

PROPERTY TAXES IN HANCOCK COUNTY, INDIANA, 2007-2008



Legislative Services Agency

August 2008

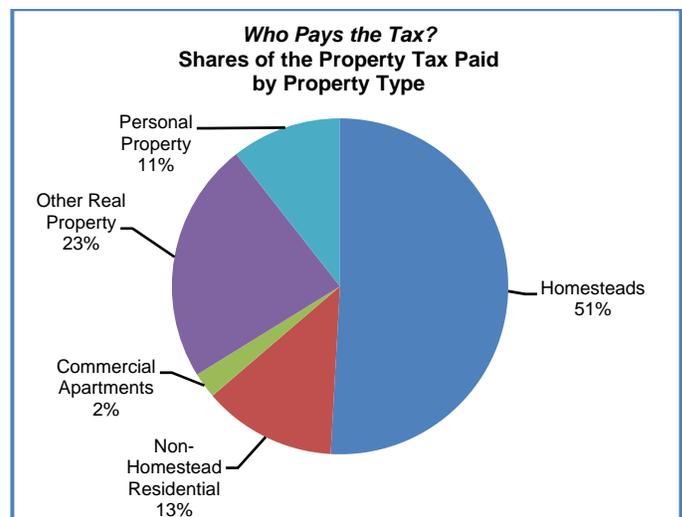
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

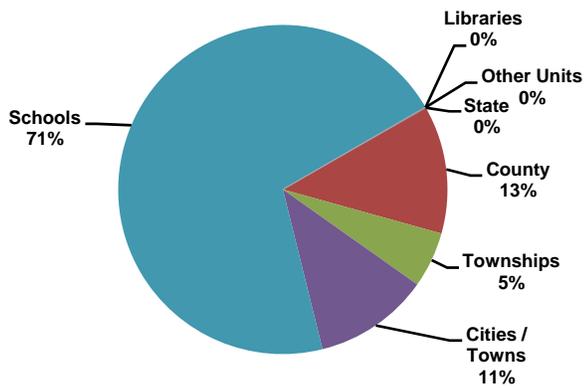
In Hancock County, the average homeowner saw their tax bill decrease by 11.5% for 2008, with 85.1% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 13.2%, and 90.5% of homeowners would have seen tax bill increases.

In Hancock County, 51% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 13% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 2% are paid by owners of larger rental housing units (commercial apartments); and 34% are paid by other agricultural, commercial, industrial, or utility businesses on their real property (land and buildings) or on their personal property (equipment).

<u>Change in Tax Bill</u>	With Added 2008 Homestead Credit		Illustrated Without Added 2008 Homestead Credit	
	<u>Number of Homesteads</u>	<u>% Share of Total</u>	<u>Number of Homesteads</u>	<u>% Share of Total</u>
20% or more	617	3.0%	6,614	32.7%
10% to 19%	304	1.5%	7,103	35.1%
1% to 9%	1,976	9.8%	4,592	22.7%
0%	125	0.6%	122	0.6%
-1% to -9%	5,889	29.1%	697	3.4%
-10% to -19%	8,638	42.7%	286	1.4%
-20% to -29%	1,520	7.5%	288	1.4%
-30% to -39%	403	2.0%	212	1.0%
-40% to -49%	344	1.7%	149	0.7%
-50% to -59%	193	1.0%	99	0.5%
-60% to -69%	148	0.7%	13	0.1%
-70% to -79%	19	0.1%	5	0.0%
-80% to -89%	8	0.0%	5	0.0%
-90% to -99%	1	0.0%	0	0.0%
-100%	<u>52</u>	<u>0.3%</u>	<u>52</u>	<u>0.3%</u>
Total	20,237	100.0%	20,237	100.0%
Higher Tax Bill	2,897	14.3%	18,309	90.5%
No Change	125	0.6%	122	0.6%
Lower Tax Bill	17,215	85.1%	1,806	8.9%
Average Change in Tax Bill	-11.5%		13.2%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Hancock County property tax levies increased 15.5% from 2007 to 2008. This is higher than the expected statewide average increase of 5%. The Greenfield Central Community School Corporation and Mt. Vernon School Corporation debt service levies saw the largest increases.

In Hancock County, school corporations receive 71% of all property taxes. The county, city, and towns receive most of the rest. Townships 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 Hancock County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$74,478,988</i>	<i>\$85,987,664</i>	<i>15.5%</i>
State Unit	80,142	85,719	7.0%
Hancock County	10,895,969	10,789,802	-1.0%
Blue River Township	26,381	27,541	4.4%
Brandywine Township	90,090	90,534	0.5%
Brown Township	24,276	25,118	3.5%
Buck Creek Township	546,929	827,910	51.4%
Center Township	413,996	354,274	-14.4%
Green Township	60,025	61,615	2.6%
Jackson Township	46,711	48,532	3.9%
Sugar Creek Township	2,255,869	2,900,446	28.6%
Vernon Township	349,436	374,553	7.2%
Greenfield Civil City	5,667,289	5,922,467	4.5%
Fortville Civil Town	855,011	875,235	2.4%
New Palestine Civil Town	345,046	428,972	24.3%
Shirley Civil Town	182,052	183,282	0.7%
Spring Lake Civil Town	22,532	23,568	4.6%
Wilkinson Civil Town	87,538	53,661	-38.7%
Cumberland Civil Town	1,166,393	1,234,265	5.8%
Mccordsville Civil Town	940,295	1,024,707	9.0%
Southern Hancock County Community School Corporation	13,909,047	14,958,806	7.5%
Greenfield Central Community School Corporation	16,974,838	22,382,690	31.9%
Mt. Vernon Community School Corporation	15,576,207	18,560,528	19.2%
Eastern Hancock County Community School Corporation	3,962,916	4,753,439	19.9%