

PROPERTY TAXES IN HARRISON COUNTY, INDIANA, 2007-2008



Legislative Services Agency

October 2008

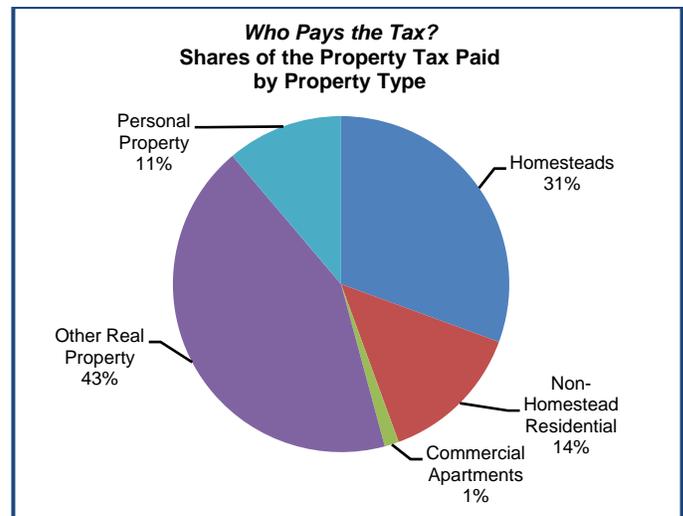
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

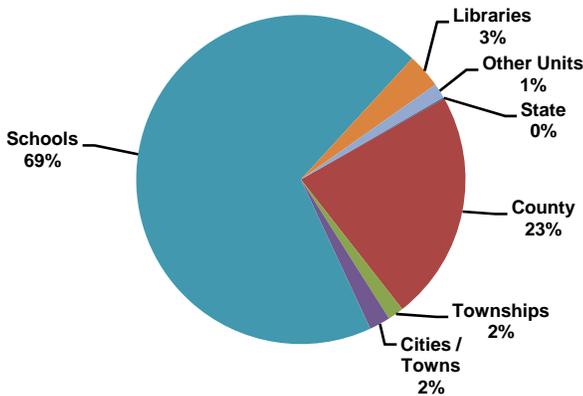
In Harrison County, the average homeowner saw their tax bill decrease by 40.9% for 2008, with 97.8% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by only 6.6%, though 73.8% of homeowners would have seen tax bill decreases.

In Harrison County, 31% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 14% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 1% are paid by owners of larger rental housing units (commercial apartments); and 54% 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	95	0.9%	657	6.2%
10% to 19%	35	0.3%	1,059	10.0%
1% to 9%	46	0.4%	1,004	9.5%
0%	51	0.5%	53	0.5%
-1% to -9%	144	1.4%	3,328	31.4%
-10% to -19%	388	3.7%	3,200	30.2%
-20% to -29%	1,291	12.2%	817	7.7%
-30% to -39%	2,180	20.6%	277	2.6%
-40% to -49%	4,749	44.8%	113	1.1%
-50% to -59%	1,299	12.3%	37	0.3%
-60% to -69%	238	2.2%	22	0.2%
-70% to -79%	50	0.5%	8	0.1%
-80% to -89%	15	0.1%	10	0.1%
-90% to -99%	7	0.1%	3	0.0%
-100%	10	0.1%	10	0.1%
Total	10,598	100.0%	10,598	100.0%
Higher Tax Bill	176	1.7%	2,720	25.7%
No Change	51	0.5%	53	0.5%
Lower Tax Bill	10,371	97.8%	7,825	73.8%
Average Change in Tax Bill	-40.9%		-6.6%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Harrison County property tax levies were almost unchanged between 2007 and 2008. This is lower than the expected statewide average increase of 5%. Several funds in the Lanesville School Corporation saw the largest levy increases. The debt service and school pension debt levies in the North Harrison School Corporation saw the largest levy decreases.

In Harrison County, school corporations receive 69% of all property taxes. The county receives most of the rest. Towns, townships, the library district, 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 Harrison County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$31,652,395	\$31,664,754	0.0%
State Unit	42,981	45,132	5.0%
Harrison County	6,998,765	7,162,811	2.3%
Blue River Township	31,338	32,091	2.4%
Boone Township	14,841	15,879	7.0%
Franklin Township	44,659	51,960	16.3%
Harrison Township	190,653	186,743	-2.1%
Heth Township	8,605	8,672	0.8%
Jackson Township	70,105	74,937	6.9%
Morgan Township	10,025	10,745	7.2%
Posey Township	21,546	22,438	4.1%
Spencer Township	36,743	38,279	4.2%
Taylor Township	23,849	24,631	3.3%
Washington Township	8,125	9,116	12.2%
Webster Township	9,306	20,730	122.8%
Milltown Civil Town	47,553	43,967	-7.5%
Corydon Civil Town	526,537	544,352	3.4%
Crandall Civil Town	2,709	2,672	-1.4%
Elizabeth Civil Town	3,315	3,306	-0.3%
Laconia Civil Town	1,164	856	-26.5%
Lanesville Civil Town	26,830	28,078	4.7%
Mauckport Civil Town	2,966	3,247	9.5%
Palmyra Civil Town	27,305	29,841	9.3%
Crawford County Community School Corporation	115,699	112,136	-3.1%
Lanesville School Corporation	1,980,088	2,394,416	20.9%
North Harrison Community School Corporation	6,519,464	6,502,929	-0.3%
South Harrison School Corporation	13,384,633	12,765,084	-4.6%
Harrison County Public Library	1,060,202	1,070,003	0.9%
Whiskey Run Fire Protection District	11,431	10,411	-8.9%
Palmyra Fire	87,024	98,136	12.8%
Heth-Washington Twp. Fire Protection District	45,418	45,872	1.0%
Boone Township Fire District	37,016	37,933	2.5%
Webster Twp Fire Protection	34,058	36,050	5.8%
Harrison County Solid Waste Management District	227,442	231,301	1.7%