

## **WABASH COUNTY COUNCIL SPECIAL SESSION**

The Wabash County Council met in a special session to conduct a public hearing on Monday, October 7, 2015 in the Commissioner's Meeting Room of the Wabash County Courthouse to consider tax changes for 2016. The hearing had been advertised and the public invited for the purpose of expressing their views. Council Chairman Mike Ridenour called the meeting to order at 5:00 P.M. with seven members present: Ridenour, Claude Markstahler, Randy Curless, Bill Ruppel, Matt Dillon, Jeff Dawes, and Kyle Bowman. Markstahler opened with a word of prayer and Ridenour led in the pledge of allegiance. The proceedings of the meeting were recorded by the County Auditor's office.

Darren Bates, software consultant and tax data analyst was in attendance to present possible LOIT changes based on two percentage options using Wabash County tax data. He submitted a chart comparing the current 2014 pay 2015 LOIT percentages of 55% for all property tax relief in the form of LOIT Property Tax Replacement Credit, 10% to Homestead properties, and 35% to Qualified Residential Properties with approximately \$154,031 in cap losses county-wide to the possible percentage options of 30%/35%/35% and 10%/35%/55% and the resulting cap losses of \$142,130 and \$110,192 due to circuit breaker credits. Bates stated that the 10%/35%/55% percentages would result in the least amount of cap loss but whatever percentages are used, there would not be a great deal of difference in the cap loss in 2016. He noted, that in years to come, there will be greater and greater cap losses.

Ridenour asked Council member Bowman to explain the charts that he had compiled containing the historical breakdown of LOIT in Wabash County using specific homestead properties, farmland, businesses, and rental properties with the resulting circuit breaker credit loss. Using the same property data, Bowman projected taxes using two possible percentage options with the resulting cap losses. Bowman's figures matched closely with Bates' projections. Bowman commented that the tax system is imperfect however the percentages are divided.

Ridenour relinquished the "chair" to Council member Ruppel so that Ridenour may make a motion for purposes of discussion. Ridenour made a motion to change the LOIT percentages to 40% for property tax relief, 40% to homestead properties and 20% to qualified residential properties for 2016. Markstahler seconded the motion. Ruppel called for discussion of the motion. Using the proposed percentages from Ridenour's motion with the Wabash County tax data within the tax software program, Bates calculated the amount of taxes for each property category and the resulting circuit breaker cap loss of \$320,000, which would effectively double the current loss. With this scenario, homesteads would receive over 70% in credits and agricultural land taxes would increase by 3%. Bates stated that if the Qualified Residential property percentage is reduced, the cap losses will always increase.

Ridenour made a motion to withdraw the motion made previously and Markstahler agreed to withdraw his seconding of the motion. He then seconded Ridenour's motion to withdraw the previous motion. The motion to withdraw passed with a 7-0 vote.

Ridenour then made a motion to adopt the LOIT credit percentages at 40% for LOIT property tax replacement credit for all taxpayers in the County, 20% for homestead credits, and 40% for qualified residential property effective January 1, 2016. Markstahler seconded the motion. Ruppel called for discussion of the motion and then called for the vote. The motion passed with a vote of five (5) members in favor and two (2) members, Curless and Bowman opposed. Bowman stated that he voted against approval because the percentages will result in an increase in agricultural land taxes.

Hearing no further comment from Council members or the public, Ruppel adjourned the special session.

**The following individuals also attended the October 7<sup>th</sup> Public Hearing:**

*\*If any names are spelled incorrectly, we apologize.*

Chief Deputy Auditor Marcie Shepherd, Deputy Auditor B.J. Grube, County Commissioners Barry Eppley and Brian Hauptert, Attorney Mark Frantz, Wabash Plain Dealer reporter, Mackenzie Klemann, The Paper reporter, Emma Sue Rausch, and Tim Arnett, reporter for "105.9 The Bash" radio station.