

2010 Property Tax Report

Putnam County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Putnam 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 Putnam 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 Putnam County

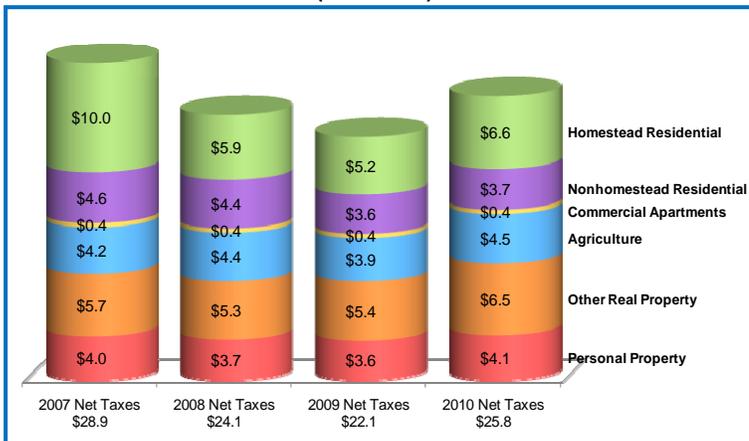
	2009 to 2010		2007 to 2010		
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total	
Summary Change in Tax Bill					
Higher Tax Bill	7,945	93.4%	165	1.9%	97.6% of homeowners saw lower tax bills in 2010 than in 2007.
No Change	162	1.9%	41	0.5%	
Lower Tax Bill	400	4.7%	8,301	97.6%	
Average Change in Tax Bill	25.2%		-39.1%		
Detailed Change in Tax Bill					
20% or More	4,941	58.1%	90	1.1%	81.9% of homeowners saw tax increases of 10% or more from 2009 to 2010.
10% to 19%	2,021	23.8%	24	0.3%	
1% to 9%	983	11.6%	51	0.6%	
0%	162	1.9%	41	0.5%	
-1% to -9%	172	2.0%	163	1.9%	
-10% to -19%	63	0.7%	405	4.8%	
-20% to -29%	51	0.6%	965	11.3%	
-30% to -39%	23	0.3%	2,326	27.3%	The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2010.
-40% to -49%	28	0.3%	2,170	25.5%	
-50% to -59%	14	0.2%	1,297	15.2%	
-60% to -69%	13	0.2%	495	5.8%	
-70% to -79%	9	0.1%	174	2.0%	
-80% to -89%	4	0.0%	124	1.5%	
-90% to -99%	7	0.1%	93	1.1%	
-100%	16	0.2%	89	1.0%	
Total	8,507	100.0%	8,507	100.0%	

Note: Percentages may not total due to rounding.

Putnam County Overview

The much larger-than-average increase in homeowner tax bills had several causes. Property tax levies increased 14% in Putnam County in 2010, much more than the state average increase of 2.4%. The largest levy increases were in the Greencastle School Corporation's debt service fund, the South Putnam School Corporation's debt service fund, and the North Putnam School Corporation's capital projects fund. The county saw a decrease in local homestead property tax credit rates, because of a decrease in the local income tax revenues which fund these credits. Putnam County homeowners benefitted less from the one percent property tax cap than did homeowners in the average county, because Putnam County tax rates tend to be lower than the state average and because the substantial local homestead credit holds homeowner tax bills low.

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



Net tax bills for all taxpayers increased 17.5% in Putnam County from 2009 to 2010. This was higher than the statewide reduction of 1.4%. In 2010 apartment owners saw a 2.7% increase in tax bills. This increase was moderated by 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 4% increase in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 21.5% and 15.5% increase, respectively, in tax bills in 2010. This was mainly because of the increase in Putnam County property tax levies and assessed value increases.

Commercial and industrial property did not benefit from the tightened tax caps, because Putnam County's tax rates were not high enough for this type of property to qualify for tax cap credits. Agricultural business property saw a 15.7% increase in tax payments in 2010 because of the Putnam County tax levy increases and the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.

2010 Property Tax Policy Changes

Property Tax Caps. Property tax caps tightened to their permanent levels. The tighter caps meant more taxpayers were eligible for tax cap credits. This resulted in greater reductions in property tax revenue for local governments.

State Homestead Credits. State homestead credits were reduced by 43% between 2009 and 2010 as part of a scheduled phaseout. The average statewide credit rate fell from 8% to 5% as a result. The credit will be eliminated in 2011.



Tax Cap Credits

Tax cap credits in Putnam County in 2010 amounted to 1.2% of the total property tax levy. The statewide average was 6.3%. The smaller percentage loss in the county was mostly due to lower-than-average tax rates in Putnam County. Tax rates in 4 of 20 total taxing districts exceeded \$2, so housing in the 2% cap category was eligible for credits in these districts. No commercial or industrial properties in the 3% tax cap category qualified for credits because all Putnam County tax rates were under \$3. Putnam County tax rates were not high enough for more than a few homesteads to qualify for credits in the 1% category, although many low-income, elderly homeowners received credits under the 2% annual growth limit for their net taxes.

**2010 Circuit Breaker Credits by Cap Category
Putnam County Total \$329,299**

1%	2%	3%	Elderly
\$595	\$306,552	\$0	\$22,152
0.2%	93.1%	0.0%	6.7%

Putnam County, Greencastle City, and the Greencastle Community School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, Greencastle City lost the most, at 3.8%. Losses were greatest for units that overlapped Greencastle City, because its tax district had the highest tax rate.

The Effects of Recession

In Putnam 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 4.5% in December 2007 to 11.2% in July 2009. Job losses and income declines contributed to a 0.2% drop in local income tax revenue. Because part of this revenue is used for property tax relief, local property tax credit rates declined in Putnam County in 2010.

Putnam County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	1,246,383,030	1,275,939,000	2.4%
Other Residential	214,096,300	218,474,200	2.0%
Ag Business/Land	286,543,400	304,665,900	6.3%
Business Real/Personal	685,626,770	753,872,843	10.0%
Total	\$2,432,649,500	\$2,552,951,943	4.9%

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 Putnam County, the gross assessed value of business real and personal property increased 10.0% in 2010. Other assessment categories increased, and total gross assessed value in Putnam County rose 4.9%. This was higher 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.

Putnam County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	38,155,081	37,234,633	22,867,616	26,075,712	-2.4%	-38.6%	14.0%
State Unit	36,503	41,489	0	0	13.7%	-100.0%	
Putnam County	6,254,221	4,918,202	3,955,276	4,371,917	-21.4%	-19.6%	10.5%
Clinton Township	12,678	12,790	13,286	14,251	0.9%	3.9%	7.3%
Cloverdale Township	38,878	40,444	38,418	39,687	4.0%	-5.0%	3.3%
Floyd Township	21,193	22,248	23,350	24,330	5.0%	5.0%	4.2%
Franklin Township	13,656	14,208	13,944	15,505	4.0%	-1.9%	11.2%
Greencastle Township	103,524	103,744	95,303	97,729	0.2%	-8.1%	2.5%
Jackson Township	11,542	8,129	7,078	7,053	-29.6%	-12.9%	-0.4%
Jefferson Township	33,759	34,390	32,594	34,206	1.9%	-5.2%	4.9%
Madison Township	44,586	48,330	45,558	23,650	8.4%	-5.7%	-48.1%
Marion Township	26,124	26,607	28,286	29,694	1.8%	6.3%	5.0%
Monroe Township	9,521	9,974	9,651	9,888	4.8%	-3.2%	2.5%
Russell Township	18,614	18,888	17,817	19,553	1.5%	-5.7%	9.7%
Warren Township	23,190	24,117	24,388	25,347	4.0%	1.1%	3.9%
Washington Township	38,364	50,873	33,775	52,384	32.6%	-33.6%	55.1%
Greencastle Civil City	2,787,713	2,767,767	2,666,072	2,782,045	-0.7%	-3.7%	4.3%
Bainbridge Civil Town	95,082	99,674	100,478	104,262	4.8%	0.8%	3.8%
Cloverdale Civil Town	256,643	265,969	269,226	292,003	3.6%	1.2%	8.5%
Roachdale Civil Town	132,838	138,505	130,811	145,400	4.3%	-5.6%	11.2%
Russellville Civil Town	29,783	29,778	30,445	31,893	0.0%	2.2%	4.8%
Fillmore Civil Town	33,486	35,757	35,917	37,123	6.8%	0.4%	3.4%
South Putnam Community School Corp	7,040,176	7,202,732	3,771,329	4,352,126	2.3%	-47.6%	15.4%
North Putnam Community School Corp	6,247,006	7,228,625	3,423,183	3,969,187	15.7%	-52.6%	16.0%
Cloverdale Community School Corp	3,074,902	3,201,460	1,978,595	2,100,546	4.1%	-38.2%	6.2%
Greencastle Community School Corp	10,777,747	9,910,770	5,132,081	6,703,103	-8.0%	-48.2%	30.6%
Roachdale Public Library	37,605	39,919	38,027	42,620	6.2%	-4.7%	12.1%
Putnam County Public Library	691,122	645,739	673,829	444,137	-6.6%	4.4%	-34.1%
Roachdale Fire Protection	59,863	62,629	56,723	64,532	4.6%	-9.4%	13.8%
Walnut Creek Fire Protection	87,049	99,663	90,751	106,174	14.5%	-8.9%	17.0%
Floyd Twp Fire Dist	117,713	131,213	131,425	135,367	11.5%	0.2%	3.0%
West Central Indiana Solid Waste Mgt Dist	0	0	0	0			
Greencastle Redevelopment Comm	0	0	0	0			

Putnam 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	
67001	Clinton Township	1.1839	--	3.9733%	--	19.7067%	--	--	--	0.9036
67002	Cloverdale Township	1.7295	--	3.9733%	--	19.7067%	--	--	--	1.3200
67003	Cloverdale Town-Cloverdale Twp	2.0885	--	3.9733%	--	19.7067%	--	--	--	1.5939
67004	Floyd Township	1.1512	--	3.9733%	--	19.7067%	--	--	--	0.8786
67005	Franklin Township	1.1796	--	3.9733%	--	19.7067%	--	--	--	0.9003
67006	Roachdale Town	1.8994	--	3.9733%	--	19.7067%	--	--	--	1.4496
67007	Greencastle Township	1.5715	--	3.9733%	--	19.7067%	--	--	--	1.1994
67008	Greencastle City	2.3877	--	3.9733%	--	19.7067%	--	--	--	1.8223
67009	Jackson Township	1.1451	--	3.9733%	--	19.7067%	--	--	--	0.8739
67010	Jefferson Township	1.8222	--	3.9733%	--	19.7067%	--	--	--	1.3907
67011	Madison Township	1.5827	--	3.9733%	--	19.7067%	--	--	--	1.2079
67012	Marion Township	1.8095	--	3.9733%	--	19.7067%	--	--	--	1.3810
67013	Monroe Township	1.1742	--	3.9733%	--	19.7067%	--	--	--	0.8961
67014	Bainbridge Town	1.9729	--	3.9733%	--	19.7067%	--	--	--	1.5057
67015	Russell Township	1.1274	--	3.9733%	--	19.7067%	--	--	--	0.8604
67016	Russellville Town	1.5952	--	3.9733%	--	19.7067%	--	--	--	1.2175
67017	Warren Township	1.8094	--	3.9733%	--	19.7067%	--	--	--	1.3809
67018	Cloverdale Town-Warren Township	2.1746	--	3.9733%	--	19.7067%	--	--	--	1.6597
67019	Washington Township	1.8405	--	3.9733%	--	19.7067%	--	--	--	1.4047
67020	Fillmore Town	2.0814	--	3.9733%	--	19.7067%	--	--	--	1.5885

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.

Putnam 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>	595	306,552	0	22,152		329,299	26,075,712	1.3%
<i>TIF Total</i>	0	0	0	0		0	1,015,523	0.0%
<i>County Total</i>	595	306,552	0	22,152		329,299	27,091,235	1.2%
Putnam County	71	37,153	0	3,347		40,572	4,371,917	0.9%
Clinton Township	0	0	0	10		10	14,251	0.1%
Cloverdale Township	0	90	0	9		99	39,687	0.2%
Floyd Township	0	0	0	4		4	24,330	0.0%
Franklin Township	0	0	0	8		8	15,505	0.1%
Greencastle Township	2	1,056	0	124		1,183	97,729	1.2%
Jackson Township	0	0	0	2		2	7,053	0.0%
Jefferson Township	0	0	0	14		14	34,206	0.0%
Madison Township	0	0	0	31		31	23,650	0.1%
Marion Township	0	18	0	29		47	29,694	0.2%
Monroe Township	0	0	0	6		6	9,888	0.1%
Russell Township	0	0	0	11		11	19,553	0.1%
Warren Township	0	1	0	6		7	25,347	0.0%
Washington Township	0	0	0	56		56	52,384	0.1%
Greencastle Civil City	211	101,603	0	3,721		105,535	2,782,045	3.8%
Bainbridge Civil Town	0	0	0	159		159	104,262	0.2%
Cloverdale Civil Town	0	3,028	0	52		3,079	292,003	1.1%
Roachdale Civil Town	0	0	0	174		174	145,400	0.1%
Russellville Civil Town	0	0	0	50		50	31,893	0.2%
Fillmore Civil Town	0	510	0	37		547	37,123	1.5%
South Putnam Community School Corp	0	2,578	0	3,035		5,613	4,352,126	0.1%
North Putnam Community School Corp	0	0	0	1,553		1,553	3,969,187	0.0%
Cloverdale Community School Corp	0	10,705	0	469		11,174	2,100,546	0.5%
Greencastle Community School Corp	303	145,845	0	8,758		154,905	6,703,103	2.3%
Roachdale Public Library	0	0	0	22		22	42,620	0.1%
Putnam County Public Library	8	3,965	0	346		4,319	444,137	1.0%
Roachdale Fire Protection	0	0	0	28		28	64,532	0.0%
Walnut Creek Fire Protection	0	0	0	68		68	106,174	0.1%
Floyd Twp Fire Dist	0	0	0	22		22	135,367	0.0%
West Central Indiana Solid Waste Mgt Dist	0	0	0	0		0	0	
Greencastle Redevelopment Comm	0	0	0	0		0	0	
TIF - Greencastle City	0	0	0	0		0	1,013,579	0.0%
TIF - Cloverdale	0	0	0	0		0	1,944	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.