

PROPERTY TAXES IN PUTNAM COUNTY, INDIANA, 2007-2008



Legislative Services Agency

October 2008

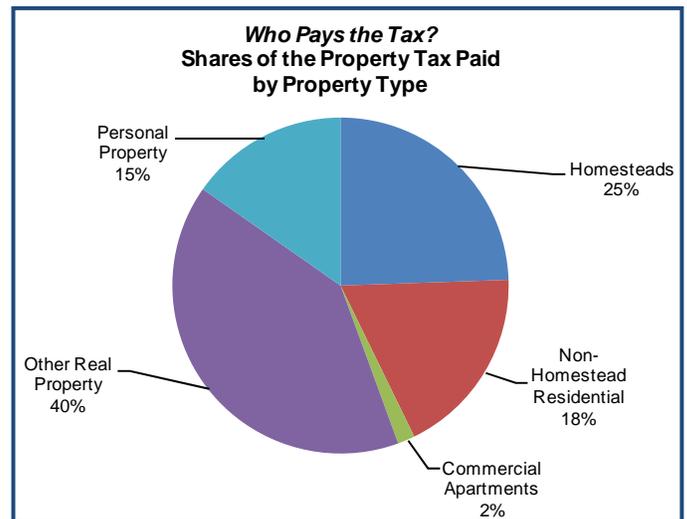
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

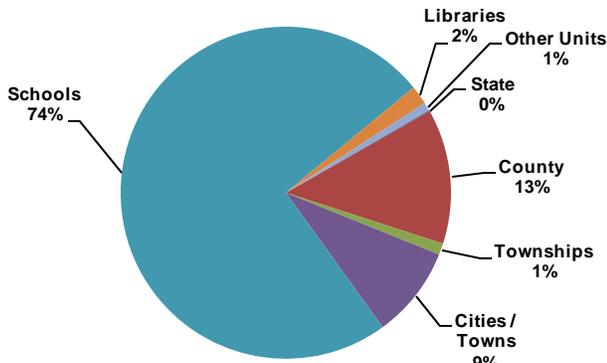
In Putnam County, the average homeowner saw their tax bill decrease by 42.2% for 2008, with 98.6% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by 9.6%, and 86.3% of homeowners would have seen tax bill decreases.

In Putnam County, 25% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 18% 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 55% 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	45	0.5%	341	3.8%
10% to 19%	11	0.1%	220	2.5%
1% to 9%	23	0.3%	616	6.9%
0%	44	0.5%	44	0.5%
-1% to -9%	44	0.5%	3,422	38.3%
-10% to -19%	148	1.7%	3,026	33.8%
-20% to -29%	680	7.6%	1,065	11.9%
-30% to -39%	2,050	22.9%	107	1.2%
-40% to -49%	3,786	42.3%	60	0.7%
-50% to -59%	1,966	22.0%	18	0.2%
-60% to -69%	109	1.2%	7	0.1%
-70% to -79%	19	0.2%	0	0.0%
-80% to -89%	2	0.0%	4	0.0%
-90% to -99%	6	0.1%	3	0.0%
-100%	10	0.1%	10	0.1%
Total	8,943	100.0%	8,943	100.0%
Higher Tax Bill	79	0.9%	1,177	13.2%
No Change	44	0.5%	44	0.5%
Lower Tax Bill	8,820	98.6%	7,722	86.3%
Average Change in Tax Bill	-42.2%		-9.6%	



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



On average, Putnam County property tax levies decreased 2.4% from 2007 to 2008. This is much lower than the expected statewide average increase of 5%. The largest levy decreases were in the county welfare funds and the Greencastle School Corporation's debt service fund. The biggest increase was in several of the North Putnam School Corporation's funds.

In Putnam County, school corporations receive 74% of all property taxes. The county and the cities and towns 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 Putnam County**

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$38,155,081	\$37,234,633	-2.4%
State Unit	36,503	41,489	13.7%
Putnam County	6,254,221	4,918,202	-21.4%
Clinton Township	12,678	12,790	0.9%
Cloverdale Township	38,878	40,444	4.0%
Floyd Township	21,193	22,248	5.0%
Franklin Township	13,656	14,208	4.0%
Greencastle Township	103,524	103,744	0.2%
Jackson Township	11,542	8,129	-29.6%
Jefferson Township	33,759	34,390	1.9%
Madison Township	44,586	48,330	8.4%
Marion Township	26,124	26,607	1.8%
Monroe Township	9,521	9,974	4.8%
Russell Township	18,614	18,888	1.5%
Warren Township	23,190	24,117	4.0%
Washington Township	38,364	50,873	32.6%
Greencastle Civil City	2,787,713	2,767,767	-0.7%
Bainbridge Civil Town	95,082	99,674	4.8%
Cloverdale Civil Town	256,643	265,969	3.6%
Roachdale Civil Town	132,838	138,505	4.3%
Russellville Civil Town	29,783	29,778	0.0%
Fillmore Civil Town	33,486	35,757	6.8%
South Putnam Community School Corporation	7,040,176	7,202,732	2.3%
North Putnam Community School Corporation	6,247,006	7,228,625	15.7%
Cloverdale Community School Corporation	3,074,902	3,201,460	4.1%
Greencastle Community School Corporation	10,777,747	9,910,770	-8.0%
Roachdale Public Library	37,605	39,919	6.2%
Putnam County Public Library	691,122	645,739	-6.6%
Roachdale Fire Protection	59,863	62,629	4.6%
Walnut Creek Fire Protection	87,049	99,663	14.5%
Floyd Twp Fire District	117,713	131,213	11.5%