

2013 Posey County Property Tax Report with Comparison to 2012

Legislative Services Agency

September 2013



This report describes property tax changes in Posey County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Posey County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	2.7%	\$31,611,349	\$1,846,270,546	2.8%
Change		5.6%	-3.3%	
2012	3.7%	\$29,944,956	\$1,909,984,268	1.9%

Comparable Homestead Property Tax Changes in Posey County

The total tax bill for all taxpayers in Posey County increased by 2.7% in 2013. The main reason was a 5.6% increase in the total property tax levy. This levy increase combined with a 3.3% reassessment year decrease in certified net assessed value caused most Posey County tax rates to increase. As a result, tax cap credits as a share of the levy increased from 1.9% in 2012 to 2.8% in 2013. Higher tax cap credits helped keep the net tax increase below the levy increase.

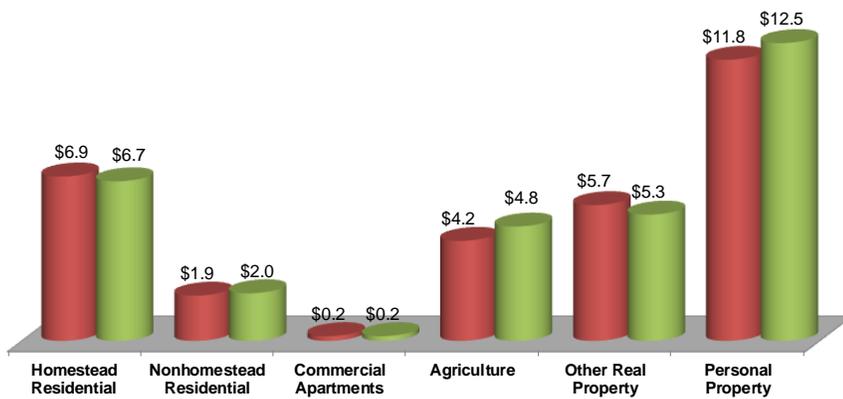
Posey County homeowners experienced a 2.9% decrease in property tax bills in 2013, despite increases in most tax rates. A decline in homestead net assessed value was the reason. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	3,815	47.8%
No Change	173	2.2%
Lower Tax Bill	3,997	50.1%
Average Change in Tax Bill	-2.9%	
Detailed Change in Tax Bill		
20% or More	1,081	13.5%
10% to 19%	1,030	12.9%
1% to 9%	1,704	21.3%
-1% to 1%	173	2.2%
-1% to -9%	1,822	22.8%
-10% to -19%	977	12.2%
-20% or More	1,198	15.0%
Total	7,985	100.0%

Note: Percentages may not total due to rounding.

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

■ 2012 - Total \$30.7 ■ 2013 - Total \$31.5



In Posey County most net property taxes were paid by business (other real and personal) property owners in 2013. Total net property taxes increased 2.7%, more than the average 2.1% increase statewide. Agriculture experienced the largest percentage increase, while commercial apartment net taxes had the largest percentage decrease.

Property tax rates increased in 12 of 15 Posey County tax districts in 2013. The average tax rate rose by 9.2% because of a levy increase and a decrease in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

Posey County increased by 5.6%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Posey County are included in a later table.

The total levies of all government units in

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$1,040,569,900	\$986,667,200	-5.2%	\$446,800,011	\$416,952,835	-6.7%
Other Residential	126,659,200	126,055,500	-0.5%	124,995,930	124,396,940	-0.5%
Ag Business/Land	300,753,800	323,328,400	7.5%	299,626,054	321,708,375	7.4%
Business Real/Personal	1,195,290,460	1,110,998,520	-7.1%	1,154,522,008	1,073,396,594	-7.0%
Total	\$2,663,273,360	\$2,547,049,620	-4.4%	\$2,025,944,003	\$1,936,454,744	-4.4%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Posey County's total billed net assessed value decreased by 4.4% in 2013. Declines in business real and personal property assessments and homestead assessments were the main reasons. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$223,794	\$285,375	\$61,581	27.5%
2%	357,202	517,556	160,353	44.9%
3%	0	119,938	119,938	--
Elderly	9,588	11,326	1,739	18.1%
Total	\$590,584	\$934,195	\$343,611	58.2%
% of Levy	1.9%	2.8%		

Total tax cap credits in Posey County were \$934,195, which was 2.8% of the levy. This was less than the state average of 10.9%, and less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Posey County's average tax rate was less than the median rate

statewide. More than half of Posey County's tax cap credits were in the 2% nonhomestead residential/farmland category. Most of the rest were in the 1% homestead category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Posey County increased \$343,611 between 2012 and 2013. Credits as a share of the total levy rose to 2.8% in 2013 from 1.9% in 2012.

Posey County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
<i>County Total</i>	29,321,878	29,551,009	29,636,027	29,944,956	31,611,349	0.8%	0.3%	1.0%	5.6%
Posey County	8,648,995	8,963,412	9,078,886	9,269,154	9,735,385	3.6%	1.3%	2.1%	5.0%
Bethel Township	14,867	15,433	15,828	16,330	16,798	3.8%	2.6%	3.2%	2.9%
Black Township	791,787	791,086	794,515	822,950	796,511	-0.1%	0.4%	3.6%	-3.2%
Center Township	16,525	17,152	17,574	14,931	14,984	3.8%	2.5%	-15.0%	0.4%
Harmony Township	47,539	38,993	30,892	31,535	32,419	-18.0%	-20.8%	2.1%	2.8%
Lynn Township	55,704	57,805	59,268	61,184	62,869	3.8%	2.5%	3.2%	2.8%
Marrs Township	264,709	274,757	281,606	283,901	299,041	3.8%	2.5%	0.8%	5.3%
Point Township	18,282	18,979	19,454	19,395	20,638	3.8%	2.5%	-0.3%	6.4%
Robb Township	53,590	55,655	57,018	58,849	18,990	3.9%	2.4%	3.2%	-67.7%
Robinson Township	140,369	146,144	150,565	153,095	157,372	4.1%	3.0%	1.7%	2.8%
Smith Township	42,724	44,234	45,215	45,321	48,663	3.5%	2.2%	0.2%	7.4%
Mount Vernon Civil City	2,941,685	3,053,850	3,130,181	3,228,709	3,347,010	3.8%	2.5%	3.1%	3.7%
Cynthiana Civil Town	62,040	66,463	67,971	65,599	71,616	7.1%	2.3%	-3.5%	9.2%
Griffin Civil Town	10,831	11,801	12,104	12,496	12,846	9.0%	2.6%	3.2%	2.8%
New Harmony Civil Town	140,554	145,965	149,511	153,959	158,448	3.8%	2.4%	3.0%	2.9%
Poseyville Civil Town	231,893	240,483	245,617	253,346	270,654	3.7%	2.1%	3.1%	6.8%
M.S.D. Mount Vernon School Corp	9,850,349	9,725,862	9,435,794	9,779,759	10,650,451	-1.3%	-3.0%	3.6%	8.9%
M.S.D. North Posey County School Corp	3,573,150	3,560,661	3,609,377	3,169,001	3,662,369	-0.3%	1.4%	-12.2%	15.6%
New Harmony Town And Twp School Corp	347,995	365,347	301,514	302,869	0	5.0%	-17.5%	0.4%	-100.0%
New Harmony Workmens Institute	57,594	59,801	97,953	103,751	89,336	3.8%	63.8%	5.9%	-13.9%
Poseyville Carnegie Library	107,640	111,765	114,619	118,228	121,481	3.8%	2.6%	3.1%	2.8%
Alexandrian Free Public Library	1,318,390	1,184,991	1,309,260	1,351,630	1,388,832	-10.1%	10.5%	3.2%	2.8%
Griffin-Bethel Township Fire Protection	55,343	57,436	58,921	58,902	39,996	3.8%	2.6%	0.0%	-32.1%
Wadesville-Center Township Fire	45,400	44,768	47,102	48,636	49,990	-1.4%	5.2%	3.3%	2.8%
Posey County Solid Waste Management Dist	483,923	498,166	505,282	521,426	544,650	2.9%	1.4%	3.2%	4.5%

Posey County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates					Net Tax Rate, Homesteads	
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead		LOIT Residential
65005	Center Township	1.5457	--	5.1398%	--	--	--	--	1.4663
65006	Harmony Township	1.1535	--	5.1398%	--	--	--	--	1.0942
65007	New Harmony Town	1.9248	--	5.1398%	--	--	--	--	1.8259
65008	Lynn Township	1.5332	--	5.1398%	--	--	--	--	1.4544
65010	Point Township	1.4755	--	5.1398%	--	--	--	--	1.3997
65011	Robb Township	1.4703	--	5.1398%	--	--	--	--	1.3947
65012	Poseyville Town	2.3723	--	5.1398%	--	--	--	--	2.2504
65014	Smith Township	1.5436	--	5.1398%	--	--	--	--	1.4643
65015	Cynthiana Town	2.3197	--	5.1398%	--	--	--	--	2.2005
65016	Robinson Township	1.5845	--	5.1398%	--	--	--	--	1.5031
65017	Black Township	1.5676	--	5.1398%	--	--	--	--	1.4870
65018	Mount Vernon City	3.1618	--	5.1398%	--	--	--	--	2.9993
65019	Marrs Township	1.5101	--	5.1398%	--	--	--	--	1.4325
65020	Bethel Township	1.6595	--	5.1398%	--	--	--	--	1.5742
65021	Griffin Town	2.4162	--	5.1398%	--	--	--	--	2.2920

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 *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.

Posey County 2013 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>	285,375	517,556	107,634	11,326	921,892	31,611,349	2.9%
<i>TIF Total</i>	0	0	12,304	0	12,304	1,516,703	0.8%
<i>County Total</i>	285,375	517,556	119,938	11,326	934,195	33,128,052	2.8%
Posey County	48,589	88,207	17,950	2,753	157,500	9,735,385	1.6%
Bethel Township	0	73	0	0	73	16,798	0.4%
Black Township	1,534	2,663	592	138	4,928	796,511	0.6%
Center Township	1	0	0	5	5	14,984	0.0%
Harmony Township	17	0	0	13	30	32,419	0.1%
Lynn Township	0	0	0	68	68	62,869	0.1%
Marrs Township	168	0	0	40	208	299,041	0.1%
Point Township	0	0	0	0	0	20,638	0.0%
Robb Township	17	97	0	1	115	18,990	0.6%
Robinson Township	6	0	0	42	48	157,372	0.0%
Smith Township	19	132	0	10	160	48,663	0.3%
Mount Vernon Civil City	150,856	264,120	58,743	3,319	477,038	3,347,010	14.3%
Cynthiana Civil Town	57	2,819	0	189	3,065	71,616	4.3%
Griffin Civil Town	0	870	0	0	870	12,846	6.8%
New Harmony Civil Town	396	0	0	63	459	158,448	0.3%
Poseyville Civil Town	1,536	8,912	0	38	10,486	270,654	3.9%
M.S.D. Mount Vernon School Corp	68,964	118,086	26,263	3,095	216,409	10,650,451	2.0%
M.S.D. North Posey County School Corp	2,077	11,876	0	921	14,874	3,662,369	0.4%
New Harmony Workingmens Institute	223	0	0	36	259	89,336	0.3%
Poseyville Carnegie Library	100	738	0	26	864	121,481	0.7%
Alexandrian Free Public Library	8,095	13,852	3,081	400	25,428	1,388,832	1.8%
Griffin-Bethel Township Fire Protection	0	175	0	0	175	39,996	0.4%
Wadesville-Center Township Fire	2	0	0	16	18	49,990	0.0%
Posey County Solid Waste Management Dist	2,718	4,935	1,004	154	8,811	544,650	1.6%
TIF - Mt. Vernon City	0	0	12,304	0	12,304	240,431	5.1%
TIF - Marrs Township	0	0	0	0	0	1,276,272	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.