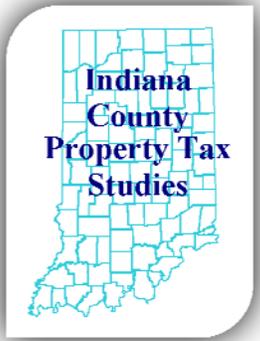


2009 JACKSON COUNTY PROPERTY TAX REPORT

WITH COMPARISONS TO 2007 AND 2008

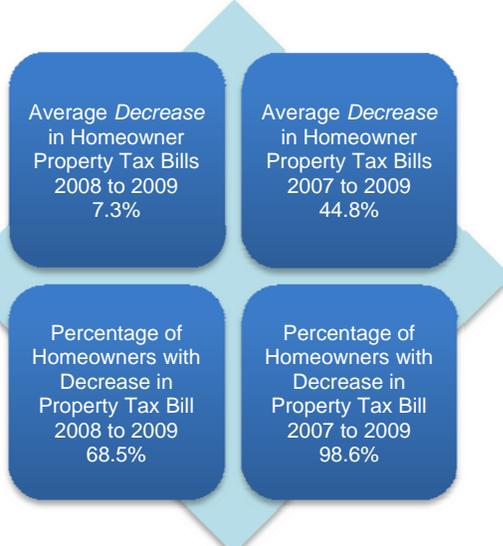


Legislative Services Agency

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 Jackson 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	219	2.2%	67	0.7%
10% to 19%	1,044	10.4%	14	0.1%
1% to 9%	1,865	18.6%	23	0.2%
0%	35	0.3%	38	0.4%
-1% to -9%	1,530	15.2%	32	0.3%
-10% to -19%	1,897	18.9%	170	1.7%
-20% to -29%	1,306	13.0%	899	9.0%
-30% to -39%	848	8.5%	2,434	24.3%
-40% to -49%	365	3.6%	1,840	18.3%
-50% to -59%	218	2.2%	1,022	10.2%
-60% to -69%	157	1.6%	1,099	11.0%
-70% to -79%	124	1.2%	1,655	16.5%
-80% to -89%	111	1.1%	323	3.2%
-90% to -99%	61	0.6%	169	1.7%
-100%	254	2.5%	249	2.5%
Total	10,034	100.0%	10,034	100.0%
Higher Tax Bill	3,128	31.2%	104	1.0%
No Change	35	0.3%	38	0.4%
Lower Tax Bill	6,871	68.5%	9,892	98.6%
Average Change in Tax Bill	-7.3%		-44.8%	

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	Jackson County	State Average
Net Assessed Value, 2008 to 2009 (% change)	-17.7%	-14.3%
Gross Tax Levy, 2008 to 2009 (% change)	-33.5%	-30.6%
State PTRC Percentage, 2008	24.1%	20.1%
Total State Homestead Credit, 2008	44.1%	39.5%
Total State Homestead Credit, 2009	7.8%	7.2%
Did County Adopt a LOIT in 2008 or 2009?	No	

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 Jackson County decreased by 7.3%. The school general fund and county welfare levies were a somewhat larger-than-average share of Jackson County's levy in 2008, so their elimination reduced Jackson County tax rates by more than the state average. But Jackson County taxpayers saw high state property tax replacement and homestead credit rates in 2008. The loss of this tax relief almost offset the effect of

2009 Property Tax Changes:

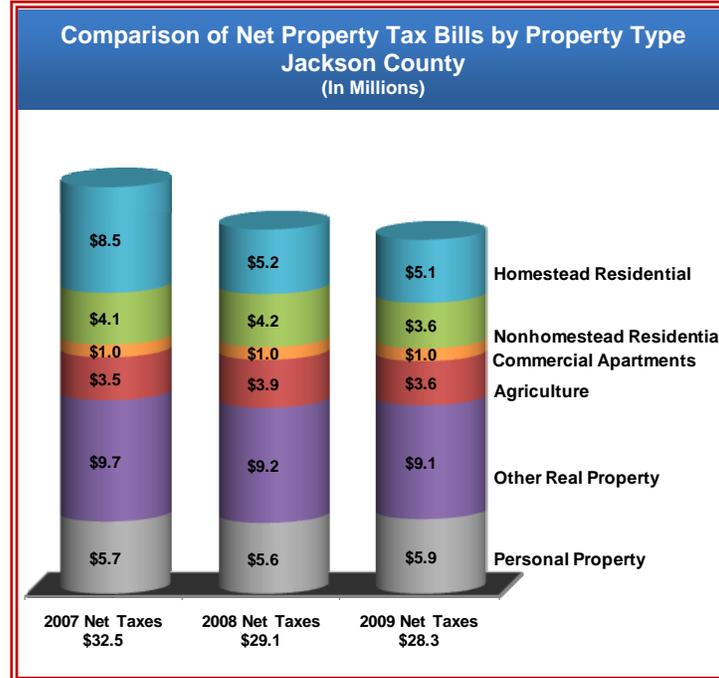
The state took over funding of school general funds, county welfare funds, and several smaller funds – Units where these funds were a large portion of the overall property tax received the greatest benefit.

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.

the lower tax rates. Jackson County did not adopt a local option income tax for property tax relief, and few elderly Jackson County homeowners were eligible for the circuit breaker tax cap credits. Homeowner taxes were substantially lower in 2009 compared to 2007 in Jackson County, as they were in most Indiana counties.



In Jackson County from 2008 to 2009, nonhomestead residential properties (small rentals and second homes) saw a 14.3% decline in average property tax bills. There was no significant decline in average tax bills on commercial apartments. Agricultural business real property (which includes farmland and farm buildings, but not homesteads) saw a 7.7% average tax decrease. Other commercial, industrial, and utility real property average tax bills decreased 1.1%. Personal property, which is largely business equipment, saw a 5.4% 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 Jackson County \$11.830

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

1.5 %
Homestead qualifying property
\$0 0.0%

2.5%
Other qualified residential property
\$7,440 62.9%

3.5%
All other real and personal property
\$0 0.0%

Elderly
\$4,389 37.1%

Jackson 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	\$46,476,233	\$45,731,302	\$30,591,726	-1.6%	-33.1%	0.6%
State Unit	51,789	51,987	0	0.4%	-100.0%	
Jackson County	7,664,732	7,720,123	6,582,287	0.7%	-14.7%	5.8%
Brownstown Township	75,413	75,722	78,455	0.4%	3.6%	3.6%
Carr Township	57,931	56,989	60,909	-1.6%	6.9%	6.9%
Driftwood Township	24,872	26,040	24,816	4.7%	-4.7%	-4.7%
Grassy Fork Township	22,988	23,681	24,954	3.0%	5.4%	5.4%
Hamilton Township	54,192	54,244	50,928	0.1%	-6.1%	-6.1%
Jackson Township	106,120	108,459	115,297	2.2%	6.3%	6.3%
Owen Township	30,895	25,450	31,598	-17.6%	24.2%	24.2%
Pershing Township	22,464	17,909	17,371	-20.3%	-3.0%	-3.0%
Redding Township	17,011	17,478	18,444	2.7%	5.5%	5.5%
Salt Creek Township	10,787	10,759	10,748	-0.3%	-0.1%	-0.1%
Vernon Township	67,032	62,489	63,708	-6.8%	2.0%	2.0%
Washington Township	9,859	10,521	10,902	6.7%	3.6%	3.6%
Seymour Civil City	7,509,805	7,452,693	7,499,642	-0.8%	0.6%	6.9%
Brownstown Civil Town	535,458	457,003	437,627	-14.7%	-4.2%	-4.2%
Crothersville Civil Town	223,842	191,137	202,204	-14.6%	5.8%	5.8%
Medora Civil Town	53,496	47,880	53,386	-10.5%	11.5%	11.5%
Medora Community School Corporation	771,913	837,261	504,520	8.5%	-39.7%	-12.3%
Seymour Community School Corporation	19,059,535	18,361,866	8,661,758	-3.7%	-52.8%	-2.6%
Brownstown Central Community School Corp.	5,970,092	6,157,220	3,140,671	3.1%	-49.0%	-9.9%
Crothersville Community School Corporation	2,499,390	2,373,483	1,266,672	-5.0%	-46.6%	-11.9%
Brownstown Public Library	250,438	235,667	261,924	-5.9%	11.1%	11.1%
Jackson County Public Library	1,348,344	1,315,750	1,432,406	-2.4%	8.9%	8.9%
Seymour Airport Authority	0	0	0	0.0%	0.0%	0.0%
Jackson County Solid Waste Mgt. District	0	0	0	0.0%	0.0%	0.0%
Pershing Fire District	37,835	39,491	40,499	4.4%	2.6%	2.6%

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.

Jackson 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
Brownstown Township	133.4	115.7	-13.3%	2,529,142	1,604,144	-36.6%	1.8963	1.3870	23.34%	41.62%	7.82%	3.78%	6.34%
Brownstown Town	98.7	77.6	-21.3%	2,303,091	1,484,207	-35.6%	2.3337	1.9121	22.50%	46.22%	7.82%	5.97%	10.40%
Carr Township	31.2	24.6	-21.2%	800,294	541,292	-32.4%	2.5623	2.1986	19.04%	37.10%	7.82%	1.84%	5.30%
Medora Town	10.6	7.9	-25.5%	320,103	227,453	-28.9%	3.0120	2.8729	19.28%	41.97%	7.82%	1.90%	5.03%
Driftwood Township	39.0	33.8	-13.4%	747,873	474,507	-36.6%	1.9156	1.4041	23.53%	42.47%	7.82%	1.07%	1.83%
Grassy Fork Township	43.7	39.4	-9.8%	831,497	549,544	-33.9%	1.9031	1.3940	23.52%	42.23%	7.82%	3.47%	6.20%
Hamilton Township	111.6	103.9	-6.9%	1,857,814	1,236,780	-33.4%	1.6651	1.1900	26.87%	41.72%	7.82%	15.17%	22.87%
Jackson Township	168.2	125.9	-25.2%	2,735,337	1,452,551	-46.9%	1.6262	1.1539	27.22%	41.56%	7.82%	4.60%	9.19%
Seymour City-Jackson Township	967.5	771.0	-20.3%	22,692,864	15,770,223	-30.5%	2.3455	2.0455	24.25%	48.20%	7.82%	36.85%	68.98%
Owen Township	64.2	52.2	-18.6%	1,208,875	724,256	-40.1%	1.8842	1.3867	23.32%	41.33%	7.82%	0.77%	1.44%
Pershing Township	44.7	34.3	-23.4%	882,556	512,270	-42.0%	1.9728	1.4951	23.22%	42.71%	7.82%	0.34%	0.60%
Redding Township	166.2	141.0	-15.2%	2,698,733	1,621,321	-39.9%	1.6235	1.1496	27.21%	41.44%	7.82%	1.54%	2.42%
Seymour City-Redding Township	83.4	76.3	-8.5%	1,954,938	1,558,141	-20.3%	2.3428	2.0412	24.24%	48.13%	7.82%	9.89%	17.24%
Salt Creek Township	13.2	10.0	-24.4%	253,963	142,973	-43.7%	1.9262	1.4340	23.31%	42.09%	7.82%	2.65%	7.38%
Vernon Township	79.8	68.3	-14.4%	1,715,553	1,044,230	-39.1%	2.1489	1.5279	19.76%	37.78%	7.82%	0.93%	1.87%
Crothersville Town	62.9	56.3	-10.5%	1,546,002	1,062,274	-31.3%	2.4580	1.8870	19.21%	40.14%	7.82%	12.70%	25.47%
Washington Township	67.9	61.2	-9.8%	1,107,780	709,716	-35.9%	1.6320	1.1588	27.20%	41.68%	7.82%	2.30%	3.57%
County Totals/Averages	2,186.3	1,799.5	-17.7%	46,186,415	30,715,882	-33.5%	2.1112	1.7057	24.09%	44.06%	7.82%	15.48%	28.01%

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 Rate - 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.

Jackson County 2009 Circuit Breaker Cap Credits

Taxing Unit	Total Levy	Circuit Breaker Credits by Property Type				Total
		(1.5%) Homesteads	(2.5%) Other Residential/ Farmland	(3.5%) All Other Real/Personal	Elderly	
Jackson County	6,582,287	0	950	0	1,080	2,030
Brownstown Township	78,455	0	0	0	15	15
Carr Township	60,909	0	485	0	0	485
Driftwood Township	24,816	0	0	0	18	18
Grassy Fork Township	24,954	0	0	0	0	0
Hamilton Township	50,928	0	0	0	14	14
Jackson Township	115,297	0	0	0	2	2
Owen Township	31,598	0	0	0	11	11
Pershing Township	17,371	0	0	0	9	9
Redding Township	18,444	0	0	0	11	11
Salt Creek Township	10,748	0	0	0	0	0
Vernon Township	63,708	0	0	0	3	3
Washington Township	10,902	0	0	0	1	1
Seymour Civil City	7,499,642	0	0	0	511	511
Brownstown Civil Town	437,627	0	0	0	187	187
Crothersville Civil Town	202,204	0	0	0	0	0
Medora Civil Town	53,386	0	1,746	0	0	1,747
Medora Community School Corporation	504,520	0	4,016	0	1	4,017
Seymour Community School Corporation	8,661,758	0	0	0	1,206	1,206
Brownstown Central Community School Corp.	3,140,671	0	0	0	962	962
Crothersville Community School Corporation	1,266,672	0	0	0	58	58
Brownstown Public Library	261,924	0	0	0	74	74
Seymour Public Library	0	0	0	0	0	0
Jackson County Contractual Library	0	0	0	0	0	0
Jackson County Public Library	1,432,406	0	243	0	205	448
Seymour Airport Authority	0	0	0	0	0	0
Jackson County Solid Waste	0	0	0	0	0	0
Pershing Fire District	40,499	0	0	0	20	20
Carr Township Fire Territory	0	0	0	0	0	0
Total - All Taxing Units	30,591,726	0	7,440	0	4,389	11,830

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.