

2010 Property Tax Report

Monroe County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Monroe County between 2009 and 2010, with comparison to changes between 2007 and 2010. The report also shows the overall changes to property tax levies and property assessments since the recent property tax reforms have been implemented. Explanatory information is provided to highlight changes that are unique to Monroe County and those that have occurred throughout the state. Statewide averages are based on data from all counties except Lake and LaPorte.

Comparable Homestead Property Tax Changes in Monroe County

	2009 to 2010		2007 to 2010	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	20,284	85.3%	1,434	6.0%
No Change	194	0.8%	64	0.3%
Lower Tax Bill	3,297	13.9%	22,277	93.7%
Average Change in Tax Bill	11.3%		-21.9%	
Detailed Change in Tax Bill				
20% or More	2,262	9.5%	546	2.3%
10% to 19%	14,674	61.7%	304	1.3%
1% to 9%	3,348	14.1%	584	2.5%
0%	194	0.8%	64	0.3%
-1% to -9%	2,861	12.0%	1,683	7.1%
-10% to -19%	166	0.7%	6,521	27.4%
-20% to -29%	77	0.3%	6,319	26.6%
-30% to -39%	60	0.3%	4,134	17.4%
-40% to -49%	29	0.1%	2,164	9.1%
-50% to -59%	19	0.1%	662	2.8%
-60% to -69%	12	0.1%	276	1.2%
-70% to -79%	9	0.0%	160	0.7%
-80% to -89%	8	0.0%	117	0.5%
-90% to -99%	5	0.0%	78	0.3%
-100%	51	0.2%	163	0.7%
Total	23,775	100.0%	23,775	100.0%

Note: Percentages may not total due to rounding.

The average homeowner saw an 11.3% tax bill increase from 2009 to 2010.

Homestead taxes in 2010 were still 21.9% lower than they were in 2007, before the property tax reforms.

93.7% of homeowners saw lower tax bills in 2010 than in 2007.

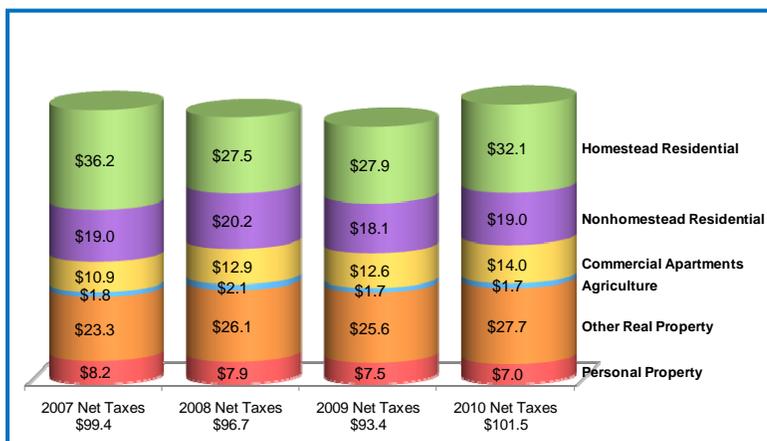
75.8% of homeowners saw tax increases of between 1% and 19% from 2009 to 2010.

The largest percentage of homeowners have seen between a 10% and 29% decrease in their tax bills from 2007 to 2010.

Monroe County Overview

The much larger-than-average increase in homeowner tax bills had two main causes. Property tax levies increased 8.7% in Monroe County in 2010, more than the state average increase of 2.4%. The largest increases were in the Bloomington City general fund, the Monroe County Community School Corporation debt service and capital projects funds, and the Monroe County Public Library general fund. Monroe County homeowners also benefitted less from the one percent property tax cap than did homeowners in the average county, primarily because Monroe County tax rates tend to be lower than the state average. The county provides a small local homestead credit.

Comparison of Net Property Tax by Property Type (In Millions)



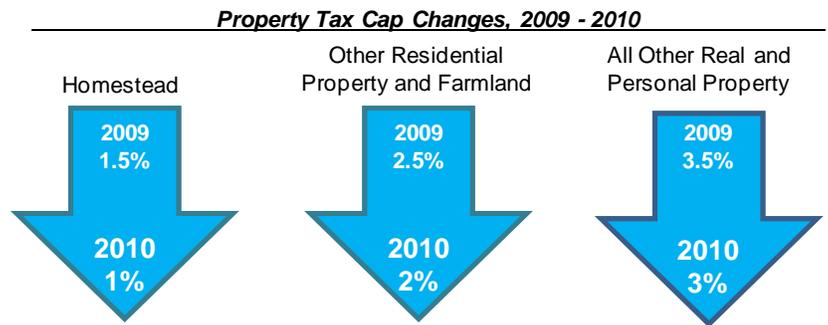
Net tax bills for all taxpayers increased 8.6% in Monroe County from 2009 to 2010. This was higher than the statewide reduction of 1.4%. In 2010 apartment owners saw an 11.1% increase in tax bills. This increase was due mainly to the higher property tax levies and to an increase in assessed value. The higher tax levies also affected nonhomestead residential property (mostly small rental residences), which saw a 4.5% increase in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw an 8.2% increase and a 6.3% decrease, respectively, in tax bills in 2010. These changes in tax bills were mainly due to the increase in Monroe County property tax levies and changes in assessed value. After

deductions and exemptions, business real property net assessed value grew by 1.8%, while personal property net assessed value declined by 9.9%. Agricultural business property saw a 4.1% decrease in tax payments in 2010, mainly due to reclassification of property. Taxes for parcels that were classified as agricultural in both 2009 and 2010 grew by 6.5% because of levy increases and the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.

2010 Property Tax Policy Changes

Property Tax Caps. Property tax caps tightened to their permanent levels. The tighter caps meant more taxpayers were eligible for tax cap credits. This resulted in greater reductions in property tax revenue for local governments.

State Homestead Credits. State homestead credits were reduced by 43% between 2009 and 2010 as part of a scheduled phaseout. The average statewide credit rate fell from 8% to 5% as a result. The credit will be eliminated in 2011.



Tax Cap Credits

Tax cap credits in Monroe County in 2010 amounted to 0.2% of the total property tax levy. The statewide average was 6.3%. The smaller percentage loss in the county was mainly due to much lower-than-average tax rates in Monroe County. No properties qualified for credits under the 2% or 3% caps because all district tax rates were less than \$2. The higher-than-average home values in Monroe County resulted in a small number of credits for homesteads in the 1% cap category. A large portion of the circuit breaker credits in Monroe County was allocated to low-income, elderly homeowners under the 2% annual growth limit for their net taxes.

**2010 Circuit Breaker Credits by Cap Category
Monroe County Total \$174,392**

1%	2%	3%	Elderly
\$99,239	\$0	\$0	\$75,152
56.9%	0.0%	0.0%	43.1%

Monroe County, Bloomington City, and the Monroe County Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, the town of Stinesville lost the most, at 0.9%.

The Effects of Recession

In Monroe County the recession has affected the economy, though less than in most Indiana counties. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 3.3% in December 2007 to 6.8% in July 2009. Despite job losses, local income tax revenue grew by 2.5%.

Monroe County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	4,846,938,787	4,980,506,913	2.8%
Other Residential	1,745,883,500	1,823,738,200	4.5%
Ag Business/Land	126,010,800	128,604,500	2.1%
Business Real/Personal	2,876,475,063	2,845,109,897	-1.1%
Total	\$9,595,308,150	\$9,777,959,510	1.9%

In addition, the recession reduced new construction, so less new property was added to assessment roles. The recession also reduced some property values, which affected assessed values through annual trending. Lower assessed values may result in higher tax rates for local taxpayers. In those instances where taxpayers' bills are limited by the caps, the higher rates may result in higher circuit breaker credits, causing increased revenue losses for local governments.

In Monroe County, the gross assessed value of business real and personal property fell 1.1% in 2010. Other assessment categories increased, and total gross assessed value in Monroe County rose 1.9%. This was higher than the state average increase of 0.6%.

The tables on the following pages illustrate 2007 – 2010 levy comparisons, 2010 tax rates and credit rates, and 2010 circuit breaker losses by taxing unit.

Monroe County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	130,069,003	139,695,441	88,998,327	96,705,044	7.4%	-36.3%	8.7%
State Unit	152,322	161,865	0	0	6.3%	-100.0%	
Monroe County	23,324,293	25,628,661	19,772,568	20,387,067	9.9%	-22.8%	3.1%
Bean Blossom Township	76,658	80,200	78,206	81,812	4.6%	-2.5%	4.6%
Benton Township	194,522	157,403	179,067	173,620	-19.1%	13.8%	-3.0%
Bloomington Township	937,815	971,241	914,775	1,219,245	3.6%	-5.8%	33.3%
Clear Creek Township	142,267	147,424	148,342	164,044	3.6%	0.6%	10.6%
Indian Creek Township	56,033	56,533	59,563	61,800	0.9%	5.4%	3.8%
Perry Township	439,361	501,201	535,453	593,837	14.1%	6.8%	10.9%
Polk Township	35,475	36,981	38,445	39,894	4.2%	4.0%	3.8%
Richland Township	585,295	606,039	558,985	597,336	3.5%	-7.8%	6.9%
Salt Creek Township	52,673	54,540	147,536	156,960	3.5%	170.5%	6.4%
Van Buren Township	930,849	954,560	1,110,891	1,140,071	2.5%	16.4%	2.6%
Washington Township	59,103	60,411	62,677	65,478	2.2%	3.8%	4.5%
Bloomington Civil City	23,874,084	24,246,828	22,924,089	24,383,956	1.6%	-5.5%	6.4%
Ellettsville Civil Town	1,176,475	1,094,772	1,171,801	1,314,547	-6.9%	7.0%	12.2%
Stinesville Civil Town	6,895	7,229	6,767	7,371	4.8%	-6.4%	8.9%
Richland-Bean Blossom Comm School Corp	11,134,491	12,601,033	5,558,382	4,846,369	13.2%	-55.9%	-12.8%
Monroe County Community School Corp	57,232,389	61,312,734	25,644,864	30,378,122	7.1%	-58.2%	18.5%
Monroe County Public Library	5,673,991	6,346,465	5,678,791	7,131,851	11.9%	-10.5%	25.6%
Bloomington Transportation	895,278	926,385	961,761	997,702	3.5%	3.8%	3.7%
Perry-Clear Creek Fire Protection	1,065,286	1,211,770	1,089,245	1,345,557	13.8%	-10.1%	23.5%
Monroe County Solid Waste Mgt Dist	1,243,962	1,638,885	1,432,965	1,618,405	31.7%	-12.6%	12.9%
Bloomington City Redevelopment	615,529	692,915	718,157	0	12.6%	3.6%	-100.0%
Monroe County Redevelopment Comm	163,957	199,366	204,997	0	21.6%	2.8%	-100.0%

Monroe County Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads	
			LOIT PTRC	State Homestead	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead		LOIT Residential
53001	Bean Blossom Township	1.2759	--	3.5900%	3.0011%	--	--	--	--	1.1918
53002	Stinesville Town	1.4412	--	3.5900%	3.7138%	--	--	--	--	1.3359
53003	Benton Township	1.1341	--	3.5900%	3.1924%	--	--	--	--	1.0572
53004	Bloomington Township	1.3981	--	3.5900%	3.8073%	--	--	--	--	1.2947
53005	Bloomington City-Bloomington Twp	1.8582	--	3.5900%	4.6971%	--	--	--	--	1.7042
53006	Clear Creek Township	1.2486	--	3.5900%	3.6517%	--	--	--	--	1.1582
53007	Indian Creek Township	1.1449	--	3.5900%	3.3415%	--	--	--	--	1.0655
53008	Perry Township	1.2153	--	3.5900%	3.5792%	--	--	--	--	1.1282
53009	Bloomington City-Perry Township	1.8596	--	3.5900%	4.7195%	--	--	--	--	1.7051
53010	Polk Township	1.3499	--	3.5900%	4.1551%	--	--	--	--	1.2453
53011	Richland Township	1.3219	--	3.5900%	3.0857%	--	--	--	--	1.2337
53012	Bloomington City-Richland Twp	1.9917	--	3.5900%	4.5188%	--	--	--	--	1.8302
53013	Ellettsville Town	1.9814	--	3.5900%	3.8689%	--	--	--	--	1.8336
53014	Salt Creek Township	1.1928	--	3.5900%	2.9226%	--	--	--	--	1.1151
53015	Van Buren Township	1.2991	--	3.5900%	3.3603%	--	--	--	--	1.2088
53016	Bloomington City-Van Buren Twp	1.8938	--	3.5900%	4.7969%	--	--	--	--	1.7350
53017	Washington Township	1.1102	--	3.5900%	3.3121%	--	--	--	--	1.0336
53018	Ellettsville Bean Blossom	1.9828	--	3.5900%	3.8594%	--	--	--	--	1.8351

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 *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *State Homestead Credit* is the HEA1001-2008 special rate, which will be eliminated after 2010.

The *LOIT, COIT, and CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Monroe County 2010 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	98,700	0	0	74,582		173,282	96,705,044	0.2%
<i>TIF Total</i>	540	0	0	571		1,110	7,613,942	0.0%
<i>County Total</i>	99,239	0	0	75,152		174,392	104,318,986	0.2%
Monroe County	19,884	0	0	16,197		36,081	20,387,067	0.2%
Bean Blossom Township	104	0	0	13		117	81,812	0.1%
Benton Township	57	0	0	156		212	173,620	0.1%
Bloomington Township	1,579	0	0	1,810		3,390	1,219,245	0.3%
Clear Creek Township	172	0	0	103		276	164,044	0.2%
Indian Creek Township	77	0	0	73		150	61,800	0.2%
Perry Township	698	0	0	437		1,134	593,837	0.2%
Polk Township	32	0	0	29		61	39,894	0.2%
Richland Township	533	0	0	85		618	597,336	0.1%
Salt Creek Township	88	0	0	72		160	156,960	0.1%
Van Buren Township	1,048	0	0	1,908		2,956	1,140,071	0.3%
Washington Township	9	0	0	65		75	65,478	0.1%
Bloomington Civil City	26,257	0	0	15,364		41,621	24,383,956	0.2%
Ellettsville Civil Town	3,231	0	0	1,867		5,097	1,314,547	0.4%
Stinesville Civil Town	40	0	0	27		67	7,371	0.9%
Richland-Bean Blossom Comm School Corp	6,075	0	0	2,019		8,094	4,846,369	0.2%
Monroe County Community School Corp	28,538	0	0	25,617		54,155	30,378,122	0.2%
Monroe County Public Library	6,956	0	0	5,666		12,622	7,131,851	0.2%
Bloomington Transportation	1,074	0	0	629		1,703	997,702	0.2%
Perry-Clear Creek Fire Protection	668	0	0	1,160		1,828	1,345,557	0.1%
Monroe County Solid Waste Mgt Dist	1,579	0	0	1,286		2,864	1,618,405	0.2%
Bloomington City Redevelopment	0	0	0	0		0	0	
Monroe County Redevelopment Comm	0	0	0	0		0	0	
TIF - Bloomington Township	76	0	0	0		76	43,886	0.2%
TIF - Bloomington City-Bloomington Twp	0	0	0	568		568	2,927,662	0.0%
TIF - Perry Township	0	0	0	0		0	283,436	0.0%
TIF - Bloomington City-Perry Twp	463	0	0	2		466	2,512,615	0.0%
TIF - Richland Township	0	0	0	0		0	1,050,058	0.0%
TIF - Bloomington City-Richland Twp	0	0	0	0		0	796,286	0.0%

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.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% 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, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% 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.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.