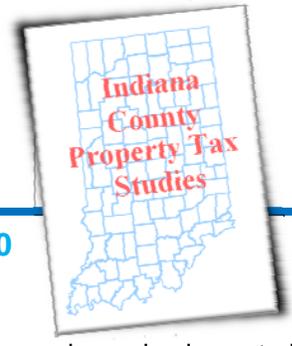


2010 Property Tax Report

Decatur County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Decatur 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 Decatur 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 Decatur County

	2009 to 2010		2007 to 2010	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	5,717	96.1%	432	7.3%
No Change	38	0.6%	2	0.0%
Lower Tax Bill	194	3.3%	5,515	92.7%
Average Change in Tax Bill	31.6%		-24.1%	
Detailed Change in Tax Bill				
20% or More	3,371	56.7%	132	2.2%
10% to 19%	820	13.8%	113	1.9%
1% to 9%	1,526	25.7%	187	3.1%
0%	38	0.6%	2	0.0%
-1% to -9%	73	1.2%	621	10.4%
-10% to -19%	71	1.2%	890	15.0%
-20% to -29%	20	0.3%	996	16.7%
-30% to -39%	5	0.1%	1,222	20.5%
-40% to -49%	8	0.1%	1,043	17.5%
-50% to -59%	5	0.1%	452	7.6%
-60% to -69%	3	0.1%	135	2.3%
-70% to -79%	4	0.1%	73	1.2%
-80% to -89%	1	0.0%	31	0.5%
-90% to -99%	0	0.0%	16	0.3%
-100%	4	0.1%	36	0.6%
Total	5,949	100.0%	5,949	100.0%

The average homeowner saw a 31.6% tax bill increase from 2009 to 2010.

Homestead taxes in 2010 were still 24.1% lower than they were in 2007, before the property tax reforms.

92.7% of homeowners saw lower tax bills in 2010 than in 2007.

56.7% of homeowners saw tax increases of 20% or more from 2009 to 2010.

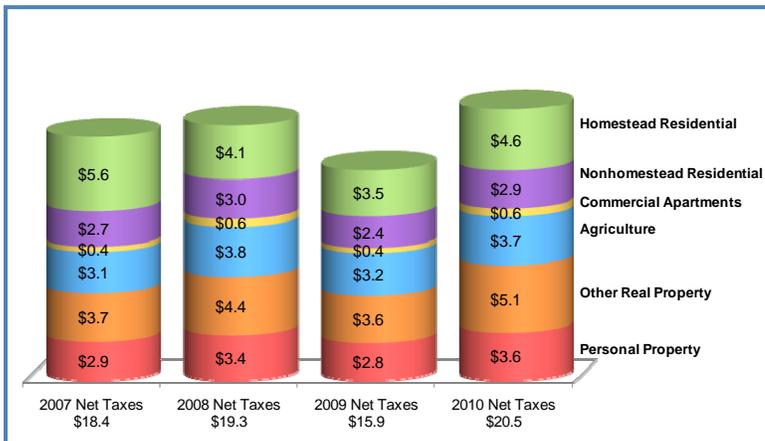
The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2010.

Note: Percentages may not total due to rounding.

Decatur County Overview

The much larger-than-average increase in homeowner tax bills was the result of a much larger-than-average increase in property tax levies. Property tax levies increased 28.7% in Decatur County in 2010, compared to the state average increase of 2.4%. This was due to increases in the county general and parks fund levies, the Greensburg City general fund levy, and especially to several Greensburg Community School Corporation fund levies. Many taxing units had large balances in their levy excess funds that were used to temporarily reduce levies in 2009. While the 2010 levy increases seem large, they mostly restore these levies to normal levels. Decatur County homeowners benefitted less from the 1%

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



property tax cap than did homeowners in the average county, primarily because Decatur County tax rates were too low for most homeowners to qualify for tax cap credits. Local homestead property tax credit rates fell slightly in Decatur County in 2010 due to a decline in the local income tax revenues that fund these credits.

Net tax bills for all taxpayers increased 28% in Decatur County from 2009 to 2010. This was higher than the statewide reduction of 1.4%. In 2010 apartment owners saw a 41.6% increase in tax bills. This large increase was due mainly to the large tax rate increase in the Greensburg taxing districts. Likewise, residential property (mostly small rental residences) saw an 18.2% increase in tax bills. Other real and personal

property, mostly commercial and industrial land, buildings, and equipment, saw a 40.4% and 25.6% increase, respectively, in tax bills in 2010. This was mainly because of the increase in Decatur County property tax levies. Commercial and industrial property did not benefit from the tightened tax caps because Decatur County's tax rates were not high enough for this type of property to qualify for tax cap credits. Agricultural business property saw a 15% increase in tax payments in 2010 because of the Decatur 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 Decatur 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 Decatur County's lower than average tax rates with only one district tax rate above \$2. The 2% cap category includes rental housing, which tends to be in cities and towns where tax rates usually are above \$2 per \$100 assessed value. If the rate exceeds the tax cap, rental housing would be eligible for tax cap credits. No commercial or industrial properties in the 3% tax cap category qualified for credits because the highest Decatur County tax rate was less than \$3. Neither Decatur 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
Decatur County Total \$298,506**

1%	2%	3%	Elderly
\$36,425	\$231,806	\$0	\$30,275
12.2%	77.7%	0.0%	10.1%

Decatur County, Greensburg City, and the Greensburg Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of their total levies, Greensburg City and the Greensburg Public Library lost the most, at 2.7% each. Losses were greatest for units that overlapped Greensburg City because these tax districts had the highest tax rates.

The Effects of Recession

In Decatur County the recession has had an effect on the economy; however, this effect was masked by projects that were begun before the recession. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 4.6% in December 2007 to 12.5% in July 2009. Job losses and income declines contributed to a 1.4% drop in local income tax revenue. Because part of this revenue is used for property tax relief, local property tax credit rates declined in Decatur County in 2010.

Decatur County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	839,257,320	862,139,910	2.7%
Other Residential	170,283,200	179,507,200	5.4%
Ag Business/Land	293,777,100	310,532,890	5.7%
Business Real/Personal	642,749,590	778,270,290	21.1%
Total	\$1,946,067,210	\$2,130,450,290	9.5%

Much new property was added to assessment roles due to large projects. The recession may have reduced some property values, which affected assessed values through annual trending. In Decatur County, the gross assessed value of business real and personal property increased 21.1% in 2010, primarily due to new investment. Other assessment categories increased, and total gross assessed value in Decatur County rose 9.5%. 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.

Decatur County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	26,170,507	28,773,386	15,719,243	20,226,906	9.9%	-45.4%	28.7%
State Unit	30,576	31,907	0	0	4.4%	-100.0%	
Decatur County	5,761,104	6,511,609	4,340,290	4,979,462	13.0%	-33.3%	14.7%
Adams Township	28,219	30,034	31,879	32,402	6.4%	6.1%	1.6%
Clay Township	47,029	47,524	51,080	51,255	1.1%	7.5%	0.3%
Clinton Township	14,903	15,505	16,362	16,448	4.0%	5.5%	0.5%
Fugit Township	48,140	50,120	49,718	50,268	4.1%	-0.8%	1.1%
Jackson Township	33,972	35,024	37,037	37,166	3.1%	5.7%	0.3%
Marion Township	26,080	27,390	25,750	26,004	5.0%	-6.0%	1.0%
Saltcreek Township	25,026	25,958	27,390	27,571	3.7%	5.5%	0.7%
Sandcreek Township	129,144	138,333	142,071	143,741	7.1%	2.7%	1.2%
Washington Township	116,709	140,572	145,523	180,170	20.4%	3.5%	23.8%
Greensburg Civil City	3,163,206	3,333,838	2,704,491	3,807,943	5.4%	-18.9%	40.8%
Milford Civil Town	5,799	0	0	0	-100.0%		
Millhouses Civil Town	6,880	6,698	4,998	6,313	-2.6%	-25.4%	26.3%
New Point Civil Town	17,266	17,399	21,316	21,215	0.8%	22.5%	-0.5%
St. Paul Civil Town	8,414	35,396	36,285	38,444	320.7%	2.5%	6.0%
Westport Civil Town	161,462	162,916	176,727	175,986	0.9%	8.5%	-0.4%
Decatur County Community School Corp	7,069,043	7,318,294	3,278,710	3,574,561	3.5%	-55.2%	9.0%
Greensburg Community School Corp	8,629,985	9,905,670	3,897,961	6,065,382	14.8%	-60.6%	55.6%
Greensburg Public Library	425,061	462,278	247,996	530,173	8.8%	-46.4%	113.8%
Decatur County Contractual Library	182,999	193,742	208,371	208,830	5.9%	7.6%	0.2%
Decatur County Solid Waste Mgt Dist	229,323	232,652	222,820	253,572	1.5%	-4.2%	13.8%
Greensburg Redevelopment Comm	10,167	50,527	52,468	0	397.0%	3.8%	-100.0%

Decatur 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	CREDIT Residential	LOIT Homestead	
16001	Adams Township	1.1066	--	4.1461%	--	1.0380%	--	--	1.0492
16002	St Paul Town-Adams Township	1.4743	--	4.1461%	--	0.3672%	--	--	1.4078
16003	Clay Township	1.1199	--	4.1461%	--	5.3371%	--	--	1.0137
16005	Clinton Township	1.1050	--	4.1461%	--	2.2646%	--	--	1.0342
16006	Fugit Township	1.0964	--	4.1461%	--	1.0420%	--	--	1.0395
16007	Jackson Township	1.1186	--	4.1461%	--	4.5755%	--	--	1.0210
16008	Marion Township-South	1.0908	--	4.1461%	--	1.4532%	--	--	1.0297
16009	Marion Township North	1.4000	--	4.1461%	--	0.5090%	--	--	1.3348
16010	Millhouses Town-Marion Twp	1.2411	--	4.1461%	--	0.5680%	--	--	1.1826
16011	Saltcreek Township	1.1084	--	4.1461%	--	2.4905%	--	--	1.0348
16012	New Point Town	1.3886	--	4.1461%	--	16.6912%	--	--	1.0993
16013	Sandcreek Township	1.2553	--	4.1461%	--	2.8880%	--	--	1.1670
16014	Westport Town	1.7720	--	4.1461%	--	7.1329%	--	--	1.5721
16015	Washington Township	1.4730	--	4.1461%	--	31.6600%	--	--	0.9456
16016	Greensburg City	2.3026	--	4.1461%	--	6.1930%	--	--	2.0645
16017	Adams/Greensburg	1.9286	--	4.1461%	--	--	--	--	1.8486
16018	Clay-Greensburg	1.9359	--	4.1461%	--	--	--	--	1.8556

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.

Decatur 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>	36,425	225,948	0	30,275	292,647	20,226,906	1.4%
<i>TIF Total</i>	0	5,859	0	0	5,859	1,136,082	0.5%
<i>County Total</i>	36,425	231,806	0	30,275	298,506	21,362,988	1.4%
Decatur County	6,337	39,310	0	6,144	51,791	4,979,462	1.0%
Adams Township	0	0	0	9	9	32,402	0.0%
Clay Township	0	0	0	38	38	51,255	0.1%
Clinton Township	0	0	0	12	12	16,448	0.1%
Fugit Township	0	0	0	7	7	50,268	0.0%
Jackson Township	0	0	0	15	15	37,166	0.0%
Marion Township	0	0	0	31	31	26,004	0.1%
Saltcreek Township	0	0	0	13	13	27,571	0.0%
Sandcreek Township	0	0	0	81	81	143,741	0.1%
Washington Township	17	108	0	187	312	180,170	0.2%
Greensburg Civil City	13,324	82,652	0	8,497	104,474	3,807,943	2.7%
Millhousen Civil Town	0	0	0	6	6	6,313	0.1%
New Point Civil Town	0	0	0	54	54	21,215	0.3%
St. Paul Civil Town	0	0	0	38	38	38,444	0.1%
Westport Civil Town	0	0	0	265	265	175,986	0.2%
Decatur County Community School Corp	0	0	0	1,744	1,744	3,574,561	0.0%
Greensburg Community School Corp	14,568	90,365	0	11,498	116,431	6,065,382	1.9%
Greensburg Public Library	1,856	11,510	0	1,183	14,549	530,173	2.7%
Decatur County Contractual Library	0	0	0	139	139	208,830	0.1%
Decatur County Solid Waste Mgt Dist	323	2,002	0	313	2,637	253,572	1.0%
Greensburg Redevelopment Comm	0	0	0	0	0	0	
TIF - Honda EDA Washington	0	0	0	0	0	0	
TIF - SR 3 Exp Washington	0	0	0	0	0	88	0.0%
TIF - Honda EDA Greensburg	0	5,548	0	0	5,548	507,341	1.1%
TIF - SR 3 Exp Greensburg	0	126	0	0	126	126,089	0.1%
TIF - SR Development Original	0	184	0	0	184	502,283	0.0%
TIF - Honda EDA/Adams/Greensburg	0	0	0	0	0	281	0.0%
TIF - Honda EDA/Clay/Greensburg	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.