

2012 Decatur County Property Tax Report with Comparison to 2011



Legislative Services Agency

August 2012

This report describes property tax changes in Decatur County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Decatur County the average tax bill for all taxpayers increased 5.3%. This tax bill rise was the result of a 2.2% increase in the tax levy of all local government units, combined with a 3.5% increase in certified net assessed value. Farmland and business assessments increased the most. The net assessed value increase exceeded the levy increase, so tax rates fell in most Decatur County tax districts. Still, tax cap credits as a percentage of the tax levy increased slightly, by 0.4%.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	5.3%	\$20,968,259	\$1,304,159,834	2.1%
Change		2.2%	3.5%	0.4%
2011	6.6%	\$20,512,343	\$1,260,460,839	1.7%

Homestead Property Taxes

Homestead property taxes increased 1.0% on average in Decatur County in 2012. Tax rates decreased in most Decatur County tax districts. The county average tax rate fell by 1.2%. The increase in homestead tax bills was due to tax rate increases in a few districts with a large number of homesteads. This also accounts for the increase in the number of homesteads at their tax caps. The percentage of Decatur County homesteads at their tax caps rose from 4.4% in 2011 to 5.6% in 2012.

Net Tax Bill Changes - All Property Types

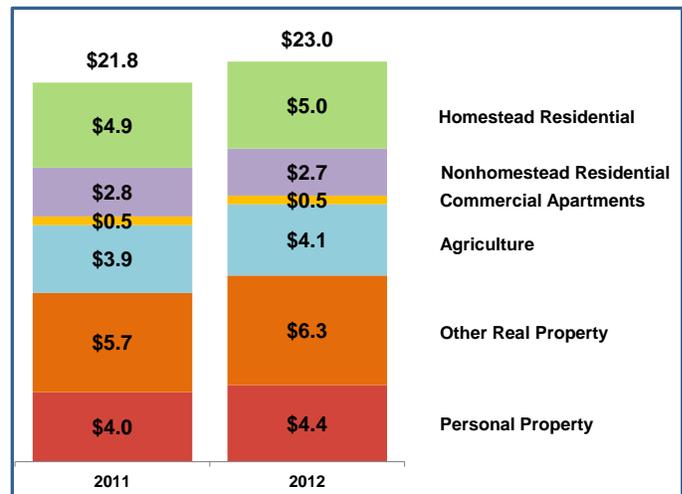
The largest part of Decatur County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal) and by homeowners. Net tax bills for all taxpayers increased 5.3% in Decatur County in 2012. Net taxes were lower for commercial apartments and nonhomestead residential property (mostly small rentals and second homes). Taxes were much higher for business property (other real and personal), and taxes also increased for agriculture and homesteads.

Comparable Homestead Property Tax Changes in Decatur County

	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	3,869	56.0%
No Change	153	2.2%
Lower Tax Bill	2,885	41.8%
Average Change in Tax Bill	1.0%	
Detailed Change in Tax Bill		
20% or More	266	3.9%
10% to 19%	458	6.6%
1% to 9%	3,145	45.5%
0%	153	2.2%
-1% to -9%	2,328	33.7%
-10% to -19%	338	4.9%
-20% or More	219	3.2%
Total	6,907	100.0%

Note: Percentages may not total due to rounding.

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



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in most Decatur County tax districts. The average tax rate fell by 1.2%, because the levy increased less than net assessed value.

Levies in Decatur County increased by 2.2%. The largest levy increase was in the county unit, due to increases in its hospital bond and general funds. The Decatur County School Corporation experienced large decreases in its capital projects, bus replacement, and debt service funds.

Decatur County's total net assessed value increased 5.7% in 2012. Agricultural net assessments rose 11.5%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Other property categories also saw smaller net assessment increases. The large decrease in business gross assessments was led by a \$43.9 M reduction in gross personal property AV. At the same time, personal property abatements fell by \$58.4 M resulting in a \$14.5 M increase in personal property net AV.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$840,744,550	\$854,678,682	1.7%	\$338,755,757	\$345,022,224	1.8%
Other Residential	192,876,700	196,375,844	1.8%	192,141,779	193,910,520	0.9%
Ag Business/Land	319,372,450	358,115,936	12.1%	319,049,988	355,866,490	11.5%
Business Real/Personal	872,938,610	829,962,764	-4.9%	497,379,791	529,692,441	6.5%
Total	\$2,225,932,310	\$2,239,133,226	0.6%	\$1,347,327,315	\$1,424,491,675	5.7%

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Decatur County were \$490,348, or 2.1% of the levy. This was less than the state average percentage of the levy of 9.2%, as well as less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Decatur County's tax rates were lower than the state average and the state median.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. The largest percentage losses were in the city of Greensburg, Greensburg Public Library, and Greensburg School Corporation, where district tax rates were above \$2 per \$100 assessed value. The largest dollar losses were in Greensburg, the Greensburg School Corporation, and the county unit.

Tax Cap Credits by Category

Tax cap credits increased in Decatur County in 2012 by \$108,334, or 28.4%. The percentage of the levy lost to credits rose by 0.4%. There were no major changes in state policy to affect tax cap credits in 2012. Decatur County credits increased mainly because of a rate increase in the district with the highest tax rate.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$70,862	\$102,005	\$31,144	43.9%
2%	276,600	355,745	79,146	28.6%
3%	0	0	0	0.0%
Elderly	34,553	32,598	-1,955	-5.7%
Total	\$382,015	\$490,348	\$108,334	28.4%
% of Levy	1.7%	2.1%		0.4%

Decatur County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	28,773,386	15,719,243	20,226,906	20,512,343	20,968,259	-45.4%	28.7%	1.4%	2.2%
State Unit	31,907	0	0	0	0	-100.0%			
Decatur County	6,511,609	4,340,290	4,979,462	5,204,443	6,197,368	-33.3%	14.7%	4.5%	19.1%
Adams Township	30,034	31,879	32,402	33,121	34,330	6.1%	1.6%	2.2%	3.7%
Clay Township	47,524	51,080	51,255	52,961	54,957	7.5%	0.3%	3.3%	3.8%
Clinton Township	15,505	16,362	16,448	17,001	17,635	5.5%	0.5%	3.4%	3.7%
Fugit Township	50,120	49,718	50,268	51,859	42,410	-0.8%	1.1%	3.2%	-18.2%
Jackson Township	35,024	37,037	37,166	38,323	39,817	5.7%	0.3%	3.1%	3.9%
Marion Township	27,390	25,750	26,004	26,356	26,787	-6.0%	1.0%	1.4%	1.6%
Saltcreek Township	25,958	27,390	27,571	28,308	29,357	5.5%	0.7%	2.7%	3.7%
Sandcreek Township	138,333	142,071	143,741	149,398	154,113	2.7%	1.2%	3.9%	3.2%
Washington Township	140,572	145,523	180,170	182,060	187,653	3.5%	23.8%	1.0%	3.1%
Greensburg Civil City	3,333,838	2,704,491	3,807,943	4,099,113	4,022,246	-18.9%	40.8%	7.6%	-1.9%
Milford Civil Town	0	0	0	0	0				
Millhouses Civil Town	6,698	4,998	6,313	6,320	6,568	-25.4%	26.3%	0.1%	3.9%
New Point Civil Town	17,399	21,316	21,215	25,858	26,626	22.5%	-0.5%	21.9%	3.0%
St. Paul Civil Town	35,396	36,285	38,444	33,145	40,237	2.5%	6.0%	-13.8%	21.4%
Westport Civil Town	162,916	176,727	175,986	184,813	191,085	8.5%	-0.4%	5.0%	3.4%
Decatur County Community School Corp	7,318,294	3,278,710	3,574,561	3,943,053	3,288,596	-55.2%	9.0%	10.3%	-16.6%
Greensburg Community School Corp	9,905,670	3,897,961	6,065,382	5,510,863	5,544,599	-60.6%	55.6%	-9.1%	0.6%
Greensburg Public Library	462,278	247,996	530,173	444,018	549,321	-46.4%	113.8%	-16.3%	23.7%
Decatur County Contractual Library	193,742	208,371	208,830	220,415	228,943	7.6%	0.2%	5.5%	3.9%
Decatur County Solid Waste Mgmt Dist	232,652	222,820	253,572	260,915	285,611	-4.2%	13.8%	2.9%	9.5%
Greensburg Redevelopment Commission	50,527	52,468	0	0	0	3.8%	-100.0%		

Decatur County 2012 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	CEDIT Residential	LOIT Homestead	LOIT Residential	
16001	Adams Township	1.0728	--	--	0.8838%	--	--	--	1.0633
16002	St Paul Town-Adams Township	1.4676	--	--	0.3064%	--	--	--	1.4631
16003	Clay Township	1.0923	--	--	5.1149%	--	--	--	1.0364
16005	Clinton Township	1.0709	--	--	2.1312%	--	--	--	1.0481
16006	Fugit Township	1.0583	--	--	0.8277%	--	--	--	1.0495
16007	Jackson Township	1.0907	--	--	4.2605%	--	--	--	1.0442
16008	Marion Township-South	1.0620	--	--	1.2797%	--	--	--	1.0484
16009	Marion Township North	1.4003	--	--	0.4531%	--	--	--	1.3940
16010	Millhouses Town-Marion Twp	1.2279	--	--	0.5039%	--	--	--	1.2217
16011	Saltcreek Township	1.0813	--	--	2.2135%	--	--	--	1.0574
16012	New Point Town	1.3495	--	--	9.7674%	--	--	--	1.2177
16013	Sandcreek Township	1.2250	--	--	2.3438%	--	--	--	1.1963
16014	Westport Town	1.8683	--	--	6.2281%	--	--	--	1.7519
16015	Washington Township	1.4802	--	--	26.7793%	--	--	--	1.0838
16016	Greensburg City	2.3596	--	--	4.9207%	--	--	--	2.2435
16017	Adams/Greensburg	1.9491	--	--	--	--	--	--	1.9491
16018	Clay-Greensburg	1.9600	--	--	--	--	--	--	1.9600

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.

Decatur County 2012 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>	102,005	327,618	0	32,598		462,221	20,968,259	2.2%
<i>TIF Total</i>	0	28,127	0	0		28,127	2,947,964	1.0%
<i>County Total</i>	102,005	355,745	0	32,598		490,348	23,916,223	2.1%
Decatur County	20,543	65,979	0	7,538		94,060	6,197,368	1.5%
Adams Township	0	0	0	8		8	34,330	0.0%
Clay Township	0	0	0	16		16	54,957	0.0%
Clinton Township	0	0	0	7		7	17,635	0.0%
Fugit Township	0	0	0	11		11	42,410	0.0%
Jackson Township	0	0	0	1		1	39,817	0.0%
Marion Township	0	0	0	11		11	26,787	0.0%
Saltcreek Township	0	0	0	18		18	29,357	0.1%
Sandcreek Township	0	0	0	157		157	154,113	0.1%
Washington Township	48	153	0	226		426	187,653	0.2%
Greensburg Civil City	38,639	124,100	0	9,971		172,709	4,022,246	4.3%
Milford Civil Town	0	0	0	0		0	0	
Millhouses Civil Town	0	0	0	0		0	6,568	0.0%
New Point Civil Town	0	0	0	78		78	26,626	0.3%
St. Paul Civil Town	0	0	0	42		42	40,237	0.1%
Westport Civil Town	0	0	0	102		102	191,085	0.1%
Decatur County Community School Corp	0	0	0	1,252		1,252	3,288,596	0.0%
Greensburg Community School Corp	36,551	117,393	0	11,325		165,269	5,544,599	3.0%
Greensburg Public Library	5,278	16,953	0	1,362		23,593	549,321	4.3%
Decatur County Contractual Library	0	0	0	126		126	228,943	0.1%
Decatur County Solid Waste Mgmt Dist	947	3,041	0	347		4,335	285,611	1.5%
Greensburg Redevelopment Commission	0	0	0	0		0	0	
TIF - Honda EDA Greensburg	0	27	0	0		27	2,104,484	0.0%
TIF - SR 3 Exp Greensburg	0	19,755	0	0		19,755	292,912	6.7%
TIF - SR Development Original	0	8,345	0	0		8,345	550,061	1.5%
TIF - Honda EDA Adams/Greensburg	0	0	0	0		0	508	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.