

2009 HUNTINGTON COUNTY PROPERTY TAX REPORT

WITH COMPARISONS TO 2007 AND 2008

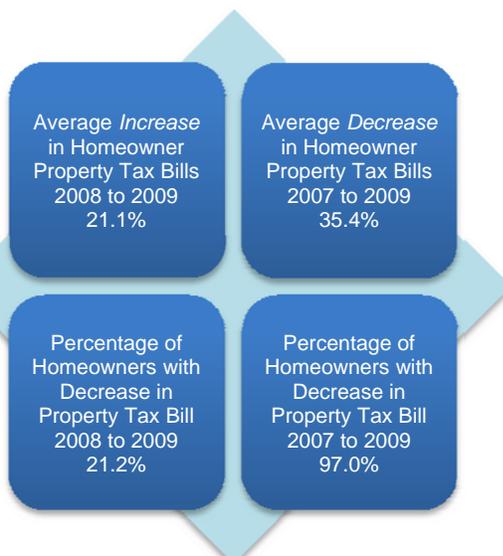


Legislative Services Agency

November 2009 (Updated)

In March 2008, the Indiana General Assembly enacted the most substantial property tax reforms in 35 years. Many of these reforms took effect for the first time in 2009. Property taxes for the school general fund, county welfare funds, and several smaller funds were eliminated and their costs taken over by the state. State property tax replacement credits and most state homestead credits were eliminated, with the money used to fund added state school and welfare costs. Homeowners received a new 35% deduction from their homestead assessments. Property tax caps limited tax bills to a fixed percentage of property assessments. These caps were 1.5% for homesteads, 2.5% for other housing and farmland, and 3.5% for all other property. Taxpayers with tax bills higher than these caps received added tax credits. Local governments did not collect the property tax amounts above the caps.

Details of Changes to Homeowner Property Tax Bills Huntington County



Change in Tax Bill	Change from 2008 to 2009		Change from 2007 to 2009	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or More	4,093	39.8%	124	1.2%
10% to 19%	2,216	21.6%	39	0.4%
1% to 9%	1,698	16.5%	66	0.6%
0%	89	0.9%	77	0.7%
-1% to -9%	774	7.5%	152	1.5%
-10% to -19%	359	3.5%	523	5.1%
-20% to -29%	160	1.6%	1,516	14.8%
-30% to -39%	118	1.1%	3,247	31.6%
-40% to -49%	117	1.1%	2,445	23.8%
-50% to -59%	106	1.0%	1,095	10.7%
-60% to -69%	76	0.7%	233	2.3%
-70% to -79%	77	0.7%	195	1.9%
-80% to -89%	62	0.6%	150	1.5%
-90% to -99%	44	0.4%	116	1.1%
-100%	284	2.8%	295	2.9%
Total	10,273	100.0%	10,273	100.0%
Higher Tax Bill	8,007	77.9%	229	2.2%
No Change	89	0.9%	77	0.7%
Lower Tax Bill	2,177	21.2%	9,967	97.0%
Average Change in Tax Bill	21.1%		-35.4%	

Note: Percentages may not total due to rounding.

Policy Changes with Offsetting Effects on Tax Bills. The interaction of multiple policy changes, plus local changes in levies and assessments, determine how tax bills change in each county. Eliminating the school general fund and county welfare levies reduced levies by 30.6% statewide. The new 35% supplemental homestead deduction reduced tax bills for homeowners, but also reduced taxable assessed value in each jurisdiction. Taxable assessed value fell 14.3% in Indiana as a whole. As a result of the lower assessed value, tax rates were not reduced by the full amount of the levy reductions. The elimination of the property tax replacement and homestead credits partially offset the drop in tax rates. The average property tax replacement credit statewide was 20.1% in 2008. Total state homestead credits averaged 39.5% statewide in 2008, and this rate fell to 7.2% in 2009. The circuit breaker tax caps reduced tax bills in places with high tax rates. Counties that adopted new local option income taxes delivered additional property tax relief. (Statewide averages are now based on 85 counties reporting.)

Factors Affecting Homeowner Tax Bills	Huntington County	State Average
Net Assessed Value, 2008 to 2009 (% change)	-17.0%	-14.3%
Gross Tax Levy, 2008 to 2009 (% change)	-27.2%	-30.6%
State PTRC Percentage, 2008	23.6%	20.1%
Total State Homestead Credit, 2008	55.3%	39.5%
Total State Homestead Credit, 2009	7.4%	7.2%
Did County Adopt a LOIT in 2008 or 2009?	Yes	

Note: State Average based on data for 85 counties available November 2009

Effects on County Tax Bills. Statewide, average homeowner tax bills fell by about 1% from 2008 to 2009. Average homeowner tax bills in Huntington County increased by 21.1%. The school general fund and county welfare levies were a smaller share of Huntington County's levy in 2008, so their elimination reduced Huntington County tax rates by less than the state average. Huntington County taxpayers saw a high state homestead credit rate in 2008, which dropped to a rate near the state average in 2009. This loss of tax relief also

contributed to the increase in homeowner tax bills. Huntington County adopted a local option income tax for property tax relief, which kept homeowner taxes from increasing more. Few Huntington County homeowners were eligible for the circuit breaker

2009 Property Tax Changes:

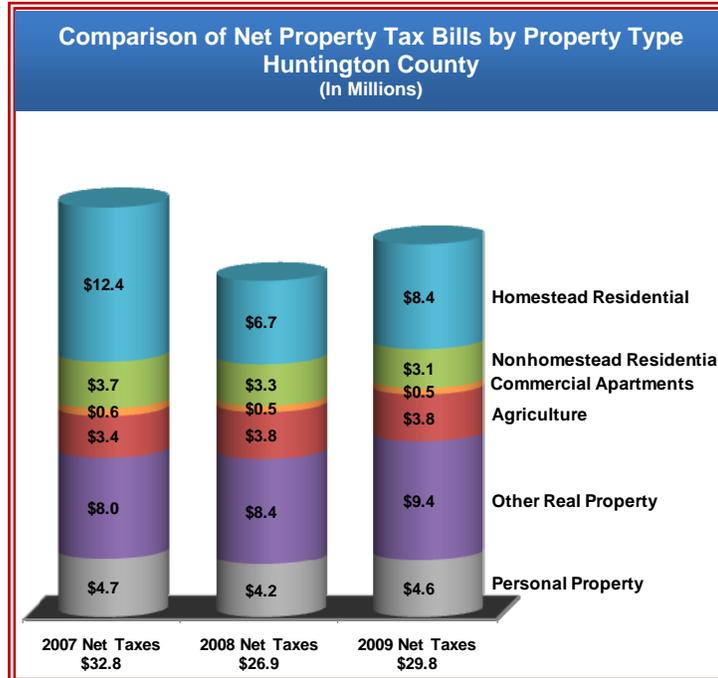
The state took over funding of school general funds, county welfare funds, and several smaller funds – Units where these funds were a large portion of the overall property tax received the greatest benefit.

State Property Tax Replacement Credits were eliminated, and State Homestead Credits were much reduced – Credits didn't apply to debt service levies, so they were lower in units with more debt service; such units lost less from the elimination of the credits, and so received relatively more net benefit from the new tax relief programs.

Counties could adopt new LOIT for property tax relief in 2008 and 2009 - Homeowners in 41 counties that adopted a LOIT saw larger property tax cuts or smaller tax increases; other taxpayers benefitted if counties distributed tax credits to nonhomestead property.

Circuit Breaker Tax Caps were enacted at 1.5% of gross assessed value for homes, 2.5% for rental housing and farmland, and 3.5% for other property- Rental housing and commercial/industrial property received the most tax cap credits; cities and towns and jurisdictions that overlap them lost the most revenue to the caps.

tax cap credits. Homeowner taxes were substantially lower in 2009 compared to 2007 in Huntington County, as they were in most Indiana counties



In Huntington County from 2008 to 2009, nonhomestead residential properties (small rentals and second homes) saw a 6.1% decline in average property tax bills. Average tax bills on commercial apartments decreased 2%. Agricultural business real property (which includes farmland and farm buildings, but not homesteads) saw a 2% increase. Other commercial, industrial, and utility real property average tax bills increased 11.9%. Personal property, which is largely business equipment, saw a 9.5% increase in average tax bills.

Circuit Breaker Tax Caps. Property tax caps limit taxpayers' tax bills to a fixed percentage of their property's assessed value before deductions. Tax bills that exceed the caps are reduced by a tax credit. The cap rates were 1.5% for homesteads, 2.5% for other residential property and farmland, and 3.5% for other property. In 2010 and after, the cap rates will be 1%, 2%, and 3%, respectively.

Local Revenue Losses. Local governments do not collect the amount of these tax cap credits, and the revenue is not replaced. More taxpayers are likely to be eligible for circuit breaker tax cap credits in jurisdictions with higher tax rates. Tax districts in cities and towns tend to have higher tax rates because the municipal tax rate is added to tax bills. Cities and towns and jurisdictions that share taxpayers with cities and towns tend to lose the most revenue to tax cap credits.

Tax Bill Reductions. Generally, as a result of tax relief from homestead deductions most homeowners did not have tax bills high enough to qualify for tax cap credits. Rental housing has a lower tax cap than other businesses, and much of it is located in cities and towns, so many rental housing owners receive credits. Most farmland is outside cities and towns in jurisdictions with low tax rates. Few farmland owners receive credits. Commercial and industrial property tends to receive credits where tax rates are relatively high.

Total Circuit Breaker Tax Cap Credit Amount for Huntington County \$551,393

Percentage share of circuit breaker tax cap credits by cap category...

1.5 %
Homestead qualifying property
\$5,041 0.9%

2.5%
Other qualified residential property
\$489,458 88.8%

3.5%
All other real and personal property
\$20,199 3.7%

Elderly
\$36,695 6.7%

Huntington County Levy Comparison by Taxing Unit

Unit	2007 Levy	2008 Levy	2009 Levy	2007-2008 Levy Change	2008-2009 Levy Change	2008 - 2009 Comparable Levy Change
County Total	\$42,500,755	\$41,576,303	\$31,132,689	-2.2%	-25.1%	5.6%
State Unit	34,788	37,276	0	7.2%	-100.0%	
Huntington County	7,270,837	7,031,235	6,355,566	-3.3%	-9.6%	4.1%
Clear Creek Township	55,970	59,128	54,689	5.6%	-7.5%	-7.5%
Dallas Township	45,405	47,684	44,296	5.0%	-7.1%	-7.1%
Huntington Township	283,118	291,961	292,830	3.1%	0.3%	0.3%
Jackson Township	34,078	40,763	42,372	19.6%	3.9%	3.9%
Jefferson Township	29,946	30,924	31,351	3.3%	1.4%	1.4%
Lancaster Township	24,739	25,938	25,683	4.8%	-1.0%	-1.0%
Polk Township	20,284	20,849	20,859	2.8%	0.0%	0.0%
Rock Creek Township	15,010	23,957	25,156	59.6%	5.0%	5.0%
Salamonie Township	19,525	20,412	21,062	4.5%	3.2%	3.2%
Union Township	13,244	12,985	14,068	-2.0%	8.3%	8.3%
Warren Township	39,083	41,132	41,586	5.2%	1.1%	1.1%
Wayne Township	21,017	22,327	22,908	6.2%	2.6%	2.6%
Huntington Civil City	8,310,059	8,537,654	7,967,639	2.7%	-6.7%	1.9%
Andrews Civil Town	279,098	284,146	296,396	1.8%	4.3%	4.3%
Markle Civil Town	179,986	231,156	214,669	28.4%	-7.1%	-7.1%
Mount Etna Civil Town	3,873	3,694	52	-4.6%	-98.6%	-98.6%
Roanoke Civil Town	398,863	429,800	458,887	7.8%	6.8%	6.8%
Warren Civil Town	250,205	256,795	265,294	2.6%	3.3%	3.3%
Huntington County Community School Corp.	23,350,460	22,361,100	13,105,714	-4.2%	-41.4%	9.6%
Andrews Public Library	44,312	46,639	48,043	5.3%	3.0%	3.0%
Roanoke Public Library	46,485	48,585	49,196	4.5%	1.3%	1.3%
Warren Public Library	68,537	73,978	75,834	7.9%	2.5%	2.5%
Huntington Library	1,508,183	1,436,208	1,492,260	-4.8%	3.9%	3.9%
Huntington County Solid Waste Mgt. District	153,650	159,977	166,279	4.1%	3.9%	3.9%
Huntington City Redevelopment Commission	0	0	0	0.0%	0.0%	0.0%

Note: 2008 – 2009 Comparable Levy Change reflects the percentage change in the remaining levies after levy reductions for state assumption of pre-1977 police and fire pension fund payments and elimination of these funds: state fair, state forestry, school general, preschool special education, family and children, children’s psychiatric residential treatment, medical assistance to wards, children with special health care needs, and hospital care for the indigent.

Huntington County Assessed Values, Levies, Tax Rates, and Credit Rates by Taxing District

Taxing District	Net Assessed Value (In Millions \$)			Gross Levy (\$)			Tax Rate (%)		State PTRC	State Homestead, Total		Total Local Income Tax Credits, Homesteads	
	2008	2009	% Change	2008	2009	% Change	2008	2009	Rate-Real	2008	2009	2008	2009
Clear Creek Township	123.1	92.7	-24.7%	2,404,020	1,432,683	-40.4%	1.9531	1.5463	26.03%	51.39%	7.39%	0.00%	11.90%
Dallas Township	53.1	39.5	-25.7%	1,091,759	664,641	-39.1%	2.0569	1.6845	25.53%	52.12%	7.39%	0.00%	11.90%
Andrews Town	16.1	12.3	-23.6%	604,774	489,169	-19.1%	3.7455	3.9666	21.99%	59.92%	7.39%	0.00%	11.90%
Huntington Township	159.9	125.3	-21.6%	3,509,759	2,303,097	-34.4%	2.1954	1.8379	24.93%	52.97%	7.39%	0.00%	11.90%
Huntington City	544.3	442.3	-18.7%	20,080,901	15,413,006	-23.2%	3.6894	3.4848	21.69%	58.76%	7.39%	0.00%	11.90%
Jackson Township	142.9	114.4	-19.9%	2,756,834	1,737,475	-37.0%	1.9291	1.5186	26.26%	51.48%	7.39%	0.00%	11.90%
Roanoke Town	58.6	44.7	-23.8%	1,600,347	1,166,247	-27.1%	2.7303	2.6108	23.55%	56.36%	7.39%	0.00%	11.90%
Jefferson Township	43.1	42.1	-2.4%	852,426	657,182	-22.9%	1.9765	1.5613	25.97%	51.70%	7.39%	0.00%	11.90%
Mount Etna Town-Jefferson Town	0.6	0.5	-21.0%	13,365	7,556	-43.5%	2.1141	1.5127	25.62%	53.44%	7.39%	0.00%	11.90%
Lancaster Township	59.8	53.2	-11.0%	1,165,064	816,975	-29.9%	1.9484	1.5352	26.07%	51.39%	7.39%	0.00%	11.90%
Mount Etna Town-Lancaster Town	1.0	0.9	-9.4%	19,990	12,917	-35.4%	2.0971	1.4957	25.67%	53.26%	7.39%	0.00%	11.90%
Polk Township	25.9	24.1	-7.0%	513,897	378,891	-26.3%	1.9854	1.5736	25.79%	51.40%	7.39%	0.00%	11.90%
Mount Etna Town-Polk Township	0.2	0.1	-19.9%	3,931	2,263	-42.4%	2.1273	1.5289	25.55%	53.50%	7.39%	0.00%	11.90%
Rock Creek Township	50.0	45.7	-8.6%	972,905	701,080	-27.9%	1.9442	1.5328	26.12%	51.44%	7.39%	0.00%	11.90%
Markle Town	21.8	18.4	-15.9%	674,188	513,892	-23.8%	3.0874	2.7995	22.85%	57.78%	7.39%	0.00%	11.90%
Salamonie Township	49.7	47.4	-4.6%	1,008,704	765,989	-24.1%	2.0302	1.6169	25.67%	51.97%	7.39%	0.00%	11.90%
Warren Town	34.1	32.9	-3.6%	940,183	786,002	-16.4%	2.7558	2.3874	23.33%	56.02%	7.39%	0.00%	11.90%
Union Township	91.6	78.6	-14.2%	1,758,052	1,182,381	-32.7%	1.9190	1.5050	26.35%	51.51%	7.39%	0.00%	11.90%
Warren Township	32.1	31.9	-0.5%	652,382	516,562	-20.8%	2.0333	1.6175	25.73%	52.20%	7.39%	0.00%	11.90%
Wayne Township	40.0	38.0	-4.9%	783,534	587,862	-25.0%	1.9611	1.5471	25.94%	51.30%	7.39%	0.00%	11.90%
Mount Etna Town-Wayne Township	0.2	0.2	2.4%	4,230	3,102	-26.7%	2.1150	1.5149	25.51%	53.15%	7.39%	0.00%	11.90%
Markle Union	2.1	2.3	9.1%	65,613	64,845	-1.2%	3.0719	2.7820	22.91%	57.83%	7.39%	0.00%	11.90%
County Totals/Averages	1,550.2	1,287.4	-17.0%	41,476,858	30,203,817	-27.2%	2.6769	2.3591	23.64%	55.31%	7.39%	0.00%	11.90%

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 *Net Assessed Value* is the total taxable assessed value of all property types, after deductions. It declined in 2009 because of the introduction of the new 35% supplemental deduction for homesteads.

The *Gross Levy* is the amount of property tax to be collected, before credits. It declined in 2009 because of the elimination of the levies for school general funds, county welfare funds, and several smaller funds.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value. Rates fell because the drop in the levies due to levy elimination was greater than the reduction in assessed value due to the new deduction.

State PTRC - Real is the state property tax replacement credit for real property in 2008. This credit was eliminated in 2009.

The *State Homestead, Total* is the sum of the regular state homestead credit rate, which was eliminated in 2009, and the HEA1001-2008 special rate, which was reduced in 2009.

The *Total Local Income Tax Credits - Homesteads* is the sum of the COIT and CEDIT homestead credit rates and the LOIT credit rates for homesteads, residential property, and all property. These are credits funded by local income taxes, including the COIT, the CEDIT, and the CAGIT for property tax relief.

Huntington County 2009 Circuit Breaker Cap Credits

Taxing Unit	Total Levy	Circuit Breaker Credits by Property Type				
		(1.5%) Homesteads	(2.5%) Other Residential/ Farmland	(3.5%) All Other Real/Personal	Elderly	Total
Huntington County	6,355,566	732	66,987	2,452	5,931	76,102
Clear Creek Township	54,689	0	0	0	0	0
Dallas Township	44,296	0	227	115	17	360
Huntington Township	292,830	37	4,107	0	425	4,569
Jackson Township	42,372	0	1	0	23	23
Jefferson Township	31,351	0	0	0	17	17
Lancaster Township	25,683	0	0	0	1	1
Polk Township	20,859	0	0	0	0	0
Rock Creek Township	25,156	9	1	0	11	20
Salamonie Township	21,062	0	0	0	3	3
Union Township	14,068	0	1	0	2	3
Warren Township	41,586	0	0	0	6	6
Wayne Township	22,908	0	0	0	1	1
Huntington Civil City	7,967,639	1,981	222,215	0	12,733	236,929
Andrews Civil Town	296,396	0	23,695	12,040	848	36,584
Markle Civil Town	214,669	388	122	0	481	990
Mount Etna Civil Town	52	0	0	0	1	1
Roanoke Civil Town	458,887	0	47	0	1,047	1,094
Warren Civil Town	265,294	0	0	0	254	254
Huntington County Community School Corporation	13,105,714	1,509	138,148	5,057	12,231	156,946
Andrews Public Library	48,043	0	925	470	41	1,436
Huntington Public Library	0	0	0	0	0	0
Roanoke Public Library	49,196	0	5	0	112	117
Warren Public Library	75,834	0	0	0	31	31
Markle Public Library	0	0	0	0	0	0
Huntington Library	1,492,260	368	31,229	0	2,322	33,919
Huntington County Solid Waste Management	166,279	19	1,750	64	155	1,988
Huntington City Redevelopment Commission	0	0	0	0	0	0
Total - All Taxing Units	31,132,689	5,041	489,458	20,199	36,695	551,393

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.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. It is included to allow comparison to the circuit breaker revenue losses.

Circuit Breaker Credits:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1.5% 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, long-term care facilities, and farmland, in the 2.5% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3.5% 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.

Numbers may not total due to rounding.