

PROPERTY TAXES IN FOUNTAIN COUNTY, INDIANA, 2007-2008



Legislative Services Agency

October 2008

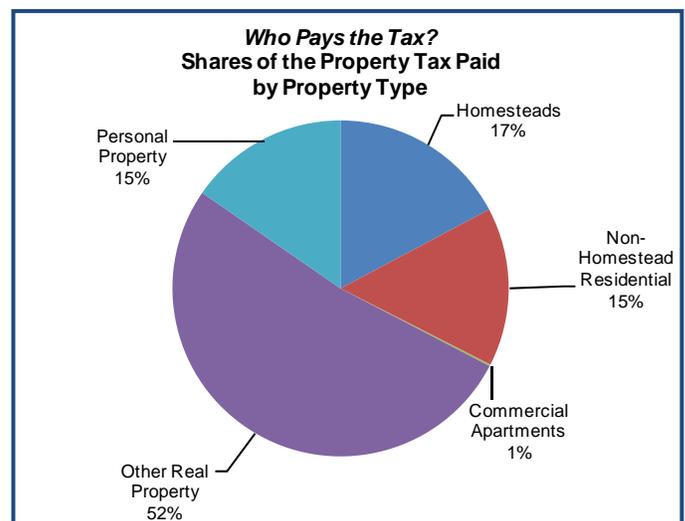
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over 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. Fountain County did not adopt a new local option income tax for 2008.

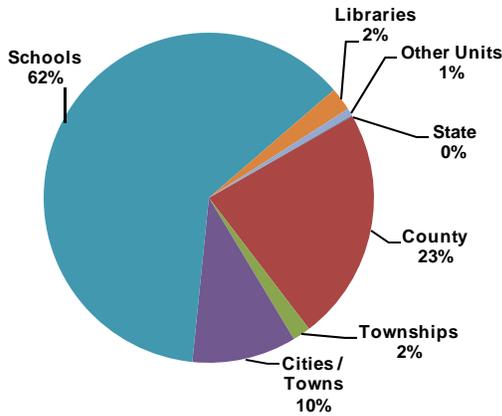
In Fountain County, the average homeowner saw their tax bill decrease by 38.3% for 2008, with 97.5% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 3.1%, and 61.6% of homeowners would have seen tax bill increases.

In Fountain County, 17% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 15% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); less than 1% are paid by owners of larger rental housing units (commercial apartments); and 67% 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	47	1.0%	314	6.6%
10% to 19%	6	0.1%	342	7.1%
1% to 9%	21	0.4%	2,290	47.9%
0%	48	1.0%	51	1.1%
-1% to -9%	56	1.2%	1,486	31.1%
-10% to -19%	119	2.5%	125	2.6%
-20% to -29%	377	7.9%	59	1.2%
-30% to -39%	1,792	37.5%	31	0.6%
-40% to -49%	1,618	33.8%	35	0.7%
-50% to -59%	595	12.4%	18	0.4%
-60% to -69%	63	1.3%	14	0.3%
-70% to -79%	23	0.5%	6	0.1%
-80% to -89%	8	0.2%	2	0.0%
-90% to -99%	3	0.1%	3	0.1%
-100%	8	0.2%	8	0.2%
Total	4,784	100.0%	4,784	100.0%
Higher Tax Bill	74	1.5%	2,946	61.6%
No Change	48	1.0%	51	1.1%
Lower Tax Bill	4,662	97.5%	1,787	37.3%
Average Change in Tax Bill	-38.3%		3.1%	



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



On average, Fountain County property tax levies increased 5.8% from 2007 to 2008. This is slightly higher than the expected statewide average increase of 5%. The largest levy increases were in the Southeast Fountain School Corporation's general and capital projects funds.

In Fountain County, school corporations receive 62% 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 Fountain County**

Taxing Unit	2007 Levy	2008 Levy	Change
County Total	\$16,750,076	\$17,714,164	5.8%
State Unit	16,624	17,982	8.2%
Fountain County	3,926,078	4,049,669	3.1%
Cain Township	12,832	12,668	-1.3%
Davis Township	13,371	13,992	4.6%
Fulton Township	21,006	22,185	5.6%
Jackson Township	19,835	20,585	3.8%
Logan Township	34,095	35,935	5.4%
Millcreek Township	21,871	22,161	1.3%
Richland Township	23,361	25,023	7.1%
Shawnee Township	20,087	19,971	-0.6%
Troy Township	43,991	45,435	3.3%
Van Buren Township	86,422	74,331	-14.0%
Wabash Township	17,442	17,977	3.1%
Attica Civil City	736,269	775,417	5.3%
Covington Civil City	539,688	569,687	5.6%
Hillsboro Civil Town	47,988	50,500	5.2%
Kingman Civil Town	54,295	55,540	2.3%
Mellott Civil Town	11,373	11,743	3.3%
Newtown Civil Town	13,342	13,970	4.7%
Veedersburg Civil Town	258,011	331,486	28.5%
Wallace Civil Town	685	733	7.0%
Attica Consolidated School Corporation	3,350,431	3,395,955	1.4%
Covington Community School Corporation	2,713,098	2,907,678	7.2%
Southeast Fountain School Corporation	4,196,294	4,691,204	11.8%
Covington Public Library	172,426	176,274	2.2%
Kingman-Millcreek Public Library	40,583	42,584	4.9%
Attica Public Library	179,750	186,107	3.5%
Fountain County Solid Waste Management District	121,911	127,372	4.5%
Veedersburg Redevelopment Commission	56,917	0	-100.0%