

# PROPERTY TAXES IN SCOTT COUNTY, INDIANA, 2007-2008



Legislative Services Agency

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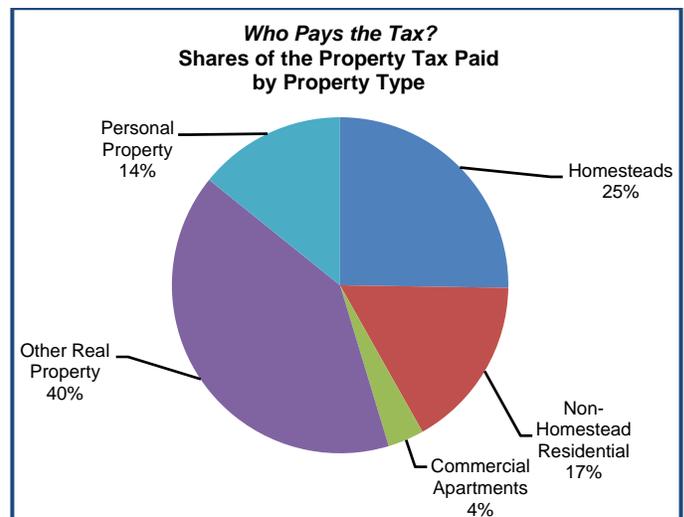
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

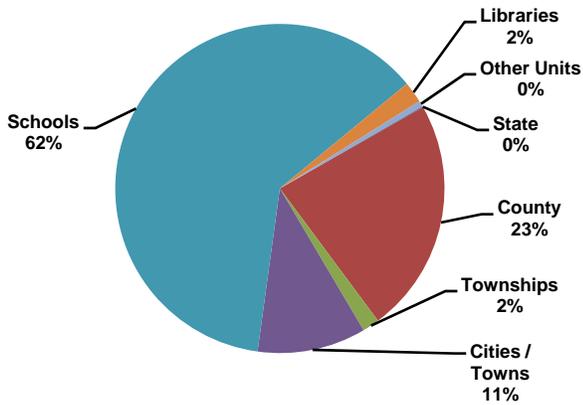
In Scott County, the average homeowner saw their tax bill decrease by 38.5% for 2008, with 94.8% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by 11.2%, but only 78.1% of homeowners would have seen tax bill decreases.

In Scott County, 25% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 17% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 4% are paid by owners of larger rental housing units (commercial apartments); and 54% 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	203	2.9%	527	7.6%
10% to 19%	18	0.3%	283	4.1%
1% to 9%	32	0.5%	604	8.7%
0%	113	1.6%	113	1.6%
-1% to -9%	67	1.0%	1,504	21.6%
-10% to -19%	205	2.9%	1,849	26.5%
-20% to -29%	756	10.9%	1,244	17.9%
-30% to -39%	1,850	26.6%	405	5.8%
-40% to -49%	1,953	28.0%	105	1.5%
-50% to -59%	1,306	18.8%	103	1.5%
-60% to -69%	188	2.7%	73	1.0%
-70% to -79%	111	1.6%	45	0.6%
-80% to -89%	60	0.9%	14	0.2%
-90% to -99%	9	0.1%	2	0.0%
-100%	94	1.3%	94	1.3%
<b>Total</b>	<b>6,965</b>	<b>100.0%</b>	<b>6,965</b>	<b>100.0%</b>
Higher Tax Bill	253	3.6%	1,414	20.3%
No Change	113	1.6%	113	1.6%
Lower Tax Bill	6,599	94.8%	5,438	78.1%
<b>Average Change in Tax Bill</b>	<b>-38.5%</b>		<b>-11.2%</b>	



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



On average, Scott County property tax levies decreased 5.7% from 2007 to 2008. This is much lower than the expected statewide average increase of 5%. The tax levy fell mainly because of decreases in the county welfare levies and the Scott County District Number 1 School Corporation debt service and capital projects fund levies.

In Scott County, the school corporations receive 62% of all property taxes. The county, city, and town receive most of the rest. Townships, the library district, the 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 Scott County**

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$20,751,854</i>	<i>\$19,566,180</i>	<i>-5.7%</i>
State Unit	16,641	19,389	16.5%
Scott County	5,025,630	4,516,157	-10.1%
Finley Township	20,600	21,373	3.8%
Jennings Township	126,902	133,069	4.9%
Johnson Township	41,014	42,457	3.5%
Lexington Township	35,480	36,767	3.6%
Vienna Township	87,604	91,074	4.0%
Scottsburg Civil City	1,539,824	1,619,723	5.2%
Austin Civil Town	447,843	463,584	3.5%
Scott County District No. 1 School Corporation	3,430,504	2,573,150	-25.0%
Scott County District No. 2 School Corporation	9,374,912	9,531,561	1.7%
Scott County Public Library	393,147	407,181	3.6%
Southeastern Indiana Solid Waste Management District	85,286	88,061	3.3%
Scottsburg Redevelopment Commission	102,825	0	-100.0%
Scott County Redevelopment Commission	16,047	12,766	-20.4%
Austin Redevelopment Commission	7,595	9,868	29.9%