

PROPERTY TAXES IN STEUBEN COUNTY, INDIANA, 2007-2008



Legislative Services Agency

August 2008

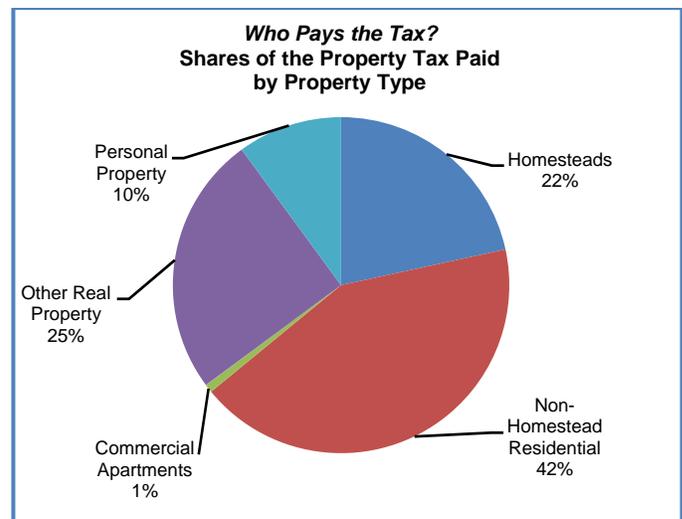
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

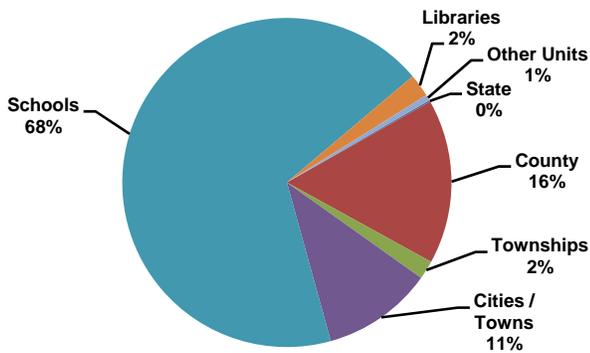
In Steuben County, the average homeowner saw their tax bill decrease by 25.6% for 2008, with 90.6% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have increased by 9.0%, and 69.3% of homeowners would have seen tax bill increases.

In Steuben County, 22% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 42% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 1% are paid by owners of larger rental housing units (commercial apartments); and 35% 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	600	4.6%	1,996	15.2%
10% to 19%	118	0.9%	2,643	20.1%
1% to 9%	252	1.9%	4,460	34.0%
0%	268	2.0%	238	1.8%
-1% to -9%	543	4.1%	2,109	16.1%
-10% to -19%	1,030	7.8%	464	3.5%
-20% to -29%	4,165	31.7%	416	3.2%
-30% to -39%	4,371	33.3%	135	1.0%
-40% to -49%	822	6.3%	137	1.0%
-50% to -59%	298	2.3%	138	1.1%
-60% to -69%	193	1.5%	61	0.5%
-70% to -79%	137	1.0%	22	0.2%
-80% to -89%	28	0.2%	12	0.1%
-90% to -99%	11	0.1%	5	0.0%
-100%	<u>292</u>	<u>2.2%</u>	<u>292</u>	<u>2.2%</u>
Total	13,128	100.0%	13,128	100.0%
Higher Tax Bill	970	7.4%	9,099	69.3%
No Change	268	2.0%	238	1.8%
Lower Tax Bill	11,890	90.6%	3,791	28.9%
Average Change in Tax Bill	-25.6%		9.0%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Steuben County property tax levies increased 7.5% from 2007 to 2008. This is higher than the expected statewide average increase of 5%. Steuben County School Corporation general fund and capital projects fund levies increased the most.

In Steuben County, school corporations receive 68% of all property taxes. The county, city, 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 Steuben County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$48,966,074</i>	<i>\$52,637,845</i>	<i>7.5%</i>
State Unit	74,367	78,503	5.6%
Steuben County	8,220,577	8,520,852	3.7%
Clear Lake Township	34,511	39,698	15.0%
Fremont Township	21,123	28,245	33.7%
Jackson Township	33,129	35,043	5.8%
Jamestown Township	234,342	62,051	-73.5%
Millgrove Township	40,606	42,146	3.8%
Otsego Township	57,842	59,036	2.1%
Pleasant Township	515,991	533,127	3.3%
Richland Township	25,825	27,810	7.7%
Salem Township	46,889	48,578	3.6%
Scott Township	13,922	15,113	8.6%
Steuben Township	60,809	62,351	2.5%
York Township	13,906	15,236	9.6%
Angola Civil City	3,566,394	3,755,352	5.3%
Ashley Civil Town	100,226	101,052	0.8%
Clearlake Civil Town	255,161	269,412	5.6%
Fremont Civil Town	695,809	694,852	-0.1%
Hamilton Civil Town	665,766	677,325	1.7%
Hudson Civil Town	97,053	103,536	6.7%
Orland Civil Town	117,109	115,926	-1.0%
Dekalb County Central United School Corporation	138,125	140,029	1.4%
Prairie Heights Community School Corporation	4,717,665	5,028,476	6.6%
Fremont Community School Corporation	9,911,865	9,874,583	-0.4%
Hamilton Community School Corporation	2,712,352	2,826,584	4.2%
M.S.D. Steuben County School Corporation	15,227,723	17,993,406	18.2%
Carnegie Public Library Of Steuben County	494,301	579,607	17.3%
Fremont Public Library	583,251	607,377	4.1%
Northeast Indiana Solid Waste Management District	281,972	294,386	4.4%
Hudson Redevelopment Commission	7,463	8,153	9.2%