

# 2009 DeKalb County Property Tax Report

## WITH COMPARISONS TO 2007 AND 2008

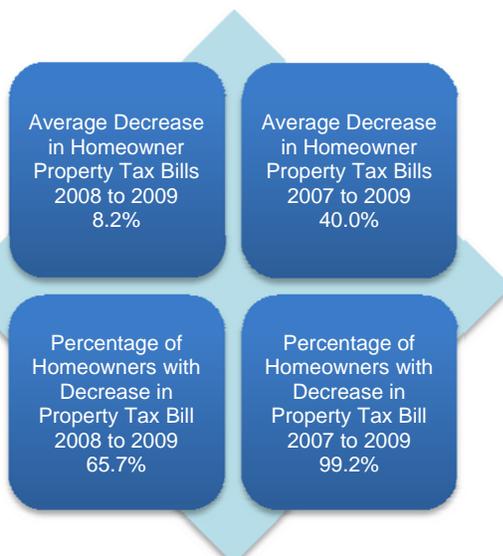


Legislative Services Agency

November 2009 (Updated)

In March 2008, the Indiana General Assembly enacted the most substantial property tax reforms in 35 years. Many of these reforms took effect for the first time in 2009. Property taxes for the school general fund, county welfare funds, and several smaller funds were eliminated and their costs taken over by the state. State property tax replacement credits and most state homestead credits were eliminated, with the money used to fund added state school and welfare costs. Homeowners received a new 35% deduction from their homestead assessments. Property tax caps limited tax bills to a fixed percentage of property assessments. These caps were 1.5% for homesteads, 2.5% for other housing and farmland, and 3.5% for all other property. Taxpayers with tax bills higher than these caps received added tax credits. Local governments did not collect the property tax amounts above the caps.

### Details of Changes to Homeowner Property Tax Bills DeKalb County



Change in Tax Bill	Change from 2008 to 2009		Change from 2007 to 2009	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or More	505	5.0%	36	0.4%
10% to 19%	1,399	13.7%	17	0.2%
1% to 9%	1,587	15.6%	24	0.2%
0%	11	0.1%	9	0.1%
-1% to -9%	2,098	20.6%	52	0.5%
-10% to -19%	1,824	17.9%	241	2.4%
-20% to -29%	801	7.9%	1,587	15.6%
-30% to -39%	418	4.1%	3,056	30.0%
-40% to -49%	871	8.5%	2,327	22.8%
-50% to -59%	409	4.0%	1,399	13.7%
-60% to -69%	140	1.4%	947	9.3%
-70% to -79%	50	0.5%	356	3.5%
-80% to -89%	17	0.2%	61	0.6%
-90% to -99%	15	0.1%	31	0.3%
-100%	57	0.6%	59	0.6%
<b>Total</b>	<b>10,202</b>	<b>100.0%</b>	<b>10,202</b>	<b>100.0%</b>
Higher Tax Bill	3,491	34.2%	77	0.8%
No Change	11	0.1%	9	0.1%
Lower Tax Bill	6,700	65.7%	10,116	99.2%
<b>Average Change in Tax Bill</b>	<b>-8.2%</b>		<b>-40.0%</b>	

Note: Percentages may not total due to rounding.

*Policy Changes with Offsetting Effects on Tax Bills.* The interaction of multiple policy changes, plus local changes in levies and assessments, determine how tax bills change in each county. Eliminating the school general fund and county welfare levies reduced levies by 30.6% statewide. The new 35% supplemental homestead deduction reduced tax bills for homeowners, but also reduced taxable assessed value in each jurisdiction. Taxable assessed value fell 14.3% in Indiana as a whole. As a result of the lower assessed value, tax rates were not reduced by the full amount of the levy reductions. The elimination of the property tax replacement and homestead credits partially offset the drop in tax rates. The average property tax replacement credit statewide was 20.1% in 2008. Total state homestead credits averaged 39.5% statewide in 2008, and this rate fell to 7.2% in 2009. The circuit breaker tax caps reduced tax bills in places with high tax rates. Counties that adopted new local option income taxes delivered additional property tax relief. (Statewide averages are now based on 85 counties reporting.)

Factors Affecting Homeowner Tax Bills	DeKalb County	State Average
Net Assessed Value, 2008 to 2009 (% change)	3.7%	-14.3%
Gross Tax Levy, 2008 to 2009 (% change)	-30.3%	-30.6%
State PTRC Percentage, 2008	21.9%	20.1%
Total State Homestead Credit, 2008	44.1%	39.5%
Total State Homestead Credit, 2009	7.9%	7.2%
Did County Adopt a LOIT in 2008 or 2009?	No	

Note: State Average based on data for 85 counties available November 2009

*Effects on County Tax Bills.* Statewide, average homeowner tax bills fell by about 1% from 2008 to 2009. Average homeowner tax bills in DeKalb County decreased by 8.2%. DeKalb County was one of the few counties to see an increase in assessed value in 2009, despite the new 35% supplemental homestead deduction. The higher assessed values reduced DeKalb County tax rates by more than the state average. DeKalb County taxpayers saw larger-than-average homestead credits in 2008. The loss of this tax relief was not enough to offset

the lower tax rates, so average homeowner tax bills fell in 2009. DeKalb County did not adopt a local option income tax for property tax relief, and no DeKalb County homeowners were eligible for the circuit breaker tax cap credits. Homeowner taxes

## 2009 Property Tax Changes:

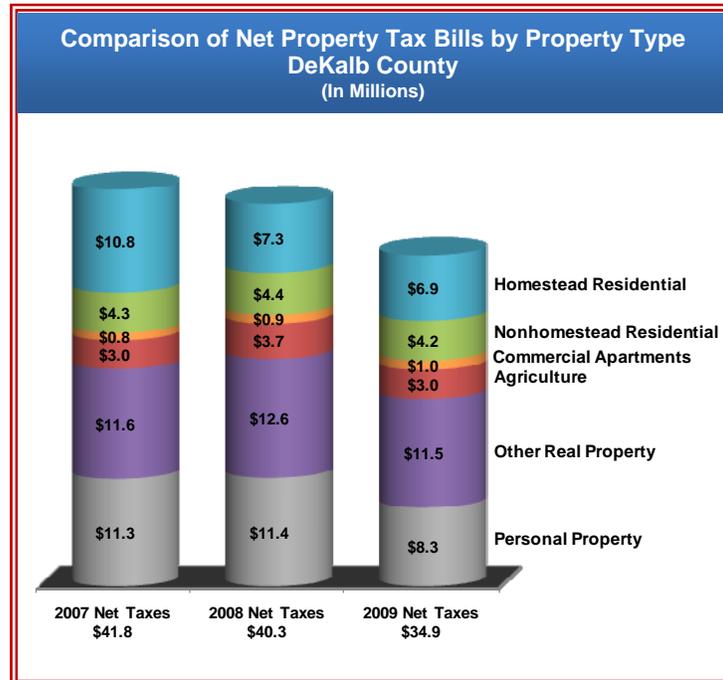
The state took over funding of school general funds, county welfare funds, and several smaller funds – Units where these funds were a large portion of the overall property tax received the greatest benefit.

State Property Tax Replacement Credits were eliminated, and State Homestead Credits were much reduced – Credits didn't apply to debt service levies, so they were lower in units with more debt service; such units lost less from the elimination of the credits, and so received relatively more net benefit from the new tax relief programs.

Counties could adopt new LOIT for property tax relief in 2008 and 2009 - Homeowners in 41 counties that adopted a LOIT saw larger property tax cuts or smaller tax increases; other taxpayers benefitted if counties distributed tax credits to nonhomestead property.

Circuit Breaker Tax Caps were enacted at 1.5% of gross assessed value for homes, 2.5% for rental housing and farmland, and 3.5% for other property- Rental housing and commercial/industrial property received the most tax cap credits; cities and towns and jurisdictions that overlap them lost the most revenue to the caps.

were substantially lower in 2009 compared to 2007 in DeKalb County, as they were in almost all Indiana counties.



In DeKalb County from 2008 to 2009, nonhomestead residential properties (small rentals and second homes) saw a 4.5% decline in average property tax bills. Average tax bills on commercial apartments increased 11.1%. Agricultural business real property (which includes farmland and farm buildings, but not homesteads) saw an 18.9% average tax decrease. Other commercial, industrial, and utility real property average tax bills decreased 8.7%. Personal property, which is largely business equipment, saw a 27.2% decrease in average tax bills.

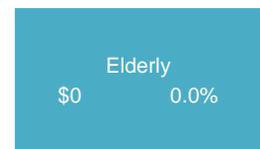
**Circuit Breaker Tax Caps.** Property tax caps limit taxpayers' tax bills to a fixed percentage of their property's assessed value before deductions. Tax bills that exceed the caps are reduced by a tax credit. The cap rates were 1.5% for homesteads, 2.5% for other residential property and farmland, and 3.5% for other property. In 2010 and after, the cap rates will be 1%, 2%, and 3%, respectively.

**Local Revenue Losses.** Local governments do not collect the amount of these tax cap credits, and the revenue is not replaced. More taxpayers are likely to be eligible for circuit breaker tax cap credits in jurisdictions with higher tax rates. Tax districts in cities and towns tend to have higher tax rates because the municipal tax rate is added to tax bills. Cities and towns and jurisdictions that share taxpayers with cities and towns tend to lose the most revenue to tax cap credits.

**Tax Bill Reductions.** Generally, as a result of tax relief from homestead deductions most homeowners did not have tax bills high enough to qualify for tax cap credits. Rental housing has a lower tax cap than other businesses, and much of it is located in cities and towns, so many rental housing owners receive credits. Most farmland is outside cities and towns in jurisdictions with low tax rates. Few farmland owners receive credits. Commercial and industrial property tends to receive credits where tax rates are relatively high.

## Total Circuit Breaker Tax Cap Credit Amount for DeKalb County \$0

Percentage share of circuit breaker tax cap credits by cap category...



### DeKalb County Levy Comparison by Taxing Unit

Unit	2007 Levy	2008 Levy	2009 Levy	2007-2008 Levy Change	2008-2009 Levy Change	2008 - 2009 Comparable Levy Change
<b>County Total</b>	<b>\$49,005,906</b>	<b>\$52,192,597</b>	<b>\$35,776,593</b>	<b>6.5%</b>	<b>-31.5%</b>	<b>1.2%</b>
State Unit	48,062	49,998	0	4.0%	-100.0%	
DeKalb County	9,552,283	9,974,646	7,203,265	4.4%	-27.8%	2.4%
Butler Township	31,707	33,735	35,076	6.4%	4.0%	4.0%
Concord Township	31,526	23,722	24,290	-24.8%	2.4%	2.4%
Fairfield Township	85,740	75,294	71,328	-12.2%	-5.3%	-5.3%
Franklin Township	38,068	40,091	40,635	5.3%	1.4%	1.4%
Grant Township	70,301	72,156	73,137	2.6%	1.4%	1.4%
Jackson Township	70,998	75,655	72,506	6.6%	-4.2%	-4.2%
Keyser Township	20,642	22,385	23,407	8.4%	4.6%	4.6%
Newville Township	13,132	13,730	14,199	4.6%	3.4%	3.4%
Richland Township	22,003	21,945	23,593	-0.3%	7.5%	7.5%
Smithfield Township	44,553	45,359	47,188	1.8%	4.0%	4.0%
Spencer Township	83,916	62,861	61,596	-25.1%	-2.0%	-2.0%
Stafford Township	9,395	12,999	12,519	38.4%	-3.7%	-3.7%
Troy Township	8,620	12,072	12,093	40.0%	0.2%	0.2%
Union Township	49,488	56,807	58,581	14.8%	3.1%	3.1%
Wilmington Township	95,642	96,995	80,084	1.4%	-17.4%	-17.4%
Auburn Civil City	3,858,989	4,354,801	4,336,035	12.8%	-0.4%	0.7%
Garrett Civil City	1,426,896	1,413,051	1,460,256	-1.0%	3.3%	4.7%
Butler Civil City	1,015,966	920,658	1,078,218	-9.4%	17.1%	18.0%
Altona Civil Town	19,560	21,778	22,075	11.3%	1.4%	1.4%
Ashley Civil Town	366,042	374,744	402,516	2.4%	7.4%	7.4%
Corunna Civil Town	62,692	65,938	67,831	5.2%	2.9%	2.9%
St. Joe Civil Town	35,109	73,453	73,836	109.2%	0.5%	0.5%
Waterloo Civil Town	638,183	650,191	779,625	1.9%	19.9%	19.9%
Hamilton Civil Town	25,173	26,171	23,593	4.0%	-9.9%	-9.9%
DeKalb County Eastern Community School Corp.	7,030,130	7,856,931	4,567,651	11.8%	-41.9%	-0.1%
Garrett-Keyser-Butler Community School Corp.	5,882,645	5,963,909	3,460,550	1.4%	-42.0%	4.7%
DeKalb County Central United School Corp.	16,316,939	17,511,279	9,688,216	7.3%	-44.7%	-3.6%
Hamilton Community School Corporation	506,151	598,871	233,968	18.3%	-60.9%	-2.9%
Auburn-Eckhart Public Library	561,201	677,629	695,896	20.7%	2.7%	2.7%
Butler Carnegie Public Library	165,787	153,621	192,054	-7.3%	25.0%	25.0%
Garrett Public Library	376,590	412,215	424,251	9.5%	2.9%	2.9%
Waterloo Public Library	171,037	178,950	201,407	4.6%	12.5%	12.5%
Northeast Indiana Solid Waste Mgt. District	196,252	206,243	215,118	5.1%	4.3%	4.3%
DeKalb County Redevelopment Commission	0	0	0	0.0%	0.0%	0.0%
Garrett City Redevelopment Commission	15,536	40,344	0	159.7%	-100.0%	-100.0%
Auburn Redevelopment Commission	58,952	1,370	0	-97.7%	-100.0%	-100.0%

Note: 2008 – 2009 Comparable Levy Change reflects the percentage change in the remaining levies after levy reductions for state assumption of pre-1977 police and fire pension fund payments and elimination of these funds: state fair, state forestry, school general, preschool special education, family and children, children’s psychiatric residential treatment, medical assistance to wards, children with special health care needs, and hospital care for the indigent.

## DeKalb County Assessed Values, Levies, Tax Rates, and Credit Rates by Taxing District

Taxing District	Net Assessed Value (In Millions \$)			Gross Levy (\$)			Tax Rate (%)		State PTRC	State Homestead, Total		Total Local Income Tax Credits, Homesteads	
	2008	2009	% Change	2008	2009	% Change	2008	2009	2008	2008	2009	2008	2009
Butler Township	93.8	79.4	-15.4%	1,995,267	1,192,680	-40.2%	2.1280	1.5030	22.78%	42.75%	7.89%	12.70%	22.52%
Concord Township	43.9	38.4	-12.6%	1,061,049	405,071	-61.8%	2.4187	1.0561	21.21%	40.14%	7.89%	12.70%	22.52%
St. Joe Town	10.7	8.5	-20.7%	329,882	161,336	-51.1%	3.0790	1.8999	20.41%	44.81%	7.89%	12.70%	22.52%
Fairfield Township	67.8	58.3	-14.1%	1,396,189	829,245	-40.6%	2.0583	1.4230	23.12%	41.79%	7.89%	12.70%	22.52%
Franklin Township	55.6	51.3	-7.7%	843,526	428,281	-49.2%	1.5174	0.8346	29.73%	49.20%	7.89%	12.70%	22.52%
Hamilton Town	6.9	5.7	-16.9%	127,779	68,619	-46.3%	1.8510	1.1965	26.77%	49.43%	7.89%	12.70%	22.52%
Grant Township	62.8	54.5	-13.2%	1,361,062	860,301	-36.8%	2.1662	1.5778	23.03%	43.32%	7.89%	12.70%	22.52%
Waterloo Town-Grant Township	67.7	59.8	-11.6%	2,045,582	1,695,260	-17.1%	3.0231	2.8342	21.34%	48.29%	7.89%	12.70%	22.52%
Jackson Township	158.1	129.9	-17.9%	3,147,717	1,754,111	-44.3%	1.9910	1.3506	23.60%	41.86%	7.89%	12.70%	22.52%
Auburn City-Jackson Township	46.9	48.4	3.1%	1,277,394	1,065,325	-16.6%	2.7209	2.2003	21.40%	45.82%	7.89%	12.70%	22.52%
Keyser Township	53.8	48.2	-10.4%	1,136,880	714,763	-37.1%	2.1115	1.4814	22.82%	42.60%	7.89%	12.70%	22.52%
Auburn City-Keyser Township	28.4	45.4	59.7%	780,904	1,005,149	28.7%	2.7456	2.2135	21.02%	45.60%	7.89%	12.70%	22.52%
Garrett City	215.5	187.8	-12.9%	5,943,451	4,225,313	-28.9%	2.7583	2.2502	21.06%	45.84%	7.89%	12.70%	22.52%
Altona Town	3.7	3.0	-19.3%	100,125	66,241	-33.8%	2.6804	2.1962	21.81%	47.08%	7.89%	12.70%	22.52%
Newville Township	24.5	22.1	-9.9%	595,697	235,291	-60.5%	2.4270	1.0638	21.20%	40.23%	7.89%	12.70%	22.52%
Richland Township	55.7	48.6	-12.7%	1,104,562	654,346	-40.8%	1.9843	1.3465	23.80%	42.26%	7.89%	12.70%	22.52%
Corunna Town	4.9	4.1	-15.7%	163,131	123,183	-24.5%	3.3137	2.9694	21.01%	49.50%	7.89%	12.70%	22.52%
Smithfield Township	68.4	60.6	-11.4%	1,366,435	824,261	-39.7%	1.9991	1.3610	23.71%	42.31%	7.89%	12.70%	22.52%
Ashley Town	35.8	33.5	-6.4%	1,080,675	842,755	-22.0%	3.0203	2.5171	20.97%	47.30%	7.89%	12.70%	22.52%
Waterloo Town-Smithfield Twp	0.8	0.6	-26.3%	23,101	15,945	-31.0%	3.0237	2.8329	21.33%	48.27%	7.89%	12.70%	22.52%
Spencer Township	89.8	84.8	-5.5%	2,191,323	909,376	-58.5%	2.4412	1.0723	21.24%	40.51%	7.89%	12.70%	22.52%
Stafford Township	19.5	19.1	-2.3%	475,798	203,069	-57.3%	2.4378	1.0654	21.00%	39.85%	7.89%	12.70%	22.52%
Troy Township	18.1	16.5	-8.6%	441,049	177,393	-59.8%	2.4379	1.0728	20.98%	39.80%	7.89%	12.70%	22.52%
Union Township	50.5	41.9	-17.0%	1,039,060	601,198	-42.1%	2.0592	1.4356	23.38%	42.49%	7.89%	12.70%	22.52%
Auburn City-Union Township	565.9	473.4	-16.4%	15,367,324	10,387,783	-32.4%	2.7155	2.1945	21.40%	45.78%	7.89%	12.70%	22.52%
Wilmington Township	104.2	410.5	293.8%	2,550,813	4,176,155	63.7%	2.4471	1.0174	20.96%	39.88%	7.89%	12.70%	22.52%
Butler City	106.5	102.2	-4.0%	3,613,297	2,307,274	-36.1%	3.3942	2.2579	19.83%	45.58%	7.89%	12.70%	22.52%
Auburn City - Grant Township	0.0	0.0	14.0%	691	638	-7.6%	2.7336	2.2165	21.93%	44.93%	7.89%	12.70%	22.52%
<b>County Totals/Averages</b>	<b>2,060.2</b>	<b>2,136.4</b>	<b>3.7%</b>	<b>51,559,762</b>	<b>35,930,363</b>	<b>-30.3%</b>	<b>2.5053</b>	<b>1.6797</b>	<b>21.87%</b>	<b>44.12%</b>	<b>7.89%</b>	<b>12.70%</b>	<b>22.52%</b>

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 *Net Assessed Value* is the total taxable assessed value of all property types, after deductions. It declined in 2009 because of the introduction of the new 35% supplemental deduction for homesteads. The *Gross Levy* is the amount of property tax to be collected, before credits. It declined in 2009 because of the elimination of the levies for school general funds, county welfare funds, and several smaller funds. The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value. Rates fell because the drop in the levies due to levy elimination was greater than the reduction in assessed value due to the new deduction. *State PTRC Rate - Real* is the state property tax replacement credit for real property in 2008. This credit was eliminated in 2009. The *State Homestead, Total* is the sum of the regular state homestead credit rate, which was eliminated in 2009, and the HEA1001-2008 special rate, which was reduced in 2009. The *Total Local Income Tax Credits - Homesteads* is the sum of the COIT and CEDIT homestead credit rates and the LOIT credit rates for homesteads, residential property, and all property. These are credits funded by local income taxes, including the COIT, the CEDIT, and the CAGIT for property tax relief.

## DeKalb County 2009 Circuit Breaker Cap Credits

Taxing Unit	Total Levy	Circuit Breaker Credits by Property Type				
		(1.5%) Homesteads	(2.5%) Other Residential/ Farmland	(3.5%) All Other Real/Personal	Elderly	Total
DeKalb County	7,203,265	0	0	0	0	0
Butler Township	35,076	0	0	0	0	0
Concord Township	24,290	0	0	0	0	0
Fairfield Township	71,328	0	0	0	0	0
Franklin Township	40,635	0	0	0	0	0
Grant Township	73,137	0	0	0	0	0
Jackson Township	72,506	0	0	0	0	0
Keyser Township	23,407	0	0	0	0	0
Newville Township	14,199	0	0	0	0	0
Richland Township	23,593	0	0	0	0	0
Smithfield Township	47,188	0	0	0	0	0
Spencer Township	61,596	0	0	0	0	0
Stafford Township	12,519	0	0	0	0	0
Troy Township	12,093	0	0	0	0	0
Union Township	58,581	0	0	0	0	0
Wilmington Township	80,084	0	0	0	0	0
Auburn Civil City	4,336,035	0	0	0	0	0
Garrett Civil City	1,460,256	0	0	0	0	0
Butler Civil City	1,078,218	0	0	0	0	0
Altona Civil Town	22,075	0	0	0	0	0
Ashley Civil Town	402,516	0	0	0	0	0
Corunna Civil Town	67,831	0	0	0	0	0
St. Joe Civil Town	73,836	0	0	0	0	0
Waterloo Civil Town	779,625	0	0	0	0	0
Hamilton Civil Town	23,593	0	0	0	0	0
DeKalb County Eastern Com. School Corporation	4,567,651	0	0	0	0	0
Garrett-Keyser-Butler Com. School Corporation	3,460,550	0	0	0	0	0
DeKalb County Central United School Corporation	9,688,216	0	0	0	0	0
Hamilton Community School Corporation	233,968	0	0	0	0	0
Auburn-Eckhart Public Library	695,896	0	0	0	0	0
Butler Carnegie Public Library	192,054	0	0	0	0	0
Garrett Public Library	424,251	0	0	0	0	0
Waterloo Public Library	201,407	0	0	0	0	0
Northeast Indiana Solid Waste Management	215,118	0	0	0	0	0
DeKalb County Redevelopment Commission	0	0	0	0	0	0
Garrett City Redevelopment Commission	0	0	0	0	0	0
Auburn Redevelopment Commission	0	0	0	0	0	0
<b>Total - All Taxing Units</b>	<b>35,776,593</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. It is included to allow comparison to the circuit breaker revenue losses.

**Circuit Breaker Credits:**

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1.5% 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, long-term care facilities, and farmland, in the 2.5% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3.5% 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.