JAY COUNTY, INDIANA

Property Tax Fiscal Impact Analysis

Property Tax Relief Credit & Levy Freeze Expiration

Prepared by Policy Analytics, LLC

SEPTEMBER 2026

Outline

01 Current Property & Local Income Tax Framework Overview

02 Legislative Changes: Property Tax Relief & Levy Freeze Expiration

03 Property Tax Modeling Overview

04 County and Other Taxing Unit Impact Analysis

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01

Current Property Tax & LIT Framework Overview

Current LIT Framework

- Under current law, the county council sets the county local income tax rate
- Rate applied uniformly on all taxpayers in the county, regardless of location
- County may dedicate a portion of certified shares to a '**levy freeze**'; increases in civil taxing units' maximum levies are funded via local income tax
- **Property Tax Relief** 'replaces' a portion of a property taxpayer's tax bill with LIT dollars
- One-time supplemental distribution received in May of each year, contingent upon county trust account balance activity

Jay County Income Tax Rates

Current Rate Structure

Category	Maximum Rate	Current Rate
Expenditure Rate		
Certified Shares (Includes Levy Freeze)		1.15%
Public Safety		0.35%
Economic Development		0.25%
Emergency Medical Services	0.20%	0.15%
Total Expenditure Rate	**2.50%**	**1.90%**
Property Tax Relief	1.25%	0.60%
Total Income Tax Rate	**3.75%**	**2.50%**

Local Income Tax for Levy Freeze

Maximum Levy Increases Funded via Levy Freeze

- Jay County has imposed a levy freeze (component of certified shares) rate to fund the levy freeze dollar amount (the total amount of foregone maximum levy increases for all taxing units for all years).
- The revenue generated by the rate fund these distribution amounts; any excess/remainder is put into a **'stabilization fund'.**
- Stabilization fund balance = 'reserves' that can be used if the certified distribution does not fully fund the levy freeze amount.
  - For years, Jay County's levy freeze revenue > levy freeze amount
  - Compounded by supplemental distribution (+ $1.4M over 4 years)
  - Stabilization Balance, 1/1/2026: $5.78M
- In 2024 (and thereafter), the county has been reducing the rate to tap into the stabilization balance

Unit Type	Levy Freeze Amount
Jay County	521.4K
Bearcreek Township	4.2K
Greene Township	2.7K
Jackson Township	2.6K
Jefferson Township	1.9K
Knox Township	1.3K
Madison Township	1.3K
Noble Township	2.3K
Penn Township	4.7K
Pike Township	2.5K
Richland Township	7.8K
Wabash Township	2.0K
Wayne Township	14.0K
Dunkirk City	102.8K
Portland City	315.1K
Bryant Town	2.3K
Pennville Town	8.3K
Redkey Town	23.0K
Salamonia Town	0.6K
Jay County Schools	0.0K
Dunkirk Public Library	12.7K
Penn Township Public Library	1.8K
Jay County Public Library	67.2K
County Total	**1,102.6K**

Local Income Tax for Property Tax Relief

Impact on 2026 Homestead Tax Bill – City of Portland

Gross AV: $120,000 (Circuit Breaker Cap: $1,200)

Property Tax Relief Rate: 33.8954%

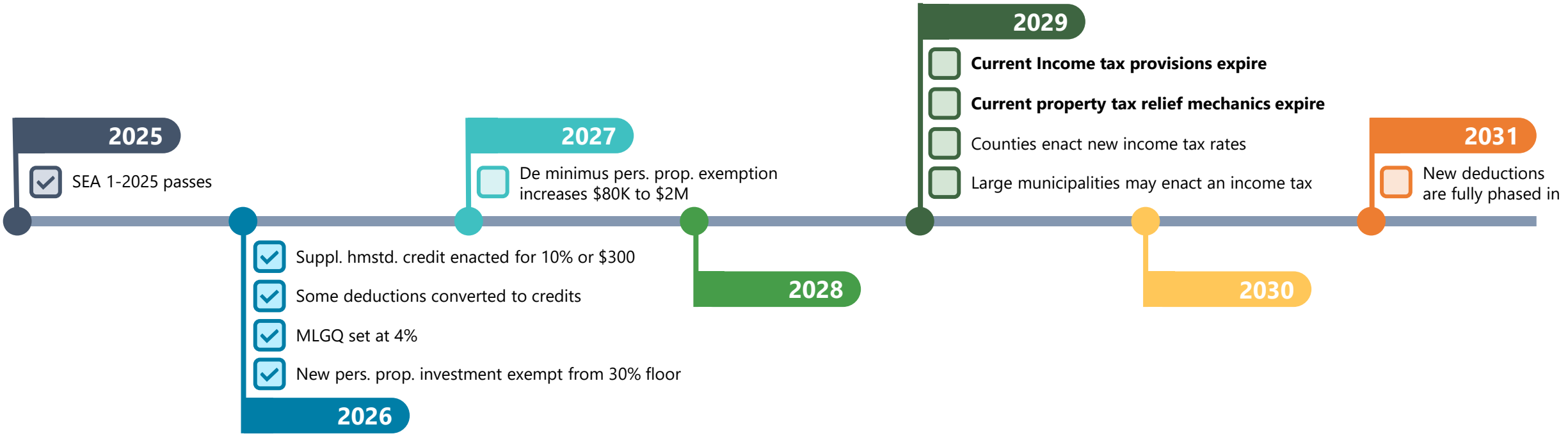
Unit Type	w/ LIT PTR	W/O LIT PTR
Gross AV	120,000	120,000
Deductions	(76,800)	(76,800)
Net AV	43,200	43,200
Tax Rate	3.1992	3.1992
Gross Liability	1,382.05	1,382.05
LIT PTR Credit	**(468.45)**	-
Circuit Breaker	-	**(182.05)**
Post-CB Liability	913.60	1,200.00
Homestead Credit (10%/$300)	(91.36)	(120.00)
Final Tax Bill	**822.24**	**1,080.00**

- In Indiana, property tax bills cannot exceed a specific threshold of gross assessed value:
  - Homesteads: 1%
  - Other Residential/Farmland: 2%
  - Commercial/Industrial: 3%
- If the gross liability (Net AV x rate) > 1% of gross AV, then the excess is a 'circuit breaker credit'
  - Savings to taxpayer
  - Permanent loss of revenue to the taxing unit
- The LIT PTR Credit is applied before the circuit breaker credit
  - **LIT PTR Credit reduces liability and unfunded circuit breaker credit**
  - Without the LIT PTR credit, the final property tax bill is 31.3% more (+ $257.76 increase)

02

Legislative Changes

Timeline of SEA 1-2025



Standard Deduction	$48K	$48K	$40K	$30K	$20K	$10K	$0
Supplemental Homestead Deduction	37.5%	40%	46%	52%	57%	62%	66.7%
Non-Homestead Residential Deduction	0%	6%	12%	19%	25%	30%	33.4%

Levy Freeze Expiration

Maximum Levy Increases Funded via Levy Freeze

Revenue

Year	Rate	Revenue
2023	0.3571%	$1,685.2K
2024	0.25%	$1,118.0K
2025	0.20%	$1,243.7K
2026	0.20%	$1,039.0K
2027	0.10%	**$603.1K**
2028	0.10%	**$670.1K (Estimated)**

Expense (Levy Freeze Amount)

Unit Type	Levy Freeze Amount
Jay County	$521.4K
Townships	$47.3K
Cities/Towns	$452.2K
School Corporation	-
Libraries	$81.6K
Total	**$1,102.6K**

In 2029, levy freeze provisions expire:

- County can no longer impose a rate for levy freeze *(Ind. Code 6-3.6-11-1)*
- **Maximum levies increased by levy freeze amount for 2029 taxes** *(Ind. Code 6-1.1-18.5-3(b))*
- County can delay maximum levy increases with stabilization balance *(Ind. Code 6-1.1-18.5-3(c))*
  - 'Operations of the county'
  - Multi-year spending plan

Levy Freeze Distributions

Stabilization Balance Projection, 2026 - 2032

Year	Levy Freeze Revenue	Levy Freeze Amount (Expense)	Ending Stabilization Balance
2026	1,326.3K	(1,102.6K)	6,004.5K
2027	603.1K	(1,102.6K)	5,505.0K
2028	670.1K	(1,102.6K)	**5,072.5K**
2029	-	(1,102.6K)	3,969.9K
2030	-	(1,102.6K)	2,867.3K
2031	-	(1,102.6K)	1,764.8K
2032	-	(1,102.6K)	**662.2K**
2033	-	-	-

- 2026 Levy Freeze Revenue sum of certified and supplemental distributions ($1,039.0K + $287.3K)
- 2027 Revenue based on amended rate of 0.1% (adopted last month)
- 2028 Revenue based on FY2027 processed collections forecast
- **County can elect to fund levy freeze distributions through 2032 with stabilization balance**
  - **Delays maximum levy increases until pay2033**

Property Tax Relief Expiration

Impact on 2026 Homestead Tax Bill – City of Portland

Gross AV: $120,000 (Circuit Breaker Cap: $1,200)

Property Tax Relief Rate: 33.8954%

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Homestead Credit (10%/$300)	(91.36)	(120.00)
Final Tax Bill	**822.24**	**1,080.00**

- Post-SEA1, counties will no longer be able to impose a LIT PTR rate/credit.
  - Property tax liabilities will not be reduced by PTR credit
  - Circuit breaker loss will not be reduced by PTR credit
- **Taxpayer Impact:**
  - Receiving circuit breaker credit (savings)
  - Property tax bill will increase
  - No longer paying LIT PTR rate
- **Taxing Unit Impact:**
  - Replacement revenue to unfunded credit:

  $468.45 in LIT PTR revenue becomes ($182.05) in permanent revenue loss.

03

Property Tax Modeling Overview

Property Tax Model Parameters

Model Objective

Evaluate impact of local income policy changes on taxpayer liabilities and taxing unit revenues

Model Scenarios

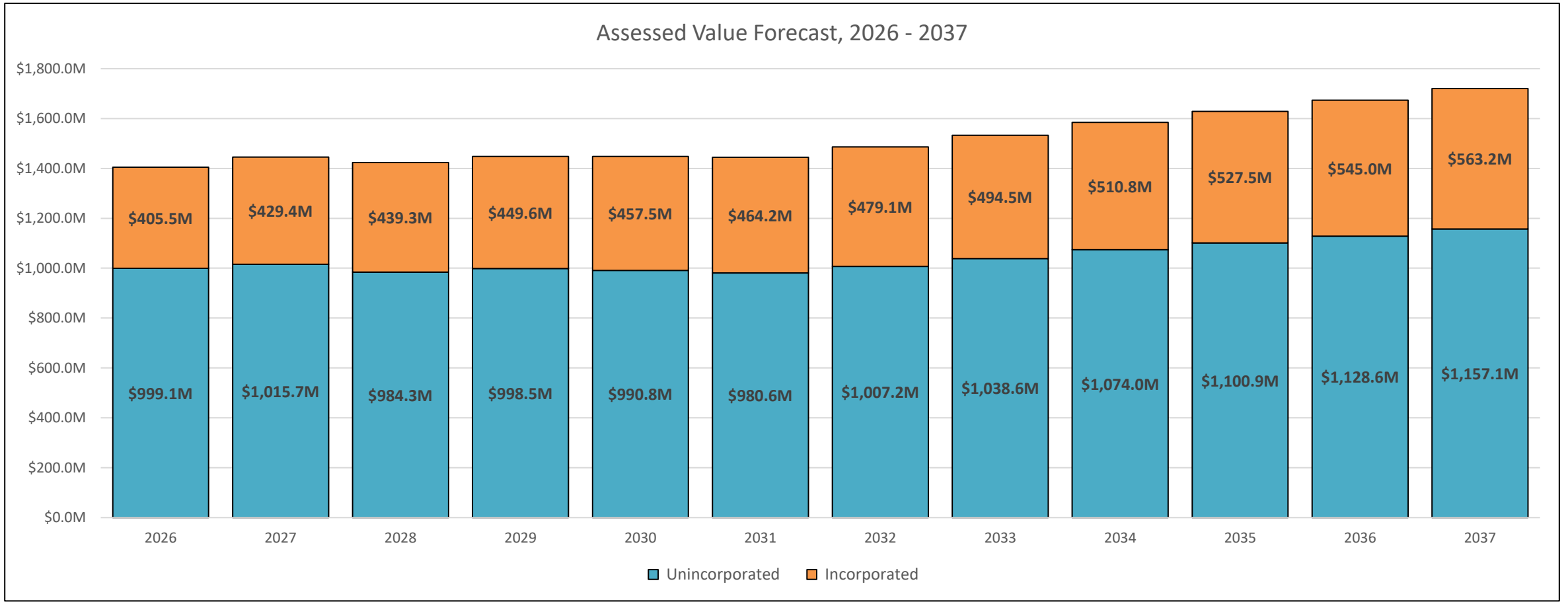
1. Property Tax Relief & Levy Freeze Expiration in 2029
2. Property Tax Relief Expiration in 2029; Levy Freeze Expiration in 2033

Model Assumptions

- Using 2026 parcel-level tax dataset
- Residential and commercial/industrial gross assessed values adjusted based on historical trends and sales data
- Farmland gross assessed values adjusted for projected base rate
- All civil taxing units certified at maximum levy
- Debt levy held constant
- County maintains current PTRC configuration (60% - Homesteads; 40% - Other Residential)

Assessed Value Projections

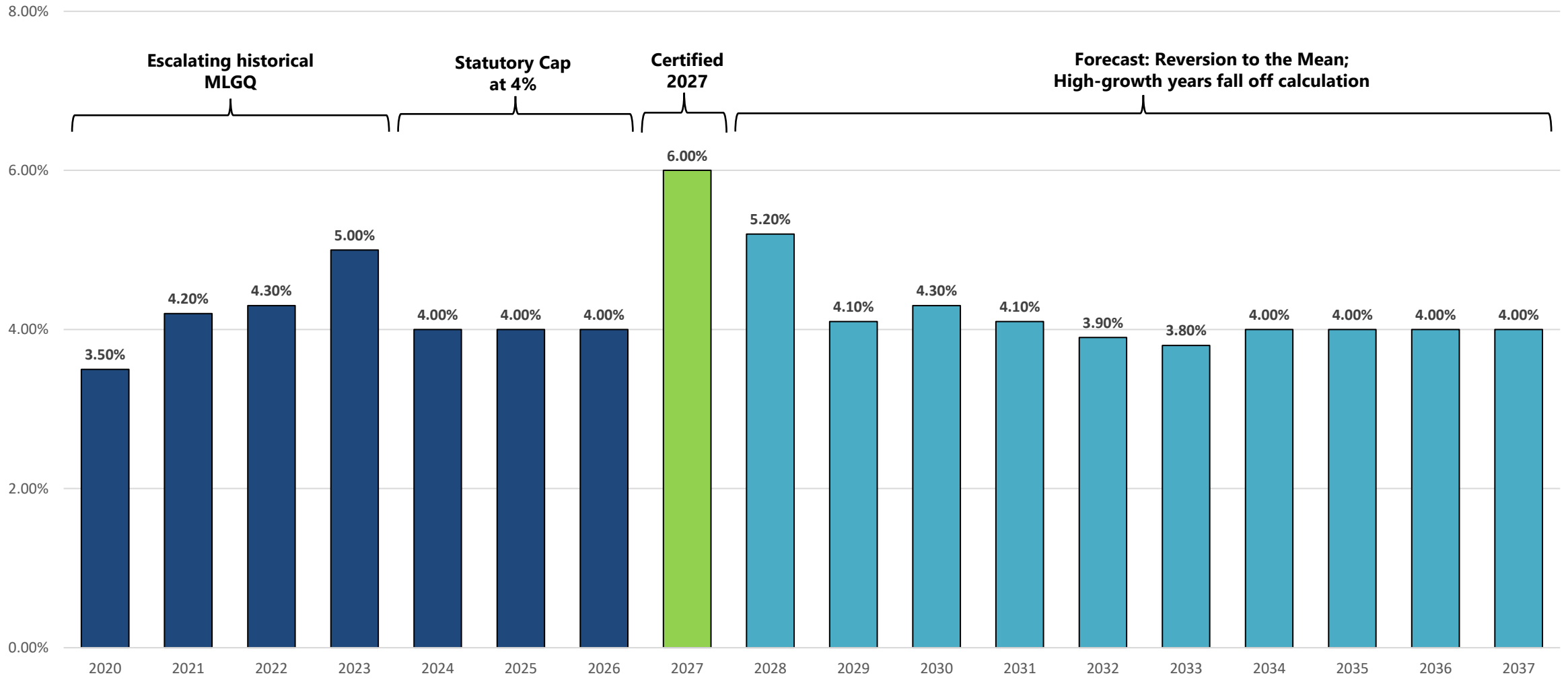
By Unincorporated and Incorporated Assessed Value



2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
$1,404.6M	$1,445.1M	$1,423.6M	$1,448.1M	$1,448.3M	$1,444.8M	$1,486.3M	$1,533.2M	$1,584.8M	$1,628.3M	$1,673.6M	$1,720.3M

Maximum Levy Growth Quotient

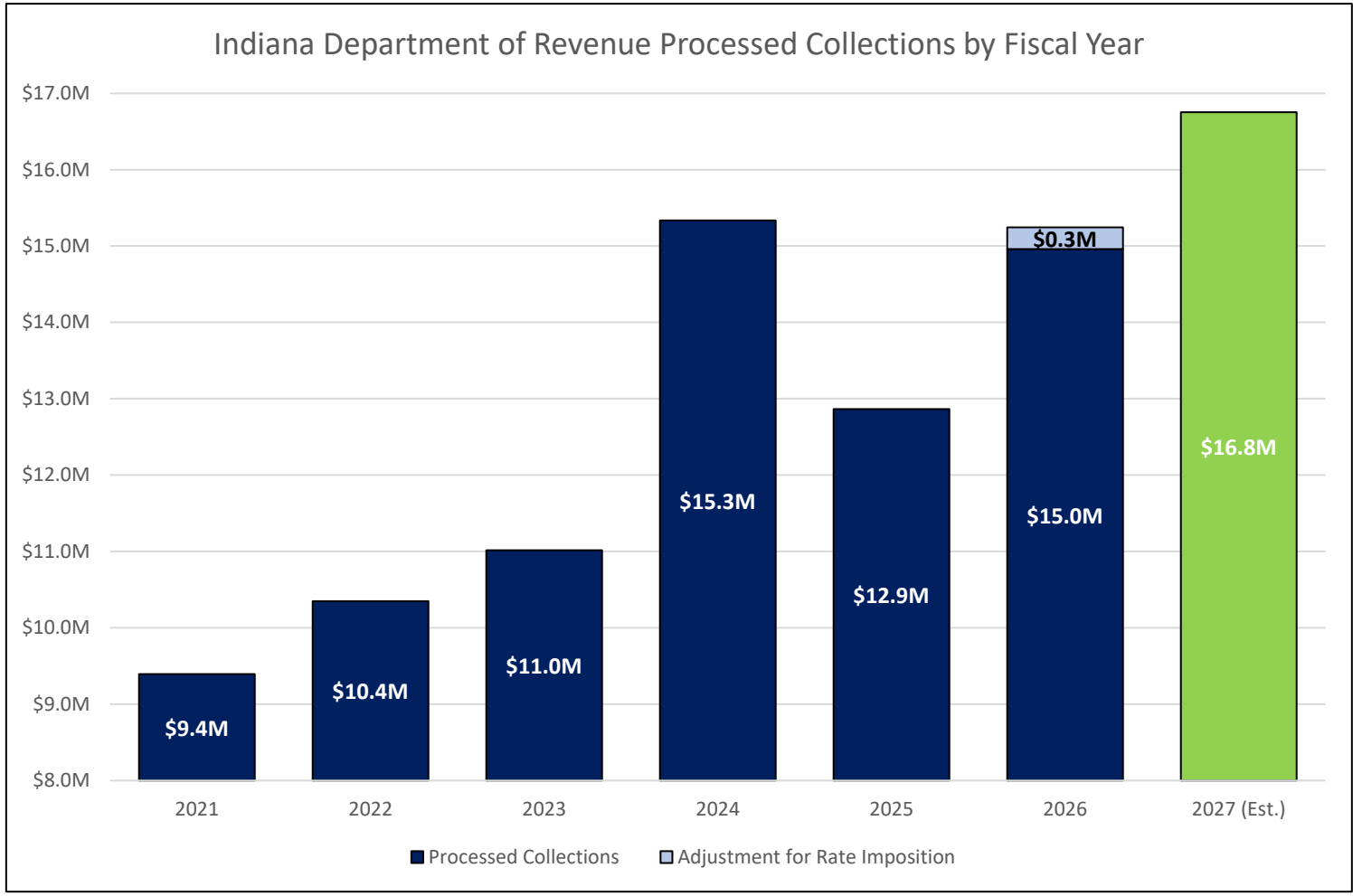
Historical and Projected



Local Income Tax Base Modeling

Tax Base Estimate Methodology

- **2027:** tax base projection based on initial certification from State Budget Agency
- **2028:** Calculated trendline of Department of Revenue's processed collections from fiscal year 2021 – 2026
  - **FY2021-2026 CAGR: 9.75%**
  - 1/2026 – 6/2026 collections normalized at 2.45%
  - Adjusted FY2026 collections for current rate of 2.5%
- Fiscal year collections -> Calendar year distributions (i.e. FY2027 -> CY2028)



Local Income Tax Certified Distributions

2027 Distribution and 2028 Forecast

Rate Breakdown	Rate	2027 Distribution	2028 Est. Distribution
Certified Shares	1.15%	6,935.6K	7,706.0K
Non-Levy Freeze	1.05%	6,332.5K	7,035.9K
Levy Freeze	**0.10%**	**603.1K**	**670.1K**
Public Safety	0.35%	2,110.8K	2,345.3K
Economic Development	0.25%	1,507.7K	1,675.2K
EMS	0.15%	904.6K	1,005.1K
Property Tax Relief	**0.60%**	**3,618.6K**	**4,020.5K**
Totals	**2.50%**	**15,077.4K**	**16,752.2K**

Property Tax Relief Rate Projection, 2028 - 2028

Total Distribution Calculation:

Year	Certified Distribution	Adjustments	Final Distribution
2026	3,116.9K	190.3K	3,307.3K
2027	3,618.6K	625.3K	4,243.9K
2028	4,020.5K	1,592.8K	5,613.3K

Property Tax Relief Parameters

- Allocation: 60% (Homesteads) / 40% (Other Residential)
- Adjustments: withholding, supplemental distributions
- Supplemental Distribution/3-Year Hold:
  - 2026: $182.0K (2023)
  - 2027: $644.4K (2024)
  - 2028: $816.6K (2025) + $689.6K (2026)

1% Homestead Calculation:

Year	Share	LIT PTR Allocation	1% Tax	1% Rate
2026	60%	1,984.4K	5,854.4K	33.90%
2027	60%	2,546.3K	6,733.2K	**37.82%**
2028	60%	3,368.0K	7,304.3K	**46.11%**

Other Residential Calculation:

Year	Share	LIT PTR Allocation	2% Res. Tax	Residential Rate
2026	40%	1,322.9K	4,283.2K	30.89%
2027	40%	1,697.6K	4,453.3K	**38.12%**
2028	40%	2,245.3K	4,432.7K	**50.65%**

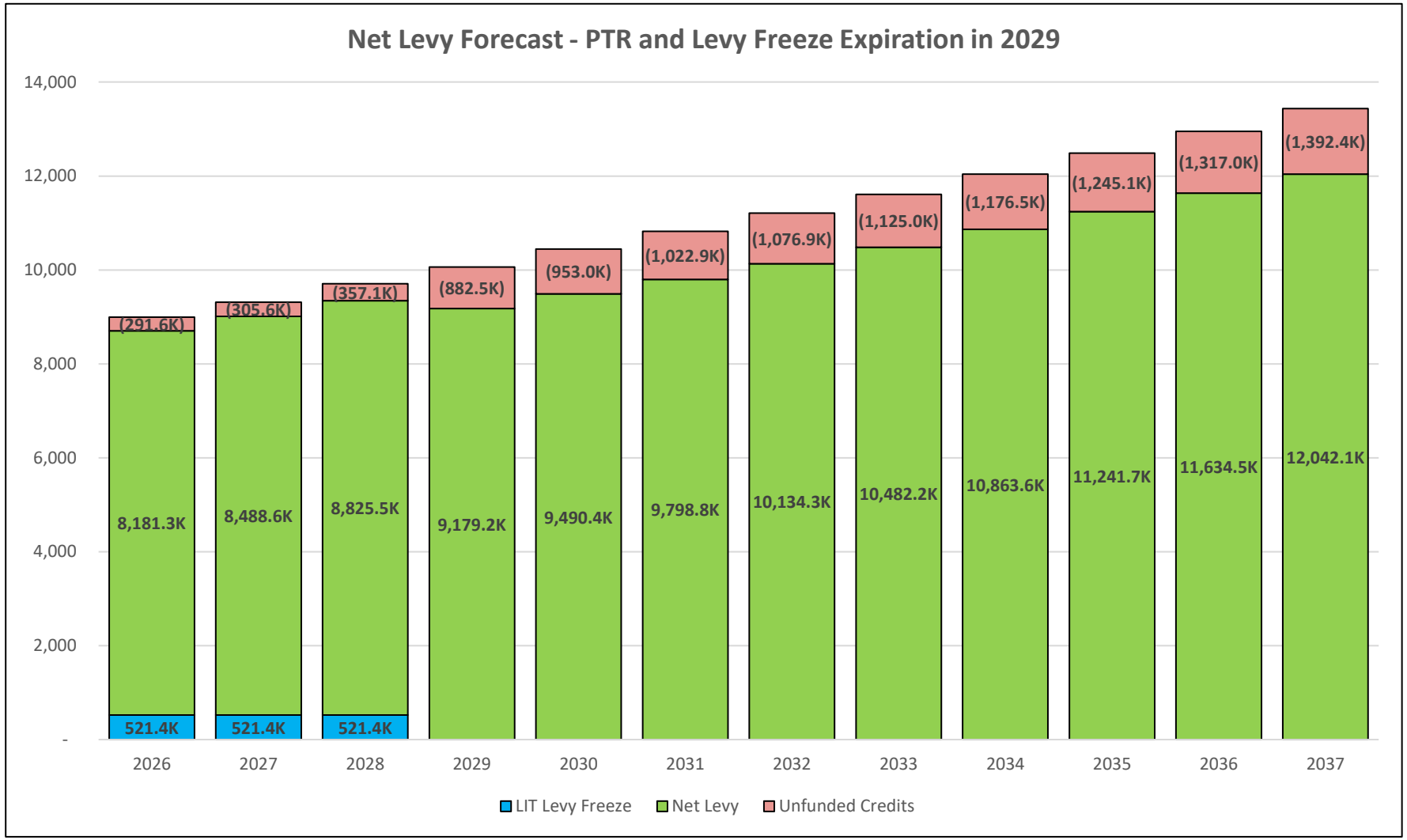
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Taxing Unit Impact Analysis

Model 1 – Property Tax Relief Credit and Levy Freeze Expiration in 2029

Model 1: PTR & Levy Freeze Expiration in 2029

Net Levy Impact – Jay County



In 2027:

- Certified levy increases + 3.6%

(Over 2026 Abstract Levy + Levy Freeze)

- Credit loss increases + 4.8%

2026: ($291.6K) -> 2027: ($305.6K)

- **Net levy increases + 3.5%**

(Over 2026 Abstract Levy + Levy Freeze)

In 2029:

- Certified levy increases + 3.7%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases + 147.1%

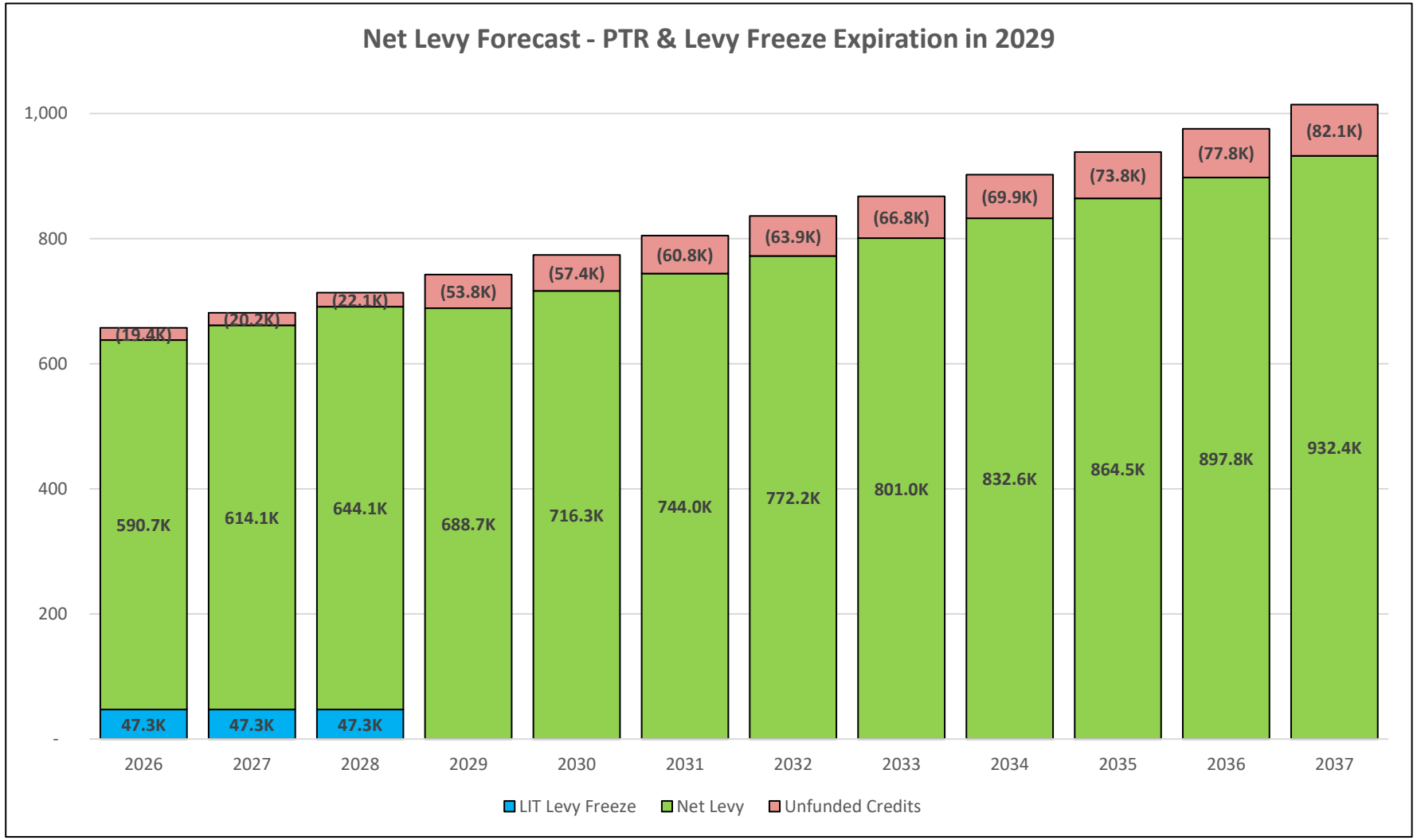
2028: ($357.1K) -> 2029: ($882.5K)

- **Net levy decreases – 1.8%**

(Over 2028 Levy + Levy Freeze)

Model 1: PTR & Levy Freeze Expiration in 2029

Net Levy Impact – Townships



In 2027:

- Certified levy increases + 3.7%

(Over 2026 Abstract Levy + Levy Freeze)

- Credit loss increases + 3.8%

2026: ($19.4K) -> 2027: ($20.2K)

- **Net levy increases + 3.7%**

(Over 2026 Abstract Levy + Levy Freeze)

In 2029:

- Certified levy increases + 4.1%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases +142.8%

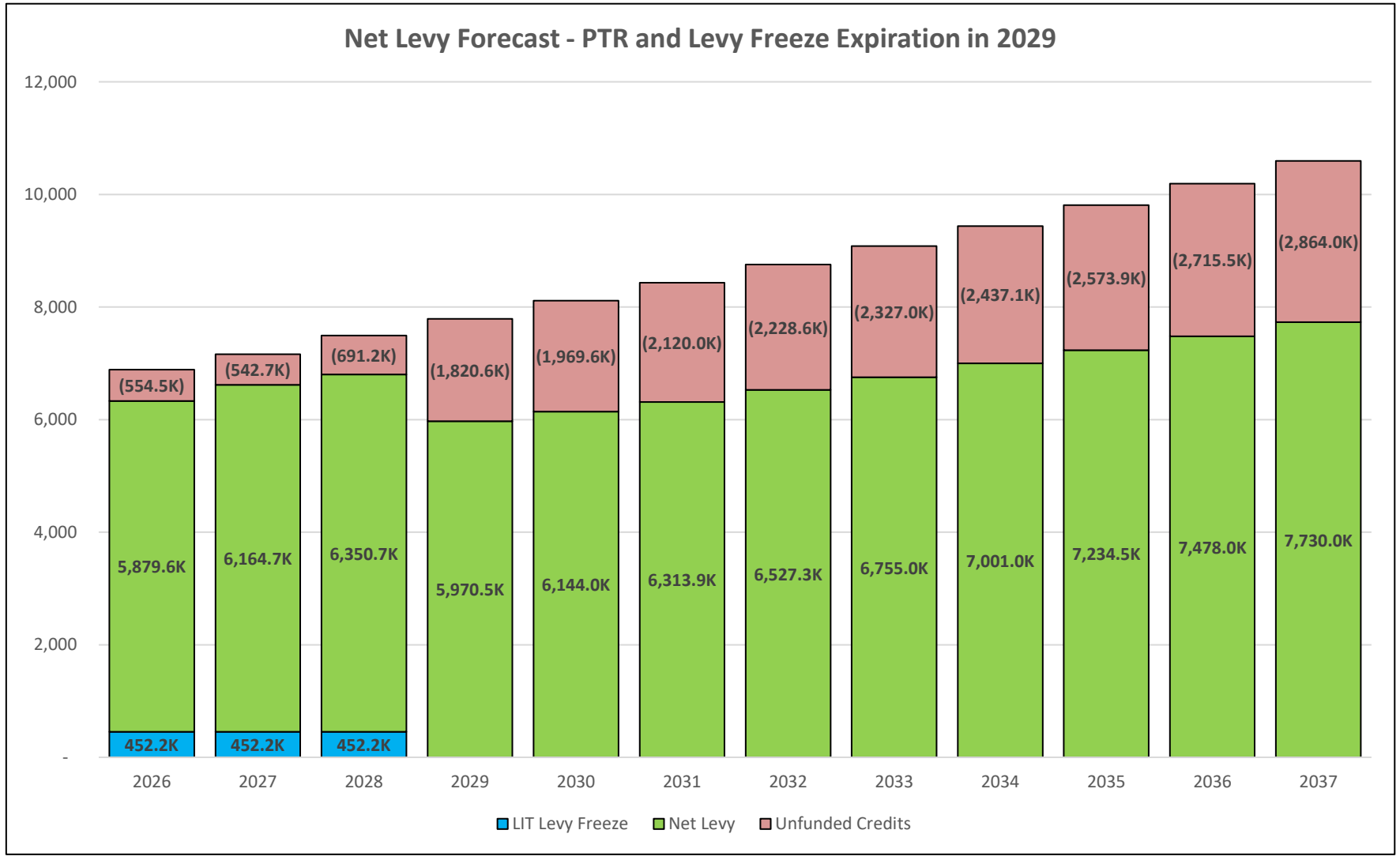
2028: ($22.1K) -> 2029: ($53.8K)

- **Net levy decreases – 0.4%**

(Over 2028 Levy + Levy Freeze)

Model 1: PTR & Levy Freeze Expiration in 2029

Net Levy Impact – Municipalities



In 2027:

- Certified levy increases + 4.0%

(Over 2026 Abstract Levy + Levy Freeze)

- Credit loss decrease – 2.1%

2026: ($554.4K.0) -> 2027: ($542.7K)

- **Net levy increases + 4.5%**

(Over 2026 Abstract Levy + Levy Freeze)

In 2029:

- Certified levy increases + 4.0%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases +163.4%

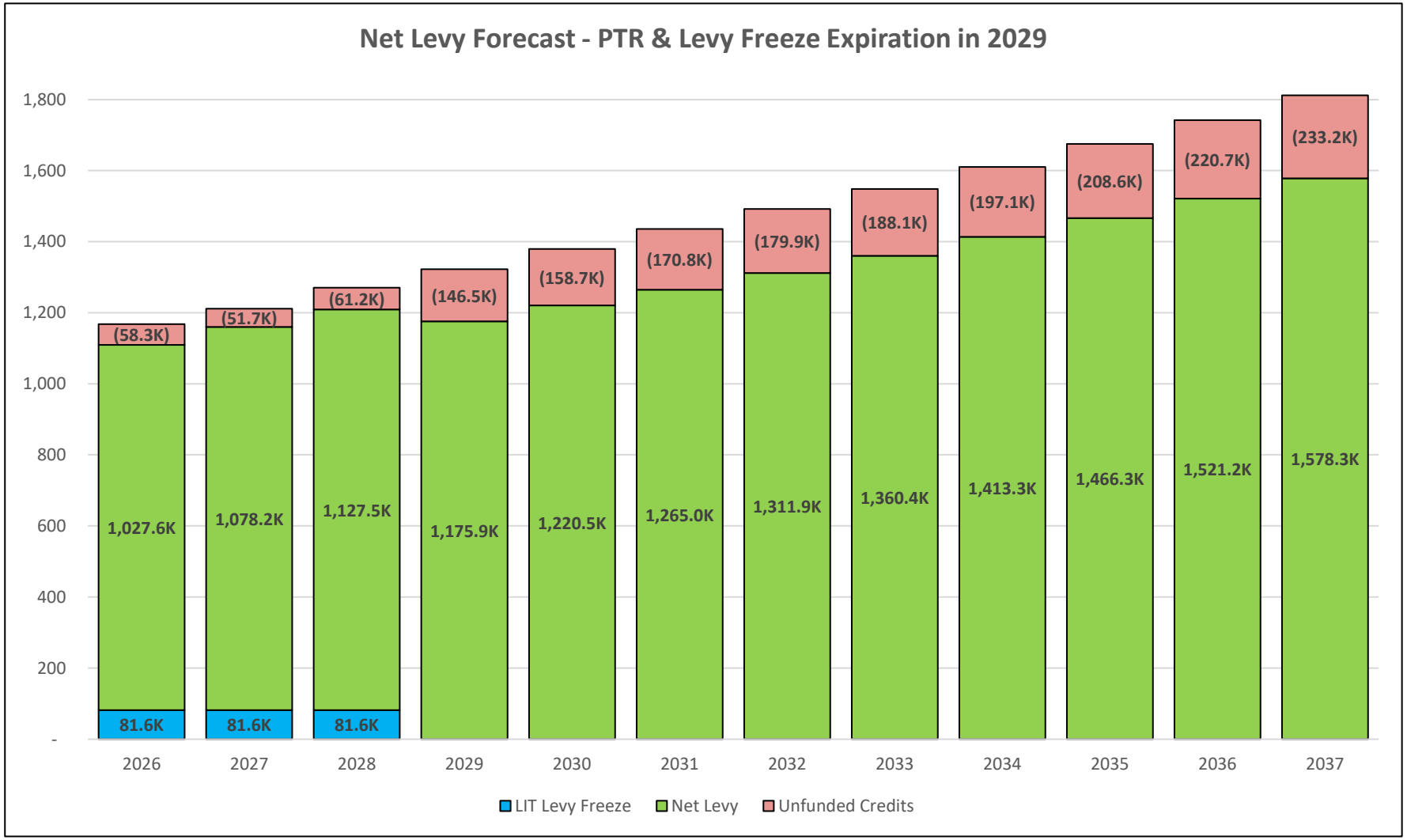
2028: ($691.2K) -> 2029: ($1,820.6K)

- **Net levy decreases – 12.2%**

(Over 2028 Levy + Levy Freeze)

Model 1: PTR & Levy Freeze Expiration in 2029

Net Levy Impact – Jay County Library/Libraries



In 2027:

- Certified levy increases + 3.8%

(Over 2026 Abstract Levy + Levy Freeze)

- Credit loss decrease – 11.3%

2026: ($58.3K) -> 2027: ($51.7K)

- **Net levy increases + 4.6%**

(Over 2026 Abstract Levy + Levy Freeze)

In 2029:

- Certified levy increases + 4.1%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases +139.3%

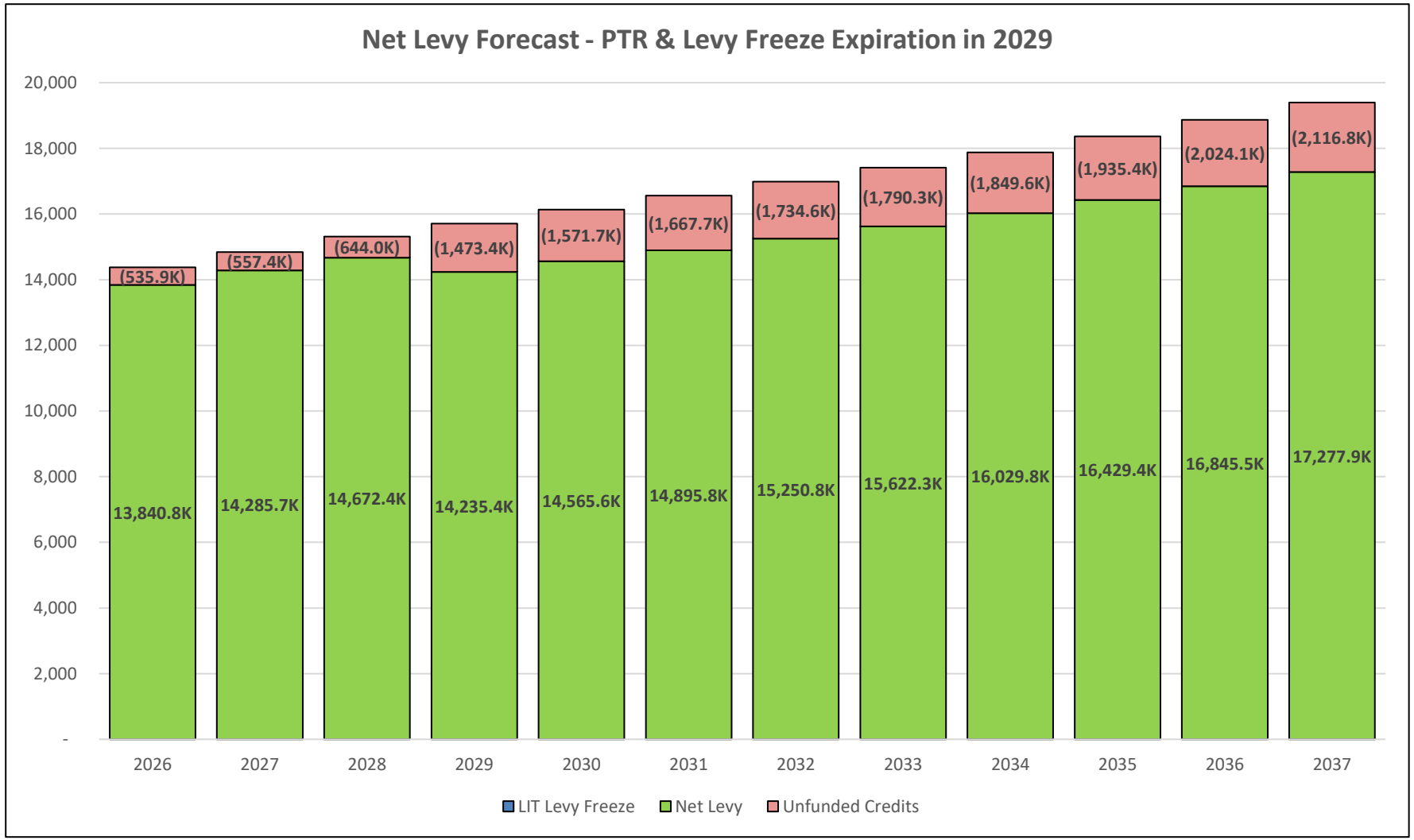
2028: ($61.2K) -> 2029: ($146.5K)

- **Net levy decreases – 2.8%**

(Over 2028 Levy + Levy Freeze)

Model 1: PTR & Levy Freeze Expiration in 2029

Net Levy Impact – Jay County Schools



In 2027:

- Certified levy increases + 3.2%

(Over 2026 Abstract Levy)

- Credit loss increase + 4.0%

2026: ($535.9K) -> 2027: ($557.4K)

- **Net levy increases + 3.2%**

(Over 2026 Abstract Levy)

In 2029:

- Certified levy increases + 2.6%

(Over 2028 Levy)

- Credit loss increases + 128.8%

2028: ($644.0K) -> 2029: ($1,473.4K)

- **Net levy decreases – 3.0%**

(Over 2028 Levy)

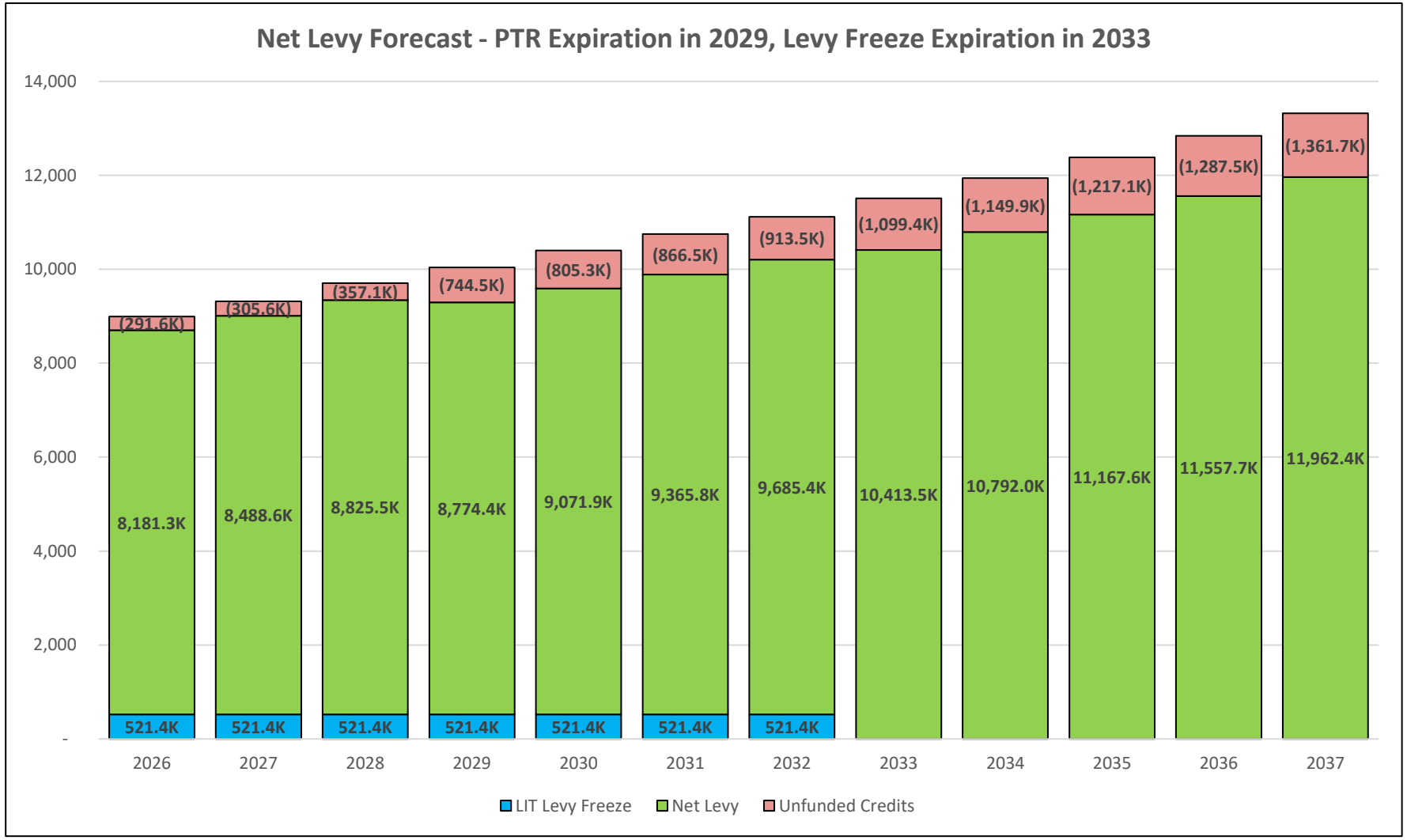
04

Taxing Unit Impact Analysis

Model 2 – Property Tax Relief Credit in 2029; Levy Freeze Expiration in 2033

Model 2: PTR Expiration in 2029, Levy Freeze Expiration in 2033

Net Levy Impact – Jay County



In 2029:

- Certified levy increases + 3.5%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases + 108.5%

2028: ($357.1K) -> 2029: ($744.5K)

- **Net levy decreases – 0.6%**

(Over 2028 Levy + Levy Freeze)

In 2033:

- Certified levy increases + 3.5%

(Over 2032 Levy + Levy Freeze)

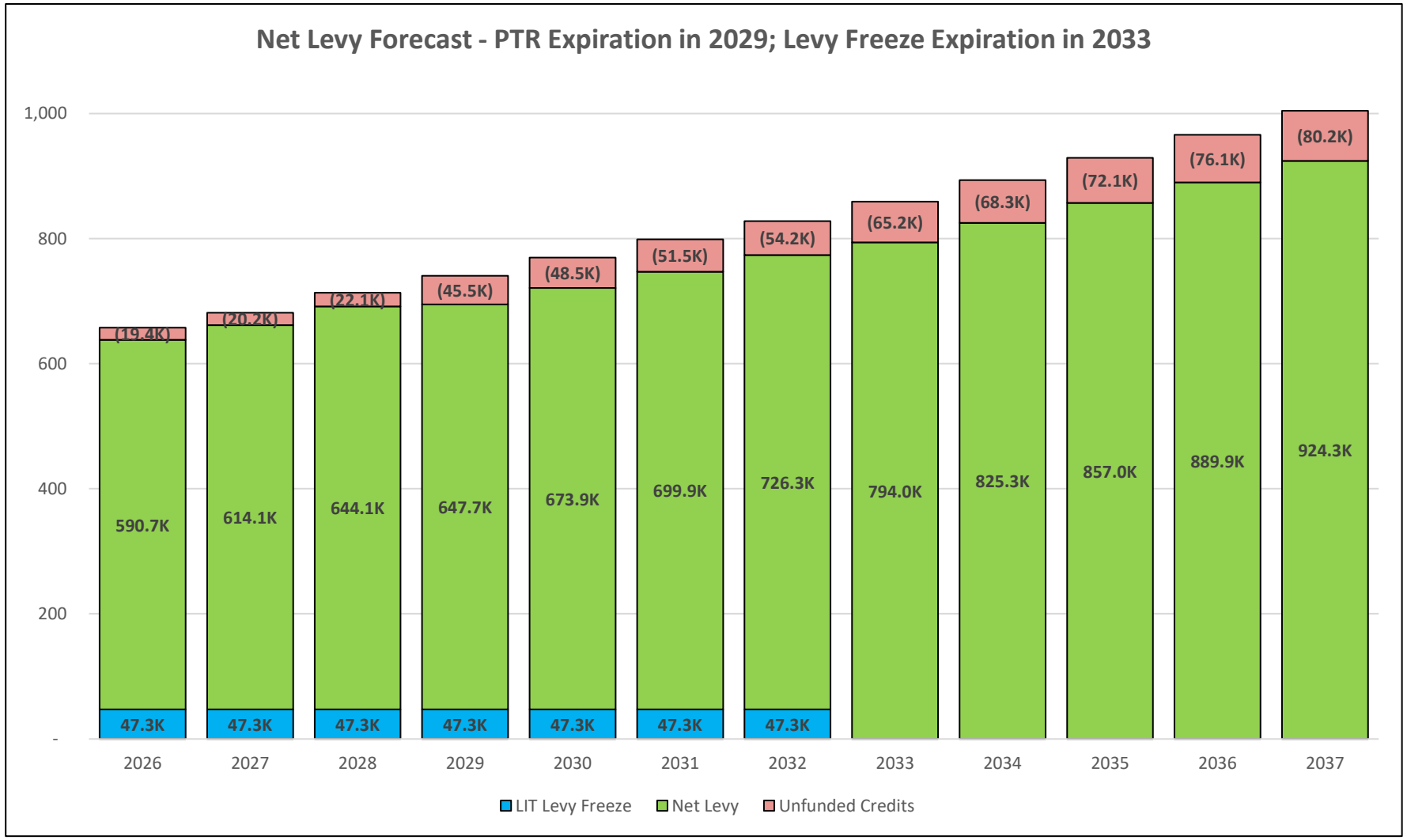
- Credit loss increases + 20.4%

2032: ($913.5K) -> 2033: ($1,099.4K)

- **Net levy increases + 2.0%**

Model 2: PTR Expiration in 2029, Levy Freeze Expiration in 2033

Net Levy Impact – Townships



In 2029:

- Certified levy increases + 3.8%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases + 105.6%

2028: ($22.1K) -> 2029: ($45.5K)

- **Net levy increases + 0.5%**

(Over 2028 Levy + Levy Freeze)

In 2033:

- Certified levy increases + 3.8%

(Over 2032 Levy + Levy Freeze)

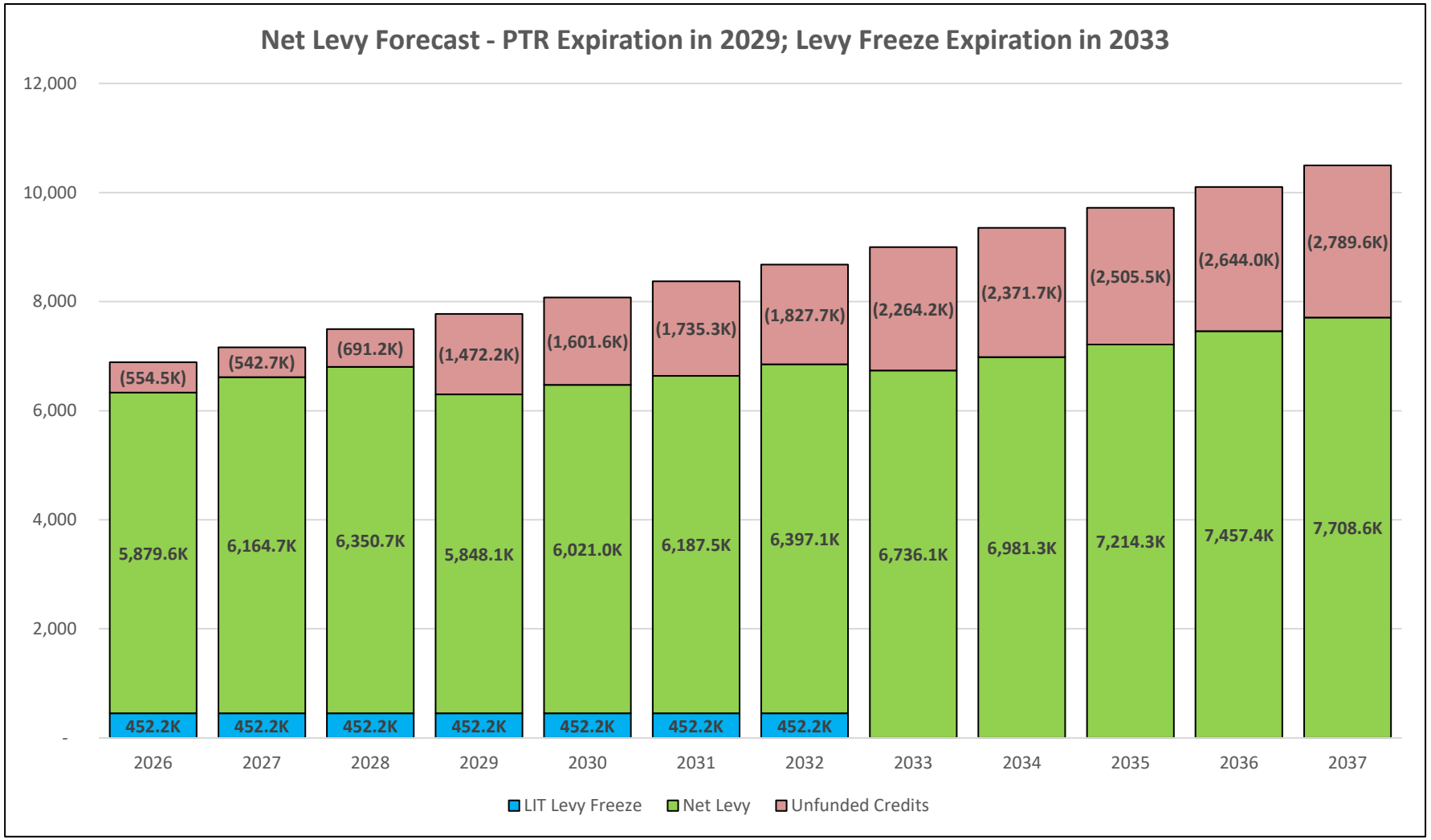
- Credit loss increases + 20.3%

2032: ($54.2K) -> 2029: ($65.2K)

- **Net levy increases + 2.6%**

Model 2: PTR Expiration in 2029, Levy Freeze Expiration in 2033

Net Levy Impact – Cities and Towns



In 2029:

- Certified levy increases + 3.7%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases + 113.0%

2028: ($691.2K) -> 2029: ($1,472.2K)

- **Net levy decreases – 7.4%**

(Over 2028 Levy + Levy Freeze)

In 2033:

- Certified levy increases + 3.9%

(Over 2032 Levy + Levy Freeze)

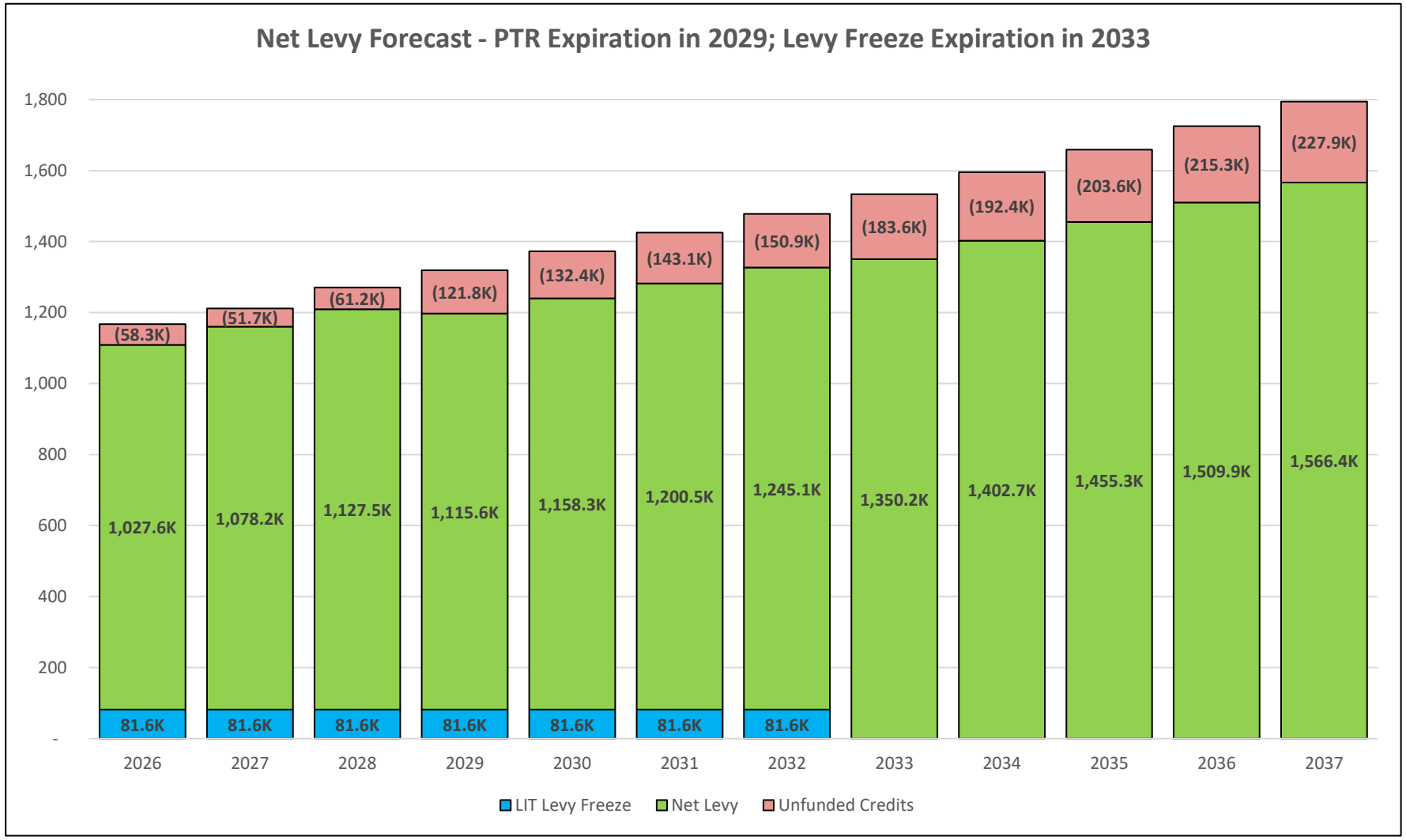
- Credit loss increases + 23.9%

2032: ($913.5K) -> 2029: ($1,099.4K)

- **Net levy decreases – 1.8%**

Model 2: PTR Expiration in 2029, Levy Freeze Expiration in 2033

Net Levy Impact – Libraries



In 2029:

- Certified levy increases + 3.8%

(Over 2028 Levy + Levy Freeze)

- Credit loss increases + 98.9%

2028: ($61.2K) -> 2029: ($121.8K)

- **Net levy decreases – 1.0%**

(Over 2028 Levy + Levy Freeze)

In 2033:

- Certified levy increases + 3.8%

(Over 2032 Levy + Levy Freeze)

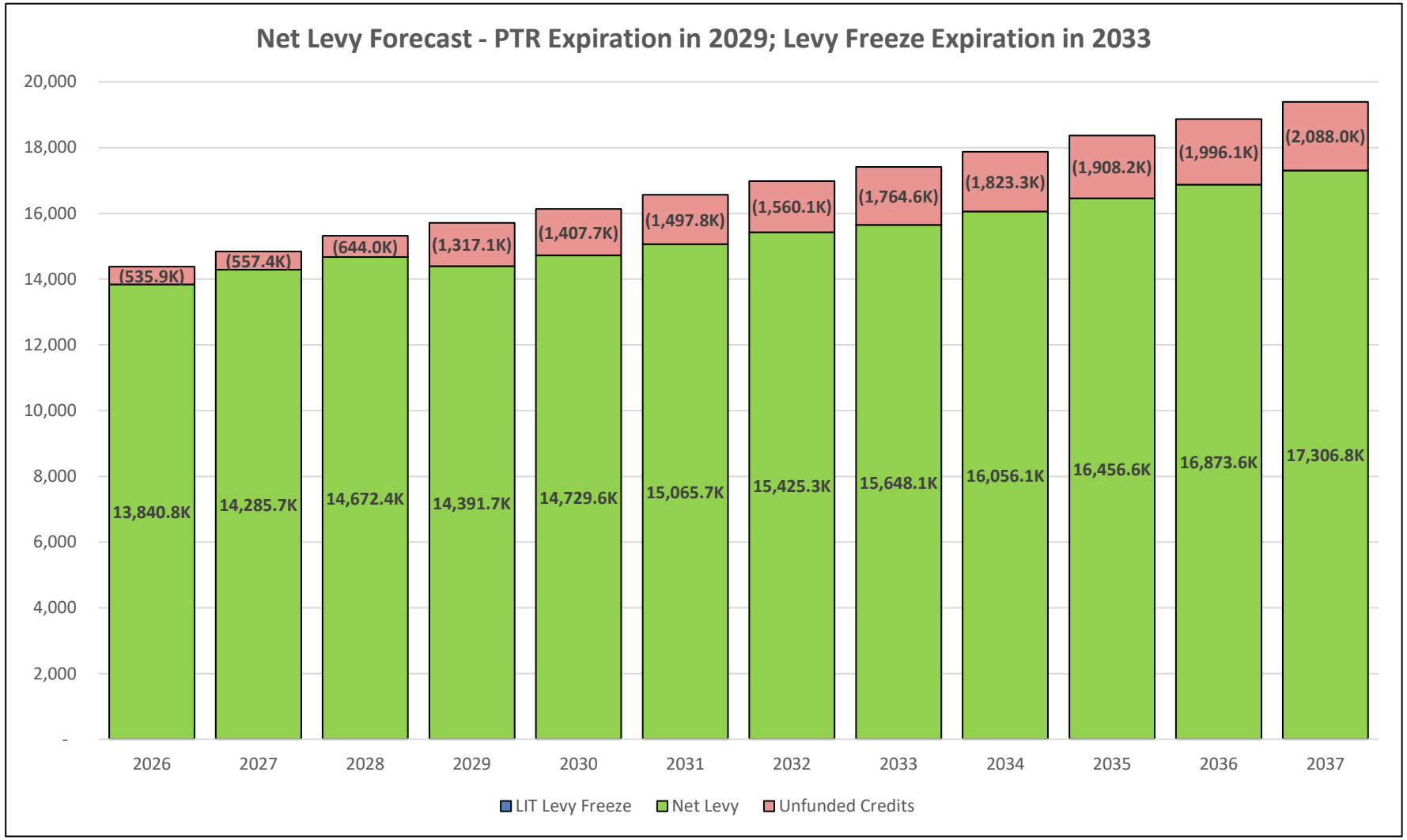
- Credit loss increases + 21.7%

2032: ($150.9K) -> 2033: ($192.4K)

- **Net levy increases + 1.8%**

Model 2: PTR Expiration in 2029, Levy Freeze Expiration in 2033

Net Levy Impact – Jay County Schools



In 2029:

- Certified levy increases + 2.6%

(Over 2028 Levy)

- Credit loss increases + 104.5%

2028: ($644.0K) -> 2029: ($1,317.1K)

- **Net levy decreases – 1.9%**

(Over 2028 Levy)

In 2033:

- Certified levy increases + 2.5%

(Over 2028 Levy)

- Credit loss increases + 13.1%

2032: ($1,560.1K) -> 2029: ($1,764.6K)

- **Net levy increases + 1.4%**

Model Summary

Taxing Unit Impact Analysis

- Across both models, **2029 net revenue is down compared to 2028 net revenue** (excluding townships)
  - Model 1 Total Net Levy with Levy Freeze: $32,722.7K (2028) v. $31,249.7K (2029), **- 4.5% decrease**
  - Net revenue decrease is particularly significant in municipalities (i.e. areas with high taxing district rates)
- Net revenue decrease is primarily due to expiration of property tax relief rate.
  - Property tax relief rate is no longer 'buying down' the tax bill before circuit breaker/unfunded credits
  - Model 1 Total Credit: - $1,775.7K (2028) v. - $4,376.8K (2029), **+ 146.5% increase**
- Timing of maximum levy increases (via levy freeze expiration) does impact net revenues (and taxpayers)
  - Model 1: units will have a one-time net revenue decrease in 2029; then, net levies will increase thereafter until 2037
  - Model 2: units will have a more muted revenue decrease in 2029 (than in Model 1); however, they will see a smaller increase in net revenue in 2033 due to levy freeze expiration.
- For schools, the delay in levy freeze expiration benefits 2029-2032 net revenue that otherwise would be lost to due to overlapping units and resulting circuit breaker/unfunded credit increase.

05

Taxpayer Incidence Analysis

Based on Model 1 – Property Tax Relief Credit and Levy Freeze Expiration in 2029

Taxpayer Incidence Analysis – Residential Homestead

Residential Homestead (1%) – Gross Assessed Value: $120,000

Gross/Net Assessed Values & Deductions:

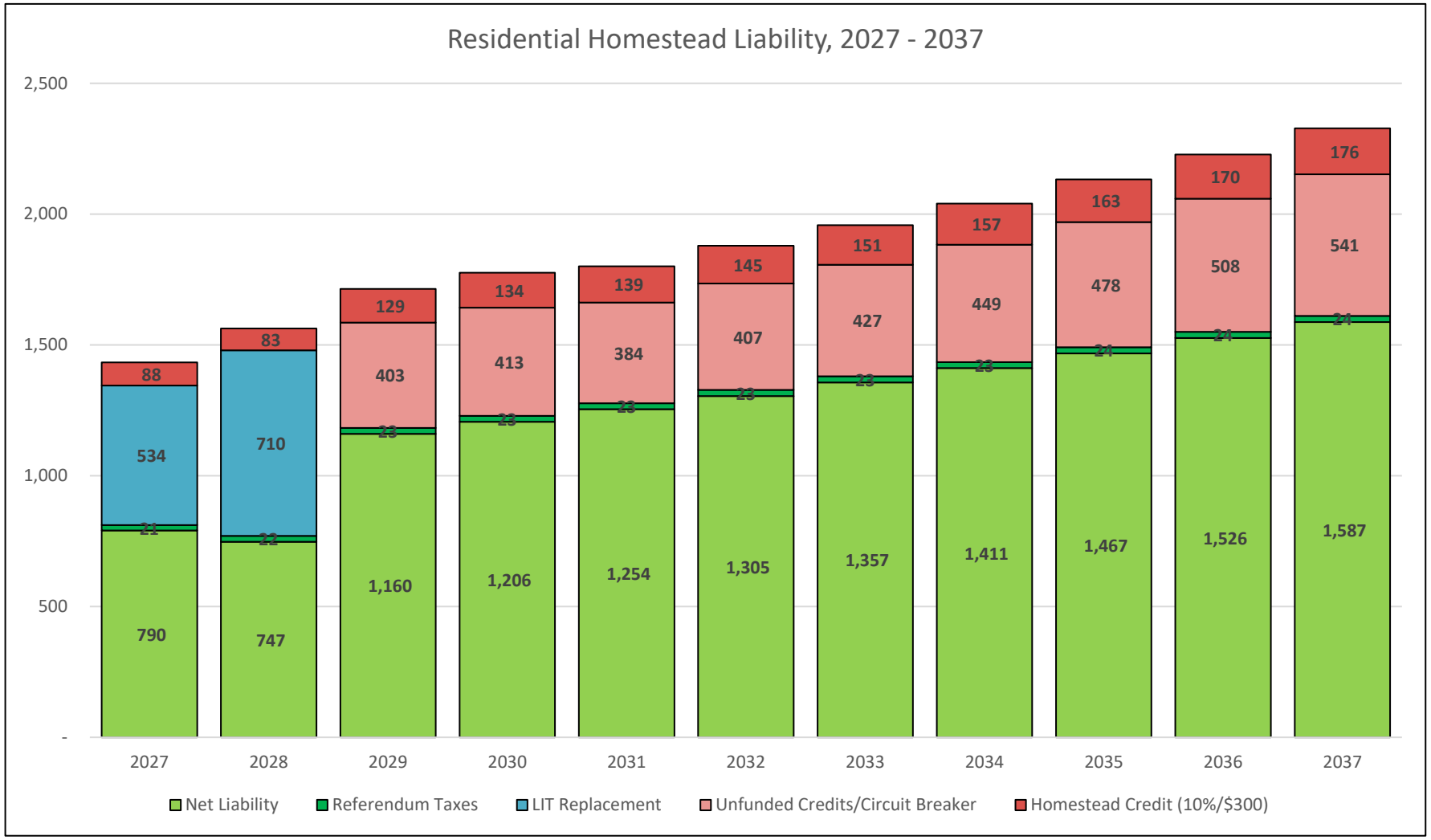
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Gross AV	120,000	124,200	128,858	134,012	139,372	144,947	150,745	156,775	163,046	169,568	176,350
Deductions	(76,800)	(78,984)	(82,049)	(86,887)	(92,961)	(96,680)	(100,547)	(104,569)	(108,752)	(113,102)	(117,626)
Net AV	$43,200	$45,216	$46,809	$47,124	$46,411	$48,267	$50,198	$52,206	$54,294	$56,466	$58,725

Tax Rate Projections:

	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Portland	3.3165	3.4560	3.6623	3.7685	3.8802	3.8938	3.8997	3.9071	3.9270	3.9457	3.9647
Wayne Township	1.7907	1.8869	1.9618	2.0260	2.0953	2.0987	2.0957	2.0921	2.1011	2.1100	2.1191

Taxpayer Incidence Analysis – Residential Homestead

City of Portland – Gross Assessed Value: $120,000

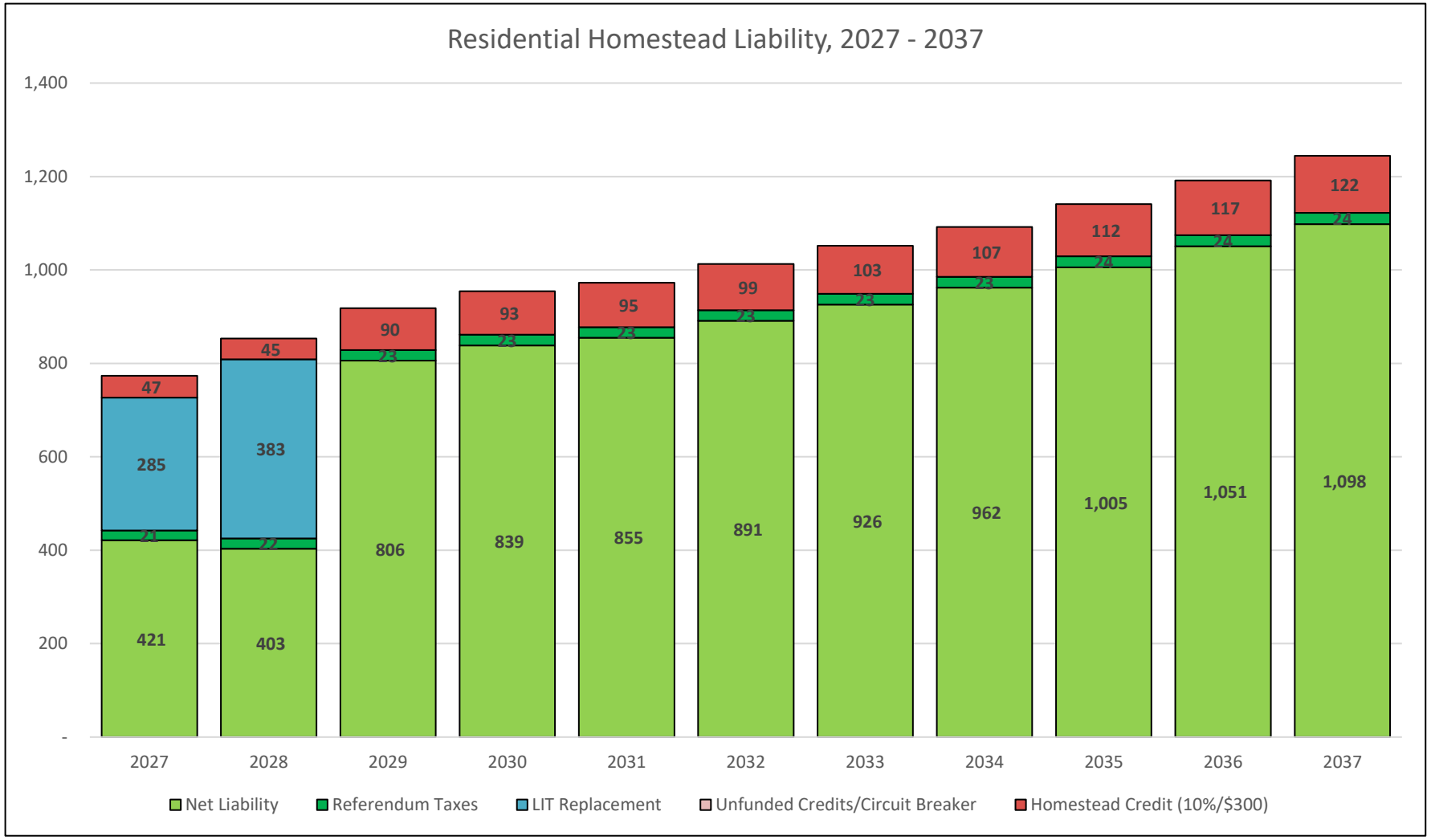


In 2029:

- 53.7% increase in Net Liability (Excluding LIT Credit)
- -20.1% decrease in Net Liability (Including LIT Credit)
- LIT Credit expiration translates to unfunded credit loss and net liability increase.

Taxpayer Incidence Analysis – Residential Homestead

Wayne Township (Outside of Portland) – Gross Assessed Value: $120,000



In 2029:

- 94.8% increase in Net Liability (Excluding LIT Credit)
- 2.5% increase in Net Liability (Including LIT Credit)
- LIT Credit expiration translates entirely to increase in net property tax liability.

Taxpayer Incidence Analysis – Residential Homestead

Residential Homestead (1%) – Gross Assessed Value: $250,000

Gross/Net Assessed Values & Deductions:

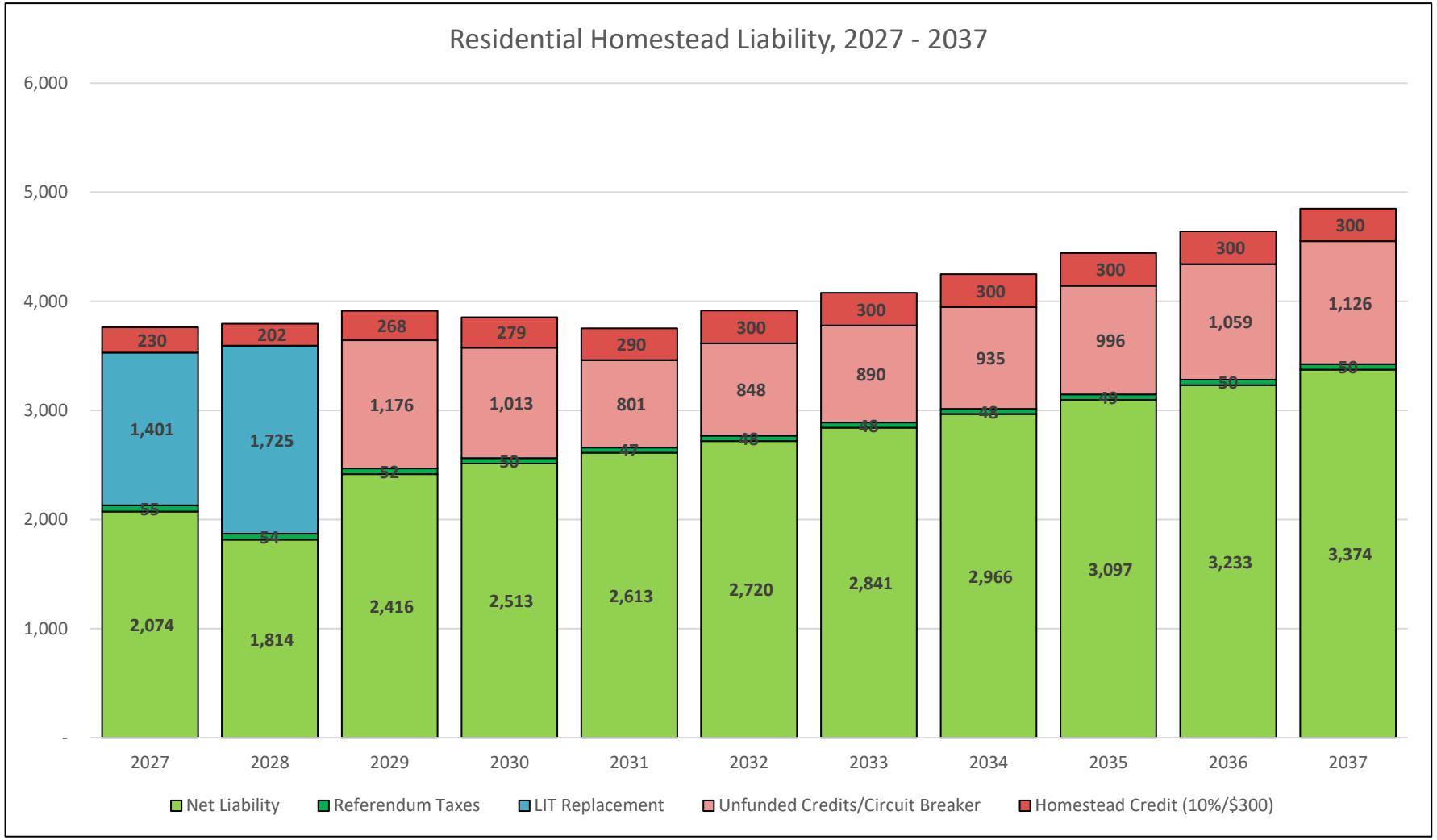
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Gross AV	250,000	258,750	268,453	279,191	290,359	301,973	314,052	326,614	339,679	353,266	367,397
Deductions	(136,600)	(148,950)	(161,618)	(176,899)	(193,669)	(201,416)	(209,473)	(217,852)	(226,566)	(235,628)	(245,054)
Net AV	$113,400	$109,800	$106,835	$102,293	$96,690	$100,557	$104,579	$108,763	$113,113	$117,638	$122,343

Tax Rate Projections:

	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Portland	3.3165	3.4560	3.6623	3.7685	3.8802	3.8938	3.8997	3.9071	3.9270	3.9457	3.9647
Wayne Township	1.7907	1.8869	1.9618	2.0260	2.0953	2.0987	2.0957	2.0921	2.1011	2.1100	2.1191

Taxpayer Incidence Analysis – Residential Homestead

City of Portland – Gross Assessed Value: $250,000

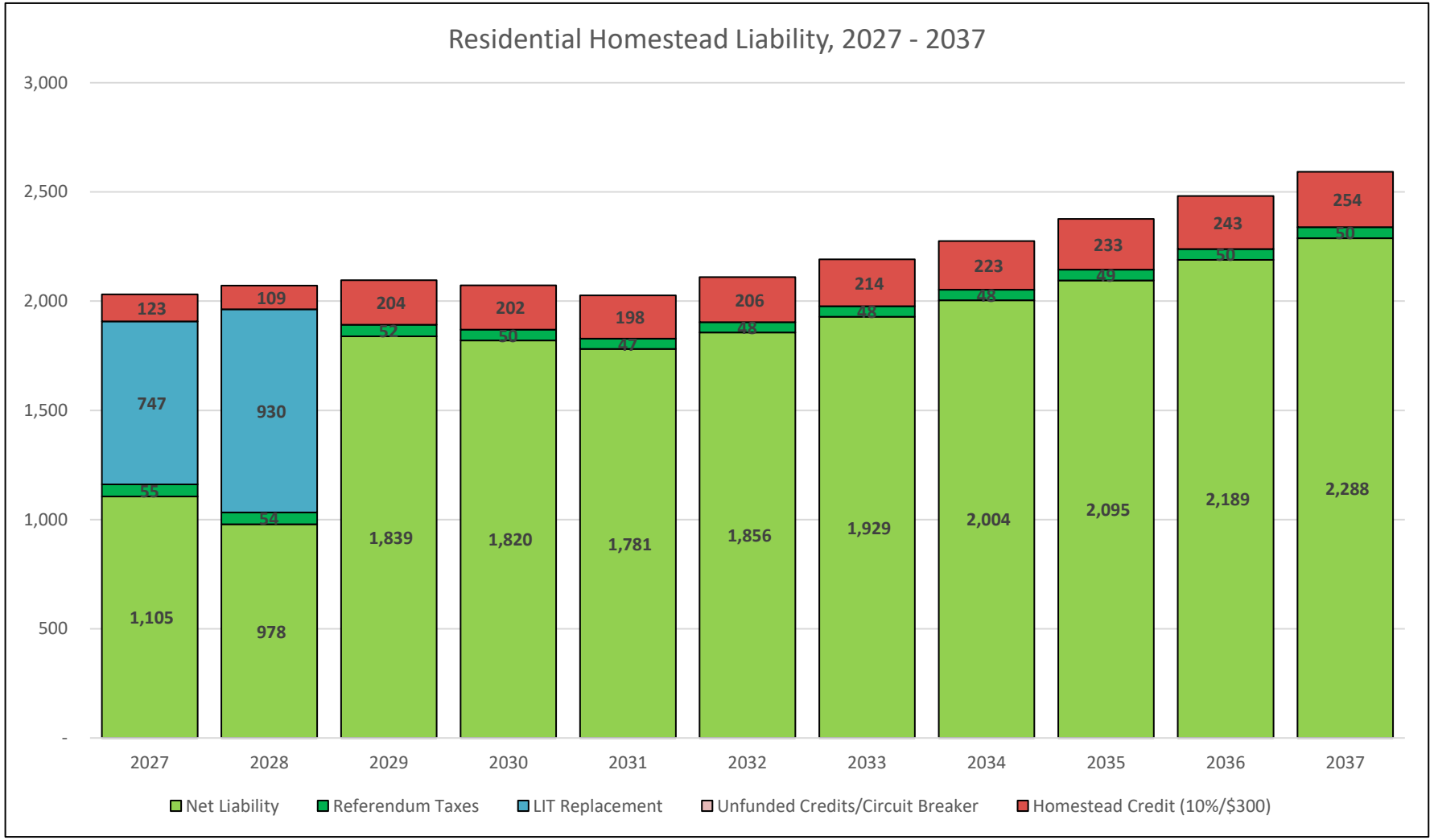


In 2029:

- 32.1% increase in Net Liability (Excluding LIT Credit)
- -31.3% decrease in Net Liability (Including LIT Credit)
- LIT Credit expiration translates to unfunded credit loss and net liability increase.

Taxpayer Incidence Analysis – Residential Homestead

Wayne Township (Outside of Portland) – Gross Assessed Value: $250,000



In 2029:

- 83.1% increase in Net Liability (Excluding LIT Credit)
- -3.7% decrease in Net Liability (Including LIT Credit)
- Net Liability decreases from 2029 – 2031, increase in 2032 and thereafter
- LIT Credit expiration translates entirely to increase in net property tax liability.

Taxpayer Incidence Analysis – Rental Property/Other Residential

Rental/Other Residential (2%) – Gross Assessed Value: $120,000

Gross/Net Assessed Values & Deductions:

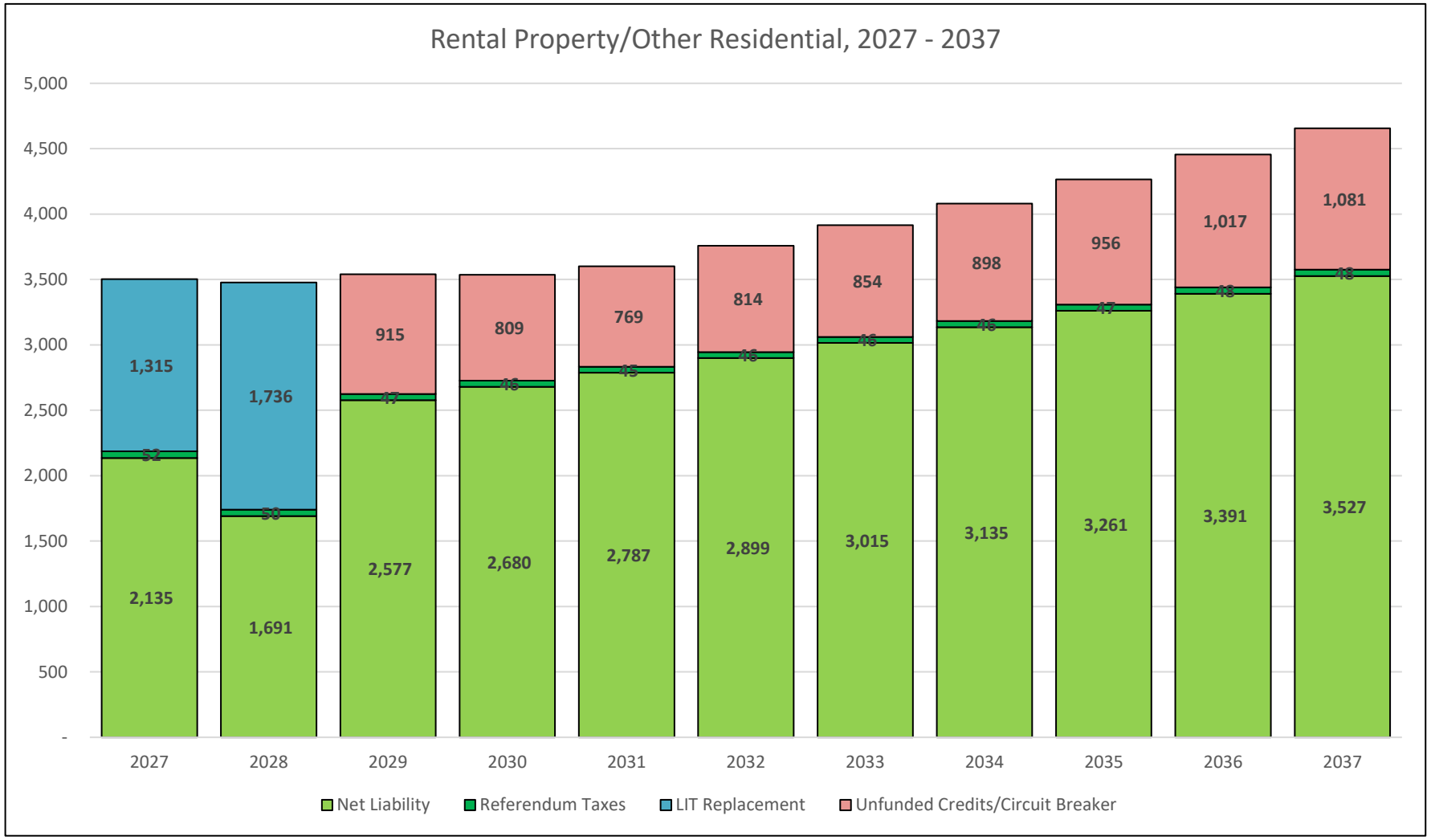
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Gross AV	120,000	124,200	128,858	134,012	139,372	144,947	150,745	156,775	163,046	169,568	176,350
Deductions	(14,400)	(23,598)	(32,214)	(40,204)	(46,550)	(48,412)	(50,349)	(52,363)	(54,457)	(56,636)	(58,901)
Net AV	$105,600	$100,602	$96,643	$93,808	$92,822	$96,535	$100,396	$104,412	$108,589	$112,932	$117,449

Tax Rate Projections:

	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Portland	3.3165	3.4560	3.6623	3.7685	3.8802	3.8938	3.8997	3.9071	3.9270	3.9457	3.9647
Wayne Township	1.7907	1.8869	1.9618	2.0260	2.0953	2.0987	2.0957	2.0921	2.1011	2.1100	2.1191

Taxpayer Incidence Analysis – Rental Property/Other Residential

City of Portland – Gross Assessed Value: $120,000

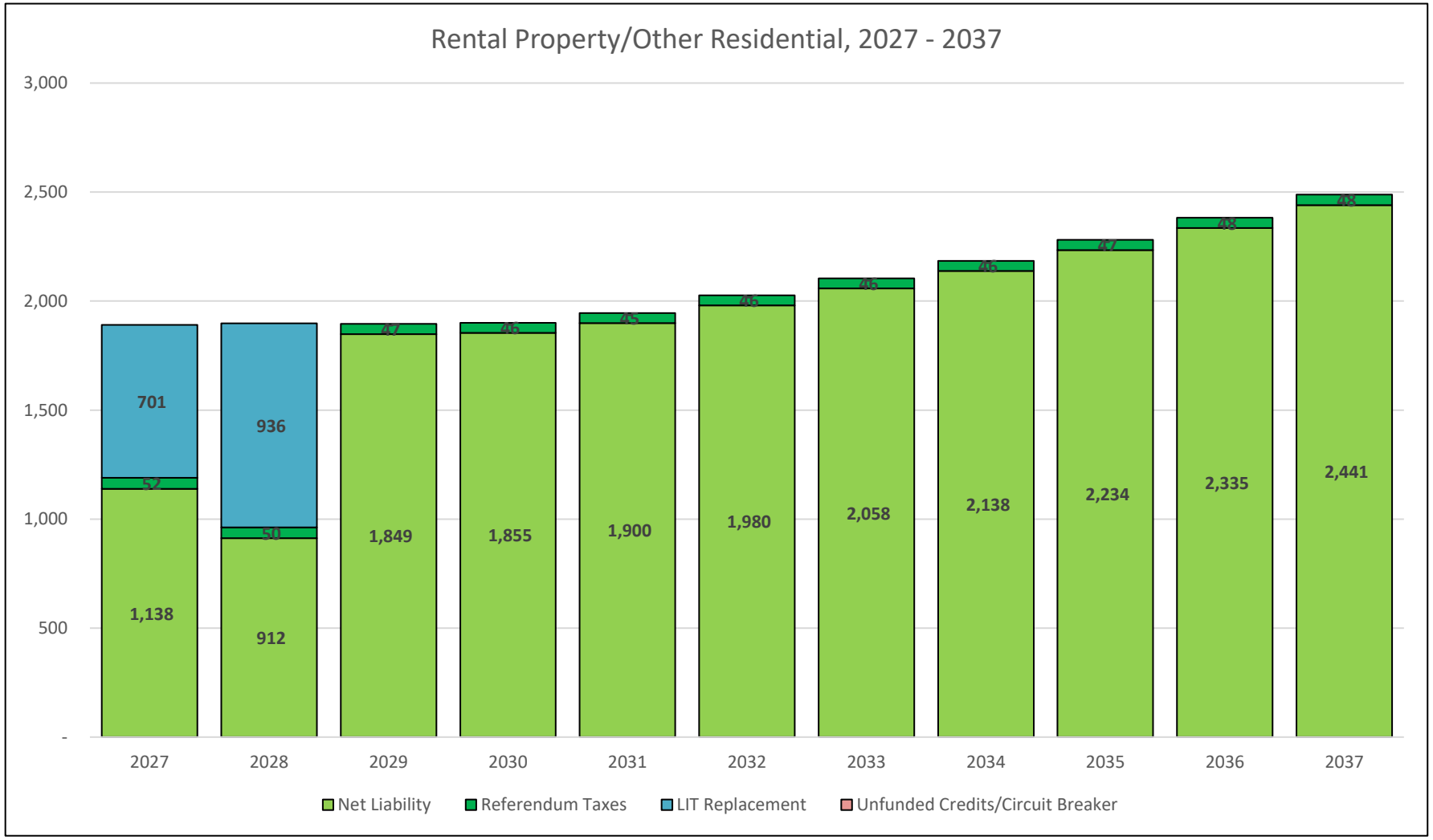


In 2029:

- 52.4% increase in Net Liability (Excluding LIT Credit)
- -24.8% decrease in Net Liability (Including LIT Credit)
- LIT Credit expiration translates to unfunded credit loss and net liability increase.

Taxpayer Incidence Analysis – Rental Property/Other Residential

Wayne Township (Outside of Portland) – Gross Assessed Value: $120,000



In 2029:

- 97.1 increase in Net Liability (Excluding LIT Credit)
- -0.12% decrease in Net Liability (Including LIT Credit)
- LIT Credit expiration translates entirely to increase in net property tax liability.

Taxpayer Incidence Analysis – Agricultural/Farmland

Farmland – 100 Acres

Agricultural Land Base Rate & Gross/Net Assessed Values

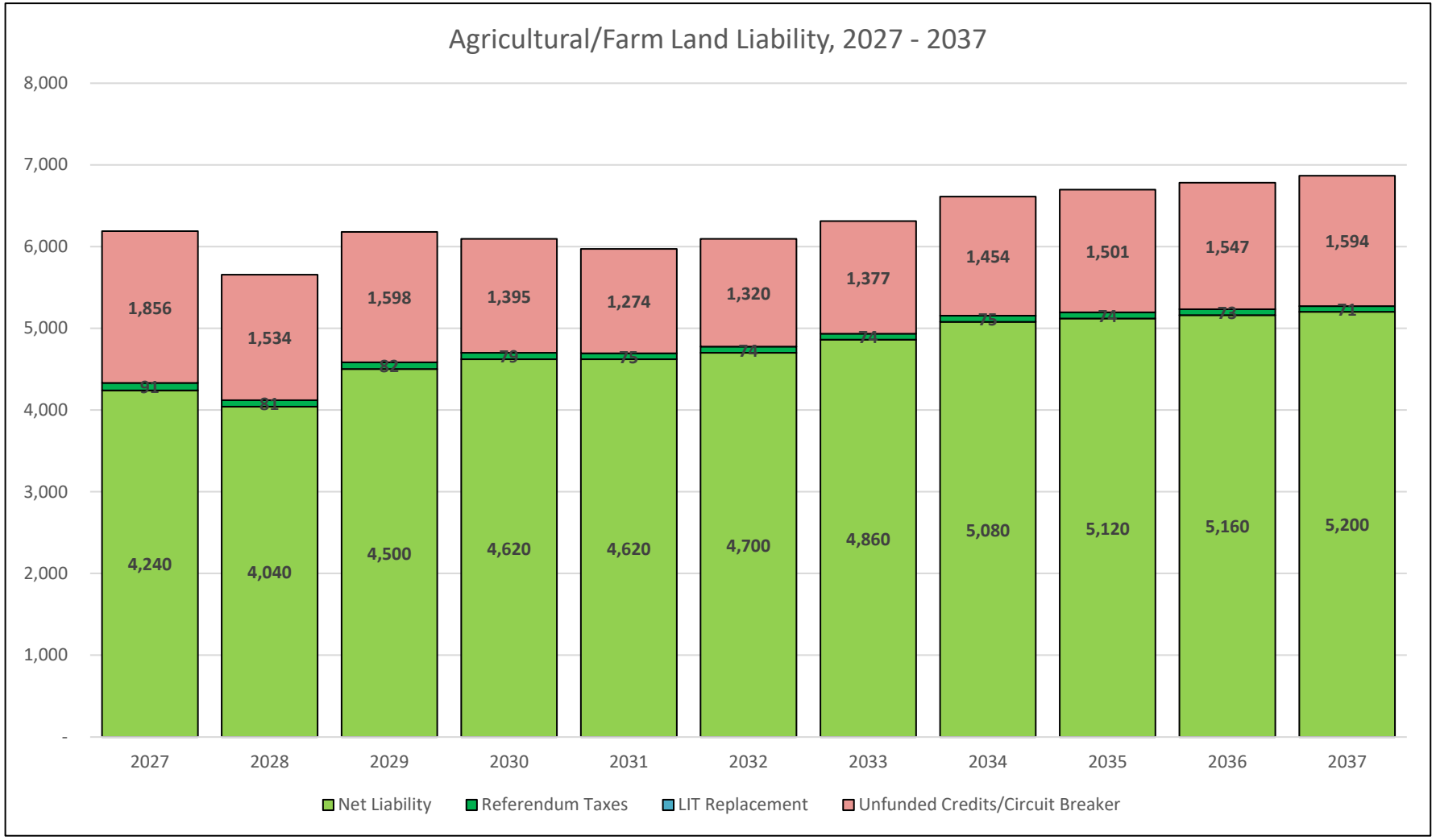
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Base Rate	2,120	2,020	2,250	2,310	2,310	2,350	2,430	2,540	2,560	2,580	2,600
Acres	100	100	100	100	100	100	100	100	100	100	100
Gross AV	212,000	222,600	232,617	242,504	252,203	261,661	270,820	280,298	290,109	300,263	310,772
Deductions	(25,440)	(42,294)	(58,154)	(72,751)	(84,236)	(87,395)	(90,454)	(93,620)	(96,896)	(100,288)	(103,798)
Net AV	$186,560	$180,306	$174,463	$169,752	$167,967	$174,266	$180,366	$186,679	$193,212	$199,975	$206,974

Tax Rate Projections:

	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Portland	3.3165	3.4560	3.6623	3.7685	3.8802	3.8938	3.8997	3.9071	3.9270	3.9457	3.9647
Wayne Township	1.7907	1.8869	1.9618	2.0260	2.0953	2.0987	2.0957	2.0921	2.1011	2.1100	2.1191

Taxpayer Incidence Analysis – Agricultural/Farmland

City of Portland – 100 acres



In 2029:

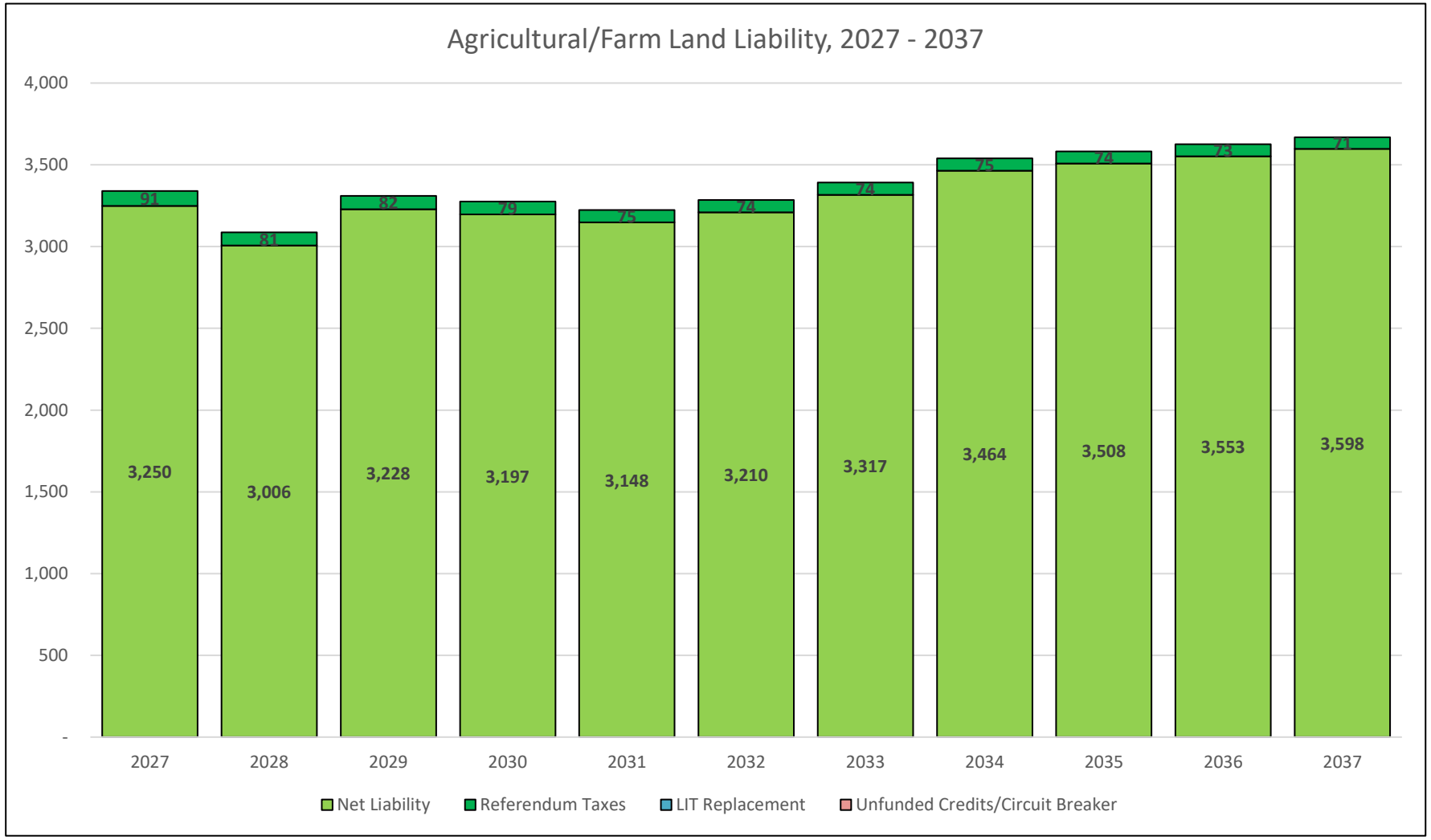
- 11.2% increase in Net Liability

(Excluding LIT Credit)

- No LIT Credit applied to farmland/agricultural land
- Decrease in 2028 due to lower base rate; increase in 2029 due to increase in base rate (reversion of capitalization rate)

Taxpayer Incidence Analysis – Agricultural/Farmland

Wayne Township (Outside of Portland) – 100 acres



In 2029:

- 7.2% increase in Net Liability

(Excluding LIT Credit)

- No LIT Credit applied to farmland/agricultural land
- Decrease in 2028 due to lower base rate; increase in 2029 due to increase in base rate (reversion of capitalization rate)

Taxpayer Incidence Analysis – Commercial/Industrial & Personal Property

Gross Assessed Value: $500,000

Gross/Net Assessed Values & Deductions:

	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Gross AV	500,000	522,500	544,706	566,495	587,738	608,309	629,600	651,636	674,443	698,048	722,480
Deductions	-	-	-	-	-	-	-	-	-	-	-
Net AV	500,000	522,500	544,706	566,495	587,738	608,309	629,600	651,636	674,443	698,048	722,480

Tax Rate Projections:

	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Portland	3.3165	3.4560	3.6623	3.7685	3.8802	3.8938	3.8997	3.9071	3.9270	3.9457	3.9647
Wayne Township	1.7907	1.8869	1.9618	2.0260	2.0953	2.0987	2.0957	2.0921	2.1011	2.1100	2.1191

Taxpayer Incidence Analysis – Commercial/Industrial & Personal Property

City of Portland – Gross Assessed Value: $500,000



In 2029:

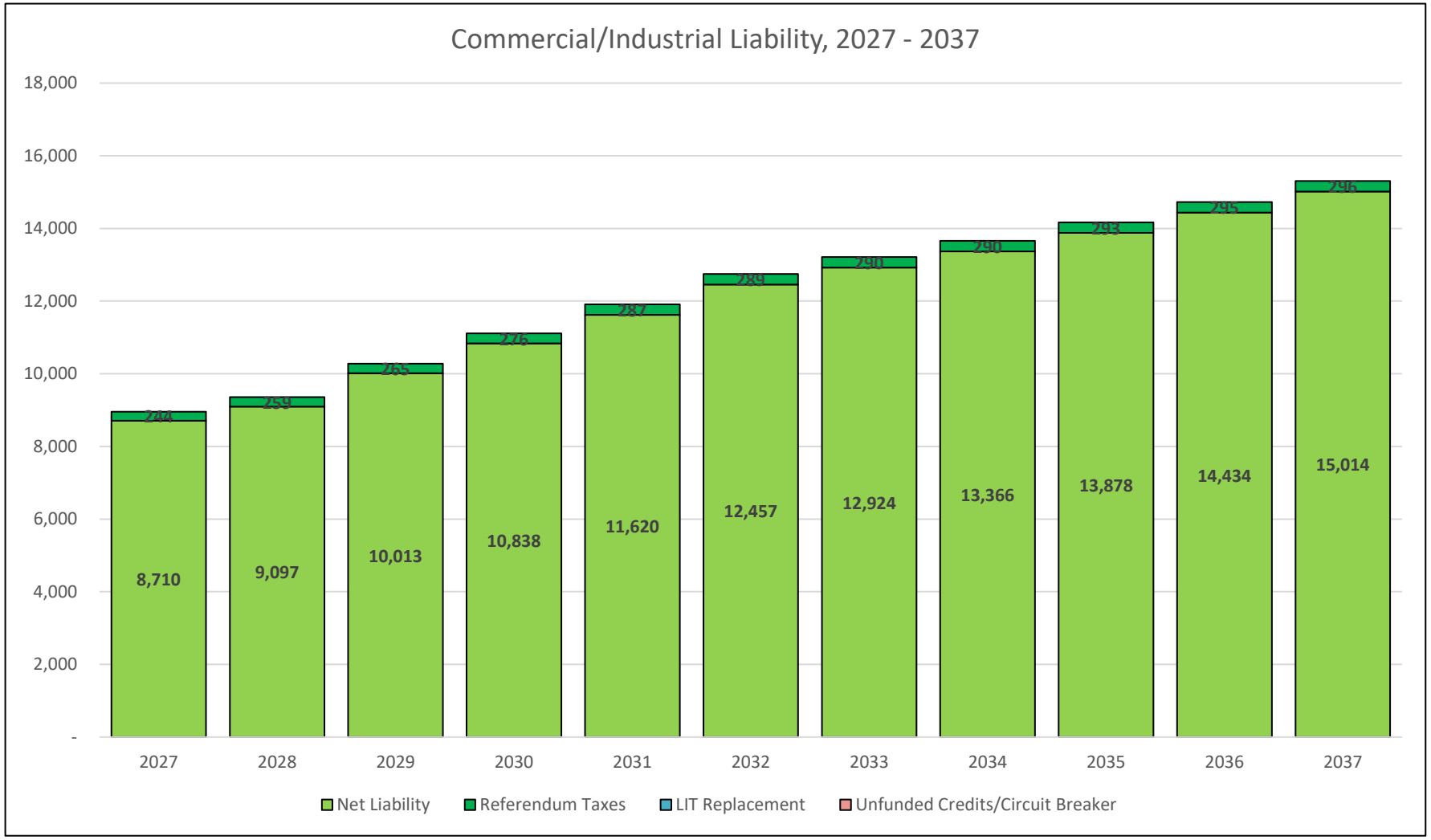
- 4.2% increase in Net Liability

(Excluding LIT Credit)

- No LIT Credit applied to commercial/industrial and personal property
- Net liability continues to increase through 2037

Taxpayer Incidence Analysis – Commercial/Industrial & Personal Property

Wayne Township (Outside of Portland) – Gross Assessed Value: $500,000



In 2029:

- 9.9% increase in Net Liability

(Excluding LIT Credit)

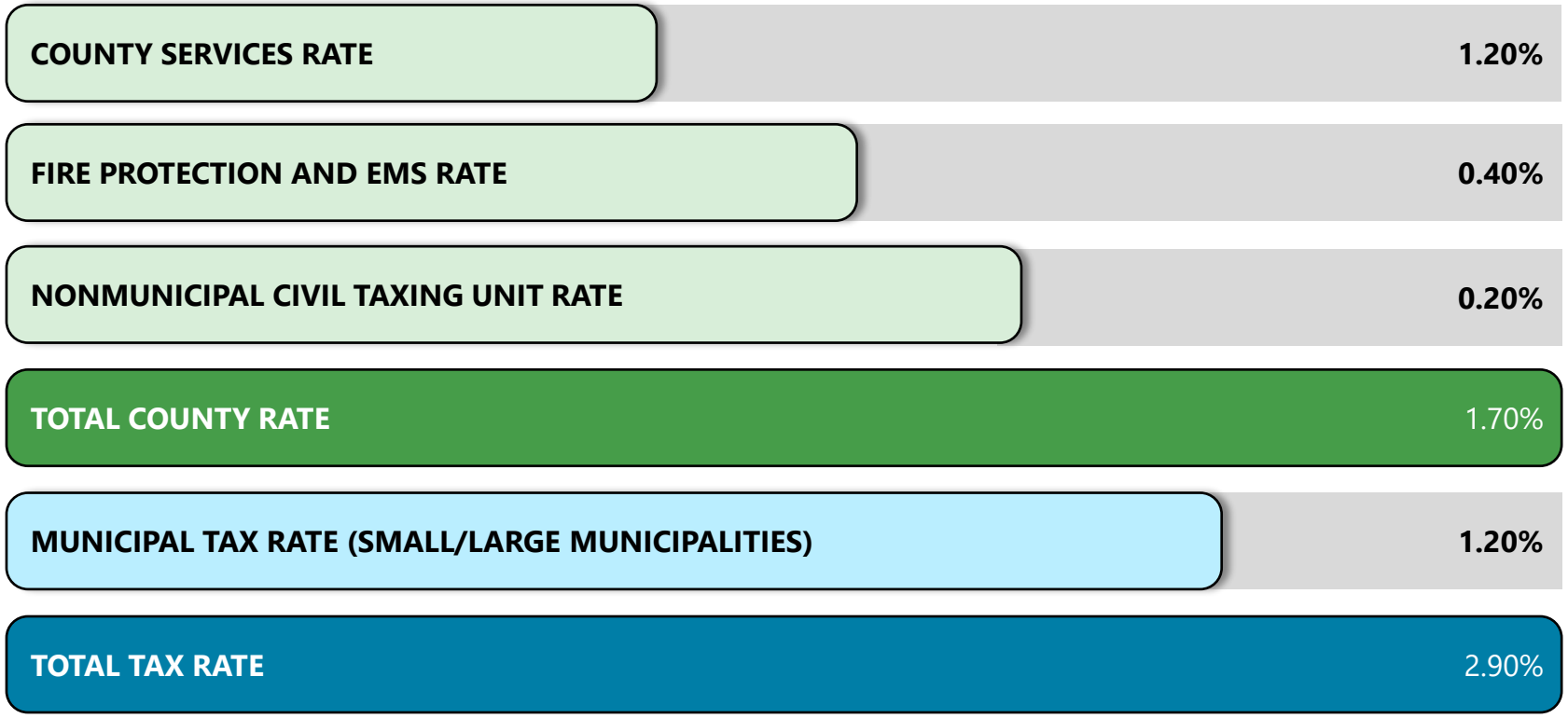
- No LIT Credit applied to commercial/industrial and personal property
- Net liability continues to increase through 2037

Model Summary

Taxpayer Incidence Analysis

- Property tax relief credit (PTRC) expiration in 2029 contributes to significant increases in residential net liabilities, particularly for those in low-tax rate areas.
  - In low-tax rate areas, PTRC expiration -> increased property tax liability (no liability lost due to unfunded credits)
  - In high-tax rate areas, PTRC expiration -> increased property tax liability and unfunded credit loss
- Lower assessed value residential taxpayers in unincorporated areas will be disproportionately impacted by PTRC expiration.
  - Remain under/just at circuit breaker cap
  - No longer paying PTR rate; however, no longer receiving PTR credit/'buy-down' of property tax bill
  - LIT liability could also increase depending on county-authorized rate/municipal rate

Local Income tax Structure Under SEA 1-2025



County cannot max out all rate types

Unit may elect to adopt for municipalities with more than 3,500 population.

Municipal Income Tax Structure

Variable	County-Authorized	Large Municipality
Municipal Eligibility	All Municipalities have option to "Opt In"	2020 Population greater than 3,500. 'Opt-out' of county-authorized rate
Adopting Entity	County Fiscal Body	Municipal Fiscal Body
Tax Base	Unincorporated area 'Small' municipalities, 'Large', opt-in municipalities	Indiana taxable income within municipal boundaries.
Maximum Rate	1.20%	1.20%
Allocation Method	Municipal population	100% to adopting municipality

Local Income tax Structure Under SEA 1-2025

County Income Tax Policy

- **County Expenditure Rate**
  - Replace Current Revenue?
  - Judicial, EMS, Hospital, PSAP?
  - Property Tax Relief?
- **Fire and EMS Rate**
  - Distributed by area and pop.
  - Municipal Services?
  - Include Township Fire?
- **Non-Municipal Rate**
  - Townships?
  - Libraries?
  - Other Units?

Municipal Income Tax Policy

- **Small Cities and Towns**
  - Which are eligible or opt in?
  - What rate to set?
  - How much to retain?
- **Municipal Income Tax Rate**
  - Set by each eligible unit