

2009 JASPER COUNTY PROPERTY TAX REPORT

WITH COMPARISONS TO 2007 AND 2008

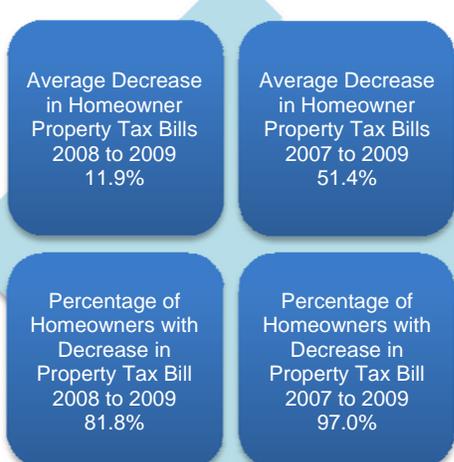


Legislative Services Agency

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 Jasper 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	470	6.1%	185	2.4%
10% to 19%	321	4.1%	18	0.2%
1% to 9%	468	6.0%	16	0.2%
0%	152	2.0%	10	0.1%
-1% to -9%	888	11.5%	42	0.5%
-10% to -19%	1,835	23.7%	45	0.6%
-20% to -29%	1,840	23.7%	68	0.9%
-30% to -39%	1,131	14.6%	287	3.7%
-40% to -49%	336	4.3%	1,970	25.4%
-50% to -59%	116	1.5%	3,205	41.4%
-60% to -69%	55	0.7%	1,405	18.1%
-70% to -79%	42	0.5%	284	3.7%
-80% to -89%	15	0.2%	95	1.2%
-90% to -99%	15	0.2%	39	0.5%
-100%	70	0.9%	78	1.0%
Total	7,754	100.0%	7,747	100.0%
Higher Tax Bill	1,259	16.2%	219	2.8%
No Change	152	2.0%	10	0.1%
Lower Tax Bill	6,343	81.8%	7,518	97.0%
Average Change in Tax Bill	-11.9%		-51.4%	

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	Jasper County	State Average
Net Assessed Value, 2008 to 2009 (% change)	8.8%	-14.3%
Gross Tax Levy, 2008 to 2009 (% change)	-31.4%	-30.6%
State PTRC Percentage, 2008	25.2%	20.1%
Total State Homestead Credit, 2008	45.6%	39.5%
Total State Homestead Credit, 2009	10.5%	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 Jasper County decreased by 11.9%. Jasper was one of the few counties to see an increase in assessed value in 2009, despite the new 35% supplemental homestead deduction. In addition, school general funds and county welfare levies were a larger-than-average share of Jasper County's levy in 2008. Higher assessed value and a larger levy reduction reduced Jasper County tax rates by more than the state average.

Jasper taxpayers saw larger-than-average property tax replacement and homestead credits in 2008. The loss of this tax relief was not enough to offset the lower tax rates, so average homeowner tax bills fell in 2009. Jasper County adopted a local option

2009 Property Tax Changes:

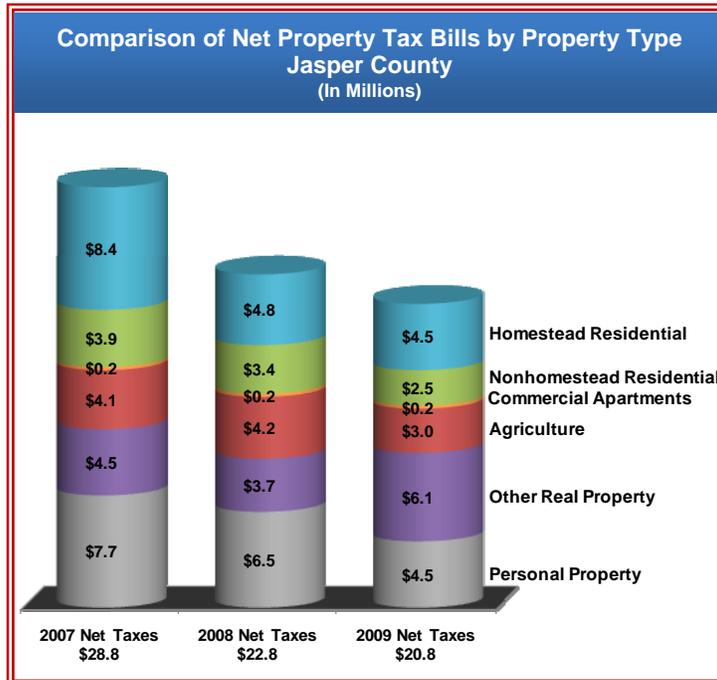
The state took over funding of school general funds, county welfare funds, and several smaller funds – Units where these funds were a large portion of the overall property tax received the greatest benefit.

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.

income tax for property tax relief in 2008, which continued to reduce tax bills in 2009. Only a few elderly Jasper County homeowners were eligible for the circuit breaker tax cap credits. Homeowner taxes were substantially lower in 2009 compared to 2007 in Jasper County, as they were in most Indiana counties.



In Jasper County from 2008 to 2009, nonhomestead residential properties (small rentals and second homes) saw a 26.5% decline in average property tax bills. Average tax bills on commercial apartments did not change. Agricultural business real property (which includes farmland and farm buildings, but not homesteads) saw a 28.6% average tax decrease. Other commercial, industrial, and utility real property average tax bills increased 64.9%. Personal property, which is largely business equipment, saw a 30.8% decrease 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 Jasper County \$3,486

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



Jasper 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	\$38,987,440	\$41,054,860	\$24,527,032	5.3%	-40.3%	-3.0%
State Unit	48,146	50,524	0	4.9%	-100.0%	
Jasper County	7,663,263	7,587,069	6,050,272	-1.0%	-20.3%	-0.8%
Barkley Township	11,134	11,236	11,220	0.9%	-0.1%	-0.1%
Carpenter Township	81,152	82,430	80,737	1.6%	-2.1%	-2.1%
Gillam Township	37,143	37,900	36,969	2.0%	-2.5%	-2.5%
Hanging Grove Township	16,611	16,623	16,358	0.1%	-1.6%	-1.6%
Jordan Township	18,283	18,682	18,465	2.2%	-1.2%	-1.2%
Kankakee Township	60,362	60,611	59,193	0.4%	-2.3%	-2.3%
Keener Township	294,400	227,135	215,507	-22.8%	-5.1%	-5.1%
Marion Township	93,145	92,729	89,066	-0.4%	-4.0%	-4.0%
Milroy Township	0	0	0	0.0%	0.0%	0.0%
Newton Township	23,715	21,530	22,476	-9.2%	4.4%	4.4%
Union Township	13,319	13,338	13,266	0.1%	-0.5%	-0.5%
Walker Township	65,645	100,278	91,436	52.8%	-8.8%	-8.8%
Wheatfield Township	66,417	69,283	64,756	4.3%	-6.5%	-6.5%
Rensselaer Civil City	1,174,941	1,189,665	1,308,364	1.3%	10.0%	10.0%
Demotte Civil Town	785,207	795,085	755,663	1.3%	-5.0%	-5.0%
Remington Civil Town	302,240	290,743	250,475	-3.8%	-13.9%	-13.9%
Wheatfield Civil Town	101,952	104,836	101,622	2.8%	-3.1%	-3.1%
Kankakee Valley School Corporation	16,986,313	18,242,784	8,795,840	7.4%	-51.8%	-8.2%
Rensselaer Central School Corporation	6,689,255	7,562,593	3,684,986	13.1%	-51.3%	2.2%
West Central School Corporation	515,821	497,074	256,771	-3.6%	-48.3%	25.4%
Tri County School Corporation	2,473,056	2,472,612	1,107,868	0.0%	-55.2%	-3.7%
Remington Public Library	70,214	70,968	69,971	1.1%	-1.4%	-1.4%
Jasper County Public Library	1,395,706	1,439,132	1,425,751	3.1%	-0.9%	-0.9%
Northwest Indiana Solid Waste Mgt. District	0	0	0	0.0%	0.0%	0.0%
Remington Redevelopment Commission	0	0	0	0.0%	0.0%	0.0%
Rensselaer 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.

Jasper 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	2008	2008	2009	2008	2009
									Rate-Real				
Carpenter Township	98.7	101.5	2.9%	2,235,604	1,223,817	-45.3%	2.2651	1.2053	29.47%	46.18%	10.48%	15.47%	29.41%
Remington Corp (Carpenter)	47.9	43.7	-8.8%	1,357,593	765,604	-43.6%	2.8325	1.7515	26.80%	49.67%	10.48%	15.47%	29.41%
Barkley Township	76.0	78.2	3.0%	1,295,490	830,876	-35.9%	1.7056	1.0620	27.15%	45.87%	10.48%	15.47%	29.41%
Gillam Township	48.2	47.7	-1.1%	857,680	483,792	-43.6%	1.7798	1.0150	30.47%	50.09%	10.48%	15.47%	29.41%
Hanging Grove Township	31.4	32.7	4.2%	547,985	359,509	-34.4%	1.7445	1.0984	26.92%	46.30%	10.48%	15.47%	29.41%
Jordan Township	36.1	36.5	1.1%	629,435	401,292	-36.2%	1.7433	1.0990	26.92%	46.25%	10.48%	15.47%	29.41%
Kankakee Township	472.1	853.4	80.8%	8,628,412	9,570,734	10.9%	1.8276	1.1215	24.60%	43.49%	10.48%	15.47%	29.41%
Keener Township	304.4	239.5	-21.3%	5,676,842	2,796,291	-50.7%	1.8648	1.1675	24.31%	43.56%	10.48%	15.47%	29.41%
Demotte Corp (Keener)	156.4	136.9	-12.4%	3,727,086	2,355,053	-36.8%	2.3837	1.7197	22.26%	47.03%	10.48%	15.47%	29.41%
Marion Township	104.8	88.9	-15.2%	1,838,864	998,398	-45.7%	1.7543	1.1229	26.68%	45.89%	10.48%	15.47%	29.41%
Rensselaer Corp (Marion)	229.2	198.1	-13.6%	5,147,357	3,433,084	-33.3%	2.2454	1.7333	24.80%	50.81%	10.48%	15.47%	29.41%
Milroy Township	25.2	22.8	-9.7%	426,079	238,443	-44.0%	1.6905	1.0474	27.20%	45.55%	10.48%	15.47%	29.41%
Newton Township	67.8	63.7	-6.1%	1,168,251	690,159	-40.9%	1.7229	1.0834	27.03%	46.01%	10.48%	15.47%	29.41%
Union Township North	65.3	52.8	-19.1%	1,191,685	592,697	-50.3%	1.8263	1.1222	24.63%	43.54%	10.48%	15.47%	29.41%
Union Township South	50.1	53.8	7.4%	852,696	570,061	-33.1%	1.7023	1.0601	27.16%	45.78%	10.48%	15.47%	29.41%
Walker Township	178.0	156.0	-12.3%	3,331,316	1,824,242	-45.2%	1.8720	1.1692	24.13%	43.25%	10.48%	15.47%	29.41%
Wheatfield Township	151.1	130.1	-13.9%	2,808,360	1,504,814	-46.4%	1.8584	1.1571	24.31%	43.43%	10.48%	15.47%	29.41%
Wheatfield Corp (Wheatfield)	23.2	19.8	-14.6%	532,632	327,705	-38.5%	2.2950	1.6537	23.13%	48.13%	10.48%	15.47%	29.41%
County Totals/Averages	2,165.9	2,356.2	8.8%	42,253,369	28,966,569	-31.4%	1.9502	1.2494	25.17%	45.63%	10.48%	15.47%	29.41%

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.

Jasper 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
Jasper County	6,050,272	0	0	0	727	727
Barkley Township	11,220	0	0	0	0	0
Carpenter Township	80,737	0	0	0	0	0
Gillam Township	36,969	0	0	0	0	0
Hanging Grove Township	16,358	0	0	0	0	0
Jordan Township	18,465	0	0	0	0	0
Kankakee Township	59,193	0	0	0	0	0
Keener Township	215,507	0	0	0	109	109
Marion Township	89,066	0	0	0	8	8
Milroy Township	0	0	0	0	0	0
Newton Township	22,476	0	0	0	0	0
Union Township	13,266	0	0	0	0	0
Walker Township	91,436	0	0	0	0	0
Wheatfield Township	64,756	0	0	0	0	0
Rensselaer Civil City	1,308,364	0	0	0	315	315
Demotte Civil Town	755,663	0	0	0	466	466
Remington Civil Town	250,475	0	0	0	0	0
Wheatfield Civil Town	101,622	0	0	0	0	0
Kankakee Valley School Corporation	8,795,840	0	0	0	1,358	1,358
Rensselaer Central School Corporation	3,684,986	0	0	0	318	318
West Central School Corporation	256,771	0	0	0	0	0
Tri County School Corporation	1,107,868	0	0	0	0	0
Remington Public Library	69,971	0	0	0	0	0
Jasper County Public Library	1,425,751	0	0	0	185	185
Northwest Indiana Solid Waste Management	0	0	0	0	0	0
Remington Redevelopment Commission	0	0	0	0	0	0
Rensselaer Redevelopment Commission	0	0	0	0	0	0
Total - All Taxing Units	24,527,032	0	0	0	3,486	3,486

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.