

# PROPERTY TAXES IN MARTIN COUNTY, INDIANA, 2007-2008



Legislative Services Agency

August 2008

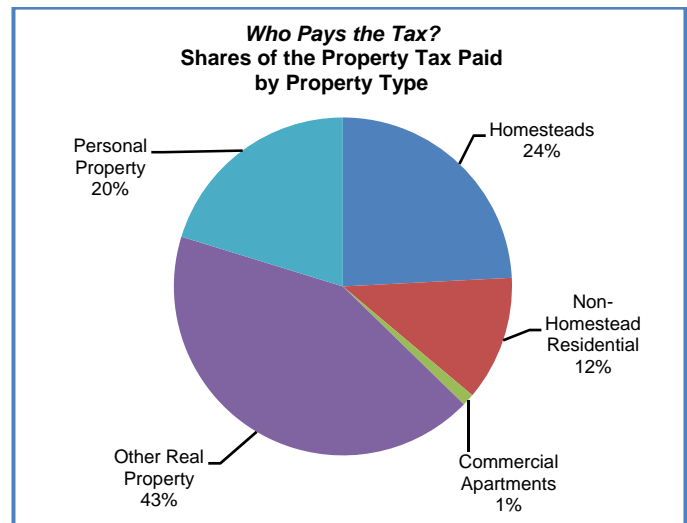
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

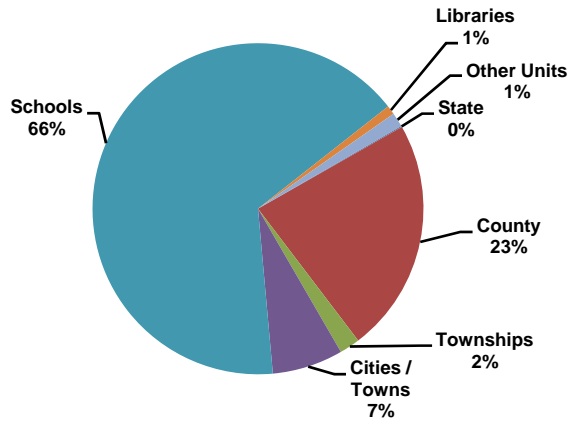
In Martin County, the average homeowner saw their tax bill decrease by 31.7% for 2008, with 94.7% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 0.7%, and 53.2% of homeowners would have seen tax bill increases.

In Martin County, 24% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 12% 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 63% 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	90	2.9%	137	4.5%
10% to 19%	10	0.3%	68	2.2%
1% to 9%	21	0.7%	1,421	46.5%
0%	39	1.3%	41	1.3%
-1% to -9%	37	1.2%	1,117	36.5%
-10% to -19%	107	3.5%	93	3.0%
-20% to -29%	441	14.4%	28	0.9%
-30% to -39%	1,998	65.4%	25	0.8%
-40% to -49%	151	4.9%	25	0.8%
-50% to -59%	44	1.4%	39	1.3%
-60% to -69%	40	1.3%	19	0.6%
-70% to -79%	34	1.1%	7	0.2%
-80% to -89%	12	0.4%	4	0.1%
-90% to -99%	5	0.2%	5	0.2%
-100%	<u>28</u>	<u>0.9%</u>	<u>28</u>	<u>0.9%</u>
<b>Total</b>	<b>3,057</b>	<b>100.0%</b>	<b>3,057</b>	<b>100.0%</b>
Higher Tax Bill	121	4.0%	1,626	53.2%
No Change	39	1.3%	41	1.3%
Lower Tax Bill	2,897	94.7%	1,390	45.5%
<b>Average Change in Tax Bill</b>	<b>-31.7%</b>		<b>0.7%</b>	



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



On average, Martin County property tax levies increased 5.1% from 2007 to 2008. This is near the expected statewide average increase of 5%. County welfare levies saw the largest increases.

In Martin County, school corporations receive 66% of all property taxes. The county, city, and town receive most of the rest. Townships, library districts, the solid waste management district, 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 Martin County**

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$8,037,392	\$8,448,451	5.1%
State Unit	7,374	7,948	7.8%
Martin County	1,640,909	1,934,102	17.9%
Center Township	18,243	19,842	8.8%
Halbert Township	31,820	32,267	1.4%
Lost River Township	14,259	14,942	4.8%
Mitcheltree Township	26,778	30,290	13.1%
Perry Township	50,733	52,708	3.9%
Rutherford Township	17,196	17,998	4.7%
Loogootee Civil City	401,127	438,755	9.4%
Shoals Civil Town	135,412	145,682	7.6%
Shoals Community School Corporation	2,694,647	2,690,365	-0.2%
Loogootee Community School Corporation	2,817,301	2,871,718	1.9%
Loogootee Public Library	52,564	55,438	5.5%
Shoals Public Library	17,505	18,826	7.5%
Martin County Solid Waste Management District	111,524	117,570	5.4%