

# 2010 Property Tax Report

## Hancock County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Hancock 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 Hancock 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 Hancock County

	2009 to 2010		2007 to 2010	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>				
Higher Tax Bill	11,811	65.0%	3,603	19.8%
No Change	99	0.5%	11	0.1%
Lower Tax Bill	6,258	34.4%	14,554	80.1%
<b>Average Change in Tax Bill</b>	<b>0.2%</b>		<b>-14.5%</b>	
<b>Detailed Change in Tax Bill</b>				
20% or More	905	5.0%	916	5.0%
10% to 19%	2,347	12.9%	718	4.0%
1% to 9%	8,559	47.1%	1,969	10.8%
0%	99	0.5%	11	0.1%
-1% to -9%	3,831	21.1%	4,314	23.7%
-10% to -19%	1,569	8.6%	4,070	22.4%
-20% to -29%	677	3.7%	3,683	20.3%
-30% to -39%	85	0.5%	1,575	8.7%
-40% to -49%	31	0.2%	408	2.2%
-50% to -59%	28	0.2%	157	0.9%
-60% to -69%	13	0.1%	115	0.6%
-70% to -79%	11	0.1%	87	0.5%
-80% to -89%	3	0.0%	42	0.2%
-90% to -99%	3	0.0%	28	0.2%
-100%	7	0.0%	75	0.4%
<b>Total</b>	<b>18,168</b>	<b>100.0%</b>	<b>18,168</b>	<b>100.0%</b>

The average homeowner saw a 0.2% tax bill increase from 2009 to 2010.

Homestead taxes in 2010 were still 14.5% lower than they were in 2007, before the property tax reforms.

80.1% of homeowners saw lower tax bills in 2010 than in 2007.

68.7% of homeowners saw tax changes ranging between +9% and -9% from 2009 to 2010.

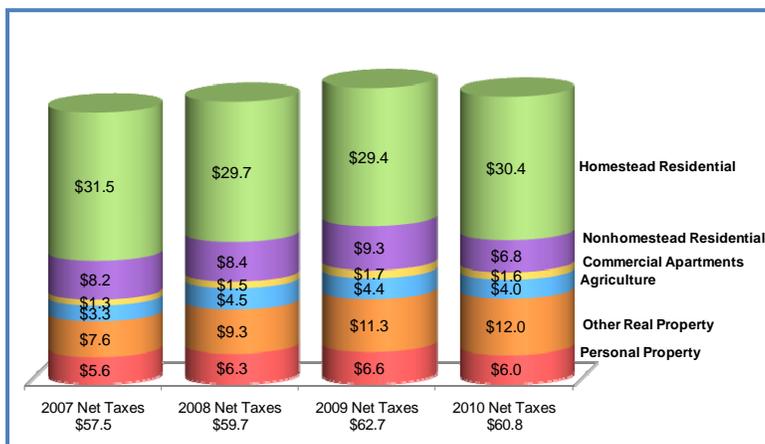
The largest percentage of homeowners have seen between a 1% and 29% decrease in their tax bills from 2007 to 2010.

Note: Percentages may not total due to rounding.

### Hancock County Overview

Homeowner tax bills were little changed in Hancock County in 2010. Property tax levies increased 1.7% in Hancock County in 2010, just under the state average increase of 2.4%. Tax levy increases in the Mt. Vernon School Corporation debt service fund were offset by decreases in a county bond fund, and in debt service funds of the Greenfield Central Community and Eastern Hancock Community School Corporations. In addition, the assessed value of commercial and industrial real property fell in Hancock in 2010, resulting in a tax shift to homeowners. Hancock County homeowners benefitted more from the one percent property tax cap than did homeowners in the average county, primarily because Hancock County home values tend to be higher than the state average. Hancock County does not provide local homestead credits.

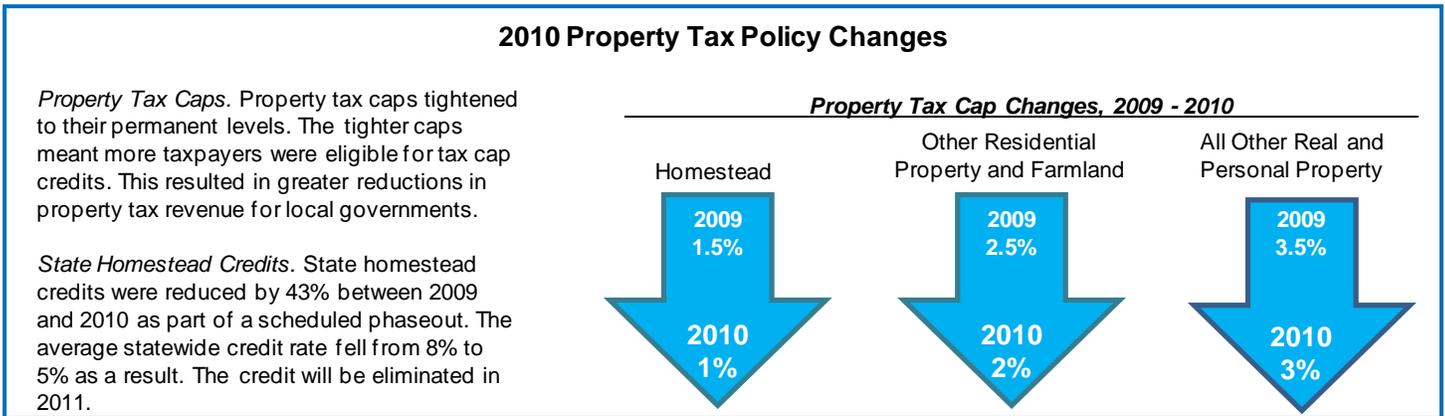
**Comparison of Net Property Tax by Property Type**  
(In Millions)



Net tax bills for all taxpayers decreased 3.2% in Hancock County from 2009 to 2010. This was greater than the statewide reduction of 1.4%. In 2010 apartment owners saw a 7.5% 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 27.6% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 6.8% increase and a 9.5% decrease, respectively, in tax bills in 2010. This was

mainly because of the increase in most Hancock County property tax rates and a large reduction in utility personal property assessments. Commercial and industrial property did not benefit very much from the tightened tax caps because Hancock County's tax rates were generally not high enough for this type of property to qualify for tax cap credits.

Agricultural business property saw a 10.2% decrease in tax payments in 2010 because of an overall drop in agricultural business assessments, even with the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.



### Tax Cap Credits

Tax cap credits in Hancock County in 2010 amounted to 7.7% of the total property tax levy. The statewide average was 6.3%. The higher percentage loss in the county was partly due to slightly higher-than-average tax rates in Hancock County. Few commercial or industrial properties in the 3% tax cap category qualified for credits because the highest Hancock County tax rate barely exceeded \$3. Higher-than-average home values meant that many homeowners qualified for credits in the 1% category.

Hancock County, Southern Hancock County Community Schools, Greenfield Central Community Schools, and the Mt. Vernon Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, the Town of Cumberland lost the most, at 27.8%. Losses were greatest for units that overlapped the municipalities in the county because these tax districts had the highest tax rates.

**2010 Circuit Breaker Credits by Cap Category  
Hancock County Total \$5,062,615**

1%	2%	3%	Elderly
\$2,808,466	\$2,218,416	\$2,021	\$33,712
55.5%	43.8%	0.0%	0.7%

### The Effects of Recession

In Hancock County the recession has 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 3.6% in December 2007 to 8.2% in July 2009. Despite the job losses, local income tax revenue grew by 6.2%.

**Hancock County Gross Assessed Value by Property Type**

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	3,352,201,700	3,401,046,305	1.5%
Other Residential	344,864,100	351,207,903	1.8%
Ag Business/Land	235,413,000	219,837,100	-6.6%
Business Real/Personal	1,012,391,470	973,767,175	-3.8%
<b>Total</b>	<b>\$4,944,870,270</b>	<b>\$4,945,858,483</b>	<b>0.0%</b>

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.

governments.

In Hancock County, the gross assessed value of business real and personal property fell 3.8% in 2010. Other assessment categories increased, except for the gross assessed value of agriculture business/land which decreased by 6.6%. Total gross assessed value in Hancock County did not change. 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.

**Hancock County Levy Comparison by Taxing Unit**

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	<i>74,478,988</i>	<i>85,987,664</i>	<i>63,034,382</i>	<i>64,124,574</i>	<i>15.5%</i>	<i>-26.7%</i>	<i>1.7%</i>
State Unit	80,142	85,719	0	0	7.0%	-100.0%	
Hancock County	10,895,969	10,789,802	11,243,313	10,950,639	-1.0%	4.2%	-2.6%
Blue River Township	26,381	27,541	28,944	29,966	4.4%	5.1%	3.5%
Brandywine Township	90,090	90,534	87,487	85,100	0.5%	-3.4%	-2.7%
Brown Township	24,276	25,118	26,383	27,124	3.5%	5.0%	2.8%
Buck Creek Township	546,929	827,910	1,140,377	1,143,337	51.4%	37.7%	0.3%
Center Township	413,996	354,274	102,395	105,295	-14.4%	-71.1%	2.8%
Green Township	60,025	61,615	60,970	60,210	2.6%	-1.0%	-1.2%
Jackson Township	46,711	48,532	46,463	47,281	3.9%	-4.3%	1.8%
Sugar Creek Township	2,255,869	2,900,446	2,813,564	2,894,735	28.6%	-3.0%	2.9%
Vernon Township	349,436	374,553	736,105	654,690	7.2%	96.5%	-11.1%
Greenfield Civil City	5,667,289	5,922,467	6,659,775	6,739,650	4.5%	12.4%	1.2%
Fortville Civil Town	855,011	875,235	979,484	966,394	2.4%	11.9%	-1.3%
New Palestine Civil Town	345,046	428,972	459,049	411,882	24.3%	7.0%	-10.3%
Shirley Civil Town	182,052	183,282	188,190	177,786	0.7%	2.7%	-5.5%
Spring Lake Civil Town	22,532	23,568	24,027	24,893	4.6%	1.9%	3.6%
Wilkinson Civil Town	87,538	53,661	80,123	79,166	-38.7%	49.3%	-1.2%
Cumberland Civil Town	1,166,393	1,234,265	1,098,224	1,199,598	5.8%	-11.0%	9.2%
McCordsville Civil Town	940,295	1,024,707	1,070,881	1,107,969	9.0%	4.5%	3.5%
Southern Hancock County Comm Schools	13,909,047	14,958,806	8,287,911	8,638,440	7.5%	-44.6%	4.2%
Greenfield Central Community School Corp	16,974,838	22,382,690	14,432,015	14,180,657	31.9%	-35.5%	-1.7%
Mt. Vernon Community School Corp	15,576,207	18,560,528	10,760,931	12,107,993	19.2%	-42.0%	12.5%
Eastern Hancock County Comm Schools	3,962,916	4,753,439	2,707,771	2,491,769	19.9%	-43.0%	-8.0%
Fortville Public Library	0	0	0	0			
Hancock County Public Library	0	0	0	0			
Greenfield Redevelopment Comm	0	0	0	0			

**Hancock 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	
30001	Blue River Township	1.4629	--	3.4476%	--	--	--	--	1.4125
30002	Brandywine Township	1.7719	--	3.4476%	--	--	--	--	1.7108
30003	Brown Township	1.4589	--	3.4476%	--	--	--	--	1.4086
30004	Shirley Town	3.0529	--	3.4476%	--	--	--	--	2.9476
30005	Wilkinson Town	2.3829	--	3.4476%	--	--	--	--	2.3007
30006	Buck Creek Township	2.2318	--	3.4476%	--	--	--	--	2.1549
30007	Cumberland Town-Buck Creek Twp	3.1131	--	3.4476%	--	--	--	--	3.0058
30008	Center Township	1.9617	--	3.4476%	--	--	--	--	1.8941
30009	Greenfield City	2.5193	--	3.4476%	--	--	--	--	2.4324
30010	Green Township	1.7660	--	3.4476%	--	--	--	--	1.7051
30011	Jackson Township	1.4818	--	3.4476%	--	--	--	--	1.4307
30012	Sugar Creek Township	2.2213	--	3.4476%	--	--	--	--	2.1447
30013	New Palestine Town	2.7393	--	3.4476%	--	--	--	--	2.6449
30014	Spring Lake Town	2.2539	--	3.4476%	--	--	--	--	2.1762
30015	Cumberland Town-Sugar Creek Twp	2.9182	--	3.4476%	--	--	--	--	2.8176
30016	Vernon Township	2.0414	--	3.4476%	--	--	--	--	1.9710
30017	Fortville Town	3.0013	--	3.4476%	--	--	--	--	2.8978
30018	Town Of Mc Cordsville	2.5906	--	3.4476%	--	--	--	--	2.5013
30019	Greenfield-Brandywine	2.2573	--	3.4476%	--	--	--	--	2.1795

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.

### Hancock 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>	2,808,466	2,216,276	1,970	33,712	5,060,424	64,124,574	7.9%
<i>TIF Total</i>	0	2,140	51	0	2,191	1,525,989	0.1%
<i>County Total</i>	2,808,466	2,218,416	2,021	33,712	5,062,615	65,650,563	7.7%
Hancock County	419,022	336,143	251	5,575	760,992	10,950,639	6.9%
Blue River Township	31	0	0	6	37	29,966	0.1%
Brandywine Township	51	2	0	44	97	85,100	0.1%
Brown Township	52	263	4	7	326	27,124	1.2%
Buck Creek Township	28,093	24,975	5	645	53,717	1,143,337	4.7%
Center Township	2,279	4,052	0	50	6,381	105,295	6.1%
Green Township	2	0	0	23	26	60,210	0.0%
Jackson Township	0	0	0	1	1	47,281	0.0%
Sugar Creek Township	153,406	73,259	0	1,404	228,068	2,894,735	7.9%
Vernon Township	42,488	32,066	17	460	75,030	654,690	11.5%
Greenfield Civil City	165,602	314,261	0	3,165	483,029	6,739,650	7.2%
Fortville Civil Town	51,334	101,907	102	865	154,208	966,394	16.0%
New Palestine Civil Town	53,858	19,150	0	272	73,280	411,882	17.8%
Shirley Civil Town	5,068	28,951	560	653	35,232	177,786	19.8%
Spring Lake Civil Town	37	893	0	53	983	24,893	3.9%
Wilkinson Civil Town	251	3,852	0	166	4,268	79,166	5.4%
Cumberland Civil Town	279,094	53,021	231	641	332,989	1,199,598	27.8%
McCordsville Civil Town	112,370	49,137	0	358	161,866	1,107,969	14.6%
Southern Hancock County Comm Schools	424,706	189,372	0	4,649	618,727	8,638,440	7.2%
Greenfield Central Community School Corp	283,176	503,362	0	6,602	793,140	14,180,657	5.6%
Mt. Vernon Community School Corp	782,929	458,950	444	7,302	1,249,626	12,107,993	10.3%
Eastern Hancock County Comm Schools	4,615	22,659	357	771	28,402	2,491,769	1.1%
Fortville Public Library	0	0	0	0	0	0	
Hancock County Public Library	0	0	0	0	0	0	
TIF - Mt Comfort EDA	0	0	0	0	0	0	
TIF - Greenfield NEDA	0	1,806	0	0	1,806	1,408,655	0.1%
TIF - Fortville EDA	0	334	51	0	384	117,334	0.3%
TIF - McCordsville EDA	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.