

2009 MIAMI COUNTY PROPERTY TAX REPORT

WITH COMPARISONS TO 2007 AND 2008

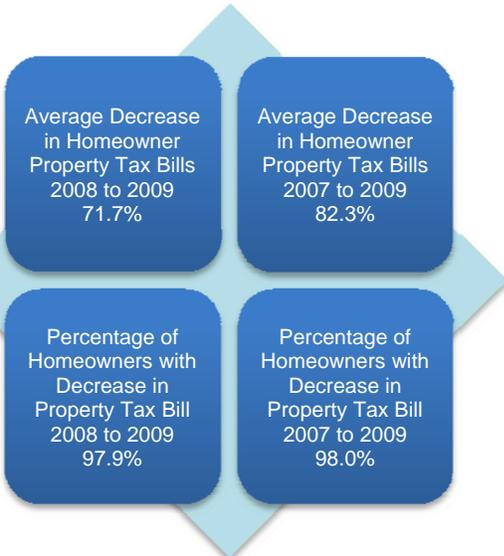


Legislative Services Agency

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 Miami 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	16	0.2%	16	0.2%
10% to 19%	1	0.0%	2	0.0%
1% to 9%	13	0.2%	5	0.1%
0%	143	1.8%	143	1.8%
-1% to -9%	6	0.1%	7	0.1%
-10% to -19%	12	0.1%	14	0.2%
-20% to -29%	47	0.6%	17	0.2%
-30% to -39%	148	1.8%	38	0.5%
-40% to -49%	327	4.0%	97	1.2%
-50% to -59%	905	11.1%	246	3.0%
-60% to -69%	1,549	19.0%	631	7.8%
-70% to -79%	2,371	29.1%	1,587	19.5%
-80% to -89%	1,695	20.8%	3,826	47.0%
-90% to -99%	454	5.6%	1,052	12.9%
-100%	450	5.5%	456	5.6%
Total	8,137	100.0%	8,137	100.0%
Higher Tax Bill	30	0.4%	23	0.3%
No Change	143	1.8%	143	1.8%
Lower Tax Bill	7,964	97.9%	7,971	98.0%
Average Change in Tax Bill	-71.7%		-82.3%	

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	Miami County	State Average
Net Assessed Value, 2008 to 2009 (% change)	-19.0%	-14.3%
Gross Tax Levy, 2008 to 2009 (% change)	-37.1%	-30.6%
State PTRC Percentage, 2008	22.9%	20.1%
Total State Homestead Credit, 2008	44.4%	39.5%
Total State Homestead Credit, 2009	9.1%	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 Miami County decreased by 71.7%. The elimination of the property tax levies and the addition of the 35% supplemental homestead deduction were approximately offset by the elimination of the property tax replacement credits and the state homestead credits. However, Miami County adopted a local option income tax for property tax relief. This caused homeowner tax bills to drop substantially. No

Miami County homeowners were eligible for the circuit breaker tax cap credits. Homeowner taxes were substantially lower in 2009 compared to 2007 in Miami County, as they were in most Indiana counties.

2009 Property Tax Changes:

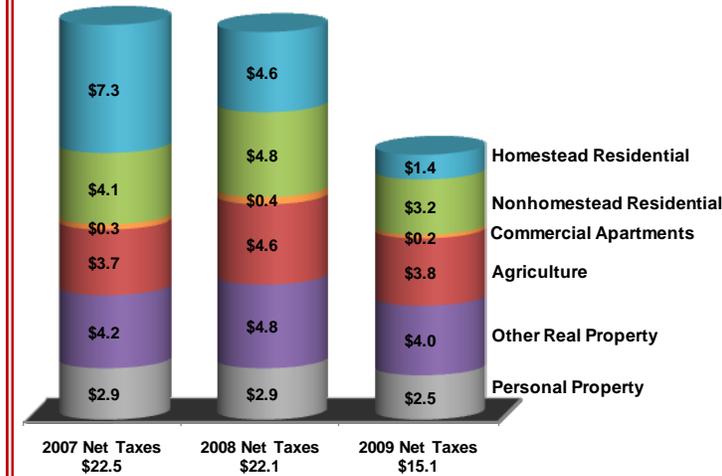
The state took over funding of school general funds, county welfare funds, and several smaller funds – Units where these funds were a large portion of the overall property tax received the greatest benefit.

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.

Comparison of Net Property Tax Bills by Property Type
Miami County
(In Millions)



In Miami County from 2008 to 2009, nonhomestead residential properties (small rentals and second homes) saw a 33.3% decline in average property tax bills. Average tax bills on commercial apartments decreased 50.0%. Agricultural business real property (which includes farmland and farm buildings, but not homesteads) saw a 17.4% average tax decrease. Other commercial, industrial, and utility real property average tax bills decreased 16.7%. Personal property, which is largely business equipment, saw a 13.8% 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 Miami County \$370,378

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
\$370,378 100.0%

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

Elderly
\$0 0.0%

Miami 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	\$32,939,347	\$35,170,602	\$22,243,438	6.8%	-36.8%	-0.7%
State Unit	27,835	29,346	0	5.4%	-100.0%	
Miami County	7,757,947	7,700,961	5,369,432	-0.7%	-30.3%	-4.4%
Allen Township	17,723	15,426	15,832	-13.0%	2.6%	2.6%
Butler Township	11,501	12,350	12,826	7.4%	3.9%	3.9%
Clay Township	18,090	18,791	19,691	3.9%	4.8%	4.8%
Deer Creek Township	20,291	21,374	22,619	5.3%	5.8%	5.8%
Erie Township	13,477	14,516	15,041	7.7%	3.6%	3.6%
Harrison Township	14,765	15,669	16,294	6.1%	4.0%	4.0%
Jackson Township	27,218	28,685	30,248	5.4%	5.4%	5.4%
Jefferson Township	36,809	38,539	40,898	4.7%	6.1%	6.1%
Perry Township	21,674	23,262	24,908	7.3%	7.1%	7.1%
Peru Township	186,568	112,522	119,125	-39.7%	5.9%	5.9%
Pipe Creek Township	44,079	41,637	44,006	-5.5%	5.7%	5.7%
Richland Township	15,395	16,016	17,054	4.0%	6.5%	6.5%
Union Township	16,168	17,835	19,392	10.3%	8.7%	8.7%
Washington Township	49,198	52,899	54,973	7.5%	3.9%	3.9%
Peru Civil City	4,829,852	5,974,014	5,846,332	23.7%	-2.1%	7.0%
Amboy Civil Town	34,440	35,950	33,100	4.4%	-7.9%	-7.9%
Bunker Hill Civil Town	162,461	174,411	181,664	7.4%	4.2%	4.2%
Converse Civil Town	208,998	224,728	200,784	7.5%	-10.7%	-10.7%
Denver Civil Town	16,300	17,805	4,361	9.2%	-75.5%	-75.5%
Macy Civil Town	12,206	13,761	14,585	12.7%	6.0%	6.0%
Maconaquah School Corporation	6,526,951	7,330,606	3,393,344	12.3%	-53.7%	31.9%
North Miami Consolidated School Corporation	3,817,805	4,132,642	2,009,099	8.2%	-51.4%	-8.3%
Oak Hill United School Corporation	1,538,969	1,359,588	842,063	-11.7%	-38.1%	10.5%
Peru Community School Corporation	7,097,302	7,334,594	3,488,102	3.3%	-52.4%	-22.2%
Converse Public Library	63,098	67,923	70,605	7.6%	3.9%	3.9%
Peru Public Library	344,134	333,845	334,264	-3.0%	0.1%	0.1%
Miami County Solid Waste Mgt. District	0	0	0	0.0%	0.0%	0.0%
Converse Town Redevelopment Commission	8,093	10,907	2,796	34.8%	-74.4%	-74.4%
Miami County Redevelopment (Grissom)	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.

Miami 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				
Allen Township	26.7	24.7	-7.3%	608,219	371,554	-38.9%	2.2803	1.5025	24.08%	44.25%	9.08%	25.81%	103.10%
Macy Town	3.1	2.2	-26.7%	82,909	47,760	-42.4%	2.7106	2.1301	22.84%	46.95%	9.08%	8.76%	71.63%
Butler Township	45.1	37.2	-17.5%	1,017,816	549,151	-46.0%	2.2580	1.4766	31.93%	48.81%	9.08%	15.13%	83.48%
Clay Township	50.7	42.9	-15.3%	1,148,635	638,274	-44.4%	2.2677	1.4879	31.86%	48.87%	9.08%	17.25%	84.16%
Deer Creek Township	68.1	55.4	-18.6%	1,539,813	822,122	-46.6%	2.2620	1.4829	31.86%	48.70%	9.08%	11.23%	73.16%
Erie Township	26.6	22.4	-15.7%	635,951	369,942	-41.8%	2.3921	1.6498	20.90%	40.75%	9.08%	5.44%	64.48%
Harrison Township	41.1	35.9	-12.7%	932,990	533,843	-42.8%	2.2687	1.4875	31.85%	48.87%	9.08%	16.19%	82.41%
Jackson Township	44.9	39.5	-12.0%	1,163,867	841,749	-27.7%	2.5922	2.1311	23.20%	43.06%	9.08%	42.50%	103.10%
Amboy Town	9.5	6.2	-34.1%	278,535	163,809	-41.2%	2.9380	2.6213	22.42%	45.31%	9.08%	12.73%	77.43%
Converse Town	20.4	14.0	-31.3%	756,540	496,568	-34.4%	3.7038	3.5366	21.13%	48.50%	9.08%	17.57%	87.69%
Jefferson Township	75.1	60.8	-19.0%	1,707,644	915,597	-46.4%	2.2752	1.5064	24.13%	44.30%	9.08%	8.63%	71.03%
Denver Town	8.9	6.2	-29.4%	216,832	96,236	-55.6%	2.4491	1.5405	23.24%	44.63%	9.08%	5.74%	64.51%
Perry Township	56.9	52.0	-8.6%	1,289,517	774,715	-39.9%	2.2673	1.4899	24.16%	44.24%	9.08%	18.26%	93.55%
Peru Township	94.9	73.9	-22.2%	2,800,160	1,760,888	-37.1%	2.9507	2.3838	16.81%	36.62%	9.08%	13.42%	80.53%
Peru City-Peru Township	278.9	217.4	-22.1%	11,714,763	8,578,421	-26.8%	4.1999	3.9467	16.31%	42.74%	9.08%	15.81%	86.97%
Pipe Creek Township	157.3	125.0	-20.5%	3,548,431	1,844,781	-48.0%	2.2560	1.4759	31.94%	48.80%	9.08%	19.86%	90.27%
Bunker Hill Town	15.3	11.4	-25.6%	517,992	347,896	-32.8%	3.3795	3.0495	26.71%	52.95%	9.08%	7.29%	65.03%
Richland Township	53.7	45.5	-15.4%	1,212,615	672,736	-44.5%	2.2562	1.4795	24.20%	44.16%	9.08%	6.46%	66.30%
Union Township	35.0	31.4	-10.3%	796,469	471,662	-40.8%	2.2774	1.5038	24.12%	44.32%	9.08%	6.63%	66.30%
Washington Township	75.6	64.7	-14.4%	1,730,636	980,054	-43.4%	2.2879	1.5137	31.62%	48.66%	9.08%	15.66%	82.61%
Peru City-Annex-Washington Twp	5.4	3.5	-35.2%	222,381	133,935	-39.8%	4.0901	3.8003	22.19%	46.81%	9.08%	5.11%	61.67%
Peru City South-Washington Twp	29.7	17.6	-40.8%	1,246,209	692,967	-44.4%	4.1970	3.9409	16.25%	42.59%	9.08%	6.35%	65.90%
County Totals/Averages	1,222.8	989.9	-19.0%	35,168,926	22,104,659	-37.1%	2.8763	2.2387	22.86%	44.43%	9.08%	14.73%	81.86%

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.

Miami 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
Miami County	5,369,432	0	50,941	0	0	50,941
Allen Township	15,832	0	0	0	0	0
Butler Township	12,826	0	0	0	0	0
Clay Township	19,691	0	0	0	0	0
Deer Creek Township	22,619	0	0	0	0	0
Erie Township	15,041	0	0	0	0	0
Harrison Township	16,294	0	0	0	0	0
Jackson Township	30,248	0	81	0	0	81
Jefferson Township	40,898	0	0	0	0	0
Perry Township	24,908	0	0	0	0	0
Peru Township	119,125	0	3,254	0	0	3,254
Pipe Creek Township	44,006	0	0	0	0	0
Richland Township	17,054	0	0	0	0	0
Union Townshp	19,392	0	0	0	0	0
Washington Township	54,973	0	398	0	0	398
Peru Civil City	5,846,332	0	198,654	0	0	198,654
Amboy Civil Town	33,100	0	0	0	0	0
Bunker Hill Civil Town	181,664	0	2	0	0	2
Converse Civil Town	200,784	0	4,795	0	0	4,795
Denver Civil Town	4,361	0	0	0	0	0
Macy Civil Town	14,585	0	0	0	0	0
North Grove Civil Town	0	0	0	0	0	0
Maconaquah School Corporation	3,393,344	0	1,600	0	0	1,600
North Miami Consolidated School Corporation	2,009,099	0	0	0	0	0
Oak Hill United School Corporation	842,063	0	4,723	0	0	4,723
Peru Community School Corporation	3,488,102	0	92,918	0	0	92,918
Converse Public Library	70,605	0	396	0	0	396
Peru Public Library	334,264	0	12,564	0	0	12,564
Miami County Solid Waste Management District	0	0	0	0	0	0
Converse Town Redevelopment Commission	2,796	0	51	0	0	51
Miami County Redevelopment (Grissom)	0	0	0	0	0	0
Total - All Taxing Units	22,243,438	0	370,378	0	0	370,378

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.