

2010 Property Tax Report

Steuben County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Steuben 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 Steuben 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 Steuben 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	6,247	56.2%	682	6.1%
No Change	369	3.3%	113	1.0%
Lower Tax Bill	4,495	40.5%	10,316	92.8%
Average Change in Tax Bill	-0.9%		-35.7%	
Detailed Change in Tax Bill				
20% or More	291	2.6%	464	4.2%
10% to 19%	311	2.8%	78	0.7%
1% to 9%	5,645	50.8%	140	1.3%
0%	369	3.3%	113	1.0%
-1% to -9%	3,529	31.8%	281	2.5%
-10% to -19%	517	4.7%	556	5.0%
-20% to -29%	219	2.0%	1,413	12.7%
-30% to -39%	55	0.5%	2,617	23.6%
-40% to -49%	54	0.5%	2,946	26.5%
-50% to -59%	46	0.4%	1,432	12.9%
-60% to -69%	24	0.2%	556	5.0%
-70% to -79%	10	0.1%	197	1.8%
-80% to -89%	13	0.1%	110	1.0%
-90% to -99%	3	0.0%	67	0.6%
-100%	25	0.2%	141	1.3%
Total	11,111	100.0%	11,111	100.0%

The average homeowner saw a 0.9% tax bill decrease from 2009 to 2010.

Homestead taxes in 2010 were still 35.7% lower than they were in 2007, before the property tax reforms.

92.8% of homeowners saw lower tax bills in 2010 than in 2007.

85.9% of homeowners saw tax changes ranging between +9% and -9% from 2009 to 2010.

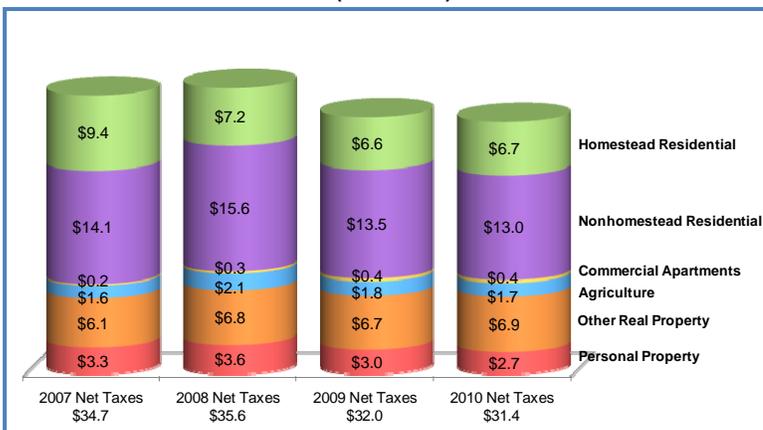
The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2010.

Note: Percentages may not total due to rounding.

Steuben County Overview

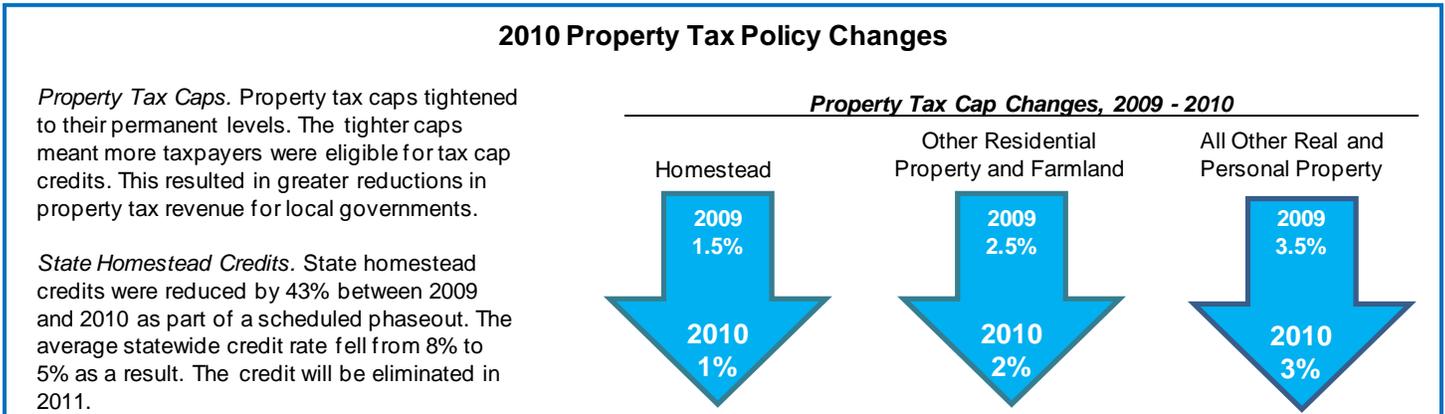
The decline in homeowner tax bills was similar to the state average of 2.1%. Property tax levies decreased 1.5% in Steuben County in 2010, compared to the state average increase of 2.4%. The largest levy decreases were in the county debt service fund, the Prairie Heights School Corporation's debt service fund, the Fremont School Corporation's general fund, and the Hamilton School Corporation's debt service fund. Steuben County homeowners benefitted less from the one percent property tax cap than did homeowners in the average county, primarily because Steuben County tax rates tend to be lower than the state average. The county saw a slight decrease in local homestead property tax credit rates, because of a decrease in the local income tax revenues which fund these credits.

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



Net tax bills for all taxpayers decreased 2.1% in Steuben County from 2009 to 2010. This was greater than the statewide reduction of 1.4%. In 2010 apartment owners saw a 0.1% increase in tax bills and nonhomestead residential property (mostly small rental residences) saw a 3.9% decrease. These small tax bill changes were mainly due to the overall decrease in tax levies, countywide with a slight increase in tax rates in some tax districts. The tightening of the tax caps from 2.5% to 2% for rental housing had a small impact. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 2.5% increase and a 9.7% decrease, respectively, in tax bills in 2010.

These changes in tax bills were mainly due to changes in assessed value. Business real property assessments grew by 2.2%, while business personal property assessments declined by 7.1%. Commercial and industrial property did not benefit from the tightened tax caps, because Steuben County's tax rates were not high enough for this type of property to qualify for tax cap credits. Despite the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre, agricultural business property saw a 4.2% decrease in tax payments in 2010 because of tax rate reductions.



Tax Cap Credits

Tax cap credits in Steuben County in 2010 amounted to less than 0.1% of the total property tax levy. The statewide average was 6.3%. The smaller percentage loss in the county was mostly due to much lower-than-average tax rates in Steuben County. Only one district tax rate was slightly greater than \$2. Nonhomestead residential property in the 2% cap category received a small amount of credits. No commercial or industrial properties in the 3% tax cap category qualified for credits, because all Steuben County tax rates were less than \$3. Neither Steuben County tax rates nor home values were high enough for a large share of homesteads to qualify for credits in the 1% category.

**2010 Circuit Breaker Credits by Cap Category
Steuben County Total \$15,082**

	1%	2%	3%	Elderly
Amount	\$4,916	\$6,818	\$0	\$3,348
Percentage	32.6%	45.2%	0.0%	22.2%

Steuben County, Angola City, the town of Ashley, the DeKalb County Central United School Corporation, and the M.S.D. Steuben County School Corporation saw the largest revenue losses from the tax caps in 2010. As a percentage of their total levies, the town of Ashley, and the DeKalb County Central United School Corporation lost the most, at 3.7% each.

The Effects of Recession

In Steuben County the recession has had a large effect on the economy. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 6.0% in December 2007 to 14.4% in July 2009. Job losses and income declines contributed to a 3.9% drop in local income tax revenue. Because part of this revenue is used for property tax relief, local property tax credit rates declined in Steuben County in 2010.

Steuben County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	1,676,124,215	1,676,632,980	0.0%
Other Residential	1,376,550,900	1,374,076,400	-0.2%
Ag Business/Land	186,812,500	192,934,100	3.3%
Business Real/Personal	834,110,366	828,969,005	-0.6%
Total	\$4,073,597,981	\$4,072,612,485	0.0%

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 Steuben County, the gross assessed value of business real and personal property fell 0.6% in 2010. There was no change in homestead AV, other residential AV decreased slightly, agricultural business AV rose by 3.3%, and total gross assessed value in Steuben County had no significant change. This was lower 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.

Steuben County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	48,966,074	52,637,845	33,190,656	32,689,385	7.5%	-36.9%	-1.5%
State Unit	74,367	78,503	0	0	5.6%	-100.0%	
Steuben County	8,220,577	8,520,852	6,643,261	6,310,363	3.7%	-22.0%	-5.0%
Clear Lake Township	34,511	39,698	34,740	36,132	15.0%	-12.5%	4.0%
Fremont Township	21,123	28,245	29,663	30,546	33.7%	5.0%	3.0%
Jackson Township	33,129	35,043	36,091	37,431	5.8%	3.0%	3.7%
Jamestown Township	234,342	62,051	231,066	233,898	-73.5%	272.4%	1.2%
Millgrove Township	40,606	42,146	43,847	45,037	3.8%	4.0%	2.7%
Otsego Township	57,842	59,036	60,486	61,784	2.1%	2.5%	2.1%
Pleasant Township	515,991	533,127	553,103	570,463	3.3%	3.7%	3.1%
Richland Township	25,825	27,810	28,220	29,077	7.7%	1.5%	3.0%
Salem Township	46,889	48,578	50,375	51,945	3.6%	3.7%	3.1%
Scott Township	13,922	15,113	15,708	16,246	8.6%	3.9%	3.4%
Steuben Township	60,809	62,351	61,999	63,048	2.5%	-0.6%	1.7%
York Township	13,906	15,236	16,009	16,709	9.6%	5.1%	4.4%
Angola Civil City	3,566,394	3,755,352	3,811,296	4,093,488	5.3%	1.5%	7.4%
Ashley Civil Town	100,226	101,052	95,267	95,407	0.8%	-5.7%	0.1%
Clearlake Civil Town	255,161	269,412	292,939	298,729	5.6%	8.7%	2.0%
Fremont Civil Town	695,809	694,852	715,904	733,975	-0.1%	3.0%	2.5%
Hamilton Civil Town	665,766	677,325	702,965	666,215	1.7%	3.8%	-5.2%
Hudson Civil Town	97,053	103,536	108,919	110,115	6.7%	5.2%	1.1%
Orland Civil Town	117,109	115,926	122,364	127,502	-1.0%	5.6%	4.2%
Dekalb County Central United School Corp	138,125	140,029	77,408	80,555	1.4%	-44.7%	4.1%
Prairie Heights Community School Corp	4,717,665	5,028,476	2,718,136	2,464,415	6.6%	-45.9%	-9.3%
Fremont Community School Corp	9,911,865	9,874,583	4,637,363	4,498,224	-0.4%	-53.0%	-3.0%
Hamilton Community School Corp	2,712,352	2,826,584	1,162,037	970,576	4.2%	-58.9%	-16.5%
M.S.D. Steuben County School Corp	15,227,723	17,993,406	9,416,888	9,489,930	18.2%	-47.7%	0.8%
Carnegie Public Library Of Steuben County	494,301	579,607	600,914	606,152	17.3%	3.7%	0.9%
Fremont Public Library	583,251	607,377	617,630	635,297	4.1%	1.7%	2.9%
Northeast Indiana Solid Waste Mgt Dist	281,972	294,386	298,404	316,126	4.4%	1.4%	5.9%
Hudson Redevelopment Comm	7,463	8,153	7,654	0	9.2%	-6.1%	-100.0%

Steuben 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	CREDIT Residential	LOIT Homestead	LOIT Residential	
76001	Clear Lake Township	0.7156	4.4327%	4.4635%	--	3.5276%	--	--	--	0.6267
76002	Clear Lake Town	0.7635	4.4327%	4.4635%	--	3.5276%	--	--	--	0.6686
76004	Fremont Town	1.2947	4.4327%	4.4635%	--	3.5276%	--	--	--	1.1338
76005	Jackson Township	0.8890	4.4327%	4.4635%	--	3.5276%	--	--	--	0.7786
76006	Jamestown Township	0.7084	4.4327%	4.4635%	--	3.5276%	--	--	--	0.6204
76007	Millgrove Township	0.8961	4.4327%	4.4635%	--	3.5276%	--	--	--	0.7848
76008	Orland Town	1.6075	4.4327%	4.4635%	--	3.5276%	--	--	--	1.4078
76009	Otsego Township	0.6143	4.4327%	4.4635%	--	3.5276%	--	--	--	0.5380
76010	Hamilton Town	0.9634	4.4327%	4.4635%	--	3.5276%	--	--	--	0.8437
76011	Pleasant Township	1.1277	4.4327%	4.4635%	--	3.5276%	--	--	--	0.9876
76012	Angola City	1.9873	4.4327%	4.4635%	--	3.5276%	--	--	--	1.7404
76013	Richland Township	0.7140	4.4327%	4.4635%	--	3.5276%	--	--	--	0.6253
76014	Salem Township	0.9058	4.4327%	4.4635%	--	3.5276%	--	--	--	0.7933
76015	Hudson Town-Salem Township	1.4809	4.4327%	4.4635%	--	3.5276%	--	--	--	1.2969
76016	Scott Township	1.0174	4.4327%	4.4635%	--	3.5276%	--	--	--	0.8910
76017	Steuben Township	1.0532	4.4327%	4.4635%	--	3.5276%	--	--	--	0.9224
76018	Ashley Town	2.3808	4.4327%	4.4635%	--	3.5276%	--	--	--	2.0850
76019	Hudson Town-Steuben Township	1.6045	4.4327%	4.4635%	--	3.5276%	--	--	--	1.4052
76021	York Township	1.0979	4.4327%	4.4635%	--	3.5276%	--	--	--	0.9615
76022	Fremont Township	0.7224	4.4327%	4.4635%	--	3.5276%	--	--	--	0.6327

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.

Steuben County 2010 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%)	(2%)	(3%)	Elderly	Total			
	Homesteads	Other Residential and Farmland	All Other Real/Personal					
<i>Non-TIF Total</i>	4,916	6,818	0	3,348	15,082	32,689,385	0.0%	
<i>TIF Total</i>	0	0	0	0	0	261,234	0.0%	
<i>County Total</i>	4,916	6,818	0	3,348	15,082	32,950,619	0.0%	
Steuben County	506	595	0	497	1,598	6,310,363	0.0%	
Clear Lake Township	0	0	0	0	0	36,132	0.0%	
Fremont Township	0	0	0	1	1	30,546	0.0%	
Jackson Township	0	0	0	0	0	37,431	0.0%	
Jamestown Township	0	0	0	7	7	233,898	0.0%	
Millgrove Township	0	0	0	4	4	45,037	0.0%	
Otsego Township	0	0	0	3	3	61,784	0.0%	
Pleasant Township	37	0	0	32	70	570,463	0.0%	
Richland Township	0	0	0	0	0	29,077	0.0%	
Salem Township	0	0	0	10	10	51,945	0.0%	
Scott Township	0	0	0	2	2	16,246	0.0%	
Steuben Township	4	60	0	18	81	63,048	0.1%	
York Township	0	0	0	0	0	16,709	0.0%	
Angola Civil City	2,095	0	0	704	2,799	4,093,488	0.1%	
Ashley Civil Town	205	3,326	0	0	3,531	95,407	3.7%	
Clearlake Civil Town	0	0	0	0	0	298,729	0.0%	
Fremont Civil Town	0	0	0	71	71	733,975	0.0%	
Hamilton Civil Town	0	0	0	72	72	666,215	0.0%	
Hudson Civil Town	0	0	0	4	4	110,115	0.0%	
Orland Civil Town	0	0	0	251	251	127,502	0.2%	
Dekalb County Central United School Corp	173	2,808	0	0	2,981	80,555	3.7%	
Prairie Heights Community School Corp	0	0	0	357	357	2,464,415	0.0%	
Fremont Community School Corp	0	0	0	116	116	4,498,224	0.0%	
Hamilton Community School Corp	0	0	0	73	73	970,576	0.0%	
M.S.D. Steuben County School Corp	1,744	0	0	1,029	2,773	9,489,930	0.0%	
Carnegie Public Library Of Steuben County	127	0	0	56	184	606,152	0.0%	
Fremont Public Library	0	0	0	16	16	635,297	0.0%	
Northeast Indiana Solid Waste Mgt Dist	25	30	0	25	80	316,126	0.0%	
Hudson Redevelopment Comm	0	0	0	0	0	0		
TIF - Fremont Corp	0	0	0	0	0	200,620	0.0%	
TIF - Hudson Salem Corp	0	0	0	0	0	53,035	0.0%	
TIF - Hudson Steuben Corp	0	0	0	0	0	7,571	0.0%	
TIF - Fremont Township	0	0	0	0	0	8	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.