

# 2010 Property Tax Report

## Noble County

### with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Noble 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 Noble 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 Noble County

	2009 to 2010		2007 to 2010	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>				
Higher Tax Bill	2,019	19.4%	484	4.7%
No Change	200	1.9%	49	0.5%
Lower Tax Bill	8,163	78.6%	9,849	94.9%
<b>Average Change in Tax Bill</b>	<b>-5.6%</b>		<b>-35.8%</b>	
<b>Detailed Change in Tax Bill</b>				
20% or More	341	3.3%	224	2.2%
10% to 19%	394	3.8%	96	0.9%
1% to 9%	1,284	12.4%	164	1.6%
0%	200	1.9%	49	0.5%
-1% to -9%	5,104	49.2%	392	3.8%
-10% to -19%	2,662	25.6%	733	7.1%
-20% to -29%	191	1.8%	1,387	13.4%
-30% to -39%	65	0.6%	2,257	21.7%
-40% to -49%	44	0.4%	2,471	23.8%
-50% to -59%	19	0.2%	1,548	14.9%
-60% to -69%	14	0.1%	444	4.3%
-70% to -79%	14	0.1%	210	2.0%
-80% to -89%	14	0.1%	156	1.5%
-90% to -99%	6	0.1%	75	0.7%
-100%	30	0.3%	176	1.7%
<b>Total</b>	<b>10,382</b>	<b>100.0%</b>	<b>10,382</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

The average homeowner saw a 5.6% tax bill decrease from 2009 to 2010.

Homestead taxes in 2010 were still 35.8% lower than they were in 2007, before the property tax reforms.

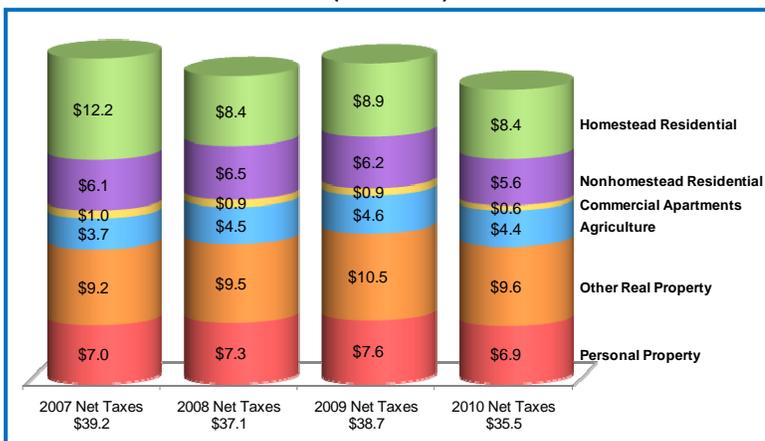
94.9% of homeowners saw lower tax bills in 2010 than in 2007.

74.8% of homeowners saw tax decreases of between 1% and 19% from 2009 to 2010. The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2010.

### Noble County Overview

The larger-than-average decline in homeowner tax bills was due to a drop in local government tax levies. Property tax levies decreased 5.3% in Noble County in 2010, compared to the state average increase of 2.4%. The largest levy declines came in the East Noble School Corporation capital projects fund and the West Noble School Corporation debt service fund. Noble County homeowners benefitted less from the one percent property tax cap than did homeowners in the average county, primarily because Noble County provides a substantial local homestead credit funded by local income tax revenues. The county saw a slight decrease in local homestead property tax credit rates because of a decrease in the local income tax revenues.

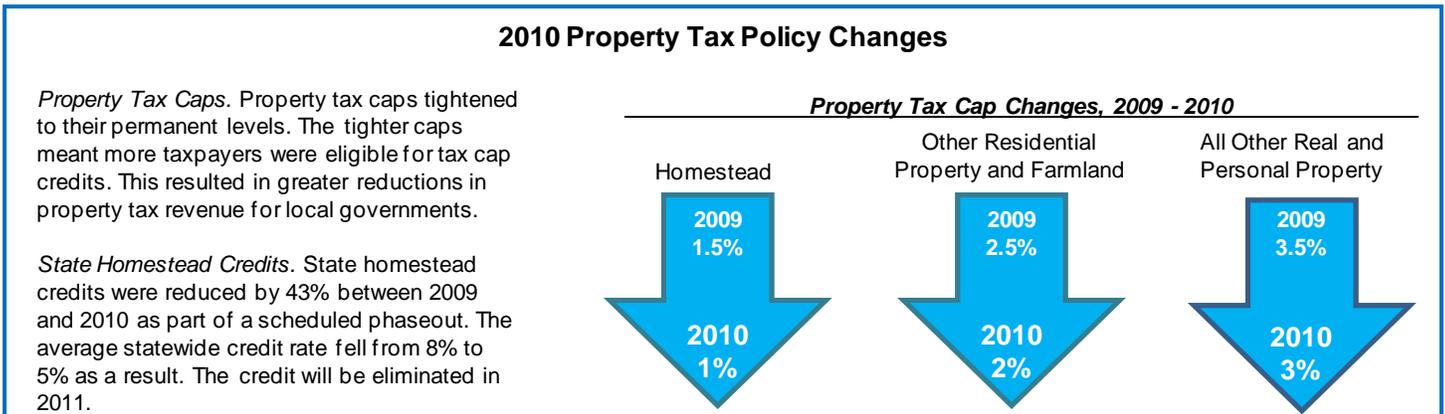
### Comparison of Net Property Tax by Property Type (In Millions)



Net tax bills for all taxpayers decreased 8.2% in Noble County from 2009 to 2010. This was greater than the statewide reduction of 1.4%. In 2010 apartment owners saw a 26.9% decrease in tax bills. This large decrease was due to a combination of levy decreases and the tightening of the tax caps from 2.5% to 2% for rental housing. The levy decreases and tightening of the tax caps also affected nonhomestead residential property (mostly small rental residences), which saw a 9.8% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw an 8.9% and 9.4% decrease, respectively, in tax bills in 2010. This was mainly because of the decrease in Noble County property tax

levies. Commercial and industrial property did not benefit from the tightened tax caps because Noble County's tax rates were not high enough for this type of property to qualify for tax cap credits.

Agricultural business property saw a 5.3% decrease in tax payments in 2010 because the 4% increase in the base rate of farmland from \$1,200 to \$1,250 per acre was tempered by levy and tax rate reductions.



### Tax Cap Credits

Tax cap credits in Noble County in 2010 amounted to 1.3% of the total property tax levy. The statewide average was 6.3%. The smaller percentage loss in the county was partly due to lower-than-average tax rates in Noble County and to the county having a smaller share of its net assessed value in the 2% cap category. This category includes rental housing, which tends to be in cities and towns where tax rates usually are above \$2 per \$100 assessed value. If the rate exceeds the tax cap, rental housing would be eligible for tax cap credits. No commercial or industrial properties in the 3% tax cap category qualified for credits, because all Noble County tax rates were under \$3. Neither net tax rates, after homestead credits, nor home values were high enough for a large share of homesteads to qualify for credits in the 1% category.

**2010 Circuit Breaker Credits by Cap Category  
Noble County Total \$507,372**

1%	2%	3%	Elderly
\$1,715	\$498,865	\$0	\$6,793
0.3%	98.3%	0.0%	1.3%

Noble County, Kendallville City, and the West Noble School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, the town of Cromwell lost the most, at 11%. Losses were greatest for units that overlapped the towns of Cromwell and Ligonier, because these tax districts had the highest tax rates.

### The Effects of Recession

In Noble County the recession has had a large effect on the economy. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 5.6% in December 2007 to 16.3% in July 2009. Job losses and income declines contributed to a 6.4% drop in local income tax revenue. Because part of this revenue is used for property tax relief, local property tax credit rates declined in Noble County in 2010.

**Noble County Gross Assessed Value by Property Type**

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	1,656,601,548	1,662,606,708	0.4%
Other Residential	291,312,458	289,879,578	-0.5%
Ag Business/Land	289,406,101	294,815,228	1.9%
Business Real/Personal	973,147,111	977,799,544	0.5%
<b>Total</b>	<b>\$3,210,467,218</b>	<b>\$3,225,101,058</b>	<b>0.5%</b>

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 Noble County, the gross assessed value of business real and personal property grew 0.5% in 2010. Most other assessment categories grew, and total gross assessed value in Noble County rose 0.5%. This was about the same as 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.

**Noble County Levy Comparison by Taxing Unit**

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	50,839,166	53,600,868	37,212,567	35,232,896	5.4%	-30.6%	-5.3%
State Unit	51,552	54,492	0	0	5.7%	-100.0%	
Noble County	8,302,093	8,403,236	7,529,164	7,265,418	1.2%	-10.4%	-3.5%
Albion Township	23,925	24,864	25,587	26,738	3.9%	2.9%	4.5%
Allen Township	89,724	92,629	91,565	94,193	3.2%	-1.1%	2.9%
Elkhart Township	44,809	46,539	47,850	45,475	3.9%	2.8%	-5.0%
Green Township	35,628	36,986	38,458	37,393	3.8%	4.0%	-2.8%
Jefferson Township	51,600	53,737	55,206	57,074	4.1%	2.7%	3.4%
Noble Township	116,323	116,336	167,665	153,153	0.0%	44.1%	-8.7%
Orange Township	178,251	167,021	180,874	311,640	-6.3%	8.3%	72.3%
Perry Township	140,194	142,684	143,707	148,545	1.8%	0.7%	3.4%
Sparta Township	165,144	115,442	149,891	143,268	-30.1%	29.8%	-4.4%
Swan Township	31,752	33,125	34,562	35,668	4.3%	4.3%	3.2%
Washington Township	30,088	31,791	32,596	33,897	5.7%	2.5%	4.0%
Wayne Township	112,246	116,919	121,189	126,743	4.2%	3.7%	4.6%
York Township	47,424	49,231	50,517	52,273	3.8%	2.6%	3.5%
Kendallville Civil City	3,866,274	3,937,260	3,489,853	3,891,429	1.8%	-11.4%	11.5%
Ligonier Civil City	1,232,028	1,278,630	1,509,890	1,368,902	3.8%	18.1%	-9.3%
Albion Civil Town	771,615	769,555	839,973	833,447	-0.3%	9.2%	-0.8%
Avilla Civil Town	564,438	575,896	585,985	618,733	2.0%	1.8%	5.6%
Cromwell Civil Town	134,162	138,943	141,829	134,470	3.6%	2.1%	-5.2%
Rome City Civil Town	246,710	254,594	288,494	297,733	3.2%	13.3%	3.2%
Wolcottville Civil Town	78,749	83,620	81,761	84,710	6.2%	-2.2%	3.6%
Lakeland School Corp	103,227	105,622	50,414	49,297	2.3%	-52.3%	-2.2%
Central Noble Community School Corp	5,465,016	5,874,510	2,861,280	2,945,868	7.5%	-51.3%	3.0%
East Noble School Corp	17,313,243	18,646,891	9,118,167	7,249,090	7.7%	-51.1%	-20.5%
West Noble School Corp	7,800,229	8,659,793	6,331,357	5,868,434	11.0%	-26.9%	-7.3%
Smith-Green Community School Corp	1,191,007	1,173,529	567,986	817,706	-1.5%	-51.6%	44.0%
Kendallville Public Library	1,197,120	1,227,447	1,209,071	1,256,132	2.5%	-1.5%	3.9%
Ligonier Public Library	187,757	198,325	202,189	211,986	5.6%	1.9%	4.8%
Noble County Public Library	870,613	765,777	826,950	840,753	-12.0%	8.0%	1.7%
Northeast Indiana Solid Waste Management	206,210	215,700	220,663	232,728	4.6%	2.3%	5.5%
Ligonier City Redevelopment Comm	122,125	124,797	129,629	0	2.2%	3.9%	-100.0%
Albion Town Redevelopment Comm	15,906	26,828	27,837	0	68.7%	3.8%	-100.0%
Avilla Town Redevelopment Comm	51,984	58,119	60,408	0	11.8%	3.9%	-100.0%
Kendallville Redevelopment Comm	0	0	0	0			

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

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates						Net Tax Rate, Homesteads
				State Homestead	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
57001	Albion Township	1.2998	--	4.5595%	--	19.9175%	--	--	--	0.9816
57002	Albion-Albion	2.2835	--	4.5595%	--	19.9175%	--	--	--	1.7246
57003	Allen Township	1.2319	--	4.5595%	--	19.9175%	--	--	--	0.9304
57004	Kendallville City-Allen Twp	2.3213	--	4.5595%	--	19.9175%	--	--	--	1.7531
57005	Avilla Town	1.9434	--	4.5595%	--	19.9175%	--	--	--	1.4677
57006	Elkhart Township	1.7694	--	4.5595%	--	19.9175%	--	--	--	1.3363
57007	Green Township	1.5577	--	4.5595%	--	19.9175%	--	--	--	1.1764
57008	Jefferson Township	1.3180	--	4.5595%	--	19.9175%	--	--	--	0.9954
57009	Noble Township	1.3830	--	4.5595%	--	19.9175%	--	--	--	1.0445
57010	Orange Township	1.3982	--	4.5595%	--	19.9175%	--	--	--	1.0560
57011	Rome City Town	1.6665	--	4.5595%	--	19.9175%	--	--	--	1.2586
57012	Wolcottville Town	2.2424	--	4.5595%	--	19.9175%	--	--	--	1.6935
57013	Perry Township	1.7356	--	4.5595%	--	19.9175%	--	--	--	1.3108
57014	Ligonier City	2.7570	--	4.5595%	--	19.9175%	--	--	--	2.0822
57015	Sparta Township	1.9013	--	4.5595%	--	19.9175%	--	--	--	1.4359
57016	Cromwell Town	2.9028	--	4.5595%	--	19.9175%	--	--	--	2.1923
57017	Swan Township	1.2077	--	4.5595%	--	19.9175%	--	--	--	0.9121
57018	Washington Township	1.7916	--	4.5595%	--	19.9175%	--	--	--	1.3531
57019	Wayne Township	1.2966	--	4.5595%	--	19.9175%	--	--	--	0.9792
57020	Kendallville City-Wayne Twp	2.3208	--	4.5595%	--	19.9175%	--	--	--	1.7527
57021	York Township	1.3358	--	4.5595%	--	19.9175%	--	--	--	1.0088
57022	Albion-Jefferson	2.2652	--	4.5595%	--	19.9175%	--	--	--	1.7107

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.

### Noble 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>	1,715	495,285	0	6,793	503,793	35,232,896	1.4%
<i>TIF Total</i>	0	3,579	0	0	3,579	2,881,716	0.1%
<i>County Total</i>	1,715	498,865	0	6,793	507,372	38,114,612	1.3%
Noble County	231	73,050	0	1,363	74,644	7,265,418	1.0%
Albion Township	0	589	0	18	607	26,738	2.3%
Allen Township	0	411	0	9	420	94,193	0.4%
Elkhart Township	0	0	0	9	9	45,475	0.0%
Green Township	0	0	0	30	30	37,393	0.1%
Jefferson Township	0	0	0	15	16	57,074	0.0%
Noble Township	0	0	0	61	61	153,153	0.0%
Orange Township	0	190	0	13	203	311,640	0.1%
Perry Township	26	3,079	0	46	3,151	148,545	2.1%
Sparta Township	0	600	0	2	603	143,268	0.4%
Swan Township	0	0	0	0	0	35,668	0.0%
Washington Township	0	0	0	2	2	33,897	0.0%
Wayne Township	0	1,783	0	13	1,797	126,743	1.4%
York Township	0	0	0	2	2	52,273	0.0%
Kendallville Civil City	0	91,831	0	475	92,306	3,891,429	2.4%
Ligonier Civil City	581	69,149	0	275	70,005	1,368,902	5.1%
Albion Civil Town	0	16,931	0	517	17,448	833,447	2.1%
Avilla Civil Town	0	0	0	54	54	618,733	0.0%
Cromwell Civil Town	0	14,809	0	0	14,809	134,470	11.0%
Rome City Civil Town	0	0	0	20	20	297,733	0.0%
Wolcottville Civil Town	0	4,135	0	88	4,223	84,710	5.0%
Lakeland School Corp	0	2,406	0	51	2,458	49,297	5.0%
Central Noble Community School Corp	0	13,492	0	1,026	14,517	2,945,868	0.5%
East Noble School Corp	0	62,448	0	550	62,998	7,249,090	0.9%
West Noble School Corp	779	109,071	0	1,089	110,939	5,868,434	1.9%
Smith-Green Community School Corp	0	0	0	661	661	817,706	0.1%
Kendallville Public Library	0	15,677	0	113	15,790	1,256,132	1.3%
Ligonier Public Library	90	10,708	0	43	10,841	211,986	5.1%
Noble County Public Library	0	2,586	0	203	2,789	840,753	0.3%
Northeast Indiana Solid Waste Management	7	2,340	0	44	2,391	232,728	1.0%
Ligonier City Redevelopment Comm	0	0	0	0	0	0	
Albion Town Redevelopment Comm	0	0	0	0	0	0	
Avilla Town Redevelopment Comm	0	0	0	0	0	0	
Kendallville Redevelopment Comm	0	0	0	0	0	0	
TIF - Albion Town	0	0	0	0	0	36,504	0.0%
TIF - Avilla	0	0	0	0	0	453,911	0.0%
TIF - Ligonier	0	2,144	0	0	2,144	647,657	0.3%
TIF - Ligonier Guardian	0	2	0	0	2	887,569	0.0%
TIF - Kendallville Walmart	0	1,065	0	0	1,065	440,007	0.2%
TIF - Kendallville Wayne	0	369	0	0	369	64,641	0.6%
TIF - Albion Jefferson	0	0	0	0	0	351,427	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.