

PROPERTY TAXES IN HENDRICKS COUNTY, INDIANA, 2007-2008



Legislative Services Agency

October 2008

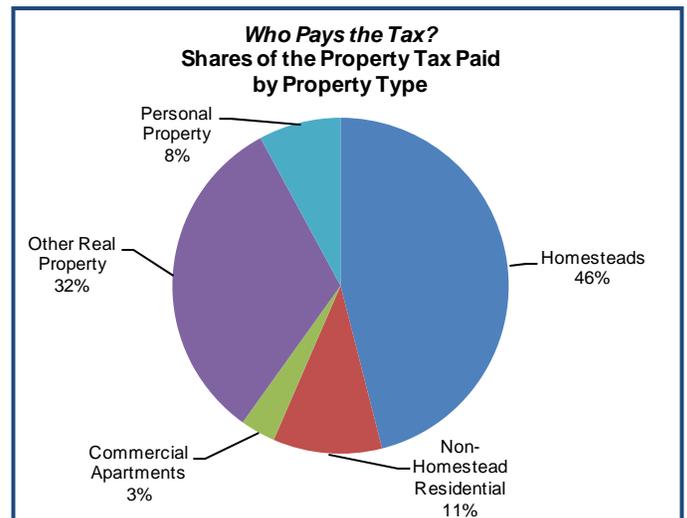
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

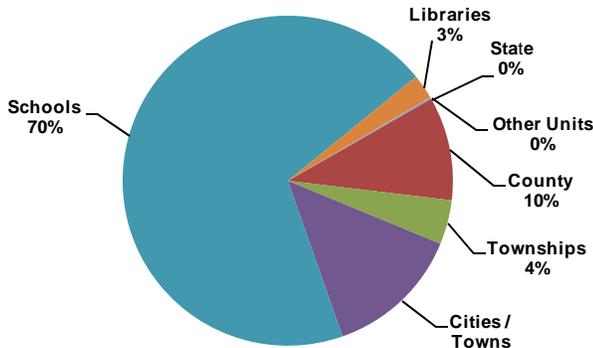
In Hendricks County, the average homeowner saw their tax bill decrease by 23.0% for 2008, with 95.0% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by 3.7%, but only 57.7% of homeowners would have seen tax bill decreases.

In Hendricks County, 46% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 11% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 3% are paid by owners of larger rental housing units (commercial apartments); and 40% 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	347	0.9%	2,380	6.3%
10% to 19%	430	1.1%	4,079	10.9%
1% to 9%	1,085	2.9%	9,431	25.1%
0%	4	0.0%	11	0.0%
-1% to -9%	3,667	9.8%	9,182	24.5%
-10% to -19%	9,740	25.9%	10,507	28.0%
-20% to -29%	11,429	30.4%	1,438	3.8%
-30% to -39%	9,724	25.9%	315	0.8%
-40% to -49%	835	2.2%	126	0.3%
-50% to -59%	200	0.5%	40	0.1%
-60% to -69%	51	0.1%	16	0.0%
-70% to -79%	19	0.1%	11	0.0%
-80% to -89%	7	0.0%	3	0.0%
-90% to -99%	2	0.0%	1	0.0%
-100%	5	0.0%	5	0.0%
Total	37,545	100.0%	37,545	100.0%
Higher Tax Bill	1,862	5.0%	15,890	42.3%
No Change	4	0.0%	11	0.0%
Lower Tax Bill	35,679	95.0%	21,644	57.7%
Average Change in Tax Bill	-23.0%		-3.7%	



**Who Gets the Revenue?
Property Tax Levies by Government Type**



On average, Hendricks County property tax levies increased 5.4% from 2007 to 2008. This is close to the expected statewide average increase of 5%. The largest levy increases were in the Avon School Corporation's debt service and general funds, the Danville School Corporation's debt service fund, and the Brownsburg and Plainfield School Corporations' general funds.

In Hendricks County, school corporations receive 70% of all property taxes. The county and towns receive most of the rest. Townships, library districts, 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 Hendricks County			
Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$188,956,638</i>	<i>\$199,190,300</i>	<i>5.4%</i>
State Unit	179,424	192,670	7.4%
Hendricks County	21,321,588	20,198,226	-5.3%
Brown Township	231,674	163,023	-29.6%
Center Township	429,256	480,732	12.0%
Clay Township	52,534	56,388	7.3%
Eel River Township	72,450	73,237	1.1%
Franklin Township	49,675	51,273	3.2%
Guilford Township	707,796	749,067	5.8%
Liberty Township	163,297	171,852	5.2%
Lincoln Township	263,532	236,721	-10.2%
Marion Township	36,581	38,066	4.1%
Middle Township	855,643	962,481	12.5%
Union Township	52,198	54,630	4.7%
Washington Township	4,456,278	5,590,596	25.5%
Brownsburg Civil Town	11,044,369	10,784,734	-2.4%
Plainfield Civil Town	11,340,487	10,265,286	-9.5%
Jamestown Civil Town	2,487	3,438	38.2%
Amo Civil Town	48,671	50,405	3.6%
Clayton Civil Town	102,254	107,762	5.4%
Coatesville Civil Town	80,476	84,751	5.3%
Danville Civil Town	2,000,901	2,071,940	3.6%
Lizton Civil Town	84,673	88,995	5.1%
North Salem Civil Town	96,642	104,984	8.6%
Pittsboro Civil Town	444,157	465,470	4.8%
Stilesville Civil Town	26,448	29,232	10.5%
Avon Civil Town	2,074,456	2,629,068	26.7%
Northwest Hendricks School Corporation	8,033,781	8,895,037	10.7%
Brownsburg Community School Corporation	37,853,532	38,812,745	2.5%
Avon Community School Corporation	41,142,072	45,299,455	10.1%
Danville Community School Corporation	10,734,916	12,915,312	20.3%
Plainfield Community School Corporation	23,060,780	25,508,780	10.6%
Mill Creek Community School Corporation	6,557,950	7,036,039	7.3%
Washington Township Public Library	1,188,219	1,208,872	1.7%
Brownsburg Public Library	1,108,593	1,168,284	5.4%
Clayton Public Library	158,092	159,058	0.6%
Coatesville-Clay Township Public Library	155,369	154,690	-0.4%
Danville Public Library	529,848	548,070	3.4%
Plainfield - Guilford Twp Public Library	1,541,810	1,593,396	3.3%
Hendricks County Redevelopment Commission	132,312	0	-100.0%
Plainfield Redevelopment Commission	511,584	0	-100.0%
Danville Redevelopment Commission	29,833	32,099	7.6%
Avon Redevelopment Commission	0	153,436	