

PROPERTY TAXES IN VERMILLION COUNTY, INDIANA, 2007-2008



Legislative Services Agency

November 2008

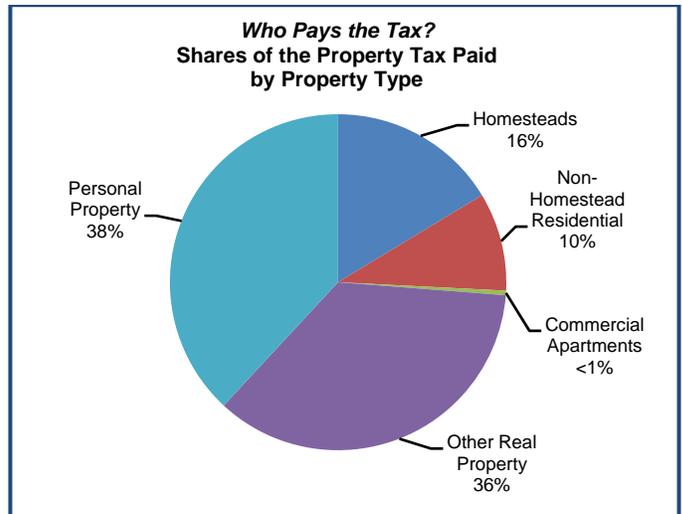
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

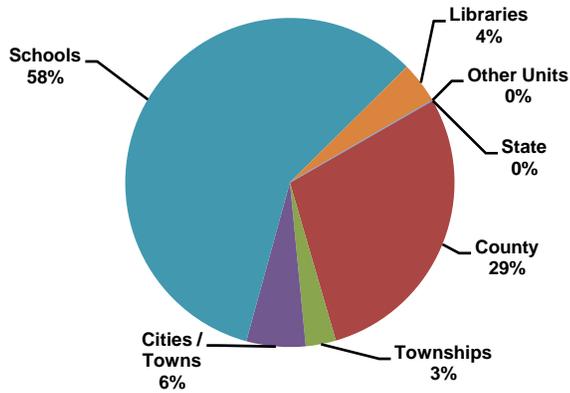
In Vermillion County, the average homeowner saw their tax bill decrease by 35.4% for 2008, with 96.7% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by 4.0%, but only 66.8% of homeowners would have seen tax bill decreases.

In Vermillion County, 16% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 10% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); less than 1% are paid by owners of larger rental housing units (commercial apartments); and 74% 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	37	0.8%	206	4.2%
10% to 19%	19	0.4%	237	4.9%
1% to 9%	24	0.5%	1,080	22.2%
0%	82	1.7%	89	1.8%
-1% to -9%	61	1.3%	2,181	44.9%
-10% to -19%	224	4.6%	653	13.4%
-20% to -29%	751	15.5%	165	3.4%
-30% to -39%	2,378	49.0%	85	1.8%
-40% to -49%	963	19.8%	65	1.3%
-50% to -59%	159	3.3%	27	0.6%
-60% to -69%	80	1.6%	20	0.4%
-70% to -79%	32	0.7%	10	0.2%
-80% to -89%	11	0.2%	6	0.1%
-90% to -99%	6	0.1%	3	0.1%
-100%	30	0.6%	30	0.6%
Total	4,857	100.0%	4,857	100.0%
Higher Tax Bill	80	1.6%	1,523	31.4%
No Change	82	1.7%	89	1.8%
Lower Tax Bill	4,695	96.7%	3,245	66.8%
Average Change in Tax Bill	-35.4%		-4.0%	



Who Gets the Revenue?
Property Tax Levies by Government Type



On average, Vermillion County property tax levies increased 0.8% from 2007 to 2008. This is lower than the expected statewide average increase of 5%. Levy increases in the county welfare funds were offset by levy decreases in the South Vermillion School Corporation general, capital projects, and bus replacement funds.

In Vermillion County, school corporations receive 58% of all property taxes. The county, city, and towns receive most of the rest. Townships, library 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 Vermillion County

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	<i>\$21,626,801</i>	<i>\$21,799,168</i>	<i>0.8%</i>
State Unit	18,536	19,643	6.0%
Vermillion County	5,797,853	6,264,342	8.0%
Clinton Township	236,783	224,459	-5.2%
Eugene Township	83,184	87,995	5.8%
Helt Township	223,276	231,217	3.6%
Highland Township	55,714	56,274	1.0%
Vermillion Township	59,525	47,762	-19.8%
Clinton Civil City	815,554	865,996	6.2%
Cayuga Civil Town	170,569	176,872	3.7%
Dana Civil Town	73,059	73,418	0.5%
Fairview Park Civil Town	81,963	84,549	3.2%
Newport Civil Town	25,901	26,433	2.1%
Perrysville Civil Town	29,030	30,079	3.6%
Universal Civil Town	6,801	6,685	-1.7%
North Vermillion Community School Corporation	4,687,351	4,748,637	1.3%
South Vermillion Community School Corporation	8,386,404	7,965,460	-5.0%
Clinton Public Library	478,714	491,882	2.8%
Vermillion County Public Library	396,584	397,465	0.2%