

# 2010 Property Tax Report

## Daviss County

### with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Daviss 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 Daviss 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 Daviss County

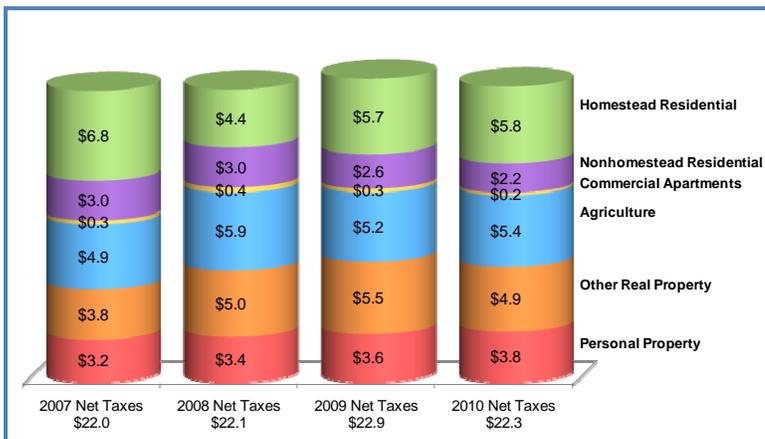
	2009 to 2010		2007 to 2010		
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total	
<b>Summary Change in Tax Bill</b>					
Higher Tax Bill	5,280	75.1%	984	14.0%	84.7% of homeowners saw lower tax bills in 2010 than in 2007.
No Change	421	6.0%	93	1.3%	
Lower Tax Bill	1,325	18.9%	5,949	84.7%	
<b>Average Change in Tax Bill</b>	<b>-1.1%</b>		<b>-23.3%</b>		
<b>Detailed Change in Tax Bill</b>					
20% or More	265	3.8%	719	10.2%	71.3% of homeowners saw tax increases of between 1% and 19% from 2009 to 2010.
10% to 19%	607	8.6%	115	1.6%	
1% to 9%	4,408	62.7%	150	2.1%	
0%	421	6.0%	93	1.3%	
-1% to -9%	712	10.1%	288	4.1%	
-10% to -19%	247	3.5%	734	10.4%	
-20% to -29%	187	2.7%	1,376	19.6%	The largest percentage of homeowners have seen between a 20% and 39% decrease in their tax bills from 2007 to 2010.
-30% to -39%	106	1.5%	1,450	20.6%	
-40% to -49%	9	0.1%	908	12.9%	
-50% to -59%	14	0.2%	391	5.6%	
-60% to -69%	6	0.1%	181	2.6%	
-70% to -79%	9	0.1%	123	1.8%	
-80% to -89%	4	0.1%	100	1.4%	
-90% to -99%	6	0.1%	63	0.9%	
-100%	25	0.4%	335	4.8%	
<b>Total</b>	<b>7,026</b>	<b>100.0%</b>	<b>7,026</b>	<b>100.0%</b>	

Note: Percentages may not total due to rounding.

### Daviss County Overview

The decline in homeowner tax bills was just under the state average of 2.1%. Property tax levies increased 2.3% in Daviss County in 2010, similar to the state average increase of 2.4%. The largest levy increases were for the county general fund, the Washington City general fund, and the Washington Community School Corporation debt service and pension debt funds. Daviss County homeowners benefitted about the same from the one percent property tax cap as did homeowners in the average county. The county saw a small decrease in local homestead property tax credit rates in 2010.

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



Net tax bills for all taxpayers decreased 2.7% in Daviss County from 2009 to 2010. This was larger than the statewide reduction of 1.4%. In 2010 apartment owners saw a 22.5% 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 15.8% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 10.8% decrease and 5.1% increase, respectively, in tax bills in 2010. This was mainly caused by tightened tax caps along with an overall decrease in commercial and industrial real property assessments and an increase in personal property assessments. Agricultural business

property saw a 4.2% increase in tax payments in 2010 mainly because of 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 Daviess County in 2010 amounted to 10.3% of the total property tax levy. The statewide average was 6.3%. The larger percentage loss in the county was partly due to the concentration of eligible property and relatively high tax rate in Washington City. Commercial and industrial property located only within Washington City benefitted from the tightened tax caps because other Daviess County's tax rates were under \$3 and not high enough for this type of property to qualify for tax cap credits. Tax rates and home values were high enough, mostly within Washington City, for homesteads to qualify for credits in the 1% category.

**2010 Circuit Breaker Credits by Cap Category  
Daviess County Total \$2,679,883**

1%	2%	3%	Elderly
\$394,565	\$1,469,235	\$799,666	\$16,418
14.7%	54.8%	29.8%	0.6%

Daviess County, Washington City, and the Washington Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of their total levies, Washington City and the Washington-Carnegie Public Library lost the most, at 28.5% each. Losses were greatest for units that overlapped Washington City because this tax district had the highest tax rates.

### The Effects of Recession

In Daviess County the recession has affected the economy, though less than in most Indiana counties. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 2.9% in December 2007 to 5.8% in July 2009. Local income tax revenue grew by 2.7%.

**Daviess County Gross Assessed Value by Property Type**

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	832,513,213	842,098,743	1.2%
Other Residential	107,462,429	107,192,729	-0.3%
Ag Business/Land	269,542,634	281,093,677	4.3%
Business Real/Personal	472,712,537	466,799,384	-1.3%
<b>Total</b>	<b>\$1,682,230,813</b>	<b>\$1,697,184,533</b>	<b>0.9%</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 Daviess County, the gross assessed value of business real and personal property fell 1.3% in 2010, and total gross assessed value in Daviess County rose 0.9%. 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.

**Daviess County Levy Comparison by Taxing Unit**

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	29,547,322	32,385,071	24,067,079	24,624,439	9.6%	-25.7%	2.3%
State Unit	25,602	27,885	0	0	8.9%	-100.0%	
Daviess County	9,145,403	9,725,088	8,657,987	8,888,109	6.3%	-11.0%	2.7%
Barr Township	49,144	50,872	51,547	53,976	3.5%	1.3%	4.7%
Bogard Township	21,860	22,543	23,304	23,896	3.1%	3.4%	2.5%
Elmore Township	25,846	26,056	27,120	27,275	0.8%	4.1%	0.6%
Harrison Township	3,457	3,592	3,705	3,771	3.9%	3.1%	1.8%
Madison Township	48,695	50,652	52,955	53,867	4.0%	4.5%	1.7%
Reeve Township	11,989	12,732	13,389	13,785	6.2%	5.2%	3.0%
Steele Township	23,713	31,921	33,278	34,074	34.6%	4.3%	2.4%
Van Buren Township	21,230	21,819	22,514	23,096	2.8%	3.2%	2.6%
Veale Township	23,267	24,305	24,821	25,402	4.5%	2.1%	2.3%
Washington Township	215,237	221,180	222,458	213,294	2.8%	0.6%	-4.1%
Washington Civil City	3,457,291	3,559,318	3,441,148	3,666,307	3.0%	-3.3%	6.5%
Alfordsville Civil Town	4,268	5,312	5,460	5,583	24.5%	2.8%	2.3%
Cannelburg Civil Town	9,090	9,472	8,693	9,702	4.2%	-8.2%	11.6%
Elnora Civil Town	71,613	76,734	77,372	77,724	7.2%	0.8%	0.5%
Montgomery Civil Town	48,435	51,497	52,688	53,998	6.3%	2.3%	2.5%
Odon Civil Town	159,044	168,934	171,074	173,758	6.2%	1.3%	1.6%
Plainville Civil Town	50,758	54,527	56,023	57,324	7.4%	2.7%	2.3%
Barr-Reeve Community School Corp	3,051,338	3,416,871	1,741,854	1,757,777	12.0%	-49.0%	0.9%
North Daviess County School Corp	4,662,709	5,258,582	3,119,001	3,129,983	12.8%	-40.7%	0.4%
Washington Community School Corp	7,481,162	8,549,461	5,249,250	5,399,177	14.3%	-38.6%	2.9%
Odon-Winkelpleck Public Library	28,174	29,515	30,140	30,825	4.8%	2.1%	2.3%
Washington Carnegie Public Library	481,679	504,496	495,534	505,468	4.7%	-1.8%	2.0%
Veale Fire Dist	21,850	56,282	41,483	44,693	157.6%	-26.3%	7.7%
Southeast Daviess Fire Protection Dist	66,303	71,046	73,033	74,176	7.2%	2.8%	1.6%
Daviess County Solid Waste Dist	338,165	354,379	371,248	277,399	4.8%	4.8%	-25.3%

**Daviess County Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District**

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates						Net Tax Rate, Homesteads
				State Homestead	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
14001	Barr Township	1.7040	--	4.1330%	--	20.7188%	--	--	--	1.2805
14002	Cannelburg Town	2.0366	--	4.1330%	--	--	--	--	--	1.9524
14003	Montgomery Town	2.3039	--	4.1330%	--	39.4706%	--	--	--	1.2993
14004	Bogard Township	1.9151	--	4.1330%	--	21.0220%	--	--	--	1.4334
14005	Elmore Township	1.9403	--	4.1330%	--	54.3814%	--	--	--	0.8049
14006	Elnora Town	2.9700	--	4.1330%	--	28.8530%	--	--	--	1.9903
14007	Harrison Township	2.1263	--	4.1330%	--	8.1013%	--	--	--	1.8662
14008	Madison Township	1.9952	--	4.1330%	--	15.6243%	--	--	--	1.6010
14009	Odon Town	2.6520	--	4.1330%	--	14.6160%	--	--	--	2.1548
14010	Reeve Township	1.8375	--	4.1330%	--	29.5022%	--	--	--	1.2195
14011	Alfordsville Town	2.3089	--	4.1330%	--	--	--	--	--	2.2135
14012	Steele Township	1.9415	--	4.1330%	--	13.8393%	--	--	--	1.5926
14013	Plainville Town	2.7157	--	4.1330%	--	49.1750%	--	--	--	1.2680
14014	Van Buren Township	1.9009	--	4.1330%	--	65.0051%	--	--	--	0.5867
14015	Veale Township	2.1750	--	4.1330%	--	3.0154%	--	--	--	2.0195
14016	Washington Township	2.0597	--	4.1330%	--	34.8618%	--	--	--	1.2565
14017	Washington City	3.8385	--	4.1330%	--	9.4730%	--	--	--	3.3162

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.

### Daviness 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>	394,565	1,467,688	795,706	16,418	2,674,377	24,624,439	10.9%
<i>TIF Total</i>	0	1,547	3,959	0	5,506	1,422,525	0.4%
<i>County Total</i>	394,565	1,469,235	799,666	16,418	2,679,883	26,046,964	10.3%
Daviness County	89,552	348,982	178,669	4,529	621,732	8,888,109	7.0%
Barr Township	25	20	0	3	49	53,976	0.1%
Bogard Township	0	0	0	8	8	23,896	0.0%
Elmore Township	2	141	0	1	144	27,275	0.5%
Harrison Township	3	114	0	1	117	3,771	3.1%
Madison Township	22	426	0	36	484	53,867	0.9%
Reeve Township	0	18	0	2	20	13,785	0.1%
Steele Township	0	245	0	1	246	34,074	0.7%
Van Buren Township	0	0	0	2	2	23,096	0.0%
Veale Township	56	696	0	1	753	25,402	3.0%
Washington Township	3,593	13,155	7,338	186	24,272	213,294	11.4%
Washington Civil City	161,601	549,630	330,036	5,036	1,046,304	3,666,307	28.5%
Alfordville Civil Town	0	204	0	17	221	5,583	4.0%
Cannelburg Civil Town	0	36	0	3	39	9,702	0.4%
Elnora Civil Town	131	7,496	0	0	7,627	77,724	9.8%
Montgomery Civil Town	0	834	0	10	845	53,998	1.6%
Odon Civil Town	133	9,846	0	58	10,037	173,758	5.8%
Plainville Civil Town	0	3,444	0	8	3,452	57,324	6.0%
Barr-Reeve Community School Corp	682	1,486	0	138	2,307	1,757,777	0.1%
North Daviness County School Corp	499	24,829	0	753	26,081	3,129,983	0.8%
Washington Community School Corp	113,055	416,587	228,585	4,757	762,984	5,399,177	14.1%
Odon-Winkelpleck Public Library	15	534	0	19	568	30,825	1.8%
Washington Carnegie Public Library	22,280	75,777	45,502	694	144,252	505,468	28.5%
Veale Fire Dist	98	1,225	0	3	1,325	44,693	3.0%
Southeast Daviness Fire Protection Dist	23	1,072	0	11	1,106	74,176	1.5%
Daviness County Solid Waste Dist	2,795	10,892	5,576	141	19,404	277,399	7.0%
TIF - Madison Township	0	0	0	0	0	74,349	0.0%
TIF - Washington Township	0	172	0	0	172	1,332,449	0.0%
TIF - Washington City	0	1,375	3,959	0	5,335	15,727	33.9%

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.