

2010 Property Tax Report

Gibson County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Gibson 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 Gibson 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 Gibson 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	7,504	82.6%	581	6.4%
No Change	524	5.8%	170	1.9%
Lower Tax Bill	1,060	11.7%	8,337	91.7%
Average Change in Tax Bill	5.6%		-29.9%	
Detailed Change in Tax Bill				
20% or More	1,537	16.9%	230	2.5%
10% to 19%	1,753	19.3%	103	1.1%
1% to 9%	4,214	46.4%	248	2.7%
0%	524	5.8%	170	1.9%
-1% to -9%	589	6.5%	472	5.2%
-10% to -19%	253	2.8%	928	10.2%
-20% to -29%	103	1.1%	1,734	19.1%
-30% to -39%	33	0.4%	2,026	22.3%
-40% to -49%	9	0.1%	1,639	18.0%
-50% to -59%	10	0.1%	602	6.6%
-60% to -69%	10	0.1%	201	2.2%
-70% to -79%	15	0.2%	155	1.7%
-80% to -89%	12	0.1%	122	1.3%
-90% to -99%	2	0.0%	101	1.1%
-100%	24	0.3%	357	3.9%
Total	9,088	100.0%	9,088	100.0%

The average homeowner saw a 5.6% tax bill increase from 2009 to 2010.

Homestead taxes in 2010 were still 29.9% lower than they were in 2007, before the property tax reforms.

91.7% of homeowners saw lower tax bills in 2010 than in 2007.

65.7% of homeowners saw tax increases of between 1% and 19% from 2009 to 2010.

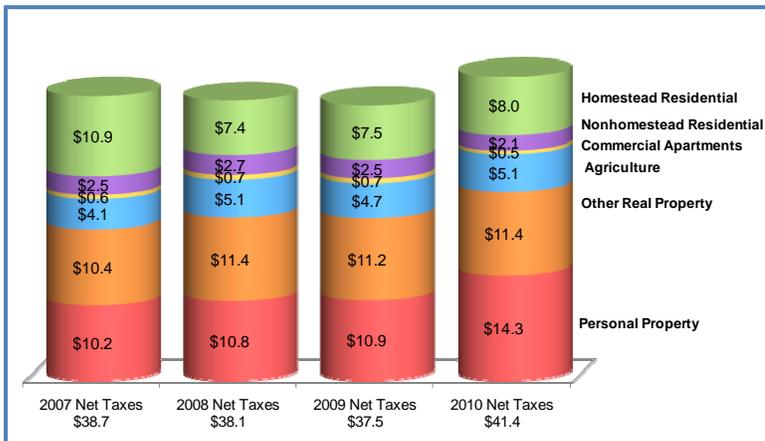
The largest percentage of homeowners have seen between a 20% and 49% decrease in their tax bills from 2007 to 2010.

Note: Percentages may not total due to rounding.

Gibson County Overview

The larger-than-average increase in homeowner tax bills was mainly the result of larger-than-average tax levy increases. Property tax levies increased 8.9% in Gibson County in 2010, much more than the state average increase of 2.4%. This was mainly due to increases in the North Gibson School Corporation debt service and capital projects levies. In addition, the assessed value of commercial and industrial real property fell in Gibson in 2010, resulting in a tax shift to homeowners. Gibson homeowners benefitted less from the one percent property tax cap than did homeowners in the average county, primarily because Gibson home values tend to be lower than the state average. Gibson County does not provide local homestead credits.

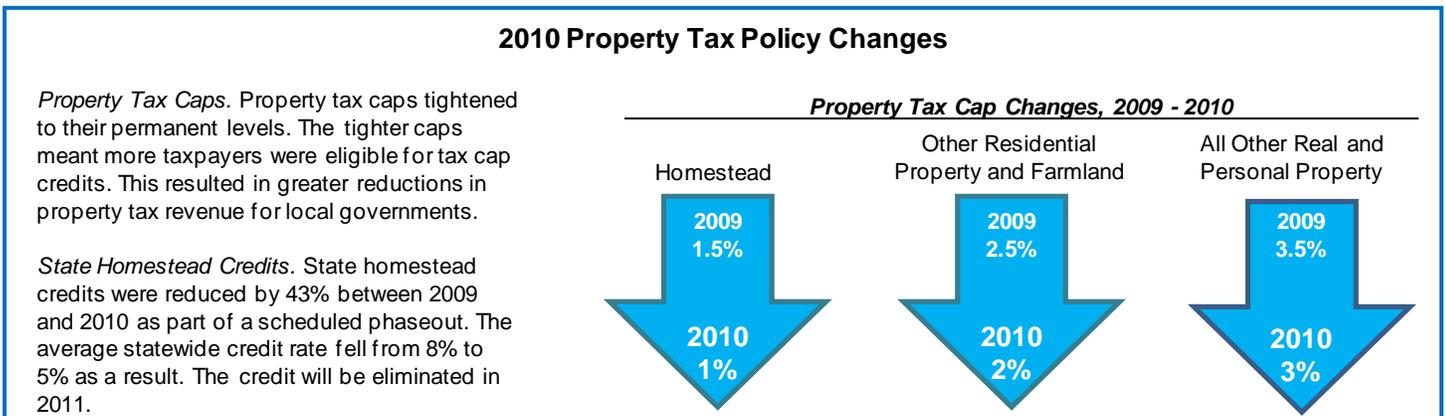
Comparison of Net Property Tax by Property Type (In Millions)



Net tax bills for all taxpayers increased 10.6% in Gibson County from 2009 to 2010. This was higher than the statewide reduction of 1.4%. In 2010 apartment owners saw a 27.6% 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 14.0% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 1.9% and 31.0% increase, respectively, in tax bills in 2010. This was mainly because of the increase in Gibson County property tax levies and changes in net

assessed values. While gross assessments for personal property declined by 5.4%, net taxable value grew by 23.5% because of a reduction in personal property deductions. This accounts for the larger increase in total taxes on personal property. Commercial and industrial property did not benefit very much from the tightened tax caps because Gibson County's tax rates were not high enough for this type of property to qualify for tax cap credits.

Agricultural business property saw a 7.0% increase in tax payments in 2010 because of the Gibson County tax levy increases and the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.



Tax Cap Credits

Tax cap credits in Gibson County in 2010 amounted to 3.7% of the total property tax levy. The statewide average was 6.3%. The smaller percentage loss in the county was partly due to slightly lower-than-average tax rates in Gibson County and to having a smaller share of its net assessed value in the 2% cap category. This category includes rental housing, which tends to be in cities and towns where tax rates usually are above \$2 per \$100 assessed value. If the rate exceeds the tax cap, rental housing would be eligible for tax cap credits. Few commercial or industrial properties in the 3% tax cap category qualified for credits because the highest Gibson County tax rates barely exceeded \$3. Neither Gibson County tax rates nor home values were high enough for a large share of homesteads to qualify for credits in the 1% category.

**2010 Circuit Breaker Credits by Cap Category
Gibson County Total \$1,573,746**

1%	2%	3%	Elderly
\$252,851	\$1,009,866	\$276,128	\$34,902
16.1%	64.2%	17.6%	2.2%

Gibson County, Princeton City, and the North Gibson School Corp saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, Oakland City lost the most, at 20.2%. Losses were greatest for units that overlapped the municipalities of Princeton, Oakland City, and Owensville because these tax districts had the highest tax rates.

The Effects of Recession

In Gibson County the recession affected the economy, though less than in most Indiana counties. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 4.0% in December 2007 to 8.8% in July 2009. Job losses and income declines contributed to a 0.1% increase in local income tax revenue.

Gibson County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	1,025,852,700	1,048,720,000	2.2%
Other Residential	107,083,600	108,828,700	1.6%
Ag Business/Land	265,191,600	277,330,500	4.6%
Business Real/Personal	1,500,554,420	1,429,558,072	-4.7%
Total	\$2,898,682,320	\$2,864,437,272	-1.2%

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 Gibson County, the gross assessed value of business real and personal property fell 4.7% in 2010. Other assessment categories increased, and total gross assessed value in Gibson County decreased 1.2%. 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.

Gibson County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	43,739,199	45,562,707	33,066,086	35,994,043	4.2%	-27.4%	8.9%
State Unit	36,083	39,188	0	0	8.6%	-100.0%	
Gibson County	10,238,601	11,193,066	9,545,732	9,956,172	9.3%	-14.7%	4.3%
Barton Township	48,431	49,430	52,054	53,286	2.1%	5.3%	2.4%
Center Township	28,306	28,889	27,551	31,493	2.1%	-4.6%	14.3%
Columbia Township	87,867	90,130	94,739	98,027	2.6%	5.1%	3.5%
Johnson Township	25,284	25,832	27,209	27,631	2.2%	5.3%	1.6%
Montgomery Township	70,930	72,748	75,548	78,755	2.6%	3.8%	4.2%
Patoka Township	2,768,420	2,560,693	2,647,986	2,749,882	-7.5%	3.4%	3.8%
Union Township	166,056	169,590	173,069	179,678	2.1%	2.1%	3.8%
Wabash Township	30,243	31,259	32,593	32,227	3.4%	4.3%	-1.1%
Washington Township	22,776	23,172	24,542	25,003	1.7%	5.9%	1.9%
White River Township	53,141	54,555	56,597	59,216	2.7%	3.7%	4.6%
Princeton Civil City	2,285,577	2,285,406	2,278,151	2,238,082	0.0%	-0.3%	-1.8%
Oakland City Civil City	387,402	405,785	420,160	441,600	4.7%	3.5%	5.1%
Fort Branch Civil Town	200,977	203,731	233,177	251,336	1.4%	14.5%	7.8%
Francisco Civil Town	40,619	39,976	42,726	44,739	-1.6%	6.9%	4.7%
Haubstadt Civil Town	538,520	559,739	569,430	580,675	3.9%	1.7%	2.0%
Hazelton Civil Town	13,855	14,085	14,539	15,300	1.7%	3.2%	5.2%
Mackey Civil Town	10,015	10,195	10,800	11,211	1.8%	5.9%	3.8%
Owensville Civil Town	314,024	315,303	319,991	340,133	0.4%	1.5%	6.3%
Patoka Civil Town	21,270	21,367	22,940	23,385	0.5%	7.4%	1.9%
Somerville Civil Town	1,488	1,542	1,603	1,665	3.6%	4.0%	3.9%
East Gibson School Corp	4,137,304	4,217,608	2,169,560	2,375,350	1.9%	-48.6%	9.5%
North Gibson School Corp	9,257,853	8,869,309	4,809,943	7,019,173	-4.2%	-45.8%	45.9%
South Gibson School Corp	10,620,492	11,937,902	6,953,509	6,938,652	12.4%	-41.8%	-0.2%
Oakland City-Columbia Township Public Lib	117,776	121,030	126,999	131,769	2.8%	4.9%	3.8%
Owensville Carnegie Library	216,953	222,965	232,313	111,745	2.8%	4.2%	-51.9%
Fort Branch-Johnson Township Library	275,676	282,316	297,114	304,382	2.4%	5.2%	2.4%
Princeton-Patoka Township Public Library	458,276	443,868	466,452	486,211	-3.1%	5.1%	4.2%
Owensville-Montgomery Township Fire	286,228	293,961	305,372	319,021	2.7%	3.9%	4.5%
Gibson Co Solid Waste Mgt Dist	978,756	978,067	1,033,687	1,068,244	-0.1%	5.7%	3.3%
Gibson County Redevelopment Comm	0	0	0	0			

Gibson 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	
26001	Barton Township	1.7782	--	4.1086%	--	--	--	--	--	1.7051
26002	Mackey Town	2.5703	--	4.1086%	--	--	--	--	--	2.4647
26003	Somerville Town	1.8076	--	4.1086%	--	--	--	--	--	1.7333
26004	Center Township	1.7476	--	4.1086%	--	--	--	--	--	1.6758
26005	Francisco Town	2.5223	--	4.1086%	--	--	--	--	--	2.4187
26006	Columbia Township	1.9760	--	4.1086%	--	--	--	--	--	1.8948
26007	Oakland City	3.3147	--	4.1086%	--	--	--	--	--	3.1785
26009	Haubstadt Town	2.4504	--	4.1086%	--	--	--	--	--	2.3497
26017	Washington Township	1.7099	--	4.1086%	--	--	--	--	--	1.6396
26018	White River Township	1.7784	--	4.1086%	--	--	--	--	--	1.7053
26019	Hazelton Town	2.3512	--	4.1086%	--	--	--	--	--	2.2546
26020	Patoka Town	1.8936	--	4.1086%	--	--	--	--	--	1.8158
26021	Montgomery Township	1.7124	--	4.1086%	--	--	--	--	--	1.6420
26022	Owensville Town	3.2983	--	4.1086%	--	--	--	--	--	3.1628
26023	Wabash Township	1.7487	--	4.1086%	--	--	--	--	--	1.6769
26024	Johnson Township	1.8515	--	4.1086%	--	--	--	--	--	1.7754
26025	Union Township	1.7688	--	4.1086%	--	--	--	--	--	1.6961
26026	Fort Branch Town	2.2141	--	4.1086%	--	--	--	--	--	2.1231
26027	Patoka Township	2.1738	--	4.1086%	--	--	--	--	--	2.0845
26028	Princeton City	3.2096	--	4.1086%	--	--	--	--	--	3.0777

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.

Gibson 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>	252,851	1,009,866	276,128	34,902	1,573,746	35,994,043	4.4%
<i>TIF Total</i>	0	0	0	0	0	6,738,780	0.0%
<i>County Total</i>	252,851	1,009,866	276,128	34,902	1,573,746	42,732,823	3.7%
Gibson County	50,963	195,144	50,352	8,017	304,476	9,956,172	3.1%
Barton Township	0	43	0	27	69	53,286	0.1%
Center Township	0	73	0	7	80	31,493	0.3%
Columbia Township	535	2,556	570	104	3,764	98,027	3.8%
Johnson Township	184	189	0	17	389	27,631	1.4%
Montgomery Township	117	340	66	20	544	78,755	0.7%
Patoka Township	24,986	108,047	32,508	3,123	168,663	2,749,882	6.1%
Union Township	440	1,427	0	208	2,076	179,678	1.2%
Wabash Township	0	0	0	0	0	32,227	0.0%
Washington Township	0	0	0	29	29	25,003	0.1%
White River Township	6	58	0	26	90	59,216	0.2%
Princeton Civil City	44,937	213,578	75,076	3,588	337,178	2,238,082	15.1%
Oakland City Civil City	12,035	61,958	13,811	1,377	89,182	441,600	20.2%
Fort Branch Civil Town	1,679	5,484	0	683	7,846	251,336	3.1%
Francisco Civil Town	3	2,229	0	36	2,269	44,739	5.1%
Haubstadt Civil Town	9,309	9,915	0	857	20,080	580,675	3.5%
Hazelton Civil Town	0	713	0	3	716	15,300	4.7%
Mackey Civil Town	0	767	0	4	771	11,211	6.9%
Owensville Civil Town	9,576	27,792	5,415	1,388	44,171	340,133	13.0%
Patoka Civil Town	0	0	0	77	77	23,385	0.3%
Somerville Civil Town	0	0	0	6	6	1,665	0.3%
East Gibson School Corp	9,225	49,814	10,235	1,954	71,228	2,375,350	3.0%
North Gibson School Corp	55,463	240,742	72,104	7,809	376,118	7,019,173	5.4%
South Gibson School Corp	20,159	38,554	3,071	3,573	65,357	6,938,652	0.9%
Oakland City-Columbia Township Public Lib	1,271	6,330	1,411	192	9,204	131,769	7.0%
Owensville Carnegie Library	158	460	90	27	734	111,745	0.7%
Fort Branch-Johnson Township Library	1,443	2,234	0	261	3,938	304,382	1.3%
Princeton-Patoka Township Public Library	4,418	19,104	5,748	552	29,822	486,211	6.1%
Owensville-Montgomery Township Fire	475	1,379	269	80	2,202	319,021	0.7%
Gibson Co Solid Waste Mgt Dist	5,468	20,938	5,403	860	32,669	1,068,244	3.1%
Gibson County Redevelopment Comm	0	0	0	0	0	0	
TIF - Patoka Township	0	0	0	0	0	6,738,780	0.0%
TIF - Union Township	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.