

2013 Clay County Property Tax Report with Comparison to 2012

Legislative Services Agency

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This report describes property tax changes in Clay 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 Clay County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	-9.4%	\$14,335,463	\$836,400,898	0.1%
Change		-4.0%	1.9%	
2012	1.0%	\$14,939,944	\$820,978,393	0.1%

Comparable Homestead Property Tax Changes in Clay County

The total tax bill for all taxpayers in Clay County decreased by 9.4% in 2013. The reasons were a 4.0% decrease in the levy and a large increase in local income tax-funded property tax credit rates. In this reassessment year, certified net assessed value rose by 1.9%. Clay County's tax rates were too low for many taxpayers to qualify for tax cap credits.

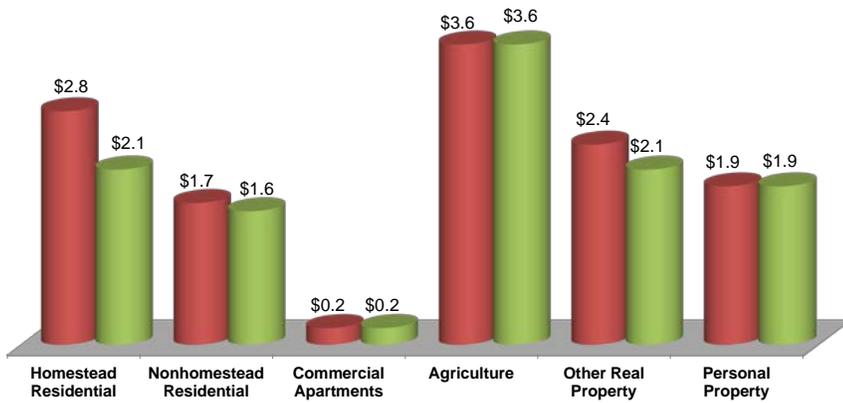
Clay County homeowners experienced a large 23.3% decrease in property tax bills in 2013. This was due to a large increase in local property tax credits, a decrease in property tax rates, and a decline in homestead net assessed value. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	646	9.0%
No Change	345	4.8%
Lower Tax Bill	6,200	86.2%
Average Change in Tax Bill	-23.3%	
Detailed Change in Tax Bill		
20% or More	261	3.6%
10% to 19%	101	1.4%
1% to 9%	284	3.9%
-1% to 1%	345	4.8%
-1% to -9%	682	9.5%
-10% to -19%	1,434	19.9%
-20% or More	4,084	56.8%
Total	7,191	100.0%

Note: Percentages may not total due to rounding.

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

■ 2012 - Total \$12.6 ■ 2013 - Total \$11.5



In Clay County most net property taxes were paid by business (other real and personal) and agriculture property owners in 2013. Total net property taxes decreased 9.4%, compared to an average 2.1% increase statewide. Personal property experienced a slight increase, while homestead net taxes decreased by the largest percentage.

Property tax rates decreased in all but one of the 20 Clay County tax districts in 2013. The average tax rate fell by 5.8%, because of a levy decrease and a small increase in net assessed value. Statewide, the average tax rate increased by 4.2%.

Clay County decreased by 4.0%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Clay County are included in a later table.

The total levies of all government units in Clay County decreased by 4.0%, compared to a 3.7% statewide levy increase.

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	\$690,579,030	\$648,444,390	-6.1%	\$248,032,342	\$233,082,988	-6.0%
Other Residential	144,005,200	167,760,800	16.5%	139,859,973	162,540,316	16.2%
Ag Business/Land	257,578,300	276,826,100	7.5%	253,686,228	273,362,663	7.8%
Business Real/Personal	259,127,615	255,267,741	-1.5%	208,423,777	206,579,689	-0.9%
Total	\$1,351,290,145	\$1,348,299,031	-0.2%	\$850,002,320	\$875,565,656	3.0%

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.

Clay County's total billed net assessed value increased by 3.0% in 2013. Increases in other residential and agricultural assessments more than offset decreases in homestead assessments. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Total tax cap credits in Clay County were \$7,372, which was only 0.1% 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. Clay

Tax Cap Category	2012	2013	Difference	% Change
1%	\$66	\$0	-\$66	-100.0%
2%	3,274	2,760	-514	-15.7%
3%	0	0	0	0.0%
Elderly	10,866	4,611	-6,255	-57.6%
Total	\$14,206	\$7,372	-\$6,835	-48.1%
% of Levy	0.1%	0.1%		

County's average tax rate was less than the median rate statewide, and its high tax credits, funded by local income taxes, further reduced tax bills. Most of the tax cap credits in Clay County 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 Clay County decreased \$6,835 between 2012 and 2013. Credits as a share of the total levy fell by a small amount.

Clay 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>	14,310,246	14,416,800	14,708,005	14,939,944	14,335,463	0.7%	2.0%	1.6%	-4.0%
Clay County	3,051,087	3,084,480	3,157,210	3,187,860	3,196,724	1.1%	2.4%	1.0%	0.3%
Brazil Township	103,962	103,794	103,319	110,687	110,455	-0.2%	-0.5%	7.1%	-0.2%
Cass Township	3,079	3,252	1,652	2,836	2,829	5.6%	-49.2%	71.7%	-0.2%
Dick Johnson Township	33,186	33,740	34,628	34,673	35,856	1.7%	2.6%	0.1%	3.4%
Harrison Township	42,110	41,678	41,873	42,795	41,329	-1.0%	0.5%	2.2%	-3.4%
Jackson Township	24,506	24,742	24,981	25,873	25,644	1.0%	1.0%	3.6%	-0.9%
Lewis Township	23,977	23,896	23,963	22,859	22,661	-0.3%	0.3%	-4.6%	-0.9%
Perry Township	21,272	21,060	20,914	20,863	19,599	-1.0%	-0.7%	-0.2%	-6.1%
Posey Township	71,748	72,130	73,675	76,220	76,041	0.5%	2.1%	3.5%	-0.2%
Sugar Ridge Township	18,511	18,585	19,033	19,687	19,665	0.4%	2.4%	3.4%	-0.1%
Van Buren Township	79,059	79,513	79,193	84,225	84,118	0.6%	-0.4%	6.4%	-0.1%
Washington Township	9,574	9,709	9,865	10,215	10,199	1.4%	1.6%	3.5%	-0.2%
Brazil Civil City	1,684,579	1,759,034	1,809,409	1,925,647	1,849,374	4.4%	2.9%	6.4%	-4.0%
Carbon Civil Town	9,672	10,702	10,775	11,080	11,075	10.6%	0.7%	2.8%	0.0%
Center Point Civil Town	13,025	13,839	15,018	15,151	15,215	6.2%	8.5%	0.9%	0.4%
Clay City Civil Town	140,287	142,663	146,869	151,923	149,722	1.7%	2.9%	3.4%	-1.4%
Knightsville Civil Town	34,089	34,790	37,278	37,901	38,181	2.1%	7.2%	1.7%	0.7%
Staunton Civil Town	22,609	22,782	23,596	24,404	24,382	0.8%	3.6%	3.4%	-0.1%
Harmony Civil Town	54,319	49,445	65,502	61,586	57,092	-9.0%	32.5%	-6.0%	-7.3%
Clay Community School Corp	7,974,506	7,866,932	7,973,675	8,178,729	7,536,962	-1.3%	1.4%	2.6%	-7.8%
M.S.D. Shakamak School Corp	525,597	620,765	657,047	532,022	590,795	18.1%	5.8%	-19.0%	11.0%
Brazil Public Library	352,411	361,377	359,965	358,243	398,813	2.5%	-0.4%	-0.5%	11.3%
Clay-Owen-Vigo Solid Waste Mgmt Dist	0	0	0	0	0				
Poland Fire Territory (Jackson Township)	17,081	17,892	18,565	4,465	18,732	4.7%	3.8%	-75.9%	319.5%
Clay County Redevelopment Commission	0	0	0	0	0				

Clay 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	RESIDENTIAL	LOIT Homestead		LOIT Residential
11001	Brazil Township	1.7074	--	--	--	--	--	52.3631%	0.8134
11002	Brazil City - Brazil Township	2.8248	--	--	--	--	--	52.3631%	1.3456
11003	Cass Township	1.5008	--	--	--	--	--	52.3631%	0.7149
11004	Dick Johnson Township	1.4453	--	--	--	--	--	52.3631%	0.6885
11005	Harrison Township	1.4039	--	--	--	--	--	52.3631%	0.6688
11006	Clay City Town	2.3814	--	--	--	--	--	52.3631%	1.1344
11007	Jackson Township	1.3826	--	--	--	--	--	52.3631%	0.6586
11008	Brazil City - Jackson Township	2.7683	--	--	--	--	--	52.3631%	1.3187
11009	Lewis Township	1.3946	--	--	--	--	--	52.3631%	0.6643
11010	Perry Township	1.3869	--	--	--	--	--	52.3631%	0.6607
11011	Posey Township	1.4213	--	--	--	--	--	52.3631%	0.6771
11012	Brazil City - Posey Township	2.7905	--	--	--	--	--	52.3631%	1.3293
11013	Staunton Town	1.7534	--	--	--	--	--	52.3631%	0.8353
11014	Sugar Ridge Township	1.3956	--	--	--	--	--	52.3631%	0.6648
11015	Center Point Town	1.6895	--	--	--	--	--	52.3631%	0.8048
11016	Van Buren Township	1.4539	--	--	--	--	--	52.3631%	0.6926
11017	Carbon Town	1.8010	--	--	--	--	--	52.3631%	0.8579
11018	Knightsville Town	1.7809	--	--	--	--	--	52.3631%	0.8484
11019	Harmony Town	1.9109	--	--	--	--	--	52.3631%	0.9103
11020	Washington Township	1.3785	--	--	--	--	--	52.3631%	0.6567

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.

Clay 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	2,760	0	4,611	7,372	14,335,463	0.1%	
<i>TIF Total</i>	0	0	0	0	0	189,801	0.0%	
<i>County Total</i>	0	2,760	0	4,611	7,372	14,525,264	0.1%	
Clay County	0	377	0	935	1,312	3,196,724	0.0%	
Brazil Township	0	39	0	73	112	110,455	0.1%	
Cass Township	0	0	0	0	0	2,829	0.0%	
Dick Johnson Township	0	0	0	34	34	35,856	0.1%	
Harrison Township	0	0	0	8	9	41,329	0.0%	
Jackson Township	0	0	0	5	6	25,644	0.0%	
Lewis Township	0	0	0	2	2	22,661	0.0%	
Perry Township	0	0	0	0	0	19,599	0.0%	
Posey Township	0	0	0	20	20	76,041	0.0%	
Sugar Ridge Township	0	0	0	0	0	19,665	0.0%	
Van Buren Township	0	0	0	18	18	84,118	0.0%	
Washington Township	0	0	0	2	2	10,199	0.0%	
Brazil Civil City	0	1,149	0	612	1,762	1,849,374	0.1%	
Carbon Civil Town	0	0	0	0	0	11,075	0.0%	
Center Point Civil Town	0	0	0	1	1	15,215	0.0%	
Clay City Civil Town	0	19	0	285	304	149,722	0.2%	
Knightsville Civil Town	0	0	0	14	14	38,181	0.0%	
Staunton Civil Town	0	0	0	15	15	24,382	0.1%	
Harmony Civil Town	0	0	0	17	17	57,092	0.0%	
Clay Community School Corp	0	958	0	2,319	3,277	7,536,962	0.0%	
M.S.D. Shakamak School Corp	0	0	0	57	57	590,795	0.0%	
Brazil Public Library	0	218	0	191	409	398,813	0.1%	
Clay-Owen-Vigo Solid Waste Mgmt Dist	0	0	0	0	0	0		
Poland Fire Territory (Jackson Township)	0	0	0	1	1	18,732	0.0%	
Clay County Redevelopment Commission	0	0	0	0	0	0		
TIF - No Central Econ Dev Orig	0	0	0	0	0	40,244	0.0%	
TIF - No Central Econ Dev Exp	0	0	0	0	0	45,711	0.0%	
TIF - I-70 SR 59 (Jackson)	0	0	0	0	0	29,819	0.0%	
TIF - I-70 SR 59 (Posey)	0	0	0	0	0	12,659	0.0%	
TIF - IVC Industrial (Van Buren)	0	0	0	0	0	61,369	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.