

PROPERTY TAXES IN PERRY COUNTY, INDIANA, 2007-2008



Legislative Services Agency

August 2008

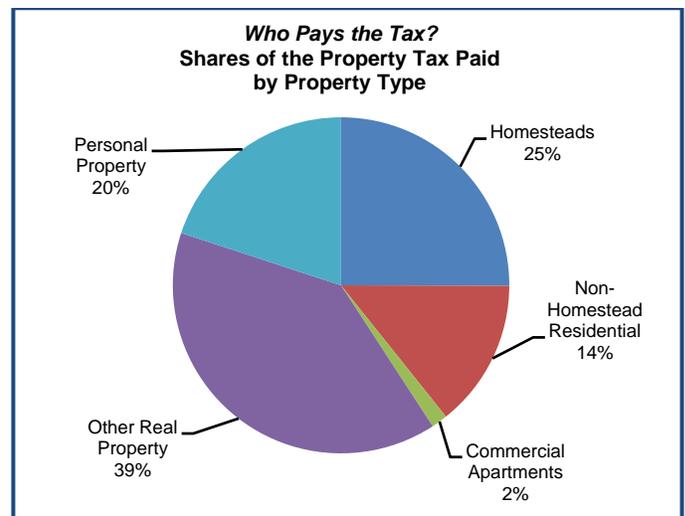
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

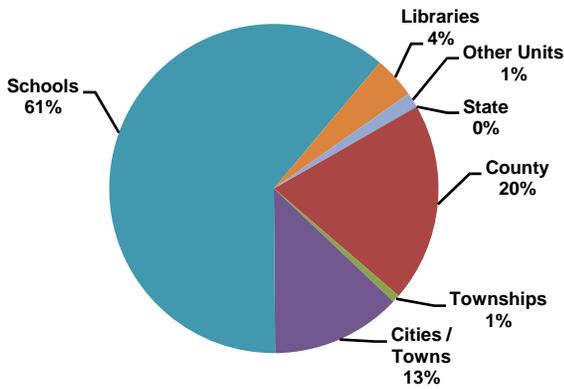
Change in Tax Bill	With Added 2008 Homestead Credit		Illustrated Without Added 2008 Homestead Credit	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
20% or more	204	3.7%	421	7.6%
10% to 19%	18	0.3%	231	4.1%
1% to 9%	52	0.9%	2,588	46.4%
0%	61	1.1%	60	1.1%
-1% to -9%	94	1.7%	1,654	29.7%
-10% to -19%	312	5.6%	261	4.7%
-20% to -29%	983	17.6%	74	1.3%
-30% to -39%	2,432	43.6%	27	0.5%
-40% to -49%	976	17.5%	34	0.6%
-50% to -59%	197	3.5%	76	1.4%
-60% to -69%	63	1.1%	60	1.1%
-70% to -79%	95	1.7%	17	0.3%
-80% to -89%	20	0.4%	6	0.1%
-90% to -99%	11	0.2%	9	0.2%
-100%	54	1.0%	54	1.0%
Total	5,572	100.0%	5,572	100.0%
Higher Tax Bill	274	4.9%	3,240	58.1%
No Change	61	1.1%	60	1.1%
Lower Tax Bill	5,237	94.0%	2,272	40.8%
Average Change in Tax Bill	-30.2%		1.5%	

In Perry County, the average homeowner saw their tax bill decrease by 30.2% for 2008, with 94.0% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 1.5%, and 58.1% of homeowners would have seen tax bill increases.

In Perry County, 25% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 14% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 2% are paid by owners of larger rental housing units (commercial apartments); and 59% are paid by other agricultural, commercial, industrial, or utility businesses on their real property (land and buildings) or on their personal property (equipment).



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



On average, Perry County property tax levies increased 4.6% from 2007 to 2008. This is near the expected statewide average increase of 5%. The Perry Central School Corporation general fund levy and the Tell City-Troy School Corporation general fund and debt service levies saw the largest increases.

In Perry County, school corporations receive 61% of all property taxes. The county, the cities, and the town receive most of the rest. Townships, library districts, special 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 Perry County**

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$16,759,621	\$17,525,543	4.6%
State Unit	13,113	14,181	8.1%
Perry County	3,482,482	3,426,947	-1.6%
Anderson Township	5,609	5,857	4.4%
Clark Township	8,753	8,874	1.4%
Leopold Township	9,242	10,326	11.7%
Oil Township	5,027	5,044	0.3%
Tobin Township	6,911	10,165	47.1%
Troy Township	77,428	78,645	1.6%
Union Township	13,235	13,431	1.5%
Tell City Civil City	1,767,322	1,879,021	6.3%
Cannelton Civil City	383,095	351,088	-8.4%
Troy Civil Town	15,798	17,447	10.4%
Perry Central Community School Corporation	3,575,983	3,823,568	6.9%
Cannelton City School Corporation	471,329	352,682	-25.2%
Tell City-Troy Township School Corporation	6,161,486	6,557,350	6.4%
Cannelton Public Library	17,843	17,099	-4.2%
Tell City Public Library	686,586	703,063	2.4%
Perry County Airport Authority	38,245	40,178	5.1%
Perry County Redevelopment Commission	20,134	210,577	945.9%