

# 2009 HAMILTON COUNTY PROPERTY TAX REPORT

## WITH COMPARISONS TO 2007 AND 2008

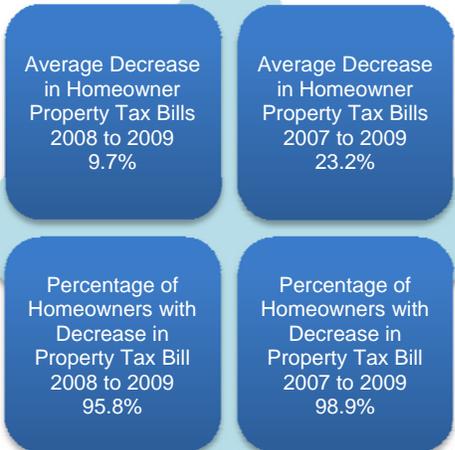


Legislative Services Agency

November 2009 (Updated)

In March 2008, the Indiana General Assembly enacted the most substantial property tax reforms in 35 years. Many of these reforms took effect for the first time in 2009. Property taxes for the school general fund, county welfare funds, and several smaller funds were eliminated and their costs taken over by the state. State property tax replacement credits and most state homestead credits were eliminated, with the money used to fund added state school and welfare costs. Homeowners received a new 35% deduction from their homestead assessments. Property tax caps limited tax bills to a fixed percentage of property assessments. These caps were 1.5% for homesteads, 2.5% for other housing and farmland, and 3.5% for all other property. Taxpayers with tax bills higher than these caps received added tax credits. Local governments did not collect the property tax amounts above the caps.

### Details of Changes to Homeowner Property Tax Bills Hamilton County



Change in Tax Bill	Change from 2008 to 2009		Change from 2007 to 2009	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or More	327	0.5%	200	0.3%
10% to 19%	411	0.6%	146	0.2%
1% to 9%	1,968	3.1%	341	0.5%
0%	20	0.0%	13	0.0%
-1% to -9%	26,996	42.0%	1,323	2.1%
-10% to -19%	30,242	47.0%	11,403	17.7%
-20% to -29%	2,995	4.7%	40,846	63.5%
-30% to -39%	739	1.1%	7,873	12.2%
-40% to -49%	241	0.4%	1,415	2.2%
-50% to -59%	111	0.2%	345	0.5%
-60% to -69%	80	0.1%	151	0.2%
-70% to -79%	53	0.1%	94	0.1%
-80% to -89%	32	0.0%	58	0.1%
-90% to -99%	18	0.0%	25	0.0%
-100%	67	0.1%	67	0.1%
<b>Total</b>	<b>64,300</b>	<b>100.0%</b>	<b>64,300</b>	<b>100.0%</b>
Higher Tax Bill	2,706	4.2%	687	1.1%
No Change	20	0.0%	13	0.0%
Lower Tax Bill	61,574	95.8%	63,600	98.9%
Average Change in Tax Bill	-9.7%		-23.2%	

Note: Percentages may not total due to rounding.

*Policy Changes with Offsetting Effects on Tax Bills.* The interaction of multiple policy changes, plus local changes in levies and assessments, determine how tax bills change in each county. Eliminating the school general fund and county welfare levies reduced levies by 30.6% statewide. The new 35% supplemental homestead deduction reduced tax bills for homeowners, but also reduced taxable assessed value in each jurisdiction. Taxable assessed value fell 14.3% in Indiana as a whole. As a result of the lower assessed value, tax rates were not reduced by the full amount of the levy reductions. The elimination of the property tax replacement and homestead credits partially offset the drop in tax rates. The average property tax replacement credit statewide was 20.1% in 2008. Total state homestead credits averaged 39.5% statewide in 2008, and this rate fell to 7.2% in 2009. The circuit breaker tax caps reduced tax bills in places with high tax rates. Counties that adopted new local option income taxes delivered additional property tax relief. (Statewide averages are now based on 85 counties reporting.)

Factors Affecting Homeowner Tax Bills	Hamilton County	State Average
Net Assessed Value, 2008 to 2009 (% change)	-19.8%	-14.3%
Gross Tax Levy, 2008 to 2009 (% change)	-28.7%	-30.6%
State PTRC Percentage, 2008	19.2%	20.1%
Total State Homestead Credit, 2008	26.0%	39.5%
Total State Homestead Credit, 2009	6.4%	7.2%
Did County Adopt a LOIT in 2008 or 2009?	No	

Note: State Average based on data for 85 counties available November 2009

*Effects on County Tax Bills.* Statewide, average homeowner tax bills fell by about 1% from 2008 to 2009. Average homeowner tax bills in Hamilton County decreased by 9.7%. Hamilton County homeowners received a relatively low homestead credit rate in 2008. This rate was reduced to near the state average in 2009. The loss of this relatively small amount of tax relief did not offset the tax reduction effects of the new 35% supplemental homestead deduction and the levy elimination. Hamilton County did not adopt a local option

## 2009 Property Tax Changes:

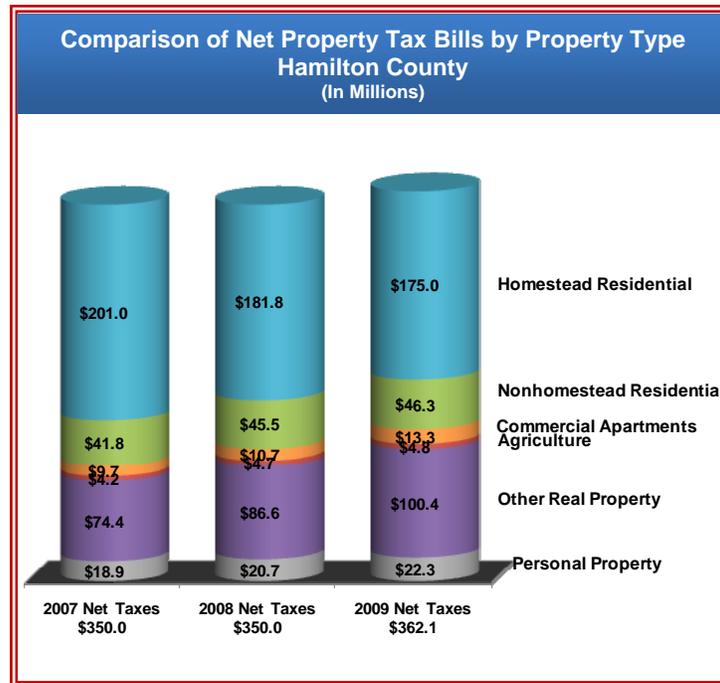
The state took over funding of school general funds, county welfare funds, and several smaller funds – Units where these funds were a large portion of the overall property tax received the greatest benefit.

State Property Tax Replacement Credits were eliminated, and State Homestead Credits were much reduced – Credits didn't apply to debt service levies, so they were lower in units with more debt service; such units lost less from the elimination of the credits, and so received relatively more net benefit from the new tax relief programs.

Counties could adopt new LOIT for property tax relief in 2008 and 2009 - Homeowners in 41 counties that adopted a LOIT saw larger property tax cuts or smaller tax increases; other taxpayers benefitted if counties distributed tax credits to nonhomestead property.

Circuit Breaker Tax Caps were enacted at 1.5% of gross assessed value for homes, 2.5% for rental housing and farmland, and 3.5% for other property- Rental housing and commercial/industrial property received the most tax cap credits; cities and towns and jurisdictions that overlap them lost the most revenue to the caps.

income tax for property tax relief, and few Hamilton County homeowners were eligible for the circuit breaker tax cap credits. Homeowner taxes were substantially lower in 2009 compared to 2007 in Hamilton County, as they were in most Indiana counties.



In Hamilton County from 2008 to 2009, nonhomestead residential properties (small rentals and second homes) saw a 1.8% increase in average property tax bills. Average tax bills on commercial apartments increased 24.3%. Agricultural business real property (which includes farmland and farm buildings, but not homesteads) saw a 2.1% average tax increase. Other commercial, industrial, and utility real property average tax bills increased 15.9%. Personal property, which is largely business equipment, saw a 7.7% increase in average tax bills.

**Circuit Breaker Tax Caps.** Property tax caps limit taxpayers' tax bills to a fixed percentage of their property's assessed value before deductions. Tax bills that exceed the caps are reduced by a tax credit. The cap rates were 1.5% for homesteads, 2.5% for other residential property and farmland, and 3.5% for other property. In 2010 and after, the cap rates will be 1%, 2%, and 3%, respectively.

**Local Revenue Losses.** Local governments do not collect the amount of these tax cap credits, and the revenue is not replaced. More taxpayers are likely to be eligible for circuit breaker tax cap credits in jurisdictions with higher tax rates. Tax districts in cities and towns tend to have higher tax rates because the municipal tax rate is added to tax bills. Cities and towns and jurisdictions that share taxpayers with cities and towns tend to lose the most revenue to tax cap credits.

**Tax Bill Reductions.** Generally, as a result of tax relief from homestead deductions most homeowners did not have tax bills high enough to qualify for tax cap credits. Rental housing has a lower tax cap than other businesses, and much of it is located in cities and towns, so many rental housing owners receive credits. Most farmland is outside cities and towns in jurisdictions with low tax rates. Few farmland owners receive credits. Commercial and industrial property tends to receive credits where tax rates are relatively high.

### Total Circuit Breaker Tax Cap Credit Amount for Hamilton County \$146,816

Percentage share of circuit breaker tax cap credits by cap category...



## Hamilton County Levy Comparison by Taxing Unit

Unit	2007 Levy	2008 Levy	2009 Levy	2007-2008 Levy Change	2008-2009 Levy Change	2008 - 2009 Comparable Levy Change
<b>County Total</b>	<b>\$420,213,002</b>	<b>\$468,646,400</b>	<b>\$334,073,937</b>	<b>11.5%</b>	<b>-28.7%</b>	<b>5.7%</b>
State Unit	487,111	525,539	0	7.9%	-100.0%	
Hamilton County	43,048,420	44,802,206	46,523,742	4.1%	3.8%	9.0%
Adams Township	152,921	162,230	164,246	6.1%	1.2%	1.2%
Clay Township	7,575,415	7,714,238	9,128,230	1.8%	18.3%	18.3%
Delaware Township	367,309	380,074	766,115	3.5%	101.6%	101.6%
Fall Creek Township	1,051,721	1,404,132	1,504,652	33.5%	7.2%	7.2%
Jackson Township	165,231	187,831	230,775	13.7%	22.9%	22.9%
Noblesville Township	1,274,778	1,263,837	919,294	-0.9%	-27.3%	-27.3%
Washington Township	1,158,260	621,140	636,224	-46.4%	2.4%	2.4%
Wayne Township	154,358	156,974	122,559	1.7%	-21.9%	-21.9%
White River Township	190,561	199,303	190,265	4.6%	-4.5%	-4.5%
Carmel Civil City	28,046,412	34,911,856	36,092,579	24.5%	3.4%	4.3%
Noblesville Civil City	18,062,129	20,152,552	22,106,645	11.6%	9.7%	11.7%
Arcadia Civil Town	257,235	266,339	275,327	3.5%	3.4%	3.4%
Atlanta Civil Town	75,341	77,867	79,780	3.4%	2.5%	2.5%
Cicero Civil Town	1,203,411	1,328,403	1,313,186	10.4%	-1.1%	-1.1%
Fishers Civil Town	15,451,545	17,629,660	19,487,880	14.1%	10.5%	10.5%
Sheridan Civil Town	874,505	908,521	980,395	3.9%	7.9%	7.9%
Westfield Civil City	4,131,305	7,612,037	11,536,049	84.3%	51.6%	51.6%
Hamilton Southeastern School Corporation	95,685,896	107,853,987	62,150,234	12.7%	-42.4%	6.9%
Hamilton Heights School Corporation	12,132,006	12,532,195	7,311,145	3.3%	-41.7%	3.0%
Westfield-Washington School Corporation	40,249,822	43,898,216	29,734,762	9.1%	-32.3%	10.1%
Sheridan Community Schools	2,873,173	3,166,493	1,906,911	10.2%	-39.8%	19.7%
Carmel-Clay School Corporation	93,462,911	102,721,200	42,695,321	9.9%	-58.4%	-10.3%
Noblesville School Corporation	39,393,320	45,447,570	25,149,996	15.4%	-44.7%	0.5%
Hamilton North Public Library	449,665	392,447	406,008	-12.7%	3.5%	3.5%
Carmel-Clay Public Library	4,016,333	4,266,018	4,401,511	6.2%	3.2%	3.2%
Hamilton East Public Library	5,183,800	4,789,134	4,900,673	-7.6%	2.3%	2.3%
Sheridan Public Library	250,621	139,941	219,477	-44.2%	56.8%	56.8%
Westfield Public Library	850,747	793,946	728,891	-6.7%	-8.2%	-8.2%
Hamilton County Solid Waste Mgt. District	487,111	503,642	508,936	3.4%	1.1%	1.1%
City Of Noblesville Redevelopment	635,308	814,970	845,299	28.3%	3.7%	3.7%
Carmel Redevelopment Commission	0	0	0	0.0%	0.0%	0.0%
Sheridan Redevelopment Commission	0	0	0	0.0%	0.0%	0.0%
Hamilton County Redevelopment Commission	814,321	1,021,902	1,056,830	25.5%	3.4%	3.4%

Note: 2008 – 2009 Comparable Levy Change reflects the percentage change in the remaining levies after levy reductions for state assumption of pre-1977 police and fire pension fund payments and elimination of these funds: state fair, state forestry, school general, preschool special education, family and children, children’s psychiatric residential treatment, medical assistance to wards, children with special health care needs, and hospital care for the indigent.

## Hamilton County Assessed Values, Levies, Tax Rates, and Credit Rates by Taxing District

Taxing District	Net Assessed Value (In Millions \$)			Gross Levy (\$)			Tax Rate (%)		State PTRC	State Homestead, Total		Total Local Income Tax Credits, Homesteads	
	2008	2009	% Change	2008	2009	% Change	2008	2009	Rate-Real	2008	2009	2008	2009
	Adams Township	156.6	138.7	-11.4%	2,613,517	1,922,851	-26.4%	1.6689	1.3862	26.63%	31.51%	6.43%	0.00%
Sheridan Town	86.4	72.6	-16.0%	2,293,018	1,933,517	-15.7%	2.6550	2.6645	21.76%	35.73%	6.43%	0.00%	0.00%
Clay Township	1730.2	1315.0	-24.0%	28,955,638	16,952,303	-41.5%	1.6735	1.2891	22.87%	27.90%	6.43%	0.00%	0.00%
Delaware Township	145.3	120.2	-17.3%	2,804,200	1,917,154	-31.6%	1.9294	1.5954	20.71%	25.16%	6.43%	0.00%	0.00%
Fishers Town - Delaware Township	2585.0	2255.9	-12.7%	55,939,830	43,456,899	-22.3%	2.1640	1.9264	19.01%	24.84%	6.43%	0.00%	0.00%
Fall Creek Township	1220.7	931.0	-23.7%	23,386,018	14,713,058	-37.1%	1.9158	1.5803	20.59%	24.60%	6.43%	0.00%	0.00%
Jackson Township	306.0	250.7	-18.1%	5,626,587	3,813,543	-32.2%	1.8387	1.5210	21.52%	26.73%	6.43%	0.00%	0.00%
Arcadia Town	42.7	37.5	-12.2%	1,035,455	834,628	-19.4%	2.4226	2.2240	19.40%	30.16%	6.43%	0.00%	0.00%
Atlanta Town	17.3	13.4	-22.9%	389,593	274,419	-29.6%	2.2478	2.0528	20.61%	31.08%	6.43%	0.00%	0.00%
Cicero Town	282.6	218.1	-22.8%	6,411,470	4,500,553	-29.8%	2.2691	2.0635	19.55%	28.69%	6.43%	0.00%	0.00%
Noblesville Township	425.3	360.0	-15.4%	8,877,470	5,840,029	-34.2%	2.0871	1.6224	19.31%	24.43%	6.43%	0.00%	0.00%
Noblesville City	2500.9	1988.1	-20.5%	65,339,472	49,200,474	-24.7%	2.6126	2.4748	17.69%	27.05%	6.43%	0.00%	0.00%
Washington Township	256.5	223.6	-12.8%	5,947,467	4,518,436	-24.0%	2.3191	2.0212	15.99%	21.71%	6.43%	0.00%	0.00%
Westfield Town	1430.6	1311.5	-8.3%	35,893,137	32,431,974	-9.6%	2.5089	2.4728	15.33%	22.19%	6.43%	0.00%	0.00%
Wayne Township	171.5	144.9	-15.6%	3,257,457	2,196,071	-32.6%	1.8989	1.5160	20.75%	24.69%	6.43%	0.00%	0.00%
White River Township	182.5	158.3	-13.2%	3,352,934	2,349,662	-29.9%	1.8371	1.4839	21.83%	27.49%	6.43%	0.00%	0.00%
Carmel City	6956.8	5402.6	-22.3%	139,761,709	93,568,186	-33.1%	2.0090	1.7319	20.14%	27.50%	6.43%	0.00%	0.00%
Noblesville-Delaware-HSE	23.7	21.9	-7.7%	616,876	552,439	-10.4%	2.5993	2.5215	17.82%	27.22%	6.43%	0.00%	0.00%
Fishers - Fall Creek Twp	2719.5	2110.5	-22.4%	58,825,256	40,343,459	-31.4%	2.1631	1.9116	19.00%	24.83%	6.43%	0.00%	0.00%
Noblesville Fall Creek	33.0	29.4	-10.8%	857,645	738,159	-13.9%	2.5984	2.5067	17.82%	27.20%	6.43%	0.00%	0.00%
Noblesville Wayne	139.4	119.7	-14.2%	3,630,424	3,004,772	-17.2%	2.6036	2.5107	17.77%	27.14%	6.43%	0.00%	0.00%
Carmel - County TIF	6.3	4.8	-24.1%	127,887	83,813	-34.5%	2.0175	1.7421	20.13%	27.60%	6.43%	0.00%	0.00%
Westfield Ag Abatement	48.9	39.2	-19.7%	1,045,755	711,157	-32.0%	2.1389	1.8122	15.33%	22.19%	6.43%	0.00%	0.00%
Westfield Abatement 09C	6.4	4.7	-27.2%	149,383	107,979	-27.7%	2.3241	2.3079	15.33%	22.19%	6.43%	0.00%	0.00%
Westfield Abatement 09D	578.0	411.0	-28.9%	12,898,358	8,805,681	-31.7%	2.2316	2.1426	15.33%	22.10%	6.43%	0.00%	0.00%
Noblesville Abatement 11B	0.0	0.0	0.0%	803	777	-3.2%	2.0270	1.9612	17.71%	26.80%	6.43%	0.00%	0.00%
Carmel Washington Township	26.4	27.5	3.9%	696,211	677,968	-2.6%	2.6337	2.4684	15.52%	23.78%	6.43%	0.00%	0.00%
<b>County Totals/Averages</b>	<b>22,078.9</b>	<b>17,710.8</b>	<b>-19.8%</b>	<b>470,733,572</b>	<b>335,449,962</b>	<b>-28.7%</b>	<b>2.1402</b>	<b>1.9036</b>	<b>19.17%</b>	<b>26.05%</b>	<b>6.43%</b>	<b>0.00%</b>	<b>0.00%</b>

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 *Net Assessed Value* is the total taxable assessed value of all property types, after deductions. It declined in 2009 because of the introduction of the new 35% supplemental deduction for homesteads.

The *Gross Levy* is the amount of property tax to be collected, before credits. It declined in 2009 because of the elimination of the levies for school general funds, county welfare funds, and several smaller funds.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value. Rates fell because the drop in the levies due to levy elimination was greater than the reduction in assessed value due to the new deduction.

*State PTRC Rate - Real* is the state property tax replacement credit for real property in 2008. This credit was eliminated in 2009.

The *State Homestead, Total* is the sum of the regular state homestead credit rate, which was eliminated in 2009, and the HEA1001-2008 special rate, which was reduced in 2009.

The *Total Local Income Tax Credits - Homesteads* is the sum of the COIT and CEDIT homestead credit rates and the LOIT credit rates for homesteads, residential property, and all property. These are credits funded by local income taxes, including the COIT, the CEDIT, and the CAGIT for property tax relief.

## Hamilton County 2009 Circuit Breaker Cap Credits

Taxing Unit	Total Levy	Circuit Breaker Credits by Property Type				Total
		(1.5%) Homesteads	(2.5%) Other Residential/ Farmland	(3.5%) All Other Real/Personal	Elderly	
Hamilton County	46,523,742	10,609	4,444	0	395	15,447
Adams Township	164,246	6	491	0	11	508
Clay Township	9,128,230	0	0	0	12	12
Delaware Township	766,115	0	14	0	2	15
Fall Creek Township	1,504,652	0	1	0	9	11
Jackson Township	230,775	0	0	0	3	3
Noblesville Township	919,294	44	0	0	11	55
Washington Township	636,224	295	0	0	0	295
Wayne Township	122,559	0	31	0	0	31
White River Township	190,265	0	0	0	0	0
Carmel Civil City	36,092,579	0	0	0	87	87
Noblesville Civil City	22,106,645	5,188	2,647	0	657	8,492
Arcadia Civil Town	275,327	0	0	0	136	136
Atlanta Civil Town	79,780	0	0	0	0	0
Cicero Civil Town	1,313,186	0	0	0	27	27
Fishers Civil Town	19,487,880	0	0	0	30	30
Sheridan Civil Town	980,395	219	19,228	0	441	19,888
Westfield Civil City	11,536,049	23,010	0	0	7	23,017
Hamilton Southeastern School Corporation	62,150,234	25	2,844	0	150	3,018
Hamilton Heights School Corporation	7,311,145	0	0	0	240	240
Westfield-Washington School Corporation	29,734,762	51,872	0	0	16	51,887
Sheridan Community Schools	1,906,911	146	12,829	0	294	13,269
Carmel-Clay School Corporation	42,695,321	0	0	0	79	79
Noblesville School Corporation	25,149,996	5,404	0	0	716	6,120
Hamilton North Public Library	406,008	0	0	0	17	17
Carmel-Clay Public Library	4,401,511	0	0	0	9	9
Hamilton East Public Library	4,900,673	310	158	0	49	518
Sheridan Public Library	219,477	17	1,476	0	34	1,527
Westfield Public Library	728,891	1,271	0	0	0	1,271
Hamilton County Redevelopment	0	0	0	0	0	0
Hamilton County Solid Waste Management District	508,936	116	48	0	4	168
Tax Increment Financing	0	0	0	0	0	0
City Of Noblesville Redevelopment	845,299	171	87	0	22	280
Carmel Redevelopment Commission	0	0	0	0	0	0
Sheridan Redevelopment Commission	0	0	0	0	0	0
Hamilton County Redevelopment Commission	1,056,830	355	0	0	4	359
<b>Total - All Taxing Units</b>	<b>334,073,937</b>	<b>99,056</b>	<b>44,297</b>	<b>0</b>	<b>3,462</b>	<b>146,816</b>

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.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. It is included to allow comparison to the circuit breaker revenue losses.

**Circuit Breaker Credits:**

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1.5% 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, long-term care facilities, and farmland, in the 2.5% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3.5% 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.

Numbers may not total due to rounding.