

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



Legislative Services Agency

August 2008

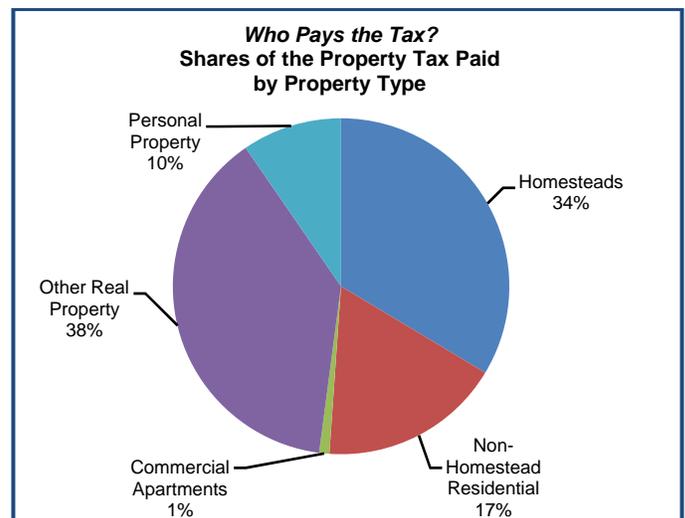
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

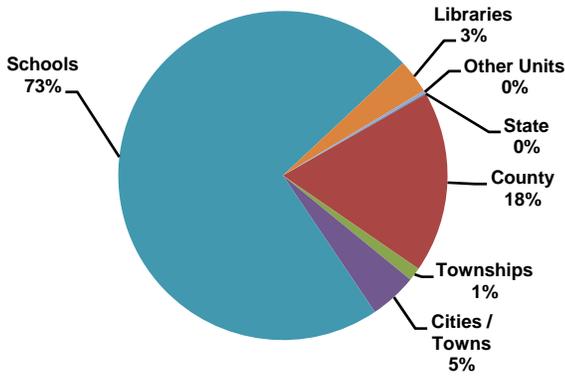
In Owen County, the average homeowner saw their tax bill decrease by 15.4% for 2008, with 92.7% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 11.6%, and 91.1% of homeowners would have seen tax bill increases.

In Owen County, 34% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 17% 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 48% 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	218	3.5%	405	6.6%
10% to 19%	20	0.3%	3,693	59.7%
1% to 9%	128	2.1%	1,535	24.8%
0%	84	1.4%	85	1.4%
-1% to -9%	505	8.2%	59	1.0%
-10% to -19%	3,952	63.9%	56	0.9%
-20% to -29%	851	13.8%	51	0.8%
-30% to -39%	85	1.4%	53	0.9%
-40% to -49%	64	1.0%	69	1.1%
-50% to -59%	65	1.1%	71	1.1%
-60% to -69%	107	1.7%	12	0.2%
-70% to -79%	12	0.2%	6	0.1%
-80% to -89%	7	0.1%	3	0.0%
-90% to -99%	3	0.0%	3	0.0%
-100%	82	1.3%	82	1.3%
<b>Total</b>	<b>6,183</b>	<b>100.0%</b>	<b>6,183</b>	<b>100.0%</b>
Higher Tax Bill	366	5.9%	5,633	91.1%
No Change	84	1.4%	85	1.4%
Lower Tax Bill	5,733	92.7%	465	7.5%
<b>Average Change in Tax Bill</b>	<b>-15.4%</b>		<b>11.6%</b>	



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



On average, Owen County property tax levies increased 12.7% from 2007 to 2008. This is higher than the expected statewide average increase of 5%. County welfare levies increased significantly, as did the Spencer-Owen Community School Corporation general fund and debt service levies.

In Owen County, school corporations receive 73% of all property taxes. The county receives most of the rest. The towns, townships, library district, fire territory, 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 Owen County**

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$16,237,860</i>	<i>\$18,304,056</i>	<i>12.7%</i>
State Unit	16,980	17,752	4.5%
Owen County	2,682,757	3,264,232	21.7%
Clay Township	34,315	35,647	3.9%
Franklin Township	20,464	21,944	7.2%
Harrison Township	8,970	9,582	6.8%
Jackson Township	13,570	14,743	8.6%
Jefferson Township	22,561	18,715	-17.0%
Jennings Township	11,723	12,696	8.3%
Lafayette Township	9,310	10,022	7.6%
Marion Township	14,570	15,161	4.1%
Montgomery Township	10,579	10,998	4.0%
Morgan Township	11,285	16,906	49.8%
Taylor Township	12,047	13,352	10.8%
Washington Township	55,034	38,725	-29.6%
Wayne Township	17,904	19,703	10.0%
Gosport Civil Town	43,945	56,172	27.8%
Spencer Civil Town	694,548	797,347	14.8%
Spencer-Owen Community School Corporation	9,797,380	10,931,727	11.6%
Cloverdale Community School Corporation	2,200,136	2,333,511	6.1%
Spencer-Owen County Public Library	511,507	610,980	19.4%
Poland Fire Territory (Jackson Township)	48,275	54,141	12.2%