### Tax Cap Credits

Tax cap credits in Cass County in 2010 amounted to 16.9% of the total property tax levy. The statewide average was 6.3%. The higher percentage loss in the county was mainly due to the higher than average tax rates in Cass County. Neither Cass County tax rates nor home values were high enough in most of the county for a large share of homesteads to qualify for credits in the 1% category.

Cass County, the City of Logansport, and Logansport Community Schools saw most of the revenue losses from the tax caps in 2010. As a percentage of total levies, the City of Logansport lost the most, at 30.7%, followed by Logansport Community Schools at 21.7%. The county's TIF districts also lost a significant percentage of TIF proceeds. Losses were greatest for units that overlapped the City of Logansport, because these tax districts had the highest tax rates.

### 2010 Circuit Breaker Credits by Cap Category Cass County Total \$5,915,537

1%	2%	3%	Elderly
\$171,003	\$2,771,778	\$2,939,214	\$33,543
2.9%	46.9%	49.7%	0.6%

### The Effects of Recession

In Cass County the recession has had an effect on the economy. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 4.8% in December 2007 to 12.6% in July 2009. Job losses and income declines contributed to a 1.3% drop in local income tax revenue. Because part of this revenue is used for property tax relief, local property tax credit rates declined in Cass County in 2010.

### Cass County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	984,988,500	976,980,700	-0.8%
Other Residential	133,271,700	133,588,500	0.2%
Ag Business/Land	319,334,130	329,940,300	3.3%
Business Real/Personal	559,472,110	580,385,990	3.7%
<b>Total</b>	<b>\$1,997,066,440</b>	<b>\$2,020,895,490</b>	<b>1.2%</b>

In addition, the recession reduced new construction, so less new property was added to assessment roles. The recession also reduced some property values, which affected assessed values through annual trending. Lower assessed values may result in higher tax rates for local taxpayers. In those instances where taxpayers' bills are limited by the caps, the higher rates may result in higher circuit breaker credits, causing increased revenue losses for local governments.

In Cass County, the gross assessed value of business real and personal property increased 3.7% in 2010 and total gross assessed value in Cass County rose 1.2%. This was higher than the state average increase of 0.6%.

The tables on the following pages illustrate 2007 – 2010 levy comparisons, 2010 tax rates and credit rates, and 2010 circuit breaker losses by taxing unit.

**Cass County Levy Comparison by Taxing Unit**

Taxing Unit	2007	2008	2009	2010	%Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	45,682,114	44,198,745	33,218,547	34,326,121	-3.2%	-24.8%	3.3%
State Unit	31,985	33,377	0	0	4.4%	-100.0%	
Cass County	11,432,003	9,581,843	8,278,139	8,552,561	-16.2%	-13.6%	3.3%
Adams Township	19,660	21,500	22,647	23,447	9.4%	5.3%	3.5%
Bethlehem Township	28,193	28,954	29,914	30,838	2.7%	3.3%	3.1%
Boone Township	38,801	39,665	40,348	41,304	2.2%	1.7%	2.4%
Clay Township	68,973	71,644	75,180	77,846	3.9%	4.9%	3.5%
Clinton Township	43,625	45,710	47,207	50,047	4.8%	3.3%	6.0%
Deer Creek Township	41,150	43,251	44,634	46,680	5.1%	3.2%	4.6%
Eel Township	288,262	298,647	315,753	328,077	3.6%	5.7%	3.9%
Harrison Township	64,580	66,923	67,194	54,824	3.6%	0.4%	-18.4%
Jackson Township	35,885	37,392	39,070	40,749	4.2%	4.5%	4.3%
Jefferson Township	28,668	29,441	27,358	29,567	2.7%	-7.1%	8.1%
Miami Township	29,524	122,722	193,137	217,091	315.7%	57.4%	12.4%
Noble Township	52,313	52,262	56,798	58,974	-0.1%	8.7%	3.8%
Tipton Township	30,083	31,408	32,953	34,205	4.4%	4.9%	3.8%
Washington Township	78,963	92,401	96,687	99,410	17.0%	4.6%	2.8%
Logansport Civil City	7,806,172	7,702,260	7,602,311	7,996,934	-1.3%	-1.3%	5.2%
Galveston Civil Town	227,304	247,781	229,886	249,329	9.0%	-7.2%	8.5%
Onward Civil Town	8,253	8,976	8,990	9,128	8.8%	0.2%	1.5%
Royal Center Civil Town	158,929	158,456	172,131	174,755	-0.3%	8.6%	1.5%
Walton Civil Town	133,203	138,122	143,214	147,240	3.7%	3.7%	2.8%
Pioneer Regional School Corp	3,218,202	3,527,069	2,019,038	1,986,647	9.6%	-42.8%	-1.6%
Southeastern School Corp	5,357,588	5,548,775	2,739,329	3,130,199	3.6%	-50.6%	14.3%
Logansport Community School Corp	13,704,630	13,364,722	8,709,575	8,634,945	-2.5%	-34.8%	-0.9%
Caston School Corp	1,157,683	1,250,178	536,602	564,842	8.0%	-57.1%	5.3%
Logansport-Cass Public Library	854,626	889,262	920,225	955,118	4.1%	3.5%	3.8%
Royal Center Public Library	68,292	71,382	73,809	75,809	4.5%	3.4%	2.7%
Walton Public Library	153,473	163,379	154,936	156,796	6.5%	-5.2%	1.2%
Cass County Solid Waste Mgt Dist	0	0	0	0			
Logansport/Cass Co. Airport Auth	521,091	531,243	541,482	558,759	1.9%	1.9%	3.2%

## Cass County 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	State Homestead	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
09001	Adams Township	1.5811	--	4.5562%	--	21.4994%	--	--	--	1.1691
09002	Bethlehem Township	1.5935	--	4.5562%	--	21.4994%	--	--	--	1.1783
09003	Boone Township	1.9746	--	4.5562%	--	21.4994%	--	--	--	1.4601
09004	Royal Center Town	3.4000	--	4.5562%	--	21.4994%	--	--	--	2.5141
09005	Clay Township	2.3841	--	4.5562%	--	21.4994%	--	--	--	1.7629
09006	Logansport City-Clay Twp	4.2644	--	4.5562%	--	21.4994%	--	--	--	3.1533
09007	Clinton Township	2.3503	--	4.5562%	--	21.4994%	--	--	--	1.7379
09008	Deer Creek Township	1.8196	--	4.5562%	--	21.4994%	--	--	--	1.3455
09009	Eel Township	2.5461	--	4.5562%	--	21.4994%	--	--	--	1.8827
09010	Logansport City-Eel Twp	4.3022	--	4.5562%	--	21.4994%	--	--	--	3.1812
09011	Harrison Township	1.9839	--	4.5562%	--	21.4994%	--	--	--	1.4670
09012	Jackson Township	1.7861	--	4.5562%	--	21.4994%	--	--	--	1.3207
09013	Galveston Town	2.8023	--	4.5562%	--	21.4994%	--	--	--	2.0721
09014	Jefferson Township	1.9317	--	4.5562%	--	21.4994%	--	--	--	1.4284
09015	Miami Township-Southeastern School	2.1805	--	4.5562%	--	21.4994%	--	--	--	1.6124
09016	Miami Township-Logansport Comm	2.7149	--	4.5562%	--	21.4994%	--	--	--	2.0075
09017	Noble Township-Pioneer Regional Scl	1.9740	--	4.5562%	--	21.4994%	--	--	--	1.4597
09018	Noble Township-Logansport Comm	2.3811	--	4.5562%	--	21.4994%	--	--	--	1.7607
09019	Logansport City-Noble Twp	4.2732	--	4.5562%	--	21.4994%	--	--	--	3.1598
09020	Tipton Township	1.8737	--	4.5562%	--	21.4994%	--	--	--	1.3855
09021	Onward Town	2.5400	--	4.5562%	--	21.4994%	--	--	--	1.8782
09022	Walton Town	2.7398	--	4.5562%	--	21.4994%	--	--	--	2.0259
09023	Washington Twp-Southeastern Schl	1.8605	--	4.5562%	--	21.4994%	--	--	--	1.3757
09024	Washington Twp-Logansport Schl	2.3949	--	4.5562%	--	21.4994%	--	--	--	1.7709
09025	Logansport City-Washington Twp	4.2785	--	4.5562%	--	21.4994%	--	--	--	3.1637
09026	Logansport City-Clinton Twp	4.2724	--	4.5562%	--	21.4994%	--	--	--	3.1592
09027	Logansport City-Wash Twp-SE Schl	3.7441	--	4.5562%	--	21.4994%	--	--	--	2.7686

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 *State Homestead Credit* is the HEA1001-2008 special rate, which will be eliminated after 2010.

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.

### Cass County 2010 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>	171,003	2,742,659	2,800,742	33,543	5,747,948	34,326,121	16.7%
<i>TIF Total</i>	0	29,118	138,471	0	167,589	574,505	29.2%
<i>County Total</i>	171,003	2,771,778	2,939,214	33,543	5,915,537	34,900,626	16.9%
Cass County	29,733	485,208	459,569	7,723	982,234	8,552,561	11.5%
Adams Township	0	0	0	10	10	23,447	0.0%
Bethlehem Township	0	0	0	2	2	30,838	0.0%
Boone Township	7	516	198	12	733	41,304	1.8%
Clay Township	242	3,705	365	67	4,379	77,846	5.6%
Clinton Township	0	2,006	1,238	3	3,247	50,047	6.5%
Deer Creek Township	0	0	0	29	29	46,680	0.1%
Eel Township	2,057	32,538	27,714	347	62,656	328,077	19.1%
Harrison Township	0	0	0	19	19	54,824	0.0%
Jackson Township	3	470	0	33	507	40,749	1.2%
Jefferson Township	0	0	0	98	98	29,567	0.3%
Miami Township	1,969	8,718	0	209	10,896	217,091	5.0%
Noble Township	13	675	233	62	983	58,974	1.7%
Tipton Township	0	193	0	31	224	34,205	0.7%
Washington Township	0	335	3,264	47	3,647	99,410	3.7%
Logansport Civil City	69,893	1,090,284	1,285,548	9,120	2,454,845	7,996,934	30.7%
Galveston Civil Town	138	22,308	0	339	22,785	249,329	9.1%
Onward Civil Town	0	710	0	6	716	9,128	7.8%
Royal Center Civil Town	284	21,495	8,243	202	30,224	174,755	17.3%
Walton Civil Town	0	12,316	0	188	12,504	147,240	8.5%
Pioneer Regional School Corp	200	15,106	5,793	2,404	23,503	1,986,647	1.2%
Southeastern School Corp	119	42,077	27,264	2,269	71,729	3,130,199	2.3%
Logansport Community School Corp	60,617	908,781	892,683	8,614	1,870,694	8,634,945	21.7%
Caston School Corp	0	0	0	138	138	564,842	0.0%
Logansport-Cass Public Library	3,762	59,053	57,907	887	121,609	955,118	12.7%
Royal Center Public Library	24	1,819	697	29	2,569	75,809	3.4%
Walton Public Library	0	2,647	0	150	2,797	156,796	1.8%
Cass County Solid Waste Mgt Dist	0	0	0	0	0	0	
Logansport/Cass Co. Airport Auth	1,943	31,700	30,025	505	64,172	558,759	11.5%
TIF - Anderson-Ethanol	0	1,031	0	0	1,031	86,861	1.2%
TIF - Gateway 35/25	0	0	0	0	0	0	
TIF - East End TIF	0	19,945	34,616	0	54,561	97,075	56.2%
TIF - Logans Landing	0	8,024	51,318	0	59,342	125,554	47.3%
TIF - Gateway 35 /18	0	0	0	0	0	7	0.0%
TIF - Gateway 35/20	0	88	13	0	101	108	93.8%
TIF - Airport/Industrial Park	0	0	52,453	0	52,453	264,578	19.8%
TIF - Gateway 35/27	0	30	71	0	101	321	31.4%

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.