

PROPERTY TAXES IN HAMILTON COUNTY, INDIANA, 2007-2008



Legislative Services Agency

August 2008

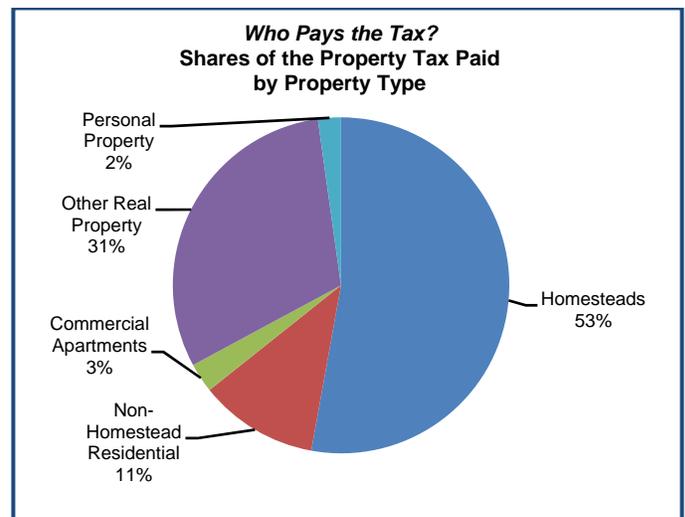
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

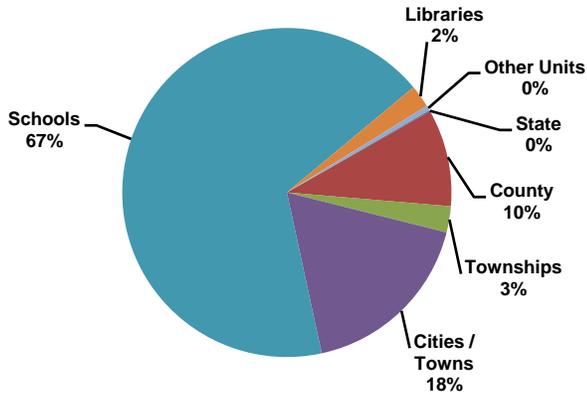
In Hamilton County, the average homeowner saw their tax bill decrease by 14.7% for 2008, with 96.4% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 6.1%, and 85.8% of homeowners would have seen tax bill increases.

In Hamilton County, 53% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 11% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 3% are paid by owners of larger rental housing units (commercial apartments); and 33% 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 | 1,182 | 1.7% | 3,011 | 4.2% |
| 10% to 19% | 268 | 0.4% | 9,160 | 12.9% |
| 1% to 9% | 872 | 1.2% | 48,728 | 68.6% |
| 0% | 198 | 0.3% | 215 | 0.3% |
| -1% to -9% | 6,675 | 9.4% | 6,673 | 9.4% |
| -10% to -19% | 52,421 | 73.8% | 1,376 | 1.9% |
| -20% to -29% | 6,580 | 9.3% | 701 | 1.0% |
| -30% to -39% | 1,344 | 1.9% | 492 | 0.7% |
| -40% to -49% | 723 | 1.0% | 290 | 0.4% |
| -50% to -59% | 378 | 0.5% | 143 | 0.2% |
| -60% to -69% | 153 | 0.2% | 28 | 0.0% |
| -70% to -79% | 30 | 0.0% | 8 | 0.0% |
| -80% to -89% | 4 | 0.0% | 3 | 0.0% |
| -90% to -99% | 0 | 0.0% | 0 | 0.0% |
| -100% | 163 | 0.2% | 163 | 0.2% |
| Total | 70,991 | 100.0% | 70,991 | 100.0% |
| Higher Tax Bill | 2,322 | 3.3% | 60,899 | 85.8% |
| No Change | 198 | 0.3% | 215 | 0.3% |
| Lower Tax Bill | 68,471 | 96.4% | 9,877 | 13.9% |
| Average Change in Tax Bill | -14.7% | | 6.1% | |



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Hamilton County property tax levies increased 11.5% from 2007 to 2008. This is higher than the expected statewide average increase of 5%. The largest increases were in the Hamilton Southeastern School Corporation general fund and capital projects levies, the Carmel-Clay School Corporation general fund and pension debt levies, the Noblesville School Corporation general fund and debt service levies, and various Carmel City levies.

In Hamilton County, school corporations receive 67% 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 Hamilton County

| Taxing Unit | 2007 Levy | 2008 Levy | Change |
|---|----------------------|----------------------|--------------|
| County Total | \$420,213,002 | \$468,646,400 | 11.5% |
| State Unit | 487,111 | 525,539 | 7.9% |
| Hamilton County | 43,048,420 | 44,802,206 | 4.1% |
| Adams Township | 152,921 | 162,230 | 6.1% |
| Clay Township | 7,575,415 | 7,714,238 | 1.8% |
| Delaware Township | 367,309 | 380,074 | 3.5% |
| Fall Creek Township | 1,051,721 | 1,404,132 | 33.5% |
| Jackson Township | 165,231 | 187,831 | 13.7% |
| Noblesville Township | 1,274,778 | 1,263,837 | -0.9% |
| Washington Township | 1,158,260 | 621,140 | -46.4% |
| Wayne Township | 154,358 | 156,974 | 1.7% |
| White River Township | 190,561 | 199,303 | 4.6% |
| Carmel Civil City | 28,046,412 | 34,911,856 | 24.5% |
| Noblesville Civil City | 18,062,129 | 20,152,552 | 11.6% |
| Arcadia Civil Town | 257,235 | 266,339 | 3.5% |
| Atlanta Civil Town | 75,341 | 77,867 | 3.4% |
| Cicero Civil Town | 1,203,411 | 1,328,403 | 10.4% |
| Fishers Civil Town | 15,451,545 | 17,629,660 | 14.1% |
| Sheridan Civil Town | 874,505 | 908,521 | 3.9% |
| Westfield Civil Town | 4,131,305 | 7,612,037 | 84.3% |
| Hamilton Southeastern School Corporation | 95,685,896 | 107,853,987 | 12.7% |
| Hamilton Heights School Corporation | 12,132,006 | 12,532,195 | 3.3% |
| Westfield-Washington School Corporation | 40,249,822 | 43,898,216 | 9.1% |
| Sheridan Community Schools Corporation | 2,873,173 | 3,166,493 | 10.2% |
| Carmel-Clay School Corporation | 93,462,911 | 102,721,200 | 9.9% |
| Noblesville School Corporation | 39,393,320 | 45,447,570 | 15.4% |
| Hamilton North Public Library | 449,665 | 392,447 | -12.7% |
| Carmel-Clay Public Library | 4,016,333 | 4,266,018 | 6.2% |
| Hamilton East Public Library | 5,183,800 | 4,789,134 | -7.6% |
| Sheridan Public Library | 250,621 | 139,941 | -44.2% |
| Westfield Public Library | 850,747 | 793,946 | -6.7% |
| Hamilton County Solid Waste Management District | 487,111 | 503,642 | 3.4% |
| City Of Noblesville Redevelopment Commission | 635,308 | 814,970 | 28.3% |
| Hamilton County Redevelopment Commission | 814,321 | 1,021,902 | 25.5% |