

PROPERTY TAXES IN JENNINGS COUNTY, INDIANA, 2007-2008



Legislative Services Agency

August 2008

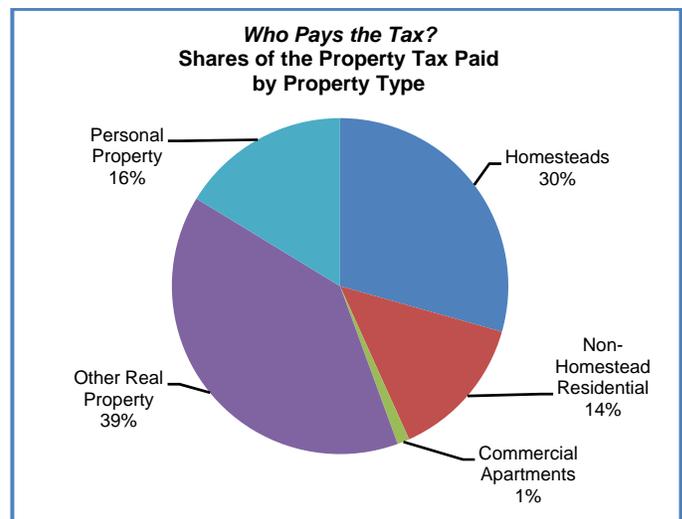
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

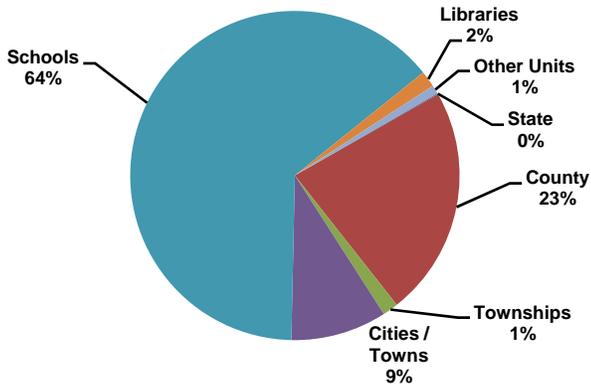
In Jennings County, the average homeowner saw their tax bill decrease by 26.8% for 2008, with 94.1% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 4.0%, and 61.0% of homeowners would have seen tax bill increases.

In Jennings County, 30% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 14% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 1% are paid by owners of larger rental housing units (commercial apartments); and 55% 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	Change in Tax Bill		Illustrated Without Added 2008 Homestead Credit	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or more	274	3.3%	561	6.8%
10% to 19%	40	0.5%	684	8.3%
1% to 9%	84	1.0%	3,770	45.8%
0%	92	1.1%	99	1.2%
-1% to -9%	232	2.8%	2,578	31.3%
-10% to -19%	826	10.0%	118	1.4%
-20% to -29%	2,435	29.6%	47	0.6%
-30% to -39%	3,677	44.7%	53	0.6%
-40% to -49%	198	2.4%	53	0.6%
-50% to -59%	75	0.9%	102	1.2%
-60% to -69%	84	1.0%	54	0.7%
-70% to -79%	103	1.3%	18	0.2%
-80% to -89%	25	0.3%	10	0.1%
-90% to -99%	11	0.1%	9	0.1%
-100%	68	0.8%	68	0.8%
Total	8,224	100.0%	8,224	100.0%
Higher Tax Bill	398	4.8%	5,015	61.0%
No Change	92	1.1%	99	1.2%
Lower Tax Bill	7,734	94.1%	3,110	37.8%
Average Change in Tax Bill	-26.8%		4.0%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Jennings County property tax levies increased 1.7% from 2007 to 2008. This is lower than the expected statewide average increase of 5%. The Jennings County School Corporation's capital projects fund contributed the largest levy increase.

In Jennings County, the school corporation received 64% of all property taxes. The county and the municipalities received most of the rest. Townships, the library district, special districts, and the state received 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 Jennings County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$22,533,152	\$22,907,138	1.7%
State Unit	20,097	21,519	7.1%
Jennings County	5,390,016	5,181,652	-3.9%
Bigger Township	15,592	16,089	3.2%
Campbell Township	23,000	23,616	2.7%
Center Township	79,232	80,886	2.1%
Columbia Township	12,051	12,957	7.5%
Geneva Township	79,081	79,155	0.1%
Lovett Township	12,285	12,841	4.5%
Marion Township	15,203	16,048	5.6%
Montgomery Township	18,486	18,818	1.8%
Sand Creek Township	17,126	27,684	61.6%
Spencer Township	27,019	26,870	-0.6%
Vernon Township	0	36,191	
North Vernon Civil City	2,159,255	2,137,030	-1.0%
Vernon Civil Town	20,192	20,041	-0.7%
Jennings County School Corporation	14,176,320	14,638,459	3.3%
Jennings County Public Library	280,512	365,827	30.4%
Southeastern Indiana Solid Waste Management District	104,669	108,493	3.7%
North Vernon Redevelopment Commission	83,016	82,962	-0.1%