

# 2010 Property Tax Report

## Harrison County

### with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Harrison 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 Harrison 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 Harrison County

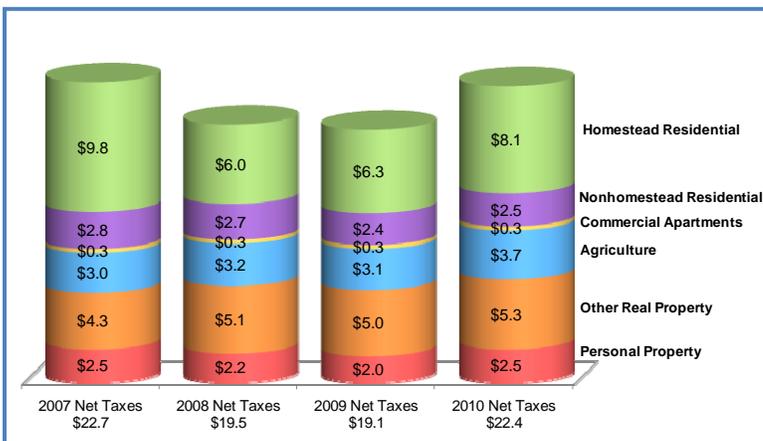
	2009 to 2010		2007 to 2010		
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total	
<b>Summary Change in Tax Bill</b>					
Higher Tax Bill	9,442	96.3%	1,260	12.9%	86.7% of homeowners saw lower tax bills in 2010 than in 2007.
No Change	195	2.0%	42	0.4%	
Lower Tax Bill	165	1.7%	8,500	86.7%	
<b>Average Change in Tax Bill</b>	<b>24.3%</b>		<b>-25.4%</b>		
<b>Detailed Change in Tax Bill</b>					
20% or More	3,332	34.0%	314	3.2%	96.3% of homeowners saw tax increases from 2009 to 2010.
10% to 19%	3,244	33.1%	297	3.0%	
1% to 9%	2,866	29.2%	649	6.6%	
0%	195	2.0%	42	0.4%	
-1% to -9%	71	0.7%	940	9.6%	The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2010.
-10% to -19%	27	0.3%	855	8.7%	
-20% to -29%	16	0.2%	1,281	13.1%	
-30% to -39%	9	0.1%	2,463	25.1%	
-40% to -49%	5	0.1%	1,709	17.4%	
-50% to -59%	9	0.1%	582	5.9%	
-60% to -69%	6	0.1%	202	2.1%	
-70% to -79%	3	0.0%	141	1.4%	
-80% to -89%	7	0.1%	108	1.1%	
-90% to -99%	6	0.1%	63	0.6%	
-100%	6	0.1%	156	1.6%	
<b>Total</b>	<b>9,802</b>	<b>100.0%</b>	<b>9,802</b>	<b>100.0%</b>	

Note: Percentages may not total due to rounding.

### Harrison County Overview

The much larger-than-average increase in homeowner tax bills was due mainly to the large increase in local government tax levies. Property tax levies increased 16.1% in Harrison County in 2010, much more than the state average increase of 2.4%. Tax levy increases were largest in the North Harrison School Corporation debt service and bus replacement funds and in the South Harrison School Corporation capital projects fund. Harrison County homeowners benefitted less from the one percent property tax cap than did homeowners in the average county, primarily because Harrison County tax rates tend to be lower than the state average. Harrison County does not provide local homestead credits.

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



Net tax bills for all taxpayers increased 18.3% in Harrison County from 2009 to 2010. This was higher than the statewide reduction of 1.4%. In 2010 apartment owners saw a 24.1% increase in tax bills. This large increase was due mainly to the increase in Harrison County property tax levies and assessed value increases. The levy increases also affected nonhomestead residential property (mostly small rental residences), which saw a 7.2% increase in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 7.2% and 22.8% increase, respectively, in tax bills in 2010. This was mainly because of the increase in Harrison County property tax rates and an increase in personal property assessments. Commercial and industrial property did not benefit very much from the

tightened tax caps because Harrison 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 20.8% increase in tax payments in 2010 because of the Harrison County tax levy increases and the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.

**2010 Property Tax Policy Changes**

*Property Tax Caps.* Property tax caps tightened to their permanent levels. The tighter caps meant more taxpayers were eligible for tax cap credits. This resulted in greater reductions in property tax revenue for local governments.

*State Homestead Credits.* State homestead credits were reduced by 43% between 2009 and 2010 as part of a scheduled phaseout. The average statewide credit rate fell from 8% to 5% as a result. The credit will be eliminated in 2011.

**Property Tax Cap Changes, 2009 - 2010**

Homestead	Other Residential Property and Farmland	All Other Real and Personal Property
<div style="border: 1px solid black; padding: 5px; width: 80px; margin: 0 auto;"> <p style="margin: 0;">2009 1.5%</p> <p style="margin: 0;">2010 1%</p> </div>	<div style="border: 1px solid black; padding: 5px; width: 80px; margin: 0 auto;"> <p style="margin: 0;">2009 2.5%</p> <p style="margin: 0;">2010 2%</p> </div>	<div style="border: 1px solid black; padding: 5px; width: 80px; margin: 0 auto;"> <p style="margin: 0;">2009 3.5%</p> <p style="margin: 0;">2010 3%</p> </div>

**Tax Cap Credits**

Tax cap credits in Harrison County in 2010 amounted to 0.5% of the total property tax levy. The statewide average was 6.3%. The smaller percentage loss in the county was mainly due to the much lower-than-average tax rates in Harrison County. Most tax rates were under \$2, so few properties in the 2% cap category qualified for circuit breaker credits. Also, few commercial or industrial properties in the 3% tax cap category qualified for credits because the highest Harrison County tax rate barely exceeded \$3. Neither Harrison County tax rates nor home values were high enough for a large share of homesteads to qualify for credits in the 1% category.

**2010 Circuit Breaker Credits by Cap Category  
Harrison County Total \$99,320**

1%	2%	3%	Elderly
\$20,241	\$37,259	\$579	\$41,241
20.4%	37.5%	0.6%	41.5%

Harrison County and the North Harrison Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of their total levies, the town of Milltown, the Crawford County Community School Corporation, and the Whiskey Run Fire Protection District lost the most, at about 17% each. Losses were greatest for units that overlapped the Town of Milltown because these tax districts had the highest tax rates.

**The Effects of Recession**

In Harrison 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 4.9% in December 2007 to 8.6% in July 2009. Job losses and income declines contributed to a 0.3% drop in local income tax revenue. Because part of this revenue is used for property tax levy relief, property tax levies were nudged up by the income loss.

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

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	1,424,811,900	1,436,715,800	0.8%
Other Residential	171,904,300	177,046,600	3.0%
Ag Business/Land	245,592,400	252,189,500	2.7%
Business Real/Personal	687,614,170	687,941,490	0.0%
Total	\$2,529,922,770	\$2,553,893,390	0.9%

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.

In Harrison County, there was no change in the gross assessed value of business real and personal property in 2010. Other assessment categories increased, and total gross assessed value in Harrison County rose 0.9%. This was higher 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.

### Harrison County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	31,652,395	31,664,754	18,993,186	22,058,721	0.0%	-40.0%	16.1%
State Unit	42,981	45,132	0	0	5.0%	-100.0%	
Harrison County	6,998,765	7,162,811	5,278,047	5,295,095	2.3%	-26.3%	0.3%
Blue River Township	31,338	32,091	31,082	31,308	2.4%	-3.1%	0.7%
Boone Township	14,841	15,879	17,002	17,270	7.0%	7.1%	1.6%
Franklin Township	44,659	51,960	46,692	46,496	16.3%	-10.1%	-0.4%
Harrison Township	190,653	186,743	181,925	177,476	-2.1%	-2.6%	-2.4%
Heth Township	8,605	8,672	9,404	9,505	0.8%	8.4%	1.1%
Jackson Township	70,105	74,937	66,930	66,630	6.9%	-10.7%	-0.4%
Morgan Township	10,025	10,745	11,402	11,662	7.2%	6.1%	2.3%
Posey Township	21,546	22,438	23,378	23,669	4.1%	4.2%	1.2%
Spencer Township	36,743	38,279	37,615	37,944	4.2%	-1.7%	0.9%
Taylor Township	23,849	24,631	25,354	25,580	3.3%	2.9%	0.9%
Washington Township	8,125	9,116	9,426	9,411	12.2%	3.4%	-0.2%
Webster Township	9,306	20,730	22,690	23,233	122.8%	9.5%	2.4%
Milltown Civil Town	47,553	43,967	48,842	47,618	-7.5%	11.1%	-2.5%
Corydon Civil Town	526,537	544,352	571,565	580,252	3.4%	5.0%	1.5%
Crandall Civil Town	2,709	2,672	2,994	3,060	-1.4%	12.1%	2.2%
Elizabeth Civil Town	3,315	3,306	3,305	3,305	-0.3%	0.0%	0.0%
Laconia Civil Town	1,164	856	958	1,034	-26.5%	11.9%	7.9%
Lanesville Civil Town	26,830	28,078	29,232	29,534	4.7%	4.1%	1.0%
Mauckport Civil Town	2,966	3,247	3,324	3,345	9.5%	2.4%	0.6%
New Amsterdam Civil Town	0	0	0	0			
New Middletown Civil Town	0	0	0	0			
Palmyra Civil Town	27,305	29,841	30,846	31,384	9.3%	3.4%	1.7%
Crawford County Community School Corp	115,699	112,136	65,215	63,452	-3.1%	-41.8%	-2.7%
Lanesville School Corp	1,980,088	2,394,416	914,270	897,771	20.9%	-61.8%	-1.8%
North Harrison Community School Corp	6,519,464	6,502,929	3,410,148	5,933,314	-0.3%	-47.6%	74.0%
South Harrison School Corp	13,384,633	12,765,084	6,608,224	7,123,452	-4.6%	-48.2%	7.8%
Harrison County Public Library	1,060,202	1,070,003	1,143,524	1,155,150	0.9%	6.9%	1.0%
Whiskey Run Fire Protection Dist	11,431	10,411	10,249	8,916	-8.9%	-1.6%	-13.0%
Palmyra Fire	87,024	98,136	96,397	97,569	12.8%	-1.8%	1.2%
Heth-Washington Twp. Fire Prot Dist	45,418	45,872	47,293	47,756	1.0%	3.1%	1.0%
Boone Township Fire Dist	37,016	37,933	40,367	40,967	2.5%	6.4%	1.5%
Harrison County Solid Waste	227,442	231,301	168,821	178,079	1.7%	-27.0%	5.5%
Webster Twp Fire Protection	34,058	36,050	36,665	37,484	5.8%	1.7%	2.2%

## Harrison 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	LOIT Residential	
31001	Blue River Township	1.9915	--	3.4123%	--	--	--	--	--	1.9235
31002	Milltown Town-Blue River Twp	3.0724	--	3.4123%	--	--	--	--	--	2.9676
31003	Boone Township	1.2257	--	3.4123%	--	--	--	--	--	1.1839
31004	Laconia Town	1.3415	--	3.4123%	--	--	--	--	--	1.2957
31005	Franklin Township	1.0773	--	3.4123%	--	--	--	--	--	1.0405
31006	Lanesville Town	1.2331	--	3.4123%	--	--	--	--	--	1.1910
31007	Harrison Township	1.1439	--	3.4123%	--	--	--	--	--	1.1049
31008	Corydon Town	1.6536	--	3.4123%	--	--	--	--	--	1.5972
31009	Heth Township	1.2078	--	3.4123%	--	--	--	--	--	1.1666
31010	Mauckport Town	1.4198	--	3.4123%	--	--	--	--	--	1.3714
31011	Jackson Township	1.9703	--	3.4123%	--	--	--	--	--	1.9031
31012	Crandall Town	2.0869	--	3.4123%	--	--	--	--	--	2.0157
31013	Morgan Township	2.0242	--	3.4123%	--	--	--	--	--	1.9551
31014	Palmyra Town	2.1588	--	3.4123%	--	--	--	--	--	2.0851
31015	Posey Township	1.1171	--	3.4123%	--	--	--	--	--	1.0790
31016	Elizabeth Town	1.2195	--	3.4123%	--	--	--	--	--	1.1779
31017	Spencer Township	1.9890	--	3.4123%	--	--	--	--	--	1.9211
31018	Milltown Town-Spencer Township	3.0667	--	3.4123%	--	--	--	--	--	2.9621
31019	Taylor Township	1.2039	--	3.4123%	--	--	--	--	--	1.1628
31020	Washington Township	1.2382	--	3.4123%	--	--	--	--	--	1.1959
31021	New Amsterdam Town	1.2382	--	3.4123%	--	--	--	--	--	1.1959
31022	Webster Township	1.2226	--	3.4123%	--	--	--	--	--	1.1809
31023	New Middletown Town	1.2226	--	3.4123%	--	--	--	--	--	1.1809
31024	Milltown Town-Spencer Township	3.1566	--	3.4123%	--	--	--	--	--	3.0489

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.

### Harrison 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>	20,241	37,259	579	41,241		99,320	22,058,721	0.5%
<i>TIF Total</i>	0	0	0	0		0	0	
<i>County Total</i>	20,241	37,259	579	41,241		99,320	22,058,721	0.5%
Harrison County	3,139	4,991	63	7,798		15,991	5,295,095	0.3%
Blue River Township	62	174	5	118		358	31,308	1.1%
Boone Township	0	0	0	17		17	17,270	0.1%
Franklin Township	0	0	0	11		11	46,496	0.0%
Harrison Township	3	0	0	161		163	177,476	0.1%
Heth Township	0	0	0	1		1	9,505	0.0%
Jackson Township	162	4	0	288		454	66,630	0.7%
Morgan Township	26	84	0	49		159	11,662	1.4%
Posey Township	0	0	0	5		5	23,669	0.0%
Spencer Township	31	0	0	107		139	37,944	0.4%
Taylor Township	0	0	0	3		3	25,580	0.0%
Washington Township	0	0	0	2		2	9,411	0.0%
Webster Township	10	0	0	48		57	23,233	0.2%
Milltown Civil Town	1,720	6,324	191	39		8,274	47,618	17.4%
Corydon Civil Town	0	0	0	1,068		1,068	580,252	0.2%
Crandall Civil Town	1	40	0	16		57	3,060	1.9%
Elizabeth Civil Town	0	0	0	2		2	3,305	0.0%
Laconia Civil Town	0	0	0	0		0	1,034	0.0%
Lanesville Civil Town	0	0	0	6		6	29,534	0.0%
Mauckport Civil Town	0	0	0	0		0	3,345	0.0%
New Amsterdam Civil Town	0	0	0	0		0	0	
New Middletown Civil Town	0	0	0	0		0	0	
Palmyra Civil Town	9	643	0	147		799	31,384	2.5%
Crawford County Community School Corp	1,703	8,844	246	55		10,848	63,452	17.1%
Lanesville School Corp	0	0	0	210		210	897,771	0.0%
North Harrison Community School Corp	11,815	13,010	23	23,652		48,499	5,933,314	0.8%
South Harrison School Corp	215	0	0	4,933		5,148	7,123,452	0.1%
Harrison County Public Library	685	1,089	14	1,701		3,489	1,155,150	0.3%
Whiskey Run Fire Protection Dist	322	1,184	36	7		1,549	8,916	17.4%
Palmyra Fire	217	705	0	409		1,330	97,569	1.4%
Heth-Washington Twp. Fire Prot Dist	0	0	0	9		9	47,756	0.0%
Boone Township Fire Dist	0	0	0	40		40	40,967	0.1%
Harrison County Solid Waste	106	168	2	262		538	178,079	0.3%
Webster Twp Fire Protection	16	0	0	77		93	37,484	0.2%

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.