

PROPERTY TAXES IN WARREN COUNTY, INDIANA, 2007-2008



Legislative Services Agency

September 2008

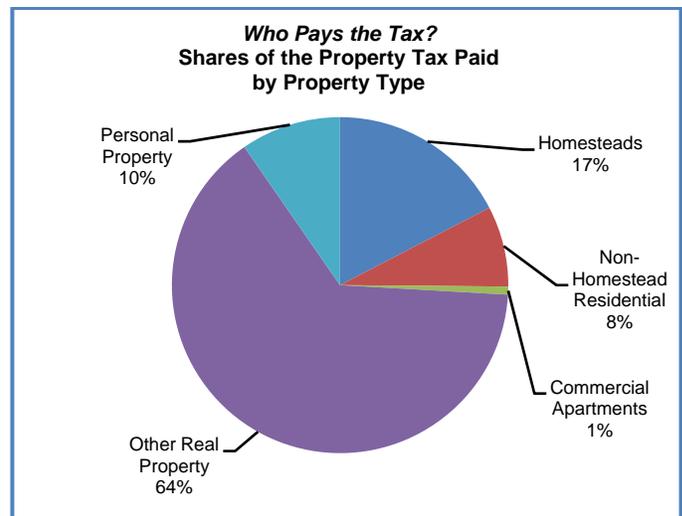
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over 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.

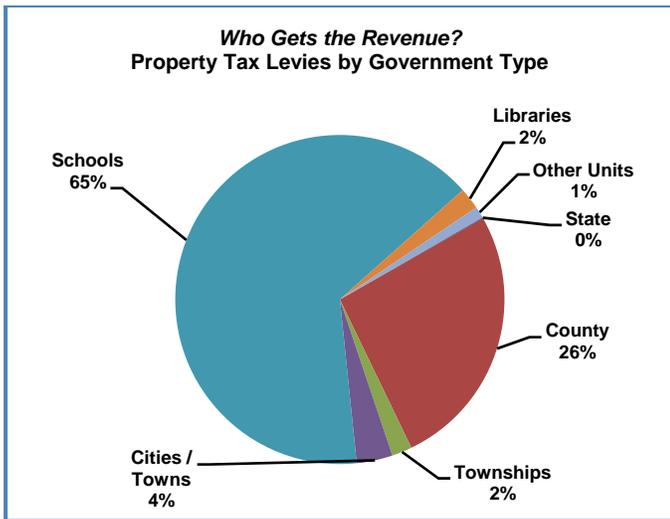
In 2008, substantial tax relief is provided through an added homestead credit. The credit will be financed with payments from the new race track casinos and from the added sales tax. Statewide, this amounts to added property tax relief of \$870 million. Homeowner taxes should fall by about one-third. 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.

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	33	1.2%	118	4.3%
10% to 19%	10	0.4%	43	1.6%
1% to 9%	16	0.6%	255	9.3%
0%	23	0.8%	23	0.8%
-1% to -9%	30	1.1%	1,032	37.5%
-10% to -19%	51	1.9%	969	35.2%
-20% to -29%	99	3.6%	190	6.9%
-30% to -39%	315	11.4%	67	2.4%
-40% to -49%	1,123	40.8%	19	0.7%
-50% to -59%	858	31.2%	21	0.8%
-60% to -69%	152	5.5%	5	0.2%
-70% to -79%	28	1.0%	6	0.2%
-80% to -89%	10	0.4%	0	0.0%
-90% to -99%	3	0.1%	3	0.1%
-100%	3	0.1%	3	0.1%
Total	2,754	100.0%	2,754	100.0%
Higher Tax Bill	59	2.1%	416	15.1%
No Change	23	0.8%	23	0.8%
Lower Tax Bill	2,672	97.1%	2,315	84.1%
Average Change in Tax Bill	-46.9%		-9.7%	

In Warren County, the average homeowner saw their tax bill decrease by 46.9% for 2008, with 97.1% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by 9.7%, but only 84.1% of homeowners would have seen tax bill decreases. Warren County adopted a local option income tax for 2008, which contributed additional property tax relief.

In Warren County, 17% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 8% 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 74% are paid by other agricultural, commercial, industrial, or utility businesses on their real property (land and buildings) or on their personal property (equipment).





On average, Warren County property tax levies increased 2.9% from 2007 to 2008. This is less than the expected statewide average increase of 5%. The Warren County School Corporation's general fund, capital projects fund, and debt service fund levies increased the most.

In Warren County, school corporations received 65% of all property taxes. The county receives most of the rest. Towns, townships, library districts, the solid waste management district, 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.

Taxing Unit	2007 Levy	2008 Levy	Change
<i>County Total</i>	\$10,712,087	\$11,023,355	2.9%
State Unit	10,657	11,890	11.6%
Warren County	3,328,102	2,874,466	-13.6%
Adams Township	15,316	15,670	2.3%
Jordan Township	15,485	14,970	-3.3%
Kent Township	18,197	18,307	0.6%
Liberty Township	17,266	17,628	2.1%
Medina Township	13,868	14,319	3.3%
Mound Township	22,725	23,341	2.7%
Pike Township	9,981	10,301	3.2%
Pine Township	29,092	29,530	1.5%
Prairie Township	9,805	9,788	-0.2%
Steuben Township	17,763	17,691	-0.4%
Warren Township	9,232	9,412	1.9%
Washington Township	35,830	36,579	2.1%
Pine Village Civil Town	36,610	37,525	2.5%
State Line City Civil Town	22,373	22,452	0.4%
West Lebanon Civil Town	106,798	110,097	3.1%
Williamsport Civil Town	222,066	219,710	-1.1%
Benton Community School Corporation	1,257,677	1,322,534	5.2%
Covington Community School Corporation	407,349	432,867	6.3%
M.S.D. Of Warren County School Corporation	4,793,563	5,416,496	13.0%
West Lebanon Public Library	68,198	120,544	76.8%
Williamsport Public Library	129,127	114,868	-11.0%
Warren County Solid Waste District	115,007	122,370	6.4%