

# 2010 Property Tax Report

## Dearborn County

### with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Dearborn 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 Dearborn 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 Dearborn 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	9,429	78.7%	2,732	22.8%
No Change	46	0.4%	14	0.1%
Lower Tax Bill	2,500	20.9%	9,229	77.1%
<b>Average Change in Tax Bill</b>	<b>7.5%</b>		<b>-17.7%</b>	
<b>Detailed Change in Tax Bill</b>				
20% or More	2,794	23.3%	991	8.3%
10% to 19%	5,633	47.0%	676	5.6%
1% to 9%	1,002	8.4%	1,065	8.9%
0%	46	0.4%	14	0.1%
-1% to -9%	1,160	9.7%	1,635	13.7%
-10% to -19%	1,144	9.6%	2,552	21.3%
-20% to -29%	115	1.0%	2,770	23.1%
-30% to -39%	37	0.3%	1,458	12.2%
-40% to -49%	12	0.1%	509	4.3%
-50% to -59%	9	0.1%	120	1.0%
-60% to -69%	7	0.1%	72	0.6%
-70% to -79%	4	0.0%	38	0.3%
-80% to -89%	4	0.0%	23	0.2%
-90% to -99%	2	0.0%	18	0.2%
-100%	6	0.1%	34	0.3%
<b>Total</b>	<b>11,975</b>	<b>100.0%</b>	<b>11,975</b>	<b>100.0%</b>

The average homeowner saw a 7.5% tax bill increase from 2009 to 2010.

Homestead taxes in 2010 were still 17.7% lower than they were in 2007, before the property tax reforms.

77.1% of homeowners saw lower tax bills in 2010 than in 2007.

70.3% of homeowners saw tax increases of 10% or more from 2009 to 2010.

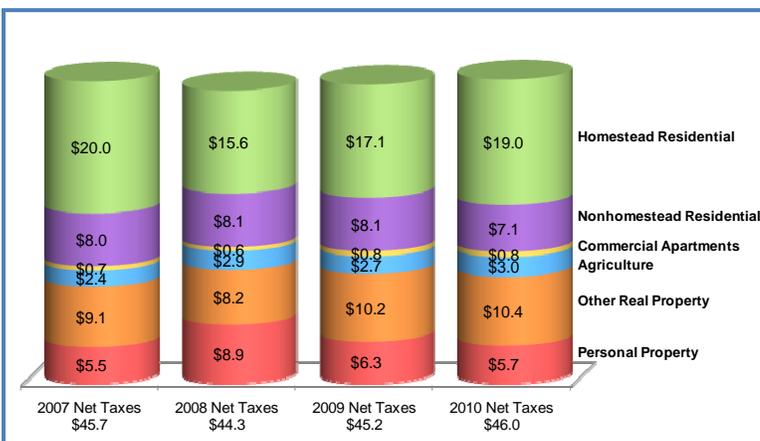
The largest percentage of homeowners have seen between a 10% and 29% decrease in their tax bills from 2007 to 2010.

Note: Percentages may not total due to rounding.

### Dearborn County Overview

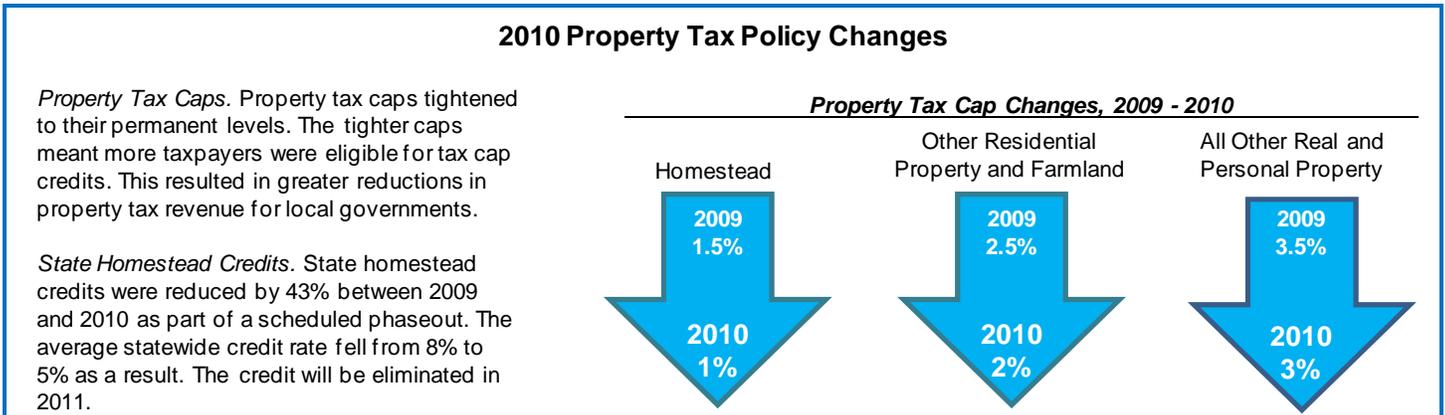
The much larger-than-average increase in homeowner tax bills was due to the fact that few Dearborn County homeowners were eligible for tax cap credits, compared to the state average. This was due to the relatively low tax rates in Dearborn County taxing districts. Property tax levies increased 0.9% in Dearborn County in 2010, less than the state average increase of 2.4%. Big levy increases in the Sunman-Dearborn School Corporation capital projects fund and the South Dearborn School Corporation debt service fund were offset by big decreases in the Lawrenceburg School Corporation general and debt service funds. Dearborn County does not provide local homestead credits.

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



Net tax bills for all taxpayers increased 1.7% in Dearborn County from 2009 to 2010. This was slightly larger than the statewide reduction of 1.4%. In 2010 apartment owners saw a 2.4% increase in tax bills. This increase was due mainly to higher tax rates in most of the county, partially offset by 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 12.4% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 1.7% increase and 10.2% decrease, respectively, in tax bills in 2010. This was mainly because of the increase in Dearborn County property tax rates and a large reduction in utility personal property assessments.

Commercial and industrial property did not benefit from the tightened tax caps because Dearborn County's tax rates were not high enough for this type of property to qualify for tax cap credits. Agricultural business property saw a 9.2% increase in tax payments in 2010 because of the Dearborn County tax rate increases and the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.



**Tax Cap Credits**

Tax cap credits in Dearborn County in 2010 amounted to 1.4% of the total property tax levy. The statewide average was 6.3%. The smaller percentage loss in the county was partly due to Dearborn County's below average tax rates. There were no tax rates above \$3, so there were no commercial or industrial properties in the 3% tax cap category that qualified for credits. Neither Dearborn County tax rates nor home values were high enough for a large share of homesteads to qualify for credits in the 1% category.

**2010 Circuit Breaker Credits by Cap Category  
Dearborn County Total \$636,873**

1%	2%	3%	Elderly
\$211,982	\$424,193	\$0	\$697
33.3%	66.6%	0.0%	0.1%

Dearborn County and the South Dearborn Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, the City of Aurora lost the most, at 7.6%. Losses were greatest for units that overlapped the municipalities of Lawrenceburg, Aurora, Dillsboro, Greendale, Moores Hill, and West Harrison because these tax districts had the highest tax rates.

**The Effects of Recession**

In Dearborn 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 5.2% in December 2007 to 10.1% in July 2009. Job losses and income declines contributed to a 1.1% drop in local income tax revenue.

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

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	2,368,724,200	2,379,620,900	0.5%
Other Residential	370,867,200	374,888,260	1.1%
Ag Business/Land	164,392,300	164,996,600	0.4%
Business Real/Personal	1,083,496,650	936,303,510	-13.6%
<b>Total</b>	<b>\$3,987,480,350</b>	<b>\$3,855,809,270</b>	<b>-3.3%</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 Dearborn County, the gross assessed value of business real and personal property fell 13.6% in 2010, mainly due to a drop in utility assessments. Other assessment categories increased, and total gross assessed value in Dearborn County fell 3.3%. This was lower 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.

**Dearborn County Levy Comparison by Taxing Unit**

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	60,506,963	63,144,154	45,058,695	45,457,349	4.4%	-28.6%	0.9%
State Unit	66,697	70,794	0	0	6.1%	-100.0%	
Dearborn County	10,288,026	12,542,445	9,047,976	9,396,247	21.9%	-27.9%	3.8%
Caesar Creek Township	8,256	8,439	8,776	9,228	2.2%	4.0%	5.2%
Center Township	31,601	28,299	33,899	35,089	-10.4%	19.8%	3.5%
Clay Township	51,578	48,702	13,661	58,912	-5.6%	-71.9%	331.2%
Harrison Township	57,066	53,458	63,178	65,473	-6.3%	18.2%	3.6%
Hogan Township	31,091	30,137	34,368	35,682	-3.1%	14.0%	3.8%
Jackson Township	17,244	17,544	21,159	21,942	1.7%	20.6%	3.7%
Kelso Township	14,123	13,009	15,092	16,200	-7.9%	16.0%	7.3%
Lawrenceburg Township	54,393	53,579	59,944	62,586	-1.5%	11.9%	4.4%
Logan Township	56,887	48,465	63,491	65,900	-14.8%	31.0%	3.8%
Manchester Township	104,444	96,148	113,804	118,714	-7.9%	18.4%	4.3%
Miller Township	119,702	106,331	130,843	135,579	-11.2%	23.1%	3.6%
Sparta Township	40,286	36,122	39,851	40,662	-10.3%	10.3%	2.0%
Washington Township	31,928	30,417	32,846	36,639	-4.7%	8.0%	11.5%
York Township	19,182	18,802	21,026	22,236	-2.0%	11.8%	5.8%
Lawrenceburg Civil City	4,460,324	5,352,985	5,265,374	5,001,174	20.0%	-1.6%	-5.0%
Aurora Civil City	1,045,962	974,389	1,085,117	1,123,994	-6.8%	11.4%	3.6%
Dillsboro Civil Town	149,196	140,518	162,254	168,424	-5.8%	15.5%	3.8%
Greendale Civil Town	1,959,627	1,809,405	2,092,455	2,169,719	-7.7%	15.6%	3.7%
Moores Hill Civil Town	32,817	25,069	36,888	38,286	-23.6%	47.1%	3.8%
St. Leon Civil Town	664	625	1,521	1,551	-5.9%	143.4%	2.0%
West Harrison Civil Town	65,999	62,954	77,679	84,806	-4.6%	23.4%	9.2%
Sunman-Dearborn Community School Corp	17,886,122	16,238,128	11,108,139	11,948,890	-9.2%	-31.6%	7.6%
South Dearborn Community School Corp	9,046,982	10,860,630	6,377,345	7,727,714	20.0%	-41.3%	21.2%
Lawrenceburg Community School Corp	12,290,189	11,807,260	6,419,703	4,655,582	-3.9%	-45.6%	-27.5%
Aurora Public Library	701,114	599,277	749,625	776,803	-14.5%	25.1%	3.6%
Lawrenceburg Public Lib	1,344,882	1,523,418	1,419,271	1,054,693	13.3%	-6.8%	-25.7%
Dearborn County Mgt Dist	511,344	519,160	563,410	584,624	1.5%	8.5%	3.8%
Greendale Redevelopment Comm	19,237	27,645	0	0	43.7%	-100.0%	

## Dearborn 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	
15001	Caesar Creek Township	1.9093	--	3.0510%	--	--	--	--	--	1.8510
15002	Center Township	1.8751	--	3.0510%	--	--	--	--	--	1.8179
15003	Aurora City-Center Township	2.6384	--	3.0510%	--	--	--	--	--	2.5579
15004	Clay Township	1.9254	--	3.0510%	--	--	--	--	--	1.8667
15005	Dillsboro Town	2.3084	--	3.0510%	--	--	--	--	--	2.2380
15006	Harrison Township	1.7555	--	3.0510%	--	--	--	--	--	1.7019
15007	West Harrison Town	2.4410	--	3.0510%	--	--	--	--	--	2.3665
15008	Hogan Township	1.9255	--	3.0510%	--	--	--	--	--	1.8668
15009	Jackson Township	1.7423	--	3.0510%	--	--	--	--	--	1.6891
15010	Kelso Township	1.7333	--	3.0510%	--	--	--	--	--	1.6804
15011	St Leon Town	1.7253	--	3.0510%	--	--	--	--	--	1.6727
15012	Lawrenceburg Township	1.1229	--	3.0510%	--	--	--	--	--	1.0886
15013	Lawrenceburg City-A	2.1525	--	3.0510%	--	--	--	--	--	2.0868
15015	Aurora City-Lawrenceburg Twp	1.8807	--	3.0510%	--	--	--	--	--	1.8233
15016	Greendale Town-A	2.1972	--	3.0510%	--	--	--	--	--	2.1302
15018	Loagan Township	1.7607	--	3.0510%	--	--	--	--	--	1.7070
15019	Manchester Township	1.9407	--	3.0510%	--	--	--	--	--	1.8815
15020	Miller Township	1.7443	--	3.0510%	--	--	--	--	--	1.6911
15021	Sparta Township	1.8942	--	3.0510%	--	--	--	--	--	1.8364
15022	Moore's Hill Town	2.1893	--	3.0510%	--	--	--	--	--	2.1225
15023	Washington Township	1.8909	--	3.0510%	--	--	--	--	--	1.8332
15024	York Township	1.7598	--	3.0510%	--	--	--	--	--	1.7061
15025	Greendale Town-B	2.1972	--	3.0510%	--	--	--	--	--	2.1302
15026	Lawrenceburg City-B	2.1525	--	3.0510%	--	--	--	--	--	2.0868

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.

**Dearborn 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>	211,776	422,708	0	697	635,182	45,457,349	1.4%
<i>TIF Total</i>	206	1,485	0	0	1,691	974,131	0.2%
<i>County Total</i>	211,982	424,193	0	697	636,873	46,431,480	1.4%
Dearborn County	37,266	69,976	0	146	107,388	9,396,247	1.1%
Caesar Creek Township	0	0	0	14	15	9,228	0.2%
Center Township	316	942	0	0	1,259	35,089	3.6%
Clay Township	49	282	0	6	336	58,912	0.6%
Harrison Township	39	70	0	0	110	65,473	0.2%
Hogan Township	19	0	0	0	19	35,682	0.1%
Jackson Township	5	0	0	0	5	21,942	0.0%
Kelso Township	1	0	0	0	1	16,200	0.0%
Lawrenceburg Township	258	296	0	0	555	62,586	0.9%
Logan Township	0	0	0	0	0	65,900	0.0%
Manchester Township	259	0	0	0	259	118,714	0.2%
Miller Township	90	0	0	2	92	135,579	0.1%
Sparta Township	29	65	0	0	94	40,662	0.2%
Washington Township	10	0	0	0	10	36,639	0.0%
York Township	82	0	0	0	82	22,236	0.4%
Lawrenceburg Civil City	6,545	29,250	0	0	35,795	5,001,174	0.7%
Aurora Civil City	20,036	65,185	0	13	85,233	1,123,994	7.6%
Dillsboro Civil Town	468	8,904	0	0	9,372	168,424	5.6%
Greendale Civil Town	55,266	40,694	0	0	95,960	2,169,719	4.4%
Moore Hill Civil Town	26	1,182	0	0	1,208	38,286	3.2%
St. Leon Civil Town	0	0	0	0	0	1,551	0.0%
West Harrison Civil Town	0	3,324	0	0	3,324	84,806	3.9%
Sunman-Dearborn Community School Corp	7,176	5,730	0	98	13,003	11,948,890	0.1%
South Dearborn Community School Corp	39,927	135,843	0	367	176,137	7,727,714	2.3%
Lawrenceburg Community School Corp	33,830	38,784	0	0	72,614	4,655,582	1.6%
Aurora Public Library	4,013	13,655	0	37	17,706	776,803	2.3%
Lawrenceburg Public Lib	3,747	4,172	0	5	7,924	1,054,693	0.8%
Dearborn County Mgt Dist	2,319	4,354	0	9	6,682	584,624	1.1%
Greendale Redevelopment Comm	0	0	0	0	0	0	
TIF - St Leon-Harrison	0	0	0	0	0	2,591	0.0%
TIF - West Harrison	0	0	0	0	0	7,827	0.0%
TIF - St Leon -Kelso	0	0	0	0	0	12,604	0.0%
TIF - Greendale A	206	1,485	0	0	1,691	910,668	0.2%
TIF - West Aurora	0	0	0	0	0	40,441	0.0%
TIF - Greendale A Expanded	0	0	0	0	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.