

2010 Property Tax Report

Madison County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Madison 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 Madison 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 Madison 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	14,482	43.1%	2,566	7.6%
No Change	1,512	4.5%	319	1.0%
Lower Tax Bill	17,574	52.4%	30,683	91.4%
Average Change in Tax Bill	-7.7%		-26.9%	
Detailed Change in Tax Bill				
20% or More	1,650	4.9%	805	2.4%
10% to 19%	2,279	6.8%	561	1.7%
1% to 9%	10,553	31.4%	1,200	3.6%
0%	1,512	4.5%	319	1.0%
-1% to -9%	8,430	25.1%	3,103	9.2%
-10% to -19%	4,013	12.0%	6,359	18.9%
-20% to -29%	2,246	6.7%	6,238	18.6%
-30% to -39%	1,711	5.1%	5,435	16.2%
-40% to -49%	328	1.0%	3,609	10.8%
-50% to -59%	170	0.5%	1,792	5.3%
-60% to -69%	100	0.3%	928	2.8%
-70% to -79%	88	0.3%	676	2.0%
-80% to -89%	86	0.3%	514	1.5%
-90% to -99%	82	0.2%	611	1.8%
-100%	320	1.0%	1,418	4.2%
Total	33,568	100.0%	33,568	100.0%

Note: Percentages may not total due to rounding.

The average homeowner saw a 7.7% tax bill decrease from 2009 to 2010.

Homestead taxes in 2010 were still 26.9% lower than they were in 2007, before the property tax reforms.

91.4% of homeowners saw lower tax bills in 2010 than in 2007.

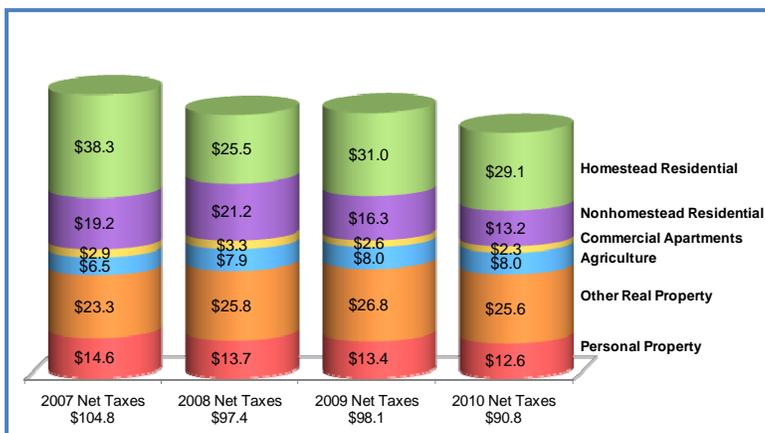
61.0% of homeowners saw tax changes of between a 9% increase and a 9% decrease from 2009 to 2010.

The largest percentage of homeowners have seen between a 10% and 39% decrease in their tax bills from 2007 to 2010.

Madison County Overview

The larger-than-average decline in homeowner tax bills was due mainly to an increase in local property tax credits, funded by an increase in local income taxes. Property tax levies increased 2.0% in Madison County in 2010, similar to the state average increase of 2.4%. The largest levy increases were for the county general fund, the Frankton-Lapel School Corporation bus replacement fund, South Madison School Corporation debt service fund, and the Anderson Community School Corporation debt service fund. Madison County homeowners benefitted more from the one percent property tax cap than did homeowners in the average county, primarily because Madison County tax rates tend to be higher than the state average.

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



Net tax bills for all taxpayers decreased 7.6% in Madison County from 2009 to 2010. This was larger than the statewide reduction of 1.4%. In 2010 apartment owners saw a 14.0% decrease in tax bills. This large decrease was due mainly to the tightening of the tax caps from 2.5% to 2% for rental housing. The tightening of the tax caps also affected nonhomestead residential property (mostly small rental residences), which saw a 19.0% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 4.6% and 6.1% decrease, respectively, in tax bills in 2010. This was mainly because of the tightening of the tax caps from 3.5%

to 3% for commercial and industrial property. Despite the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre, agricultural business property saw no overall change in tax payments in 2010, mainly because of the tightening of the tax caps from 2.5% to 2% for farmland.

2010 Property Tax Policy Changes

Property Tax Caps. Property tax caps tightened to their permanent levels. The tighter caps meant more taxpayers were eligible for tax cap credits. This resulted in greater reductions in property tax revenue for local governments.

State Homestead Credits. State homestead credits were reduced by 43% between 2009 and 2010 as part of a scheduled phaseout. The average statewide credit rate fell from 8% to 5% as a result. The credit will be eliminated in 2011.



Tax Cap Credits

Tax cap credits in Madison County in 2010 amounted to 22.9% of the total property tax levy. The statewide average was 6.3%. The larger percentage loss in the county was mainly due to Madison County having much higher-than-average tax rates. Tax rates in 35 of 40 total taxing districts exceeded \$2, so a large amount of housing in the 2% cap category was eligible for credits. The districts with \$2-plus tax rates included 12 of 16 rural taxing districts, indicating that a large amount of farmland also qualified for tax cap credits. A large number of commercial and industrial properties in the 3% tax cap category qualified for credits because the tax rates in 21 taxing districts exceeded \$3. Also, a significant share of homesteads qualified for credits in the 1% category due to the high tax rates.

**2010 Circuit Breaker Credits by Cap Category
Madison County Total \$29,026,487**

1%	2%	3%	Elderly
\$2,782,731	\$7,263,302	\$18,957,725	\$22,728
9.6%	25.0%	65.3%	0.1%

Madison County, Anderson City, and the Anderson Community School Corporation saw the largest of the revenue losses from the tax caps in 2010. As a percentage of their total levies, Anderson City and Anderson Township lost the most, at over 30% each. Losses were greatest for units that overlapped Anderson City because its tax districts had the highest tax rates. In addition, Madison County TIF districts lost over 43% of TIF proceeds to the circuit breaker caps.

The Effects of Recession

In Madison County the recession has affected the economy, though less than in most Indiana counties. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 6.0% in December 2007 to 10.9% in July 2009. Job losses and income declines contributed to a 2.4% decrease (after adjusting for rate changes) in local income tax revenue. Because part of this revenue is used for property tax relief, less money was available for existing credits.

Madison County Gross Assessed Value by Property Type

Property Type	2009	2010	Change
Homesteads	3,810,409,000	3,817,859,200	0.2%
Other Residential	597,503,500	600,905,800	0.6%
Ag Business/Land	362,816,200	377,527,500	4.1%
Business Real/Personal	1,856,435,510	2,012,172,206	8.4%
Total	\$6,627,164,210	\$6,808,464,706	2.7%

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 Madison County, the gross assessed value of business real and personal property rose 8.4% in 2010. Other assessment categories also increased, and total gross assessed value in Madison County rose 2.7%. This was higher 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.

Madison County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	%Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	139,110,659	148,007,485	112,635,830	114,850,975	6.4%	-23.9%	2.0%
State Unit	97,975	100,892	0	0	3.0%	-100.0%	
Madison County	27,898,327	28,363,200	19,700,685	20,394,649	1.7%	-30.5%	3.5%
Adams Township	147,179	134,659	165,928	170,157	-8.5%	23.2%	2.5%
Anderson Township	364,390	388,508	403,987	418,642	6.6%	4.0%	3.6%
Boone Township	32,196	29,970	30,601	30,093	-6.9%	2.1%	-1.7%
Duck Creek Township	33,230	33,098	32,513	71,972	-0.4%	-1.8%	121.4%
Fall Creek Township	271,369	310,488	432,002	334,001	14.4%	39.1%	-22.7%
Green Township	91,808	87,285	100,897	104,054	-4.9%	15.6%	3.1%
Jackson Township	27,213	28,199	30,226	31,345	3.6%	7.2%	3.7%
Lafayette Township	131,247	100,798	85,671	90,260	-23.2%	-15.0%	5.4%
Monroe Township	172,151	173,424	173,385	179,748	0.7%	0.0%	3.7%
Pipe Creek Township	219,685	218,695	223,942	231,975	-0.5%	2.4%	3.6%
Richland Township	181,844	187,472	190,876	195,625	3.1%	1.8%	2.5%
Stony Creek Township	78,327	80,038	78,208	80,259	2.2%	-2.3%	2.6%
Union Township	322,228	322,265	328,454	134,987	0.0%	1.9%	-58.9%
Van Buren Township	116,979	94,660	99,306	165,057	-19.1%	4.9%	66.2%
Anderson Civil City	24,346,601	24,792,587	26,213,399	25,899,021	1.8%	5.7%	-1.2%
Elwood Civil City	3,850,176	3,697,950	3,439,830	3,178,138	-4.0%	-7.0%	-7.6%
Alexandria Civil City	2,135,577	2,212,553	2,004,250	2,141,852	3.6%	-9.4%	6.9%
Chesterfield Civil Town	452,820	452,172	492,964	502,888	-0.1%	9.0%	2.0%
Country Club Heights Civil Town	23,144	24,213	27,875	28,934	4.6%	15.1%	3.8%
Edgewood Civil Town	210,788	217,009	210,757	229,476	3.0%	-2.9%	8.9%
Frankton Civil Town	141,525	134,931	156,229	161,580	-4.7%	15.8%	3.4%
Ingalls Civil Town	214,621	215,893	274,390	297,236	0.6%	27.1%	8.3%
Lapel Civil Town	224,664	226,458	244,993	255,912	0.8%	8.2%	4.5%
Markleville Civil Town	57,534	56,807	62,046	64,473	-1.3%	9.2%	3.9%
Orestes Civil Town	78,569	82,250	85,008	79,113	4.7%	3.4%	-6.9%
Pendleton Civil Town	1,291,204	1,466,780	1,650,572	1,585,600	13.6%	12.5%	-3.9%
River Forest Civil Town	5,460	5,739	3,896	4,449	5.1%	-32.1%	14.2%
Summitville Civil Town	174,848	177,212	188,557	195,836	1.4%	6.4%	3.9%
Woodlawn Heights Civil Town	7,067	7,327	6,616	7,470	3.7%	-9.7%	12.9%
Madison-Grant United School Corp	1,880,410	1,961,665	1,156,591	1,216,380	4.3%	-41.0%	5.2%
Frankton-Lapel Community School Corp	9,247,632	9,151,407	6,585,638	7,106,976	-1.0%	-28.0%	7.9%
South Madison Community School Corp	14,523,054	16,304,690	11,063,547	11,779,097	12.3%	-32.1%	6.5%
Alexandria Community School Corp	4,166,347	4,070,231	1,818,176	1,516,012	-2.3%	-55.3%	-16.6%
Anderson Community School Corp	34,722,046	40,089,738	25,601,986	26,737,110	15.5%	-36.1%	4.4%
Elwood Community School Corp	5,598,617	6,229,893	3,481,423	3,173,540	11.3%	-44.1%	-8.8%
Alexandria-Monroe Public Library	395,067	412,104	428,484	444,655	4.3%	4.0%	3.8%
Anderson-Anderson, Stoney Creek Union Twp Lib	3,400,614	3,422,189	3,621,286	3,759,809	0.6%	5.8%	3.8%
Pendleton Community Public Library	670,597	799,235	616,174	677,158	19.2%	-22.9%	9.9%
North Madison County Library System	805,475	834,352	855,356	896,011	3.6%	2.5%	4.8%
Independence Fire	18,876	19,327	17,666	19,951	2.4%	-8.6%	12.9%
East Central Indiana Solid Waste Mgt Dist	235,801	243,822	251,440	259,474	3.4%	3.1%	3.2%
City Of Anderson Redevelopment	0	0	0	0			
Pendleton Town Redevelopment Comm	45,377	45,300	0	0	-0.2%	-100.0%	

Madison 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	CEDIT Residential	LOIT Homestead	LOIT Residential	
48001	Adams Township	2.3860	3.9135%	3.4814%	--	17.2485%	--	--	--	1.7980
48002	Markleville Town	2.7680	3.9135%	3.4814%	--	17.3765%	--	--	--	2.0823
48003	Anderson City - Anderson Twp	5.0153	3.9135%	3.4814%	--	19.2129%	--	--	--	3.6808
48004	Country Club Heights	3.2361	3.9135%	3.4814%	--	18.2108%	--	--	--	2.4075
48005	Edgewood Town	3.3631	3.9135%	3.4814%	--	18.1395%	--	--	--	2.5044
48006	River Forest Town	3.1569	3.9135%	3.4814%	--	18.1161%	--	--	--	2.3515
48007	Woodlawn Heights Town	3.4508	3.9135%	3.4814%	--	18.0592%	--	--	--	2.5724
48008	Boone Township	1.7631	3.9135%	3.4814%	--	16.9010%	--	--	--	1.3347
48009	Duck Creek Township - Madison	1.8683	3.9135%	3.4814%	--	16.7747%	--	--	--	1.4167
48010	Duck Creek Twp - Elwood Schl	2.4172	3.9135%	3.4814%	--	20.4924%	--	--	--	1.7431
48011	Elwood City - Duck Creek Twp	4.1368	3.9135%	3.4814%	--	20.8262%	--	--	--	2.9693
48012	Fall Creek Township	2.6817	3.9135%	3.4814%	--	17.1650%	--	--	--	2.0231
48013	Pendleton Town	3.1378	3.9135%	3.4814%	--	18.0497%	--	--	--	2.3394
48014	Green Township	2.4227	3.9135%	3.4814%	--	17.3012%	--	--	--	1.8244
48015	Ingalls Town	3.2174	3.9135%	3.4814%	--	16.7033%	--	--	--	2.4421
48016	Jackson Township	2.3934	3.9135%	3.4814%	--	16.4675%	--	--	--	1.8223
48017	Lafayette Twp-W Central Sch	2.5781	3.9135%	3.4814%	--	16.6059%	--	--	--	1.9593
48018	Lafayette Twp - Anderson Sch	2.6978	3.9135%	3.4814%	--	18.5103%	--	--	--	1.9989
48019	Anderson City-Lafayette Twp	5.0113	3.9135%	3.4814%	--	19.5713%	--	--	--	3.6599
48020	Frankton Town - Lafayette Twp	3.2273	3.9135%	3.4814%	--	16.9155%	--	--	--	2.4427
48021	Monroe Township	1.4244	3.9135%	3.4814%	--	17.6273%	--	--	--	1.0680
48022	Alexandria City	3.3766	3.9135%	3.4814%	--	18.8208%	--	--	--	2.4914
48024	Orestes Town	1.5992	3.9135%	3.4814%	--	17.3245%	--	--	--	1.2039
48025	Pipe Creek Twp-W Cent Schl	2.6461	3.9135%	3.4814%	--	16.7084%	--	--	--	2.0083
48026	Pipe Creek Twp-Elwood Schl	2.3730	3.9135%	3.4814%	--	20.6666%	--	--	--	1.7071
48027	Elwood City-Pipe CreekTwp	4.1599	3.9135%	3.4814%	--	20.8774%	--	--	--	2.9838
48028	Frankton Town-Pipe CreekTwp	3.2438	3.9135%	3.4814%	--	16.4102%	--	--	--	2.4716
48029	Richland Township	2.6292	3.9135%	3.4814%	--	18.3877%	--	--	--	1.9513
48030	Anderson City-Richland Twp	4.9897	3.9135%	3.4814%	--	19.2326%	--	--	--	3.6611
48031	Stony Creek Township	2.6904	3.9135%	3.4814%	--	16.5779%	--	--	--	2.0454
48032	Lapel Town	3.2858	3.9135%	3.4814%	--	16.4827%	--	--	--	2.5012
48033	Union Township	2.8708	3.9135%	3.4814%	--	18.3221%	--	--	--	2.1325
48034	Anderson City-Union Twp	4.9872	3.9135%	3.4814%	--	19.2107%	--	--	--	3.6603
48035	Chesterfield Town	3.9577	3.9135%	3.4814%	--	17.7745%	--	--	--	2.9616
48036	Van Buren Township	1.9879	3.9135%	3.4814%	--	16.7016%	--	--	--	1.5089
48037	Summitville Town	2.8470	3.9135%	3.4814%	--	16.4533%	--	--	--	2.1680
48038	Anderson-Adams	4.7671	3.9135%	3.4814%	--	18.6498%	--	--	--	3.5255
48039	Anderson-Fall Creek	4.6138	3.9135%	3.4814%	--	18.5454%	--	--	--	3.4170
48040	Anderson Laf WC	4.7953	3.9135%	3.4814%	--	18.4208%	--	--	--	3.5574
48041	Pendleton Green	3.1558	3.9135%	3.4814%	--	17.9877%	--	--	--	2.3548

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.

Madison County 2010 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>	2,587,987	6,652,783	14,622,186	21,917	23,884,874	114,850,975	20.8%
<i>TIF Total</i>	194,744	610,519	4,335,540	811	5,141,614	11,799,412	43.6%
<i>County Total</i>	2,782,731	7,263,302	18,957,725	22,728	29,026,487	126,650,387	22.9%
Madison County	359,553	1,059,866	1,891,083	4,366	3,314,867	20,394,649	16.3%
Adams Township	250	4,064	1,210	82	5,605	170,157	3.3%
Anderson Township	16,055	26,252	88,494	59	130,860	418,642	31.3%
Boone Township	0	0	0	6	6	30,093	0.0%
Duck Creek Township	81	650	23	32	785	71,972	1.1%
Fall Creek Township	4,041	10,989	122	110	15,263	334,001	4.6%
Green Township	686	3,033	73	18	3,810	104,054	3.7%
Jackson Township	52	861	0	16	928	31,345	3.0%
Lafayette Township	106	6,002	5,061	20	11,189	90,260	12.4%
Monroe Township	114	1,642	753	15	2,524	179,748	1.4%
Pipe Creek Township	595	13,720	15,115	36	29,466	231,975	12.7%
Richland Township	689	7,996	308	137	9,131	195,625	4.7%
Stony Creek Township	440	4,910	219	11	5,580	80,259	7.0%
Union Township	1,217	6,247	490	34	7,988	134,987	5.9%
Van Buren Township	22	1,847	22	10	1,902	165,057	1.2%
Anderson Civil City	956,338	1,697,271	5,837,105	2,844	8,493,559	25,899,021	32.8%
Elwood Civil City	21,221	208,953	552,857	468	783,499	3,178,138	24.7%
Alexandria Civil City	13,889	199,263	91,384	334	304,871	2,141,852	14.2%
Chesterfield Civil Town	3,765	60,602	51,012	71	115,449	502,888	23.0%
Country Club Heights Civil Town	2,316	1,157	464	0	3,937	28,934	13.6%
Edgewood Civil Town	6,660	8,304	3,279	172	18,415	229,476	8.0%
Frankton Civil Town	807	14,400	3,338	41	18,585	161,580	11.5%
Ingalls Civil Town	814	19,275	2,781	20	22,889	297,236	7.7%
Lapel Civil Town	6,200	20,327	5,989	237	32,753	255,912	12.8%
Markleville Civil Town	227	2,859	0	42	3,128	64,473	4.9%
Orestes Civil Town	0	0	0	0	0	79,113	0.0%
Pendleton Civil Town	30,750	110,925	3,209	341	145,226	1,585,600	9.2%
River Forest Civil Town	515	0	1	0	516	4,449	11.6%
Summitville Civil Town	112	9,184	112	0	9,407	195,836	4.8%
Woodlawn Heights Civil Town	1,157	197	108	0	1,462	7,470	19.6%
Madison-Grant United School Corp	104	8,543	104	272	9,022	1,216,380	0.7%
Frankton-Lapel Community School Corp	28,812	467,850	79,688	2,099	578,450	7,106,976	8.1%
South Madison Community School Corp	113,632	480,411	179,108	3,169	776,320	11,779,097	6.6%
Alexandria Community School Corp	3,602	51,675	23,699	147	79,122	1,516,012	5.2%
Anderson Community School Corp	856,354	1,624,355	4,609,486	5,206	7,095,400	26,737,110	26.5%
Elwood Community School Corp	16,393	177,853	427,092	486	621,825	3,173,540	19.6%
Alexandria-Monroe Public Library	1,056	15,157	6,951	43	23,207	444,655	5.2%
Anderson-Anderson, Stoney Creek Union Twp Lib	121,430	233,556	659,287	596	1,014,869	3,759,809	27.0%
Pendleton Community Public Library	7,904	30,657	4,988	153	43,702	677,158	6.5%
North Madison County Library System	2,364	47,923	52,822	171	103,279	896,011	11.5%
Independence Fire	3,091	526	288	0	3,905	19,951	19.6%
East Central Indiana Solid Waste Mgt Dist	4,574	13,484	24,060	56	42,174	259,474	16.3%
City Of Anderson Redevelopment	0	0	0	0	0	0	
Pendleton Town Redevelopment Comm	0	0	0	0	0	0	
TIF - Anderson City TIF	194,744	600,458	4,020,068	811	4,816,081	9,307,714	51.7%
TIF - Anderson Kroger TIF	0	0	0	0	0	148,892	0.0%
TIF - Pendleton TIF	0	6,848	767	0	7,615	661,449	1.2%
TIF - Anderson FC TIF	0	3,214	314,704	0	317,918	750,360	42.4%
TIF - Anderson FC Nestle TIF	0	0	0	0	0	930,996	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.