

# 2012 Wabash County Property Tax Report with Comparison to 2011



Legislative Services Agency

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This report describes property tax changes in Wabash County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Wabash County the average tax bill for all taxpayers increased by 1.2%. This tax bill rise was mainly the result of the 2.9% increase in Wabash County certified net assessed value and a 4.1% increase in actual billed net assessed value. The tax levy of all local government units fell 1.4%. Agricultural and business assessments increased, while homestead and other residential assessments fell. This decline may have been a legacy of the recession. Falling levies and rising assessed values caused tax rates to fall in most Wabash County tax districts. Wabash County's local property tax credits are so high that few taxpayers qualify for tax cap credits, so credits as a percent of the levy were almost unchanged, rising 0.1%.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	1.2%	\$21,879,936	\$1,184,954,966	0.9%
Change		-1.4%	2.9%	0.1%
2011	17.3%	\$22,189,740	\$1,151,258,263	0.7%

## Homestead Property Taxes

Homestead property taxes fell slightly on average in Wabash County in 2012, by 0.3%. Tax rates in two-thirds of Wabash County's tax districts decreased, and the county average tax rate fell by 4.2%. Wabash County's low tax rates and large local homestead credit meant that no homesteads in the county were eligible for tax cap credits.

Comparable Homestead Property Tax Changes in Wabash County

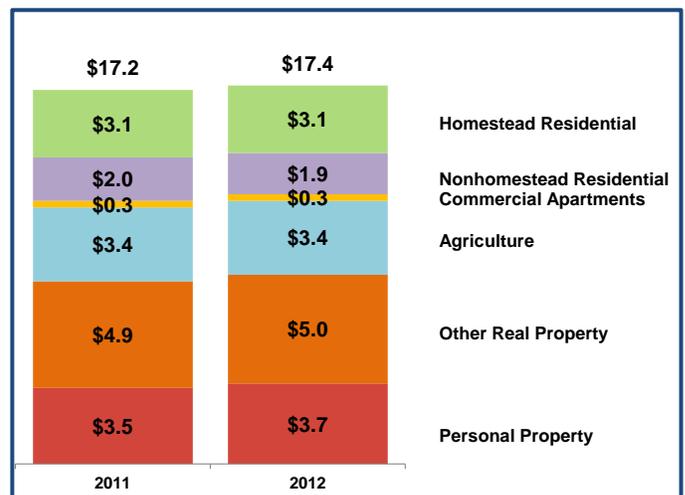
	2011 to 2012	
	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>		
Higher Tax Bill	3,370	34.4%
No Change	1,123	11.5%
Lower Tax Bill	5,313	54.2%
<b>Average Change in Tax Bill</b>	<b>-0.3%</b>	
<b>Detailed Change in Tax Bill</b>		
20% or More	719	7.3%
10% to 19%	286	2.9%
1% to 9%	2,365	24.1%
0%	1,123	11.5%
-1% to -9%	3,268	33.3%
-10% to -19%	1,402	14.3%
-20% or More	643	6.6%
<b>Total</b>	<b>9,806</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

## Net Tax Bill Changes - All Property Types

Half of Wabash County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal). Agricultural property owners and homeowners paid most of the rest. Net tax bills for all taxpayers increased 1.2% in Wabash County in 2012. Net taxes were higher for commercial apartments and business property. Tax bills fell for nonhomestead residential property (mostly small rentals and second homes) and were almost unchanged for homesteads and agricultural property.

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



## Tax Rates, Levies, and Assessed Values

Property tax rates decreased in about two-thirds of Wabash County tax districts. The average tax rate fell by 4.2%, because of a levy decrease and an increase in net assessed value.

Levies in Wabash County decreased by 1.4%. The largest levy decrease was in the Manchester School Corporation, because of a decline in its debt service and capital projects fund levies. Wabash City School Corporation saw an increase in its debt service fund.

Wabash County's total net assessed value increased 4.1% in 2012. Agricultural net assessments rose 11.3%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Business assessments also increased, but homestead and other residential assessments fell. This decline may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$981,968,109	\$965,616,900	-1.7%	\$356,983,073	\$354,076,101	-0.8%
Other Residential	133,174,300	129,581,850	-2.7%	131,714,068	128,156,364	-2.7%
Ag Business/Land	299,740,900	335,830,500	12.0%	298,802,500	332,712,648	11.3%
Business Real/Personal	544,798,841	557,565,564	2.3%	415,543,376	436,953,802	5.2%
<b>Total</b>	<b>\$1,959,682,150</b>	<b>\$1,988,594,814</b>	<b>1.5%</b>	<b>\$1,203,043,017</b>	<b>\$1,251,898,915</b>	<b>4.1%</b>

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

## Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Wabash County were \$203,763, or 0.9% of the levy. This was less than the state average percentage of the levy of 9.2% and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Wabash County's tax rates were lower than the state median. Wabash County also has high local property tax credit rates.

More than half of the total tax cap credits were in the elderly category, which holds tax bill increases on homes owned by people 65 and over to 2% per year. The rest of Wabash County's tax cap credits were in the 2% nonhomestead/farmland category. The largest percentage losses were in the town of Roann and the Wabash City School Corporation, where district tax rates were above \$2 per \$100 assessed value. The largest dollar loss was in the city of Wabash.

Tax cap credits increased in Wabash County in 2012 by \$34,087, or 20.1%. The percentage of the levy lost to credits rose by a rounded amount of 0.1%. There were no major changes in state policy to affect tax cap credits in 2012. Wabash County credits were nearly unchanged despite increases in Wabash County tax rates, because local property tax credits kept the tax cap credits so low.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$0	\$0	\$0	0.0%
2%	28,035	82,605	54,570	194.6%
3%	0	0	0	0.0%
<b>Elderly</b>	141,641	121,159	-20,482	-14.5%
<b>Total</b>	<b>\$169,676</b>	<b>\$203,763</b>	<b>\$34,087</b>	<b>20.1%</b>
<b>% of Levy</b>	<b>0.7%</b>	<b>0.9%</b>		<b>0.1%</b>

### Wabash County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	34,850,276	22,534,547	22,575,193	22,189,740	21,879,936	-35.3%	0.2%	-1.7%	-1.4%
State Unit	31,803	0	0	0	0	-100.0%			
Wabash County	6,478,421	4,203,535	4,202,192	4,268,865	4,346,415	-35.1%	0.0%	1.6%	1.8%
Chester Township	238,158	239,761	237,329	236,198	237,430	0.7%	-1.0%	-0.5%	0.5%
Lagro Township	118,307	113,627	113,330	113,231	187,326	-4.0%	-0.3%	-0.1%	65.4%
Liberty Township	60,919	59,635	58,959	58,920	59,210	-2.1%	-1.1%	-0.1%	0.5%
Noble Township	198,260	201,142	199,896	199,221	201,383	1.5%	-0.6%	-0.3%	1.1%
Paw Paw Township	55,750	54,567	54,529	54,644	54,896	-2.1%	-0.1%	0.2%	0.5%
Pleasant Township	112,874	146,103	131,827	132,114	118,930	29.4%	-9.8%	0.2%	-10.0%
Waltz Township	17,538	17,636	17,498	17,436	17,616	0.6%	-0.8%	-0.4%	1.0%
Wabash Civil City	5,798,394	5,429,783	5,338,712	5,321,161	5,395,201	-6.4%	-1.7%	-0.3%	1.4%
North Manchester Civil Town	1,435,115	1,516,664	1,486,430	1,493,538	1,496,274	5.7%	-2.0%	0.5%	0.2%
Lafontaine Civil Town	137,547	139,263	138,268	135,985	137,345	1.2%	-0.7%	-1.7%	1.0%
Lagro Civil Town	62,011	62,228	59,309	59,195	58,713	0.3%	-4.7%	-0.2%	-0.8%
Roann Civil Town	77,277	76,258	76,905	76,544	77,298	-1.3%	0.8%	-0.5%	1.0%
Manchester Community School Corp	6,290,503	3,342,548	3,598,667	3,398,428	2,565,239	-46.9%	7.7%	-5.6%	-24.5%
M.S.D. Wabash County School Corp	8,627,119	4,082,718	4,251,962	4,204,784	4,243,185	-52.7%	4.1%	-1.1%	0.9%
Wabash City School Corp	4,172,598	1,928,967	1,858,395	1,665,512	1,922,742	-53.8%	-3.7%	-10.4%	15.4%
North Manchester Public Library	200,793	199,113	200,752	199,943	201,949	-0.8%	0.8%	-0.4%	1.0%
Roann Public Library	32,253	31,976	32,303	32,175	32,447	-0.9%	1.0%	-0.4%	0.8%
Wabash Public Library	704,636	689,023	517,930	521,846	526,337	-2.2%	-24.8%	0.8%	0.9%
Wabash County Solid Waste Mgmt Dist	0	0	0	0	0				

### Wabash County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates					Net Tax Rate, Homesteads	
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead		LOIT Residential
85001	Chester Township	1.2931	11.3540%	--	23.3440%	--	--	22.4034%	0.5547
85002	North Manchester Town	2.5319	11.3540%	--	23.3440%	--	--	22.4034%	1.0861
85003	Lagro Township	1.1911	11.3540%	--	23.3440%	--	--	22.4034%	0.5110
85004	Lagro Town	2.4249	11.3540%	--	23.3440%	--	--	22.4034%	1.0402
85005	Liberty Township	1.1162	11.3540%	--	23.3440%	--	--	22.4034%	0.4788
85006	LaFontaine Town	2.1586	11.3540%	--	23.3440%	--	--	22.4034%	0.9260
85007	Noble Township	1.1203	11.3540%	--	23.3440%	--	--	22.4034%	0.4806
85008	Wabash City-Wabash County School	2.8413	11.3540%	--	23.3440%	--	--	22.4034%	1.2189
85009	Wabash City-Wabash City School	3.0701	11.3540%	--	23.3440%	--	--	22.4034%	1.3170
85010	Paw Paw Township	1.1537	11.3540%	--	23.3440%	--	--	22.4034%	0.4949
85011	Roann Town	2.4041	11.3540%	--	23.3440%	--	--	22.4034%	1.0313
85012	Pleasant Township	1.2416	11.3540%	--	23.3440%	--	--	22.4034%	0.5326
85013	Waltz Township	1.0659	11.3540%	--	23.3440%	--	--	22.4034%	0.4573

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 *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.

### Wabash County 2012 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>	0	82,513	0	121,159		203,672	21,879,936	0.9%
<i>TIF Total</i>	0	92	0	0		92	1,272,274	0.0%
<i>County Total</i>	0	82,605	0	121,159		203,763	23,152,210	0.9%
Wabash County	0	10,086	0	22,765		32,851	4,346,415	0.8%
Chester Township	0	13	0	949		962	237,430	0.4%
Lagro Township	0	3	0	835		838	187,326	0.4%
Liberty Township	0	0	0	382		382	59,210	0.6%
Noble Township	0	543	0	1,032		1,575	201,383	0.8%
Paw Paw Township	0	0	0	302		302	54,896	0.6%
Pleasant Township	0	0	0	358		358	118,930	0.3%
Waltz Township	0	0	0	94		94	17,616	0.5%
Wabash Civil City	0	43,902	0	26,926		70,828	5,395,201	1.3%
North Manchester Civil Town	0	478	0	14,207		14,685	1,496,274	1.0%
Lafontaine Civil Town	0	0	0	876		876	137,345	0.6%
Lagro Civil Town	0	106	0	393		499	58,713	0.9%
Roann Civil Town	0	2	0	1,197		1,198	77,298	1.6%
Manchester Community School Corp	0	299	0	13,616		13,914	2,565,239	0.5%
M.S.D. Wabash County School Corp	0	4,862	0	21,019		25,881	4,243,185	0.6%
Wabash City School Corp	0	17,872	0	11,473		29,345	1,922,742	1.5%
North Manchester Public Library	0	65	0	1,917		1,982	201,949	1.0%
Roann Public Library	0	0	0	190		190	32,447	0.6%
Wabash Public Library	0	4,283	0	2,627		6,910	526,337	1.3%
Wabash County Solid Waste Mgmt Dist	0	0	0	0		0	0	
TIF - Chester Twp 001	0	0	0	0		0	656,202	0.0%
TIF - N. Manchester Corp 002	0	20	0	0		20	208	9.7%
TIF - Liberty Twp. 005	0	0	0	0		0	655	0.0%
TIF - Noble Twp 007	0	0	0	0		0	1,261	0.0%
TIF - Wabash-Noble Twp 008	0	72	0	0		72	445,313	0.0%
TIF - Wabash Corp 009	0	0	0	0		0	168,635	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.