

2011 Property Tax Report

Gibson County

with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Gibson County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

Comparable Homestead Property Tax Changes in Gibson County

The average homeowner saw a 2.4% tax bill decrease from 2010 to 2011.

Homestead taxes in 2011 were 31.5% lower than they were in 2007, before the property tax reforms.

91.2% of homeowners saw lower tax bills in 2011 than in 2007.

43.4% of homeowners saw tax increases of between 1% and 9% from 2010 to 2011.

The largest percentage of homeowners have seen between a 20% and 49% decrease in their tax bills from 2007 to 2011.

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	4,201	47.5%	616	7.0%
No Change	913	10.3%	161	1.8%
Lower Tax Bill	3,737	42.2%	8,074	91.2%
Average Change in Tax Bill	-2.4%		-31.5%	
Detailed Change in Tax Bill				
20% or More	179	2.0%	256	2.9%
10% to 19%	183	2.1%	99	1.1%
1% to 9%	3,839	43.4%	261	2.9%
0%	913	10.3%	161	1.8%
-1% to -9%	2,703	30.5%	456	5.2%
-10% to -19%	888	10.0%	893	10.1%
-20% to -29%	51	0.6%	1,625	18.4%
-30% to -39%	25	0.3%	1,803	20.4%
-40% to -49%	16	0.2%	1,512	17.1%
-50% to -59%	7	0.1%	806	9.1%
-60% to -69%	8	0.1%	243	2.7%
-70% to -79%	7	0.1%	164	1.9%
-80% to -89%	3	0.0%	123	1.4%
-90% to -99%	8	0.1%	113	1.3%
-100%	21	0.2%	336	3.8%
Total	8,851	100.0%	8,851	100.0%

Note: Percentages may not total due to rounding.

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*LOWER TAX RATES REDUCED
HOMEOWNER TAX BILLS,
DESPITE THE LOSS OF THE
STATE HOMESTEAD CREDIT*

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Homestead Property Taxes

Homestead property taxes decreased 2.4% on average in Gibson County in 2011, whereas the statewide average increase was 4.4%. Gibson County homestead taxes were 31.5% lower in 2011 than they were in 2007, before the big tax reform. The homestead tax decrease in 2011 was mostly due to a decline in tax rates. The tax bill reduction would have been greater but for the phaseout of the state homestead credit in 2011. The state homestead credit was 4.1% in Gibson County in 2010.

Tax Rates

Property tax rates declined in almost all Gibson County tax districts. The average tax rate declined by 7.9% because of an increase in net assessed value coupled with a decrease in the levy. Levies in Gibson County were decreased by 3.0%. The biggest levy increases were in the Princeton fire protection territory fund and in the North Gibson Schools debt service, capital projects, and bus replacement funds. The biggest levy reductions were in the Patoka Township and Haubstadt fire protection territory funds. Gibson County's total net assessed value increased 5.9% in 2011. (The certified net AV used to compute tax rates rose by 5.3%.) Homestead and agricultural net assessments increased by 1.1% and 2.7%, respectively. Other residential assessments stayed flat, while business net assessments increased by 8.8%.

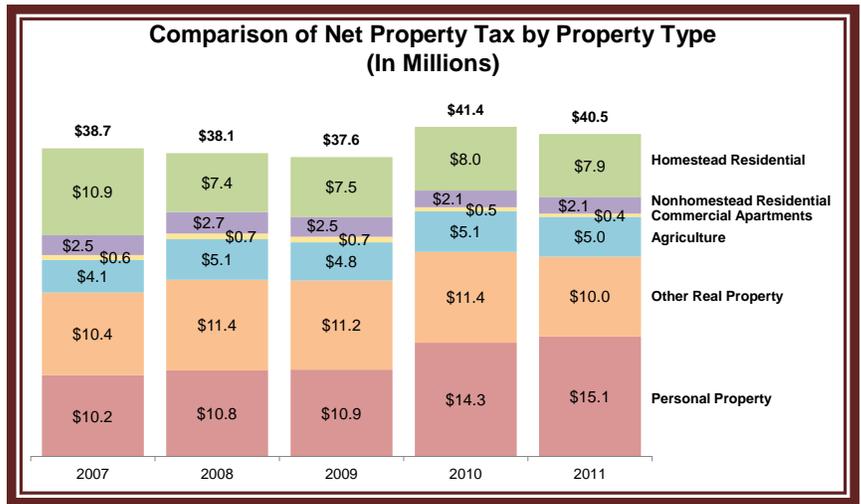
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*TAX BILLS FELL FOR ALL PROPERTY TYPES,
BECAUSE OF LOWER TAX RATES*

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Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers decreased 2.2% in Gibson County in 2011. Statewide property taxes increased by 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills decrease by 1.2%. Tax bills for commercial apartments fell 10.2%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment – decreased by 2.6%. These tax reductions reflect the decline in tax rates in Gibson County in 2011. Agricultural tax bills also decreased, by 1.4%, despite the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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*TAX CAP CREDITS DECREASED
SUBSTANTIALLY IN 2011*

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Total tax cap credit losses in Gibson County were \$1.0 million, or 2.5% of the levy. This was less than the state average loss rate of 9.2%, and less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Gibson County's tax rates were less than the state median.

More than two-thirds of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. The largest percentage losses were in Oakland City and the town of Owensville. The largest dollar losses were in the North Gibson School Corporation, Princeton, and the county unit.

Gibson County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$252,851	\$1,009,866	\$276,128	\$34,902	\$1,573,746	3.7%
2011 Tax Cap Credits	227,822	715,725	41,647	25,156	1,010,350	2.5%
Change	-\$25,028	-\$294,141	-\$234,481	-\$9,746	-\$563,396	-1.2%

Tax cap credits decreased in Gibson County in 2011 by \$563,396, or 36%. The reduced credits

represent 1.2% of the total tax levy. Most of the decrease in tax cap credits was in the 2% and 3% tax cap categories. Lower tax rates reduced tax bills for all taxpayers, so fewer were eligible for tax cap credits. The tax rate in the Princeton taxing district fell below \$3 per \$100 assessed value, which caused the large drop in credits in the 3% category. The elimination of the state homestead credit made the reduction in the 1% homestead category smaller.

The Effect of Recession

The 2009 recession had little effect on Gibson County assessments for pay-2011. Other residential property values and construction activity appear to have stagnated in Gibson County in 2009, but increases in business assessments more than offset this decline.

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*2009 RECESSION HAD LITTLE EFFECT
ON ASSESSMENTS IN 2011*

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Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$1,050,099,000	\$1,061,716,000	1.1%	\$423,817,660	\$428,395,326	1.1%
Other Residential	103,667,800	103,698,400	0.0%	103,081,620	103,111,010	0.0%
Ag Business/Land	283,308,600	290,720,200	2.6%	282,631,458	290,210,878	2.7%
Business Real/Personal	1,427,361,872	1,538,303,190	7.8%	1,217,942,829	1,325,483,120	8.8%
Total	\$2,864,437,272	\$2,994,437,790	4.5%	\$2,027,473,567	\$2,147,200,334	5.9%

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

Gibson County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	% Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
County Total	43,739,199	45,562,707	33,066,086	35,994,043	34,913,793	4.2%	-27.4%	8.9%	-3.0%
State Unit	36,083	39,188	0	0	0	8.6%	-100.0%		
Gibson County	10,238,601	11,193,066	9,545,732	9,956,172	10,257,541	9.3%	-14.7%	4.3%	3.0%
Barton Township	48,431	49,430	52,054	53,286	55,540	2.1%	5.3%	2.4%	4.2%
Center Township	28,306	28,889	27,551	31,493	32,264	2.1%	-4.6%	14.3%	2.4%
Columbia Township	87,867	90,130	94,739	98,027	100,839	2.6%	5.1%	3.5%	2.9%
Johnson Township	25,284	25,832	27,209	27,631	28,926	2.2%	5.3%	1.6%	4.7%
Montgomery Township	70,930	72,748	75,548	78,755	81,169	2.6%	3.8%	4.2%	3.1%
Patoka Township	2,768,420	2,560,693	2,647,986	2,749,882	207,004	-7.5%	3.4%	3.8%	-92.5%
Union Township	166,056	169,590	173,069	179,678	184,508	2.1%	2.1%	3.8%	2.7%
Wabash Township	30,243	31,259	32,593	32,227	33,338	3.4%	4.3%	-1.1%	3.4%
Washington Township	22,776	23,172	24,542	25,003	26,118	1.7%	5.9%	1.9%	4.5%
White River Township	53,141	54,555	56,597	59,216	61,020	2.7%	3.7%	4.6%	3.0%
Princeton Civil City	2,285,577	2,285,406	2,278,151	2,238,082	2,861,609	0.0%	-0.3%	-1.8%	27.9%
Oakland City Civil City	387,402	405,785	420,160	441,600	436,695	4.7%	3.5%	5.1%	-1.1%
Fort Branch Civil Town	200,977	203,731	233,177	251,336	265,797	1.4%	14.5%	7.8%	5.8%
Francisco Civil Town	40,619	39,976	42,726	44,739	45,933	-1.6%	6.9%	4.7%	2.7%
Haubstadt Civil Town	538,520	559,739	569,430	580,675	333,346	3.9%	1.7%	2.0%	-42.6%
Hazelton Civil Town	13,855	14,085	14,539	15,300	15,262	1.7%	3.2%	5.2%	-0.2%
Mackey Civil Town	10,015	10,195	10,800	11,211	11,508	1.8%	5.9%	3.8%	2.6%
Owensville Civil Town	314,024	315,303	319,991	340,133	360,320	0.4%	1.5%	6.3%	5.9%
Patoka Civil Town	21,270	21,367	22,940	23,385	23,456	0.5%	7.4%	1.9%	0.3%
Somerville Civil Town	1,488	1,542	1,603	1,665	1,709	3.6%	4.0%	3.9%	2.6%
East Gibson School Corp	4,137,304	4,217,608	2,169,560	2,375,350	2,365,837	1.9%	-48.6%	9.5%	-0.4%
North Gibson School Corp	9,257,853	8,869,309	4,809,943	7,019,173	7,573,500	-4.2%	-45.8%	45.9%	7.9%
South Gibson School Corp	10,620,492	11,937,902	6,953,509	6,938,652	6,984,956	12.4%	-41.8%	-0.2%	0.7%
Oakland City-Columbia Township Public Lib	117,776	121,030	126,999	131,769	135,246	2.8%	4.9%	3.8%	2.6%
Owensville Carnegie Library	216,953	222,965	232,313	111,745	181,588	2.8%	4.2%	-51.9%	62.5%
Fort Branch-Johnson Township Library	275,676	282,316	297,114	304,382	316,531	2.4%	5.2%	2.4%	4.0%
Princeton-Patoka Township Public Library	458,276	443,868	466,452	486,211	500,036	-3.1%	5.1%	4.2%	2.8%
Owensville-Montgomery Township Fire	286,228	293,961	305,372	319,021	328,526	2.7%	3.9%	4.5%	3.0%
Gibson Co Solid Waste Mgt Dist	978,756	978,067	1,033,687	1,068,244	1,103,671	-0.1%	5.7%	3.3%	3.3%
Gibson County Redevelopment Comm	0	0	0	0	0				

Gibson County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
26001	Barton Township	1.7501	--	--	--	--	--	--	1.7501
26002	Mackey Town	2.5363	--	--	--	--	--	--	2.5363
26003	Somerville Town	1.7781	--	--	--	--	--	--	1.7781
26004	Center Township	1.7087	--	--	--	--	--	--	1.7087
26005	Francisco Town	2.4899	--	--	--	--	--	--	2.4899
26006	Columbia Township	1.9475	--	--	--	--	--	--	1.9475
26007	Oakland City	3.2474	--	--	--	--	--	--	3.2474
26009	Haubstadt Town	2.2726	--	--	--	--	--	--	2.2726
26017	Washington Township	1.6898	--	--	--	--	--	--	1.6898
26018	White River Township	1.7617	--	--	--	--	--	--	1.7617
26019	Hazelton Town	2.3207	--	--	--	--	--	--	2.3207
26020	Patoka Town	1.9128	--	--	--	--	--	--	1.9128
26021	Montgomery Township	1.6578	--	--	--	--	--	--	1.6578
26022	Owensville Town	3.3689	--	--	--	--	--	--	3.3689
26023	Wabash Township	1.7024	--	--	--	--	--	--	1.7024
26024	Johnson Township	1.6813	--	--	--	--	--	--	1.6813
26025	Union Township	1.7333	--	--	--	--	--	--	1.7333
26026	Fort Branch Town	2.1966	--	--	--	--	--	--	2.1966
26027	Patoka Township	1.8242	--	--	--	--	--	--	1.8242
26028	Princeton City	2.8457	--	--	--	--	--	--	2.8457

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 *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 2011 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>	227,822	715,725	41,647	25,156		1,010,350	34,913,793	2.9%
<i>TIF Total</i>	0	0	0	0		0	6,165,796	0.0%
<i>County Total</i>	227,822	715,725	41,647	25,156		1,010,350	41,079,589	2.5%
Gibson County	46,807	142,142	7,282	6,093		202,324	10,257,541	2.0%
Barton Township	0	50	0	38		88	55,540	0.2%
Center Township	0	58	0	7		64	32,264	0.2%
Columbia Township	704	2,622	489	114		3,928	100,839	3.9%
Johnson Township	137	126	0	17		281	28,926	1.0%
Montgomery Township	165	344	87	29		624	81,169	0.8%
Patoka Township	1,446	4,945	0	97		6,489	207,004	3.1%
Union Township	672	1,421	0	237		2,330	184,508	1.3%
Wabash Township	0	0	0	0		0	33,338	0.0%
Washington Township	0	0	0	28		28	26,118	0.1%
White River Township	32	58	0	24		114	61,020	0.2%
Princeton Civil City	50,325	178,885	0	2,205		231,415	2,861,609	8.1%
Oakland City Civil City	14,204	60,680	11,313	1,350		87,547	436,695	20.0%
Fort Branch Civil Town	2,618	5,643	0	822		9,083	265,797	3.4%
Francisco Civil Town	1	1,902	0	38		1,941	45,933	4.2%
Haubstadt Civil Town	5,713	5,260	0	694		11,668	333,346	3.5%
Hazelton Civil Town	0	664	0	19		683	15,262	4.5%
Mackey Civil Town	0	826	0	5		831	11,508	7.2%
Owensville Civil Town	14,168	30,603	7,701	1,664		54,136	360,320	15.0%
Patoka Civil Town	27	0	0	71		99	23,456	0.4%
Somerville Civil Town	0	0	0	4		4	1,709	0.3%
East Gibson School Corp	11,263	48,663	8,427	2,068		70,421	2,365,837	3.0%
North Gibson School Corp	46,748	159,829	0	3,934		210,510	7,573,500	2.8%
South Gibson School Corp	20,528	33,784	3,946	4,083		62,340	6,984,956	0.9%
Oakland City-Columbia Township Public Lib	1,620	6,503	1,212	204		9,540	135,246	7.1%
Owensville Carnegie Library	348	728	183	61		1,319	181,588	0.7%
Fort Branch-Johnson Township Library	1,343	1,866	0	285		3,494	316,531	1.1%
Princeton-Patoka Township Public Library	3,493	11,945	0	235		15,674	500,036	3.1%
Owensville-Montgomery Township Fire	423	885	223	74		1,604	328,526	0.5%
Gibson Co Solid Waste Mgt Dist	5,036	15,294	784	656		21,769	1,103,671	2.0%
Gibson County Solid Waste Mgt Dist	0	0	0	0		0	0	
Gibson County Redevelopment Comm	0	0	0	0		0	0	
TIF - Patoka Township	0	0	0	0		0	6,165,796	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.