

# PROPERTY TAXES IN ELKHART COUNTY, INDIANA, 2007-2008



Legislative Services Agency

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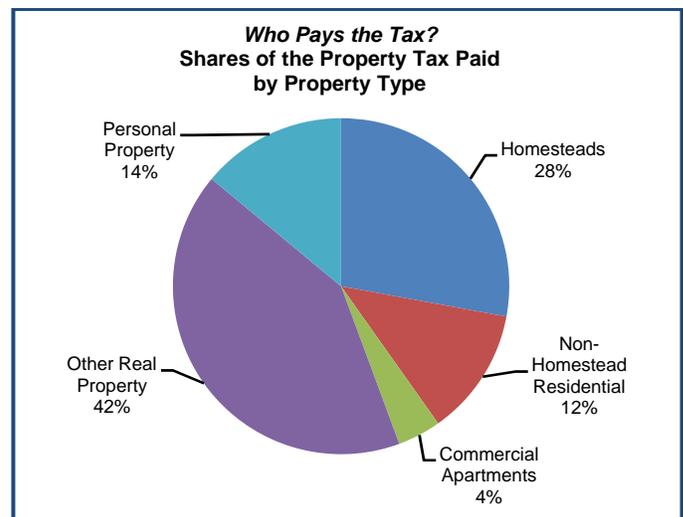
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over by the state. Homeowners will also receive a substantial new deduction from their home assessments. And “circuit breakers” will limit homeowner tax bills to a fixed percentage of their assessments, 1.5% in 2009 and 1% beginning in 2010. The circuit breaker for homeowners is 2% in 2008.

In 2008, substantial tax relief is provided through an added homestead credit. The credit will be financed with payments from the new race track casinos and from the added sales tax. Statewide, this amounts to added property tax relief of \$870 million. Homeowner taxes should fall by about one-third. Each county is different, however. Homeowner tax bills depend on changes in the homestead’s assessment and the assessments of other property, on changes in local government tax collections, on new local income tax adoptions, as well as on added state credits. Elkhart County did not adopt a new local option income tax for 2008.

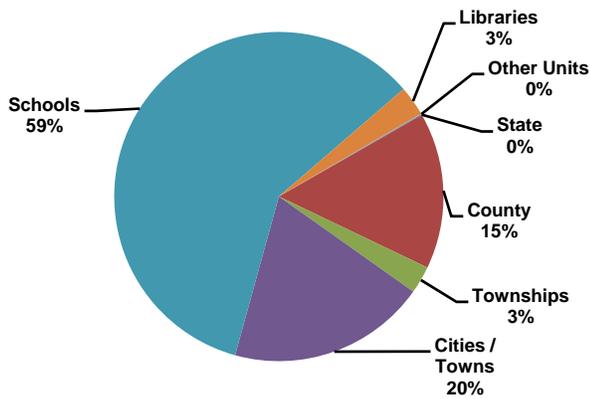
In Elkhart County, the average homeowner saw their tax bill decrease by 25.1% for 2008, with 96.7% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 7.6%, and 76.6% of homeowners would have seen tax bill increases.

In Elkhart County, 28% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 12% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 4% are paid by owners of larger rental housing units (commercial apartments); and 56% are paid by other agricultural, commercial, industrial, or utility businesses on their real property (land and buildings) or on their personal property (equipment).

Change in Tax Bill	With Added 2008 Homestead Credit		Illustrated Without Added 2008 Homestead Credit	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or more	313	0.7%	7,203	16.5%
10% to 19%	235	0.5%	9,990	22.8%
1% to 9%	825	1.9%	16,339	37.3%
0%	101	0.2%	113	0.3%
-1% to -9%	2,856	6.5%	7,714	17.6%
-10% to -19%	8,276	18.9%	1,458	3.3%
-20% to -29%	15,731	35.9%	447	1.0%
-30% to -39%	13,068	29.9%	233	0.5%
-40% to -49%	1,727	3.9%	125	0.3%
-50% to -59%	385	0.9%	49	0.1%
-60% to -69%	138	0.3%	31	0.1%
-70% to -79%	48	0.1%	19	0.0%
-80% to -89%	26	0.1%	9	0.0%
-90% to -99%	13	0.0%	12	0.0%
-100%	25	0.1%	25	0.1%
<b>Total</b>	<b>43,767</b>	<b>100.0%</b>	<b>43,767</b>	<b>100.0%</b>
Higher Tax Bill	1,373	3.1%	33,532	76.6%
No Change	101	0.2%	113	0.3%
Lower Tax Bill	42,293	96.7%	10,122	23.1%
<b>Average Change in Tax Bill</b>	<b>-25.1%</b>		<b>7.6%</b>	



**Who Gets the Revenue?**  
Property Tax Levies by Government Type



On average, Elkhart County property tax levies increased 4.8% from 2007 to 2008. This is near the expected statewide average increase of 5%. The largest increases were in the debt service levies of the Concord and Middlebury Community School Corporations.

In Elkhart County, school corporations receive 59% of all property taxes. The county and the cities and towns receive most of the rest. Townships, library districts, special districts, and the state receive a small share of property taxes.

In 2009 the school and county shares of property tax revenue will decrease significantly when the state takes over the school general fund and county welfare levies.

**Changes in Property Tax Levies from 2007 to 2008**  
by Governmental Units in Elkhart County

Taxing Unit	2007 Levy	2008 Levy	Change	Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$256,549,945</i>	<i>\$268,934,793</i>	<i>4.8%</i>				
State Unit	225,219	233,312	3.6%	Nappanee Civil City	2,990,296	3,134,194	4.8%
Elkhart County	41,357,505	41,293,574	-0.2%	Bristol Civil Town	959,264	987,643	3.0%
Baugo Township	357,150	378,638	6.0%	Middlebury Civil Town	1,548,475	1,608,317	3.9%
Benton Township	128,600	135,225	5.2%	Millersburg Civil Town	255,216	265,945	4.2%
Cleveland Township	521,432	621,482	19.2%	Wakarusa Civil Town	1,102,033	1,129,060	2.5%
Clinton Township	104,286	109,216	4.7%	Fairfield Community School Corporation	9,477,273	10,210,920	7.7%
Concord Township	1,884,588	1,744,166	-7.5%	Baugo Community School Corporation	9,031,129	9,108,127	0.9%
Elkhart Township	409,031	425,238	4.0%	Concord Community School Corporation	21,458,777	23,816,578	11.0%
Harrison Township	144,883	150,444	3.8%	Middlebury Community School Corporation	16,488,632	20,744,150	25.8%
Jackson Township	292,005	307,404	5.3%	Wa-Nee Community School Corporation	14,955,685	15,639,372	4.6%
Jefferson Township	363,757	386,550	6.3%	Elkhart Community School Corporation	52,704,667	54,079,660	2.6%
Locke Township	66,368	69,709	5.0%	Goshen Community School Corporation	25,321,225	26,132,322	3.2%
Middlebury Township	1,468,496	1,486,369	1.2%	Bristol Public Library	167,646	173,362	3.4%
Olive Township	65,366	68,079	4.2%	Elkhart Public Library	4,170,812	4,173,180	0.1%
Osolo Township	881,880	922,535	4.6%	Goshen Public Library	1,464,890	1,541,946	5.3%
Union Township	144,244	148,904	3.2%	Nappanee Public Library	903,040	979,974	8.5%
Washington Township	221,806	158,550	-28.5%	Wakarusa-Olive Township-Harrison Township Libr	360,511	368,438	2.2%
York Township	151,098	160,186	6.0%	Middlebury Public Library	644,234	660,066	2.5%
Elkhart Civil City	31,458,585	32,384,722	2.9%	Elkhart City Redevelopment Commission	0	147,511	
Goshen Civil City	12,299,841	12,849,725	4.5%				