

2010 Property Tax Report

Elkhart County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Elkhart 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 Elkhart 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 Elkhart 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	24,576	59.5%	2,678	6.5%
No Change	479	1.2%	91	0.2%
Lower Tax Bill	16,246	39.3%	38,532	93.3%
Average Change in Tax Bill	-1.9%		-25.6%	
Detailed Change in Tax Bill				
20% or More	2,768	6.7%	1,088	2.6%
10% to 19%	6,244	15.1%	449	1.1%
1% to 9%	15,564	37.7%	1,141	2.8%
0%	479	1.2%	91	0.2%
-1% to -9%	9,149	22.2%	3,234	7.8%
-10% to -19%	3,793	9.2%	8,132	19.7%
-20% to -29%	1,961	4.7%	10,809	26.2%
-30% to -39%	749	1.8%	8,957	21.7%
-40% to -49%	239	0.6%	4,315	10.4%
-50% to -59%	99	0.2%	1,266	3.1%
-60% to -69%	73	0.2%	547	1.3%
-70% to -79%	34	0.1%	355	0.9%
-80% to -89%	29	0.1%	277	0.7%
-90% to -99%	21	0.1%	192	0.5%
-100%	99	0.2%	448	1.1%
Total	41,301	100.0%	41,301	100.0%

Note: Percentages may not total due to rounding.

The average homeowner saw a 1.9% tax bill decrease from 2009 to 2010.

Homestead taxes in 2010 were still 25.6% lower than they were in 2007, before the property tax reforms.

93.3% of homeowners saw lower tax bills in 2010 than in 2007.

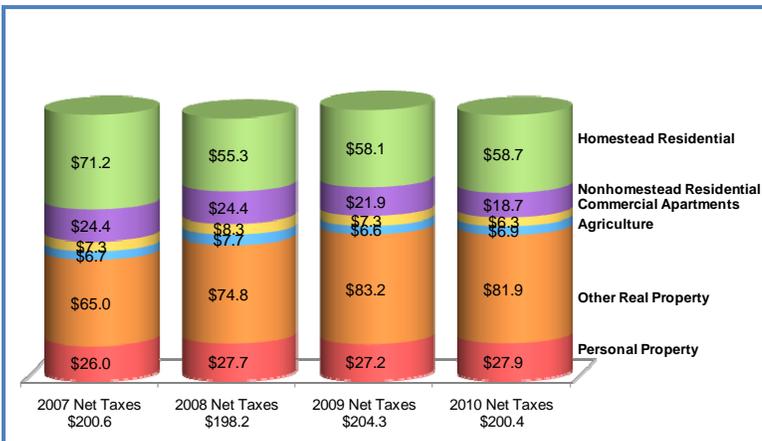
61.1% of homeowners saw tax changes ranging between +9% and -9% from 2009 to 2010.

The largest percentage of homeowners have seen between a 20% and 39% decrease in their tax bills from 2007 to 2010.

Elkhart County Overview

The decline in Elkhart County homeowner tax bills was similar to the state average of 2.1%. Property tax levies increased 3.3% in Elkhart County in 2010, slightly more than the state average increase of 2.4%. Levy increases in Elkhart City, and the Concord, Elkhart, and Goshen School corporations were offset by levy decreases in the county, Concord Township, and the Fairfield and Middlebury School Corporations. These slightly larger-than-average levy increases were offset by larger-than-average homeowner tax cap credits. Elkhart County homeowners benefitted more from the one percent property tax cap than did homeowners in the average county, primarily because Elkhart County tax rates and home values tend to be higher than the state average. Elkhart County does not provide local homestead credits.

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



Net tax bills for all taxpayers decreased 1.9% in Elkhart County from 2009 to 2010. This was a larger reduction than the statewide reduction of 1.4%. In 2010 apartment owners saw a 13.5% decrease in tax bills. This large decrease was due mainly to 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 14.4% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 1.6% decrease and 2.8% increase, respectively, in tax bills in 2010. This was mainly because the increase in Elkhart County property tax levies was more than offset by the tightening of the tax caps from 3.5% to 3% for this type

of property. In addition, total business real property assessments declined while total personal property assessments remained virtually unchanged. Agricultural business property saw a 4.2% increase in tax payments in 2010 because of the Elkhart 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 Elkhart County in 2010 amounted to 6.9% of the total property tax levy. The statewide average was 6.3%. The slightly higher percentage loss in the county was partly due to higher-than-average tax rates in Elkhart County. There were substantial circuit breaker credits in each of the property tax cap classes.

Elkhart County, Elkhart City, and the Elkhart Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, Elkhart City lost the most, at 13.2%. Losses were greatest for units that overlapped the municipalities of Elkhart, Goshen, and Nappanee because these tax districts had the highest tax rates.

2010 Circuit Breaker Credits by Cap Category
Elkhart County Total \$14,952,499

1%	2%	3%	Elderly
\$4,216,792	\$7,316,066	\$3,347,219	\$72,422
28.2%	48.9%	22.4%	0.5%

The Effects of Recession

In Elkhart County the recession has had a large effect on the economy. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 4.8% in December 2007 to 17.1% in July 2009. Job losses and income declines contributed to a 9.8% drop in local income tax revenue. Because part of this revenue is used for property tax relief, property tax levies increased in Elkhart County in 2010.

Elkhart County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	7,068,495,703	7,108,344,360	0.6%
Other Residential	1,097,420,400	1,109,403,010	1.1%
Ag Business/Land	370,473,000	374,013,340	1.0%
Business Real/Personal	5,019,898,670	4,999,190,156	-0.4%
Total	\$13,556,287,773	\$13,590,950,866	0.3%

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 Elkhart County, the gross assessed value of business real and personal property fell 0.4% in 2010. Other assessment categories increased, and total gross assessed value in Elkhart County rose 0.3%. 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.

Elkhart County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	256,549,945	268,934,793	197,890,643	204,496,326	4.8%	-26.4%	3.3%
State Unit	225,219	233,312	0	0	3.6%	-100.0%	
Elkhart County	41,357,505	41,293,574	31,179,051	30,634,106	-0.2%	-24.5%	-1.7%
Baugo Township	357,150	378,638	723,998	703,447	6.0%	91.2%	-2.8%
Benton Township	128,600	135,225	135,821	139,974	5.2%	0.4%	3.1%
Cleveland Township	521,432	621,482	557,197	591,657	19.2%	-10.3%	6.2%
Clinton Township	104,286	109,216	107,735	463,029	4.7%	-1.4%	329.8%
Concord Township	1,884,588	1,744,166	2,288,804	1,541,827	-7.5%	31.2%	-32.6%
Elkhart Township	409,031	425,238	397,352	413,675	4.0%	-6.6%	4.1%
Harrison Township	144,883	150,444	156,589	161,025	3.8%	4.1%	2.8%
Jackson Township	292,005	307,404	310,333	320,148	5.3%	1.0%	3.2%
Jefferson Township	363,757	386,550	377,753	392,487	6.3%	-2.3%	3.9%
Locke Township	66,368	69,709	71,849	75,098	5.0%	3.1%	4.5%
Middlebury Township	1,468,496	1,486,369	1,527,178	1,591,168	1.2%	2.7%	4.2%
Olive Township	65,366	68,079	70,247	73,048	4.2%	3.2%	4.0%
Osolo Township	881,880	922,535	896,878	1,094,288	4.6%	-2.8%	22.0%
Union Township	144,244	148,904	148,497	151,914	3.2%	-0.3%	2.3%
Washington Township	221,806	158,550	258,716	254,512	-28.5%	63.2%	-1.6%
York Township	151,098	160,186	165,075	172,165	6.0%	3.1%	4.3%
Elkhart Civil City	31,458,585	32,384,722	32,250,774	33,928,683	2.9%	-0.4%	5.2%
Goshen Civil City	12,299,841	12,849,725	13,049,848	13,229,238	4.5%	1.6%	1.4%
Nappanee Civil City	2,990,296	3,134,194	3,172,899	3,301,232	4.8%	1.2%	4.0%
Bristol Civil Town	959,264	987,643	1,015,894	1,035,719	3.0%	2.9%	2.0%
Middlebury Civil Town	1,548,475	1,608,317	1,653,655	1,713,605	3.9%	2.8%	3.6%
Millersburg Civil Town	255,216	265,945	271,998	276,643	4.2%	2.3%	1.7%
Wakarusa Civil Town	1,102,033	1,129,060	1,154,395	1,230,876	2.5%	2.2%	6.6%
Fairfield Community School Corp	9,477,273	10,210,920	6,472,938	5,500,603	7.7%	-36.6%	-15.0%
Baugo Community School Corp	9,031,129	9,108,127	5,537,444	6,129,180	0.9%	-39.2%	10.7%
Concord Community School Corp	21,458,777	23,816,578	15,179,919	17,073,769	11.0%	-36.3%	12.5%
Middlebury Community School Corp	16,488,632	20,744,150	13,138,147	12,088,940	25.8%	-36.7%	-8.0%
Wa-Nee Community School Corp	14,955,685	15,639,372	9,315,827	9,613,666	4.6%	-40.4%	3.2%
Elkhart Community School Corp	52,704,667	54,079,660	32,824,909	35,525,645	2.6%	-39.3%	8.2%
Goshen Community School Corp	25,321,225	26,132,322	15,733,324	16,865,886	3.2%	-39.8%	7.2%
Bristol Public Library	167,646	173,362	181,226	190,069	3.4%	4.5%	4.9%
Elkhart Public Library	4,170,812	4,173,180	3,931,613	4,353,962	0.1%	-5.8%	10.7%
Goshen Public Library	1,464,890	1,541,946	1,589,341	1,662,669	5.3%	3.1%	4.6%
Nappanee Public Library	903,040	979,974	976,820	898,650	8.5%	-0.3%	-8.0%
Wakarusa-Olive Twp-Harrison Twp Lib	360,511	368,438	382,853	394,915	2.2%	3.9%	3.2%
Middlebury Public Library	644,234	660,066	683,746	708,808	2.5%	3.6%	3.7%
Elkhart Cnty Solid Waste Mgt Dist	0	0	0	0			
Goshen Redevelopment Comm	0	0	0	0			
Elkhart City Redevelopment Comm	0	147,511	0	0		-100.0%	
Nappanee Redevelopment Comm	0	0	0	0			
Elkhart County Redevelopment Comm	0	0	0	0			

Elkhart 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	
20001	Baugo Township	1.9946	--	3.8727%	--	--	--	--	--	1.9174
20002	Elkhart City-Baugo Township	3.4379	--	3.8727%	--	--	--	--	--	3.3048
20003	Benton Township	1.4892	--	3.8727%	--	--	--	--	--	1.4315
20004	Millersburg Town-Benton Township	2.5247	--	3.8727%	--	--	--	--	--	2.4269
20005	Cleveland Township	1.8097	--	3.8727%	--	--	--	--	--	1.7396
20006	Elkhart City-Cleveland Township	3.1575	--	3.8727%	--	--	--	--	--	3.0352
20007	Clinton Township	1.5903	--	3.8727%	--	--	--	--	--	1.5287
20008	Millersburg Town-Clinton Twp	2.5147	--	3.8727%	--	--	--	--	--	2.4173
20009	Concord Township	2.1555	--	3.8727%	--	--	--	--	--	2.0720
20011	Elkhart City-Concord Twp-Concord Scl	3.4178	--	3.8727%	--	--	--	--	--	3.2854
20012	Elkhart City-Concord Twp-Elkhart Schl	3.1239	--	3.8727%	--	--	--	--	--	3.0029
20013	Goshen City-Concord Township	3.0898	--	3.8727%	--	--	--	--	--	2.9701
20014	Elkhart Township	1.9541	--	3.8727%	--	--	--	--	--	1.8784
20015	Goshen City-Elkhart Township	2.9665	--	3.8727%	--	--	--	--	--	2.8516
20016	Harrison Township	1.7231	--	3.8727%	--	--	--	--	--	1.6564
20017	Wakarusa Town-Harrison Township	2.4559	--	3.8727%	--	--	--	--	--	2.3608
20018	Jackson Township	1.5114	--	3.8727%	--	--	--	--	--	1.4529
20019	Jefferson Township	1.6009	--	3.8727%	--	--	--	--	--	1.5389
20020	Locke Township	1.5772	--	3.8727%	--	--	--	--	--	1.5161
20021	Nappanee City-Locke Township	2.9294	--	3.8727%	--	--	--	--	--	2.8160
20024	Olive Township	1.7092	--	3.8727%	--	--	--	--	--	1.6430
20025	Wakarusa Town-Olive Township	2.4472	--	3.8727%	--	--	--	--	--	2.3524
20026	Osolo Township	1.7880	--	3.8727%	--	--	--	--	--	1.7188
20027	Elkhart City-Osolo Township	3.1314	--	3.8727%	--	--	--	--	--	3.0101
20028	Union Township	1.8372	--	3.8727%	--	--	--	--	--	1.7661
20029	Nappanee City-Union Township	2.9111	--	3.8727%	--	--	--	--	--	2.7984
20030	Washington Township	1.6661	--	3.8727%	--	--	--	--	--	1.6016
20031	Bristol Town	2.2544	--	3.8727%	--	--	--	--	--	2.1671
20032	York Township	1.5743	--	3.8727%	--	--	--	--	--	1.5133
20034	Middlebury Township	1.8158	--	3.8727%	--	--	--	--	--	1.7455
20035	Middlebury Town	2.4339	--	3.8727%	--	--	--	--	--	2.3396
20036	Goshen City-Harrison Township	2.7767	--	3.8727%	--	--	--	--	--	2.6692
20037	Goshen City-Jefferson Twp	2.7014	--	3.8727%	--	--	--	--	--	2.5968
20038	Middlebury Corp-York Township	2.1424	--	3.8727%	--	--	--	--	--	2.0594

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.

Elkhart 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>	4,216,578	7,122,160	3,127,695	72,422	14,538,854	204,496,326	7.1%
<i>TIF Total</i>	215	193,906	219,524	0	413,645	11,990,565	3.4%
<i>County Total</i>	4,216,792	7,316,066	3,347,219	72,422	14,952,499	216,486,891	6.9%
Elkhart County	507,322	812,015	321,151	10,866	1,651,354	30,634,106	5.4%
Baugo Township	1,580	0	242	167	1,989	703,447	0.3%
Benton Township	55	59	0	9	124	139,974	0.1%
Cleveland Township	3,017	2,199	3,401	344	8,960	591,657	1.5%
Clinton Township	607	2,695	0	33	3,335	463,029	0.7%
Concord Township	27,096	36,983	14,067	766	78,912	1,541,827	5.1%
Elkhart Township	6,598	8,054	0	292	14,944	413,675	3.6%
Harrison Township	7	7	0	5	20	161,025	0.0%
Jackson Township	0	0	0	26	26	320,148	0.0%
Jefferson Township	101	11	0	38	150	392,487	0.0%
Locke Township	633	1,477	0	23	2,133	75,098	2.8%
Middlebury Township	20,155	17,905	0	178	38,238	1,591,168	2.4%
Olive Township	196	181	0	26	402	73,048	0.6%
Osolo Township	12,057	13,464	6,126	811	32,458	1,094,288	3.0%
Union Township	1,626	992	0	46	2,664	151,914	1.8%
Washington Township	265	183	0	54	502	254,512	0.2%
York Township	0	0	0	20	20	172,165	0.0%
Elkhart Civil City	919,957	2,151,368	1,390,081	8,051	4,469,457	33,928,683	13.2%
Goshen Civil City	515,617	683,428	28,810	7,101	1,234,957	13,229,238	9.3%
Nappanee Civil City	153,628	134,401	0	2,233	290,262	3,301,232	8.8%
Bristol Civil Town	10,869	13,267	0	285	24,422	1,035,719	2.4%
Middlebury Civil Town	35,526	35,765	0	324	71,615	1,713,605	4.2%
Millersburg Civil Town	2,339	11,592	0	57	13,987	276,643	5.1%
Wakarusa Civil Town	22,785	23,124	0	198	46,107	1,230,876	3.7%
Fairfield Community School Corp	2,901	12,342	0	406	15,649	5,500,603	0.3%
Baugo Community School Corp	13,616	0	9,530	1,436	24,582	6,129,180	0.4%
Concord Community School Corp	295,927	454,255	744,469	5,178	1,499,829	17,073,769	8.8%
Middlebury Community School Corp	69,266	61,291	0	1,299	131,857	12,088,940	1.1%
Wa-Nee Community School Corp	178,015	159,651	0	3,099	340,764	9,613,666	3.5%
Elkhart Community School Corp	669,088	1,432,986	498,885	15,381	2,616,339	35,525,645	7.4%
Goshen Community School Corp	568,262	771,125	0	10,224	1,349,612	16,865,886	8.0%
Bristol Public Library	792	896	0	44	1,732	190,069	0.9%
Elkhart Public Library	85,376	176,096	107,865	1,830	371,167	4,353,962	8.5%
Goshen Public Library	55,633	72,801	3,069	954	132,457	1,662,669	8.0%
Nappanee Public Library	28,684	25,051	0	480	54,215	898,650	6.0%
Wakarusa-Olive Twp-Harrison Twp Lib	2,921	2,943	0	59	5,924	394,915	1.5%
Middlebury Public Library	4,062	3,553	0	76	7,691	708,808	1.1%
Elkhart Cnty Solid Waste Mgt Dist	0	0	0	0	0	0	
Goshen Redevelopment Comm	0	0	0	0	0	0	
Elkhart City Redevelopment Comm	0	0	0	0	0	0	
Nappanee Redevelopment Comm	0	0	0	0	0	0	
Elkhart County Redevelopment Comm	0	0	0	0	0	0	
TIF - Baugo Township	0	0	0	0	0	23,702	0.0%
TIF - Benton Township	0	0	0	0	0	8,670	0.0%
TIF - Millersburg-Clinton	0	13	0	0	13	163,507	0.0%
TIF - Ec Concord School	0	8,019	49,342	0	57,361	535,481	10.7%
TIF - Nappanee-Union	0	19,874	0	0	19,874	230,749	8.6%
TIF - Cleveland Township	0	0	0	0	0	199,839	0.0%
TIF - Ec Cleveland	0	2,014	8,546	0	10,559	166,257	6.4%
TIF - Clinton Township	0	0	0	0	0	54,923	0.0%
TIF - Osolo Township	0	0	0	0	0	1,055,028	0.0%
TIF - Ec Osolo	0	289	66,090	0	66,379	1,510,230	4.4%
TIF - Goshen Civ Concord Sch	0	13	22,976	0	22,989	767,597	3.0%
TIF - Goshen	164	22,460	0	0	22,624	3,122,778	0.7%
TIF - York Township	0	0	0	0	0	372	0.0%
TIF - Middlebury Twp	0	0	0	0	0	35,939	0.0%
TIF - Middlebury Corp	0	430	0	0	430	1,029,710	0.0%
TIF - Concord Township	0	843	0	0	843	319,234	0.3%

Elkhart 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			
TIF - Ec Concord	51	138,888	72,570	0	211,509	2,097,788	10.1%
TIF - Jefferson Township	0	0	0	0	0	204,727	0.0%
TIF - Nappanee-Locke	0	1,064	0	0	1,064	396,660	0.3%
TIF - Washington Township	0	0	0	0	0	67,374	0.0%
TIF - Midd Corp York Twp	0	0	0	0	0	0	
TIF - Bristol Town	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.