

PROPERTY TAXES IN MORGAN COUNTY, INDIANA, 2007-2008



Legislative Services Agency

August 2008

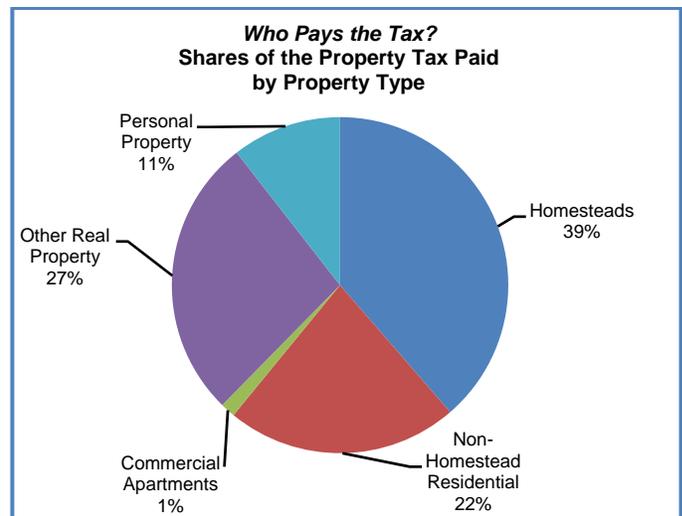
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over 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.

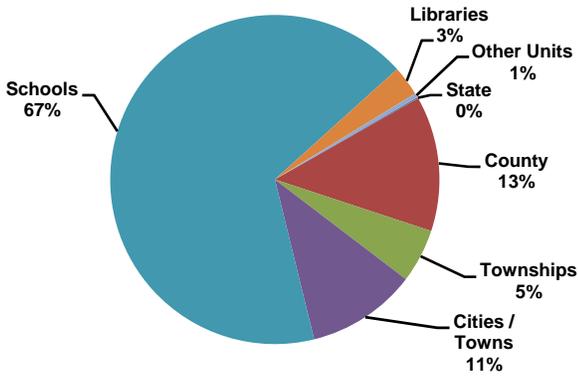
In Morgan County, the average homeowner saw their tax bill decrease by 53.9% for 2008, with 96.6% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by 24.8%, and 93.5% of homeowners would have seen tax bill decreases. Morgan County adopted a local option income tax for 2008, which contributed additional property tax relief.

In Morgan County, 39% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 22% 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 38% are paid by other agricultural, commercial, industrial, or utility businesses on their real property (land and buildings) or on their personal property (equipment).

<u>Change in Tax Bill</u>	With Added 2008 Homestead Credit		Illustrated Without Added 2008 Homestead Credit	
	<u>Number of Homesteads</u>	<u>% Share of Total</u>	<u>Number of Homesteads</u>	<u>% Share of Total</u>
20% or more	491	2.6%	701	3.7%
10% to 19%	50	0.3%	209	1.1%
1% to 9%	51	0.3%	272	1.4%
0%	66	0.3%	66	0.3%
-1% to -9%	32	0.2%	588	3.1%
-10% to -19%	76	0.4%	1,288	6.7%
-20% to -29%	196	1.0%	13,000	67.8%
-30% to -39%	826	4.3%	1,829	9.5%
-40% to -49%	2,954	15.4%	438	2.3%
-50% to -59%	7,910	41.2%	320	1.7%
-60% to -69%	3,906	20.4%	235	1.2%
-70% to -79%	2,210	11.5%	154	0.8%
-80% to -89%	283	1.5%	16	0.1%
-90% to -99%	72	0.4%	7	0.0%
-100%	53	0.3%	53	0.3%
Total	19,176	100.0%	19,176	100.0%
Higher Tax Bill	592	3.1%	1,182	6.2%
No Change	66	0.3%	66	0.3%
Lower Tax Bill	18,518	96.6%	17,928	93.5%
Average Change in Tax Bill	-53.9%		-24.8%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Morgan County property tax levies increased 2.3% from 2007 to 2008. This is lower than the expected statewide average increase of 5%. The Martinsville School Corporation, Mooresville Consolidated School Corporation, and Monroe-Gregg School Corporation general fund levies, and the Martinsville School Corporation bus replacement levy saw the largest increases.

In Morgan County, school corporations receive 67% of all property taxes. The county, city, and towns receive most of the rest. Townships, library districts, fire protection districts, 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 Morgan County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$63,262,450	\$64,739,641	2.3%
State Unit	78,156	80,170	2.6%
Morgan County	9,157,262	8,598,262	-6.1%
Adams Township	26,599	26,274	-1.2%
Ashland Township	33,872	34,234	1.1%
Baker Township	22,095	21,754	-1.5%
Brown Township	703,173	695,790	-1.0%
Clay Township	81,727	81,068	-0.8%
Green Township	108,175	108,609	0.4%
Gregg Township	166,390	159,765	-4.0%
Harrison Township	8,889	8,568	-3.6%
Jackson Township	253,625	170,677	-32.7%
Jefferson Township	71,559	71,990	0.6%
Madison Township	1,354,184	1,375,569	1.6%
Monroe Township	39,329	38,712	-1.6%
Ray Township	0	45,803	
Washington Township	743,680	582,881	-21.6%
Martinsville Civil City	4,052,249	3,806,484	-6.1%
Mooresville Civil Town	2,802,904	2,751,496	-1.8%
Bethany Civil Town	6,196	6,061	-2.2%
Brooklyn Civil Town	128,078	126,384	-1.3%
Morgantown Civil Town	183,466	178,284	-2.8%
Paragon Civil Town	69,234	68,598	-0.9%
Monrovia Civil Town	57,884	55,748	-3.7%
Nineveh-Hensley-Jackson United School Corporation	2,692,845	2,794,818	3.8%
Monroe-Gregg School Corporation	5,838,472	6,186,826	6.0%
Eminence Consolidated School Corporation	1,994,479	2,307,882	15.7%
M.S.D. Martinsville School Corporation	15,518,061	16,511,487	6.4%
Mooresville Consolidated School Corporation	15,111,115	15,672,240	3.7%
Morgan County Public Library	1,008,943	1,225,937	21.5%
Mooresville Public Library	682,605	670,979	-1.7%
Harrison Township Fire #7	42,588	42,423	-0.4%
Monroe Township Fire District	224,616	233,868	4.1%