

2010 Property Tax Report

Perry County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Perry 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 Perry 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 Perry 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	3,802	80.4%	374	7.9%
No Change	236	5.0%	53	1.1%
Lower Tax Bill	688	14.6%	4,299	91.0%
Average Change in Tax Bill	8.9%		-29.3%	
Detailed Change in Tax Bill				
20% or More	636	13.5%	209	4.4%
10% to 19%	1,605	34.0%	67	1.4%
1% to 9%	1,561	33.0%	98	2.1%
0%	236	5.0%	53	1.1%
-1% to -9%	392	8.3%	190	4.0%
-10% to -19%	143	3.0%	412	8.7%
-20% to -29%	44	0.9%	1,019	21.6%
-30% to -39%	22	0.5%	1,041	22.0%
-40% to -49%	21	0.4%	800	16.9%
-50% to -59%	12	0.3%	249	5.3%
-60% to -69%	14	0.3%	106	2.2%
-70% to -79%	7	0.1%	129	2.7%
-80% to -89%	6	0.1%	96	2.0%
-90% to -99%	4	0.1%	66	1.4%
-100%	23	0.5%	191	4.0%
Total	4,726	100.0%	4,726	100.0%

The average homeowner saw an 8.9% tax bill increase from 2009 to 2010.

Homestead taxes in 2010 were still 29.3% lower than they were in 2007, before the property tax reforms.

91.0% of homeowners saw lower tax bills in 2010 than in 2007.

67.0% of homeowners saw tax increases of between 1% and 19% from 2009 to 2010.

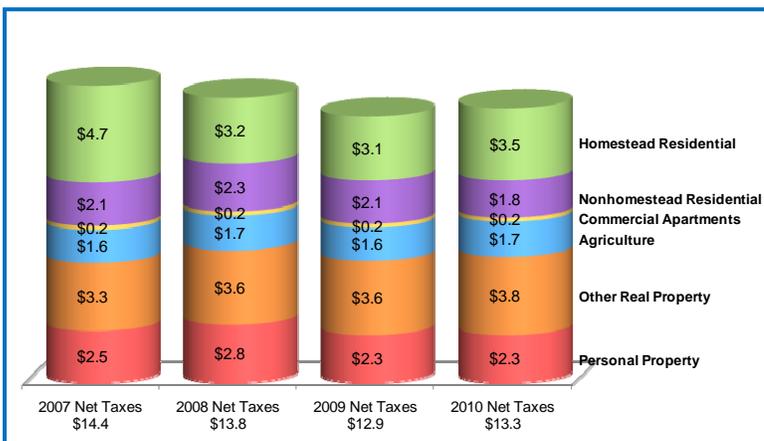
The largest percentage of homeowners have seen between a 20% and 39% decrease in their tax bills from 2007 to 2010.

Note: Percentages may not total due to rounding.

Perry County Overview

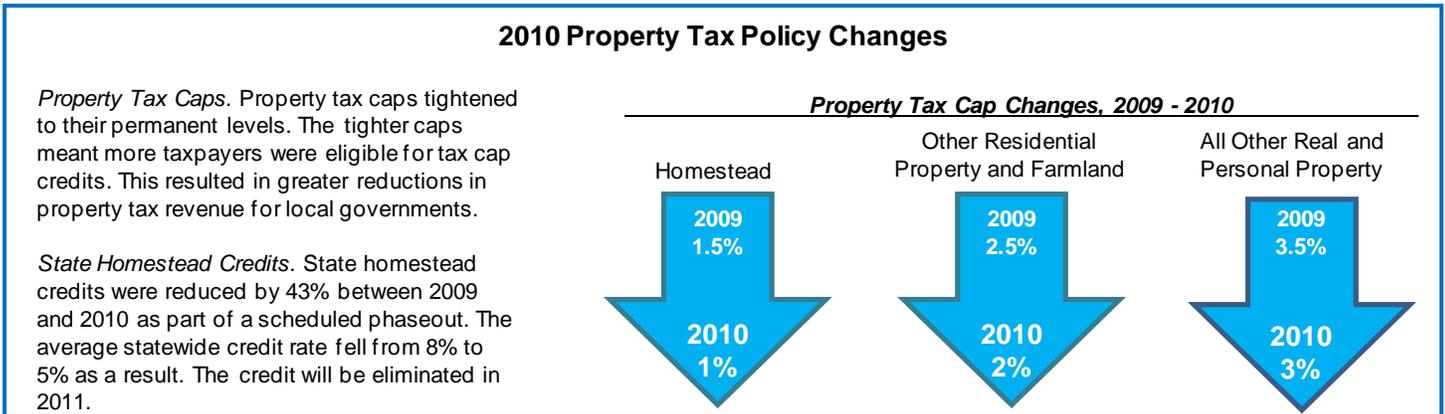
The larger-than-average increase in homeowner tax bills was due mainly to increases in local government tax levies. Property tax levies increased 9.2% in Perry County in 2010, much more than the state average increase of 2.4%. The largest increase was in the levies for the Tell City-Troy Township School Corporation debt service and capital projects funds. Perry County homeowners benefitted somewhat less from the one percent property tax cap than did homeowners in the average county, primarily because Perry home values tend to be lower than the state average.

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



Net tax bills for all taxpayers increased 2.8% in Perry County from 2009 to 2010. This was higher than the statewide reduction of 1.4%. In 2010 apartment owners saw an 18.1% decrease in tax bills. This large decrease was due mainly to the tightening of the tax caps from 2.5% to 2% for rental housing. The tightening of the tax caps also affected nonhomestead residential property (mostly small rental residences), which saw a 12.5% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 5.7% and 0.7% increase, respectively, in tax bills in 2010. These changes in tax bills were partly due to the increase in Perry County property tax levies and partly due to changes in assessed value. After deductions and exemptions, business real property net assessed

declined by 0.3%, while personal property net assessed value declined by 8.8%. The tightening of the tax caps from 3.5% to 3% also contributed to the tax changes for commercial and industrial property. Agricultural business property saw an 8.1% increase in tax payments in 2010 because of the Perry County tax levy increases and the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.



Tax Cap Credits

Tax cap credits in Perry County in 2010 amounted to 8.3% of the total property tax levy. The statewide average was 6.3%. The larger percentage loss in the county was partly due to higher-than-average tax rates in Perry County. Tax rates in 4 of 10 total taxing districts exceeded \$2, so a large amount of housing in the 2% cap category was eligible for credits. Commercial and industrial properties in the 3% tax cap category qualified for credits in the incorporated areas of the county because the tax rates in those 2 taxing districts exceeded \$3. Perry County home values were not enough for a large share of homesteads to qualify for credits in the 1% category.

2010 Circuit Breaker Credits by Cap Category
Perry County Total \$1,200,399

1%	2%	3%	Elderly
\$137,439	\$815,600	\$222,476	\$24,884
11.5%	67.9%	18.5%	2.1%

Perry County, Tell City, and the Tell City-Troy Township School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of their total levies, the city of Cannelton, the Cannelton Public Library, and the Cannelton City School Corporation lost the most, at 20.3% each. Losses were greatest for units that overlapped the municipalities of Cannelton and Tell City, because these tax districts had the highest tax rates.

The Effects of Recession

In Perry County the recession has had an effect on the economy. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 4.0% in December 2007 to 11.0% in July 2009. Despite job losses, local income tax revenue grew by 1.7%.

Perry County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	505,235,800	510,373,300	1.0%
Other Residential	83,976,200	84,655,900	0.8%
Ag Business/Land	86,026,500	88,847,900	3.3%
Business Real/Personal	322,517,340	318,250,080	-1.3%
Total	\$997,755,840	\$1,002,127,180	0.4%

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 Perry County, the gross assessed value of business real and personal property fell 1.3% in 2010. Other assessment categories increased, and total gross assessed value in Perry County rose 0.4%. This was just under 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.

Perry County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	16,759,621	17,525,543	11,765,993	12,843,845	4.6%	-32.9%	9.2%
State Unit	13,113	14,181	0	0	8.1%	-100.0%	
Perry County	3,482,482	3,426,947	3,034,678	3,167,586	-1.6%	-11.4%	4.4%
Anderson Township	5,609	5,857	6,233	6,471	4.4%	6.4%	3.8%
Clark Township	8,753	8,874	9,536	9,878	1.4%	7.5%	3.6%
Leopold Township	9,242	10,326	11,009	11,430	11.7%	6.6%	3.8%
Oil Township	5,027	5,044	5,387	5,589	0.3%	6.8%	3.7%
Tobin Township	6,911	10,165	10,391	10,901	47.1%	2.2%	4.9%
Troy Township	77,428	78,645	82,912	86,451	1.6%	5.4%	4.3%
Union Township	13,235	13,431	14,354	15,165	1.5%	6.9%	5.6%
Tell City Civil City	1,767,322	1,879,021	1,817,841	1,936,445	6.3%	-3.3%	6.5%
Cannelton Civil City	383,095	351,088	410,059	425,435	-8.4%	16.8%	3.7%
Troy Civil Town	15,798	17,447	17,530	19,159	10.4%	0.5%	9.3%
Perry Central Community School Corp	3,575,983	3,823,568	1,975,774	2,049,338	6.9%	-48.3%	3.7%
Cannelton City School Corp	471,329	352,682	305,801	302,914	-25.2%	-13.3%	-0.9%
Tell City-Troy Township School Corp	6,161,486	6,557,350	3,296,684	3,995,340	6.4%	-49.7%	21.2%
Cannelton Public Library	17,843	17,099	19,451	20,685	-4.2%	13.8%	6.3%
Tell City Public Library	686,586	703,063	709,076	749,993	2.4%	0.9%	5.8%
Perry County Airport Authority	38,245	40,178	39,277	31,065	5.1%	-2.2%	-20.9%
Perry County Solid Waste Mgt Dist	0	0	0	0			
Perry County Redevelopment Comm	20,134	210,577	0	0	945.9%	-100.0%	

Perry 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	
62001	Anderson Township	1.8161	--	4.2854%	2.3327%	5.4758%	--	--	--	1.5965
62002	Clark Township	1.8251	--	4.2854%	2.3409%	5.4758%	--	--	--	1.6042
62003	Leopold Township	1.8643	--	4.2854%	2.3547%	5.4758%	--	--	--	1.6384
62004	Oil Township	1.8189	--	4.2854%	2.3353%	5.4758%	--	--	--	1.5989
62005	Tobin Township	1.8341	--	4.2854%	2.3020%	5.4758%	--	--	--	1.6128
62006	Troy Township	2.1809	--	4.2854%	1.4891%	5.4758%	--	--	--	1.9355
62007	Tell City City	3.1910	--	4.2854%	2.1797%	5.4758%	--	--	--	2.8100
62008	Cannelton City	3.3273	--	4.2854%	2.5720%	5.4758%	--	--	--	2.9169
62009	Troy Town	2.4970	--	4.2854%	1.7986%	5.4758%	--	--	--	2.2084
62010	Union Township	1.8612	--	4.2854%	2.3731%	5.4758%	--	--	--	1.6354

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.

Perry 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>	135,434	804,675	214,813	24,884	1,179,806	12,843,845	9.2%
<i>TIF Total</i>	2,005	10,926	7,663	0	20,593	1,669,293	1.2%
<i>County Total</i>	137,439	815,600	222,476	24,884	1,200,399	14,513,138	8.3%
Perry County	26,636	158,416	40,865	5,363	231,279	3,167,586	7.3%
Anderson Township	0	0	0	7	7	6,471	0.1%
Clark Township	5	0	0	5	10	9,878	0.1%
Leopold Township	0	0	0	3	3	11,430	0.0%
Oil Township	0	0	0	5	5	5,589	0.1%
Tobin Township	10	0	0	1	11	10,901	0.1%
Troy Township	1,006	6,210	1,510	199	8,925	86,451	10.3%
Union Township	8	0	0	2	9	15,165	0.1%
Tell City Civil City	39,955	192,731	55,883	5,171	293,741	1,936,445	15.2%
Cannelton Civil City	1,664	64,736	18,731	1,404	86,534	425,435	20.3%
Troy Civil Town	94	1,472	0	6	1,572	19,159	8.2%
Perry Central Community School Corp	685	0	0	1,117	1,802	2,049,338	0.1%
Cannelton City School Corp	1,185	46,093	13,337	999	61,613	302,914	20.3%
Tell City-Troy Township School Corp	57,346	297,167	74,829	9,281	438,623	3,995,340	11.0%
Cannelton Public Library	81	3,148	911	68	4,207	20,685	20.3%
Tell City Public Library	6,499	33,148	8,347	1,201	49,195	749,993	6.6%
Perry County Airport Authority	261	1,554	401	53	2,268	31,065	7.3%
Perry County Solid Waste Mgt Dist	0	0	0	0	0	0	
Perry County Redevelopment Comm	0	0	0	0	0	0	
TIF - Troy Township	347	1,825	0	0	2,173	1,524,436	0.1%
TIF - Tell City City	1,657	9,100	7,663	0	18,421	144,857	12.7%

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.