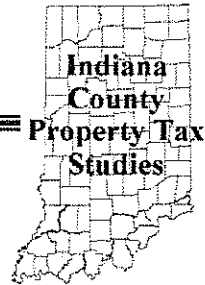


# PROPERTY TAXES IN WELLS COUNTY, INDIANA, 2007-2008



Legislative Services Agency

October 2008

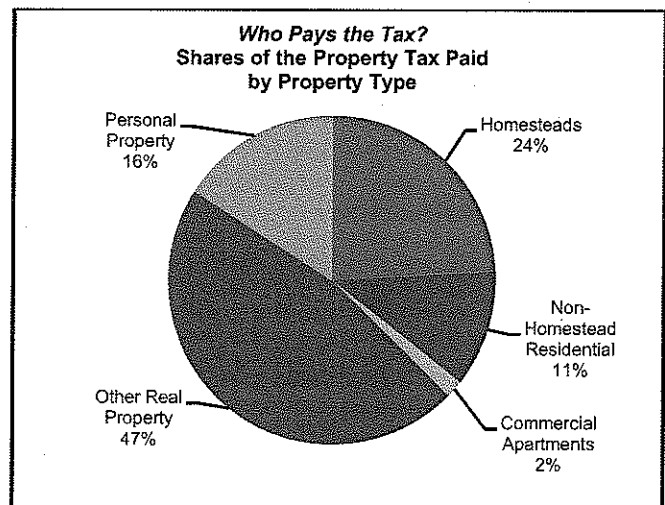
The Indiana General Assembly enacted major property tax reforms in 2008. These reforms are intended to provide substantial tax relief to homeowners. Starting in 2009, property taxes for the school general fund, county welfare funds, and several other funds will be eliminated, and their costs taken over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

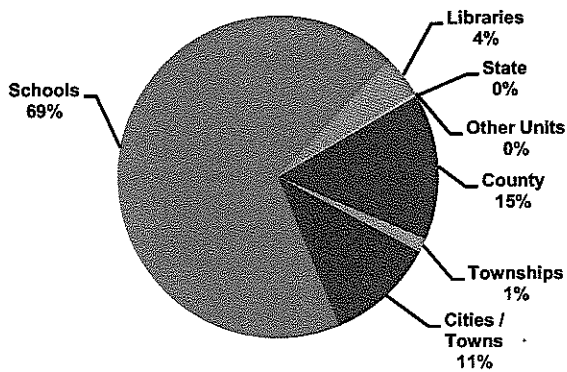
In Wells County, the average homeowner saw their tax bill decrease by 45.2% for 2008, with 93.7% of homeowners seeing decreases. Without the added homestead credit, the average tax bill would have decreased by only 6.0%, though 66.8% of homeowners would have seen tax bill decreases. Wells County adopted a local option income tax for 2008, which contributed additional property tax relief.

In Wells County, 24% of property taxes are paid by homeowners (homesteads are primary residences, occupied by their owners); 11% are paid by owners of smaller rental housing units or owners of second homes (non-homestead residential); 2% are paid by owners of larger rental housing units (commercial apartments); and 63% 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	193	2.4%	1,144	14.0%
10% to 19%	79	1.0%	609	7.4%
1% to 9%	159	1.9%	930	11.4%
0%	83	1.0%	42	0.5%
-1% to -9%	211	2.6%	1,609	19.6%
-10% to -19%	342	4.2%	2,460	30.0%
-20% to -29%	529	6.5%	964	11.8%
-30% to -39%	854	10.4%	250	3.1%
-40% to -49%	1,499	18.3%	83	1.0%
-50% to -59%	2,311	28.2%	58	0.7%
-60% to -69%	1,672	20.4%	21	0.3%
-70% to -79%	171	2.1%	11	0.1%
-80% to -89%	34	0.4%	3	0.0%
-90% to -99%	29	0.4%	6	0.1%
-100%	27	0.3%	3	0.0%
<b>Total</b>	<b>8,193</b>	<b>100.0%</b>	<b>8,193</b>	<b>100.0%</b>
Higher Tax Bill	431	5.3%	2,683	32.7%
No Change	83	1.0%	42	0.5%
Lower Tax Bill	7,679	93.7%	5,468	66.8%
Average Change in Tax Bill	-45.2%		-6.0%	



**Who Gets the Revenue?  
Property Tax Levies by Government Type**



On average, Wells County property tax levies increased 6.6% from 2007 to 2008. This is higher than the expected statewide average increase of 5%. The three school corporations were responsible for the largest levy increases.

In Wells County, school corporations receive 69% of all property taxes. The county, the city, and the towns receive most of the rest. 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.

**Changes in Property Tax Levies from 2007 to 2008  
by Governmental Units in Wells County**

Taxing Unit	2007 Levy	2008 Levy	Change
<b>County Total</b>	<b>\$27,357,019</b>	<b>\$29,168,567</b>	<b>6.6%</b>
State Unit	28,950	32,733	13.1%
Wells County	4,488,422	4,260,700	-5.1%
Chester Township	25,685	26,412	2.8%
Harrison Township	308,760	117,437	-62.0%
Jackson Township	13,446	14,324	6.5%
Jefferson Township	67,508	68,875	2.0%
Lancaster Township	62,431	61,762	-1.1%
Liberty Township	26,326	35,941	36.5%
Nottingham Township	19,551	19,234	-1.6%
Rockcreek Township	33,374	34,083	2.1%
Union Township	28,614	28,829	0.8%
Bluffton Civil City	2,492,043	2,487,526	-0.2%
Zanesville Civil Town	25,872	27,492	6.3%
Markle Civil Town	130,884	168,975	29.1%
Ossian Civil Town	464,166	467,919	0.8%
Poneto Civil Town	26,911	26,766	-0.5%
Uniondale Civil Town	19,277	19,711	2.3%
Vera Cruz Civil Town	2,802	2,634	-6.0%
Southern Wells Community School Corporation	2,790,494	3,230,778	15.8%
Northern Wells Community School Corporation	9,078,458	10,498,505	15.6%
M.S.D. Bluffton-Harrison School Corporation	5,897,531	6,223,301	5.5%
Wells County Public Library	1,184,637	1,176,626	-0.7%
Huntington Library	35,934	34,351	-4.4%
Wells County Solid Waste Management District	104,943	103,653	-1.2%