

Gross Assessed Value & the Indiana Assessment Process

"2025 SEA 1 REDUX"? --- 2027 General Assembly Session – More Changes to Property Tax System

PROPERTY TAX REFORM: INDIANA IN THE HEADLINES

Recent Newspaper Coverage – May & June 2026

INDIANA CAPITAL CHRONICLE

Indiana's Source for Political News

May 27, 2026

Braun Eyes Property Tax Breaks for Seniors, Assessment Changes



Gov. Mike Braun outlined new proposals aimed at providing additional property tax relief for seniors and making changes to Indiana's assessment system. The plan is expected to be a focus of the 2026 legislative session.

INDIANA CAPITAL CHRONICLE

Indiana's Source for Political News

June 24, 2026

Indiana Republican Platform Now Backs Property Tax Elimination

The Indiana Republican Party adopted a new platform plank calling for the elimination of property taxes. Party leaders say the change reflects growing support for a long-term plan to replace property tax revenue with other sources.



INDIANA CAPITAL CHRONICLE

Indiana's Source for Political News

June 29, 2026

Indiana Assessed Value Rises 10% Since 2025



Statewide gross assessed value increased nearly 10% from 2025 to 2026, driven by strong gains in residential, commercial and industrial property values. The increase, while lower than last year's 19% jump, continues to fuel concern over property tax pressures.

THE INDIANAPOLIS STAR

PART OF THE USA TODAY NETWORK

June 16, 2026

Record Number of School Referendums Expected Across Indiana This Fall



School districts are preparing for what could be a record number of referendum questions on the Nov. 3 ballot. Citing property tax reforms and funding pressures, district leaders say local voter support will be critical to maintaining programs and operations.

Demystifying the Assessment Process

A conversation with an Assessor

Budget Certification Process

From Bottom to Top

1

Sales Data

Awaiting → Received → Compliant

4

AVs Balanced

Reconciled Across the County

2

Sales Ratio

Received → Approved

5

NAVs Submitted

Net Assessed Values Sent to DLGF

3

AVs Rolled

Assessed Values Applied

6

Abstract

Submitted → Approved

6

5

4

3

2

1

2026 Pay 2027 Budget Certification Status Map

Indiana Counties

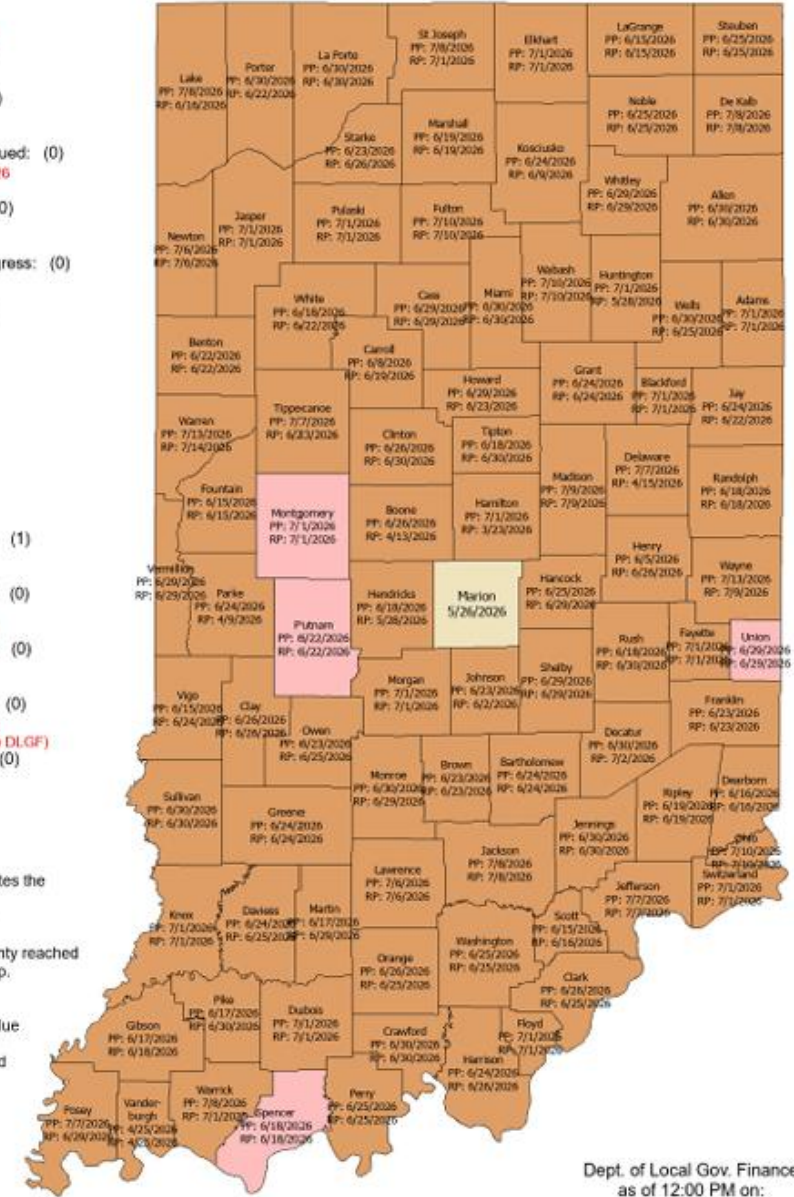
Status

- Tax Bills Due: (0)
Due May 11, 2027
(Co. Treasurer Action)
- Abstract Approved: (0)
(DLGF Action)
- Abstract Submitted: (0)
Due March 15, 2027
(Co. Auditor Action)
- Final Budget Order Issued: (0)
Due December 31, 2026
(DLGF Action)
- 1782 Notice Issued: (0)
(DLGF Action)
- Budget Review in Progress: (0)
(DLGF Action)
- NAVs Reviewed: (0)
(DLGF Action)
- NAVs Submitted: (0)
Due August 1, 2026
(Co. Auditor Action)
- AVs Balanced: (87)
(Co. Auditor Action)
- AVs Rolled: (4)
Due July 1, 2026
(Co. Assessor Action)
- Sales Ratio Approved: (1)
(DLGF Action)
- Sales Ratio Received: (0)
Due March 2, 2026
(Co. Assessor Action)
- Sales Data Compliant: (0)
(DLGF Action)
- Sales Data Received: (0)
Due February 2, 2026
(Co. Assessor sends to DLGF)
- Awaiting Sales Data: (0)

NOTE: The current color indicates the previous step has been completed in full or approved.

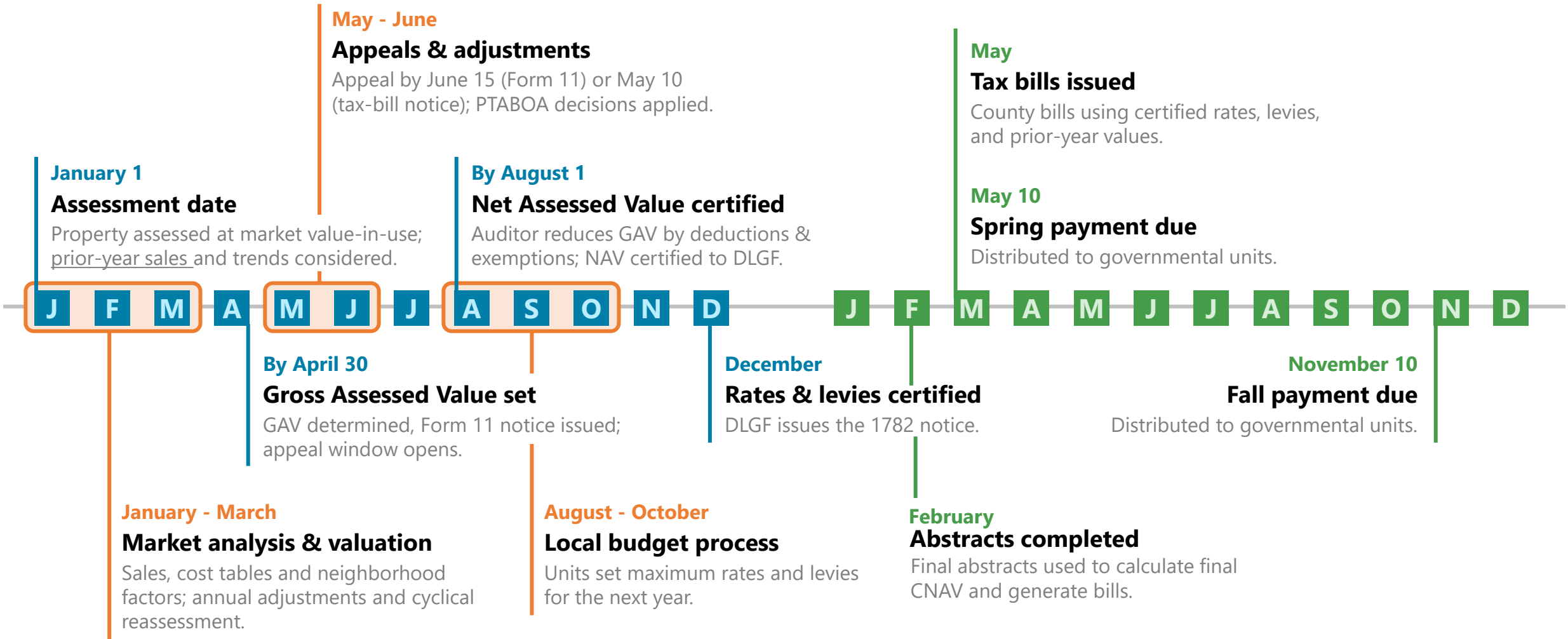
A date indicates the date a county reached its most recently completed step.

RP: Real property assessed value roll or balance date.
PP: Personal property assessed value roll or balance date.



Dept. of Local Gov. Finance
as of 12:00 PM on:
07/14/2026

Assessment Process



More about the Assessment Process

01

Review characteristics

Size, age, quality, condition and features from record cards, permits, field & aerial review.

02

Analyze sales

Verified arm's-length sales only. Family transfers, foreclosures and estate sales are removed.

03

Apply DLGF cost tables

Replacement cost by type, grade, size and age sets a base value before market adjustment.

04

Neighborhood trend

The ratio study drives one consistent up/down factor across every parcel in the neighborhood.

25%

Under the new four-year cyclical reassessment beginning **July 1, 2026**, assessors physically inspect about a quarter of all parcels each year, spreading the fieldwork across four years.

The Assessor Workbook

Not a single statutory form, but the set of valuation calculations a county’s Computer-Assisted Mass Appraisal or CAMA system generates using DLGF rules, cost schedules and local market data. It documents the build-up to gross assessed value.

Property Record Card

“What does this property have?”

Assessor Workbook

“How did we calculate its value?”

SAMPLE VALUE BUILD-UP

Land Value	\$82,000
Dwelling Replacement Cost	\$415,000
Less Depreciation	-\$98,000
Improvements	\$317,000
Neighborhood Trend Value	x1.08
Trended Imp. Value	\$342,360
Gross Assessed Value:	\$424,360

The Ratio Study

A statistical test of whether assessed values reflect market value-in-use. It is **not** a study of tax rates.

For each verified sale:

Assessment Ratio = Assessed Value ÷ Sale Price

Sales are grouped by neighborhood, and the median ratio sets one trending factor for every home in the area.

EXAMPLE NEIGHBORHOOD

Property A	91%
Property B	94%
Property C	89%
Property D	93%
Property E	90%

Median Ratio

91%

This tells the assessor that:

“Homes in this neighborhood are generally assessed at only about 91% of market value”

meaning values will generally trend upward next year.

Business Personal Property Reporting

Value determined differently than real property

January 1

Assessment date

BPP valued as it exists on this date.

Applies to acquisition costs \$2,000,000 or greater starting 1-1-26.

May 15

Return filed

Equipment location, acquisition cost & year, asset class, depreciation pool and exemptions.

May – July

Review & audit

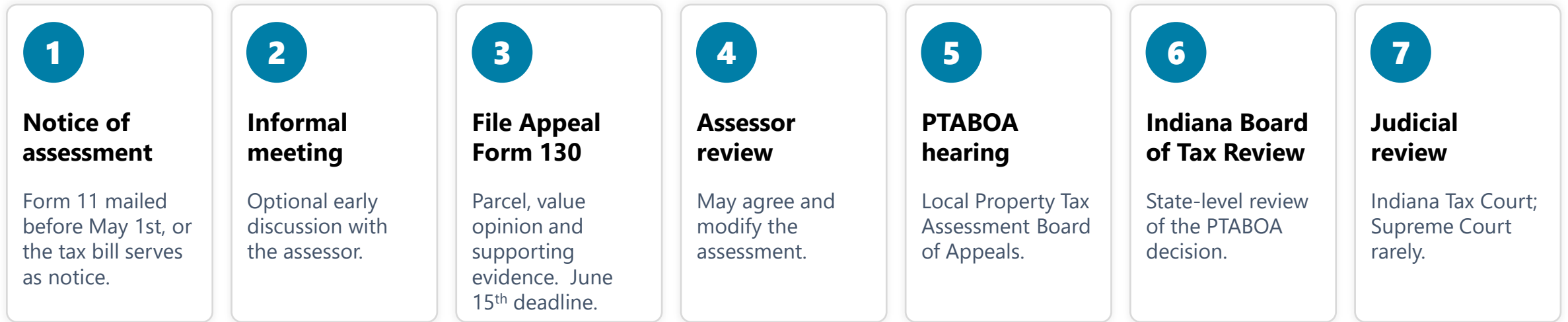
Assessor applies depreciation tables to acquisition cost; may conduct field review.

August 1

Feeds CNAV

BPP assessments roll into the county-determined CNAV for units of government.

Taxpayer Appeals Process



Residential appeals

Typically resolved in 0-12 months

Commercial & Industrial appeals

Can remain pending 1-3 years, sometimes more

Local Income Taxes - 2029

Property Tax Relief Credit

Planning for LIT reform

School corporations should plan now for the impact (number of schools????)

Certified Shares

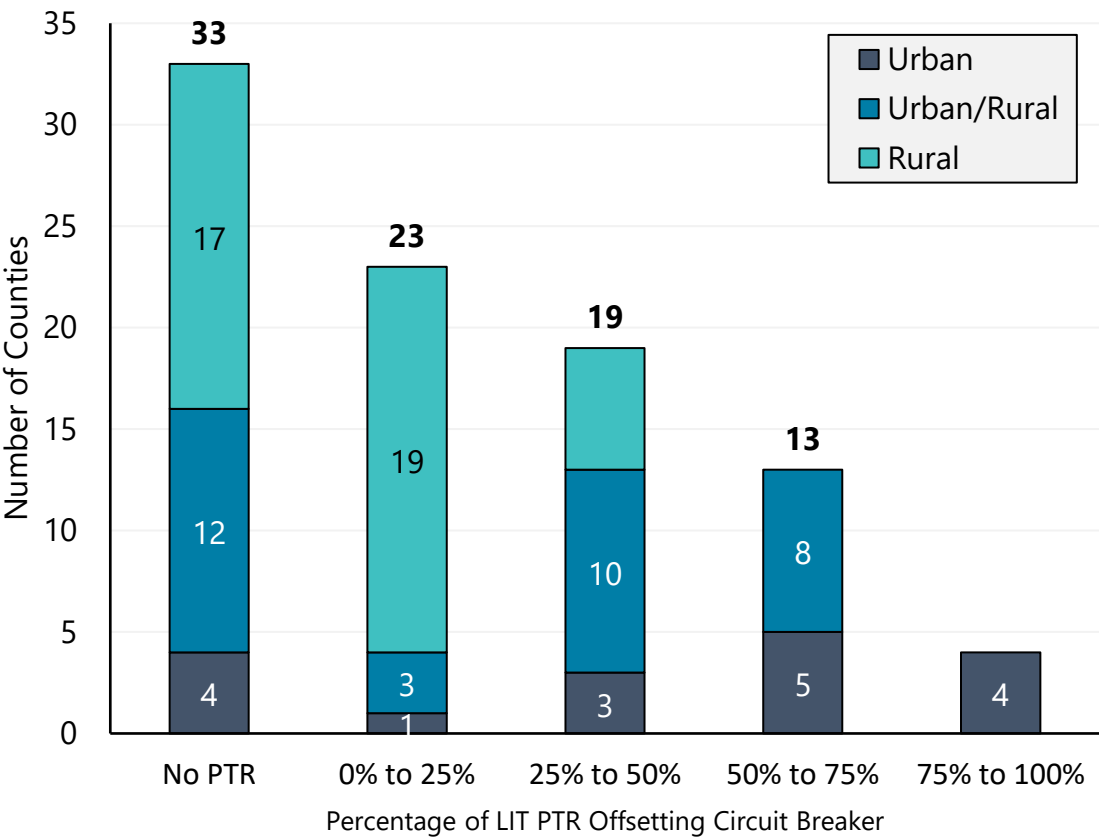
- What is certified shares revenue?
- What is the revenue loss percentage?
- How should a district plan today?

Property Tax Relief

- Which taxpayers receive PTR credits?
- Are taxpayers at their caps?
- Will tax bills increase?
- Will circuit breaker loss increase?

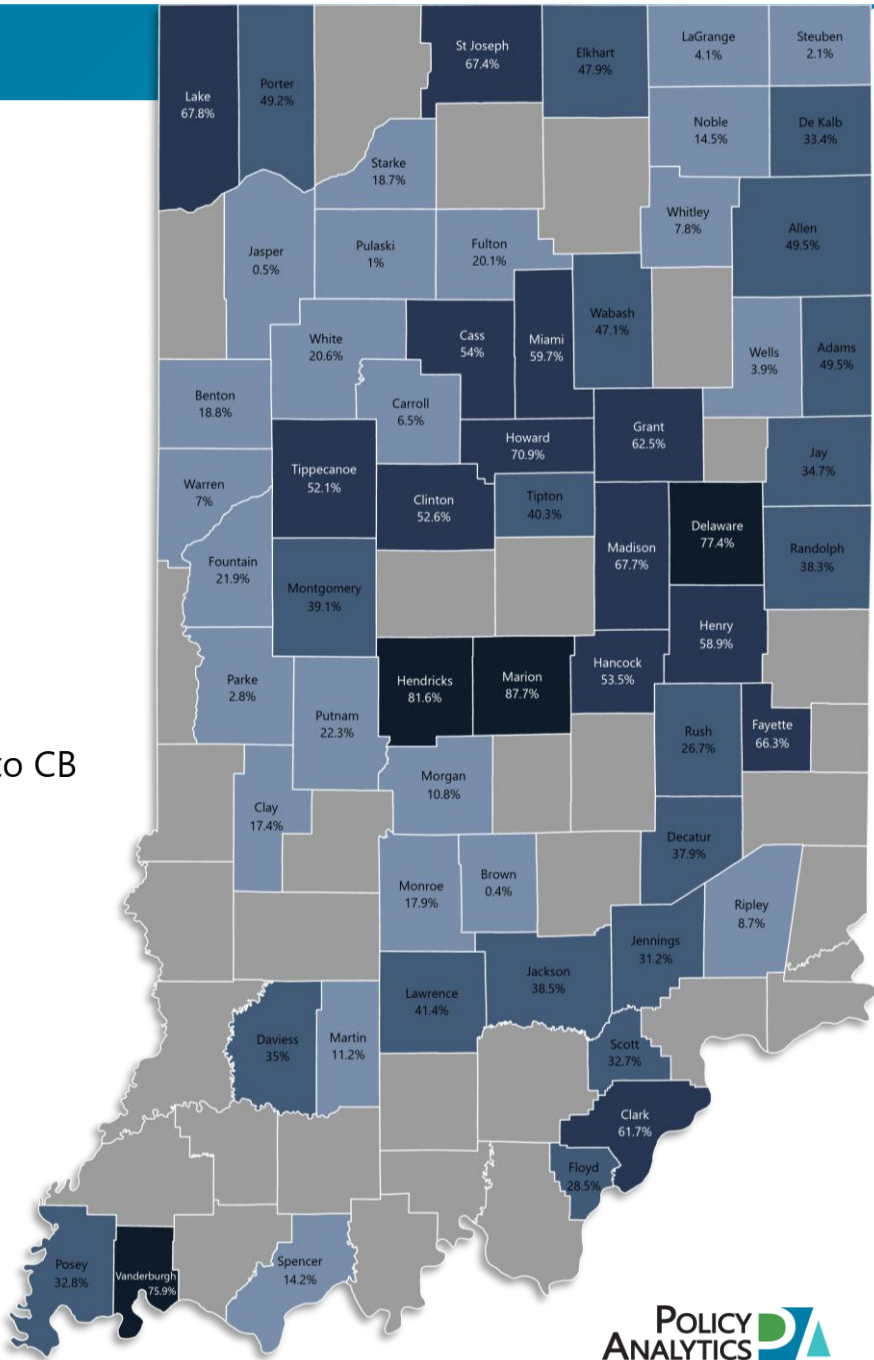
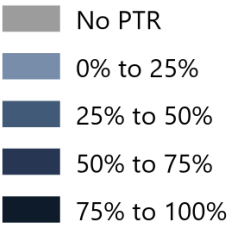
Percentage of LIT Property Tax Relief Impacting Circuit Breaker

Modeled for Tax Year 2025



- For taxpayers below the circuit breaker rate cap, LIT property tax relief reduces tax bills.
- For taxpayers at the circuit breaker rate cap, LIT property tax relief reduces circuit breaker loss for taxing units.

Percent of PTR to CB



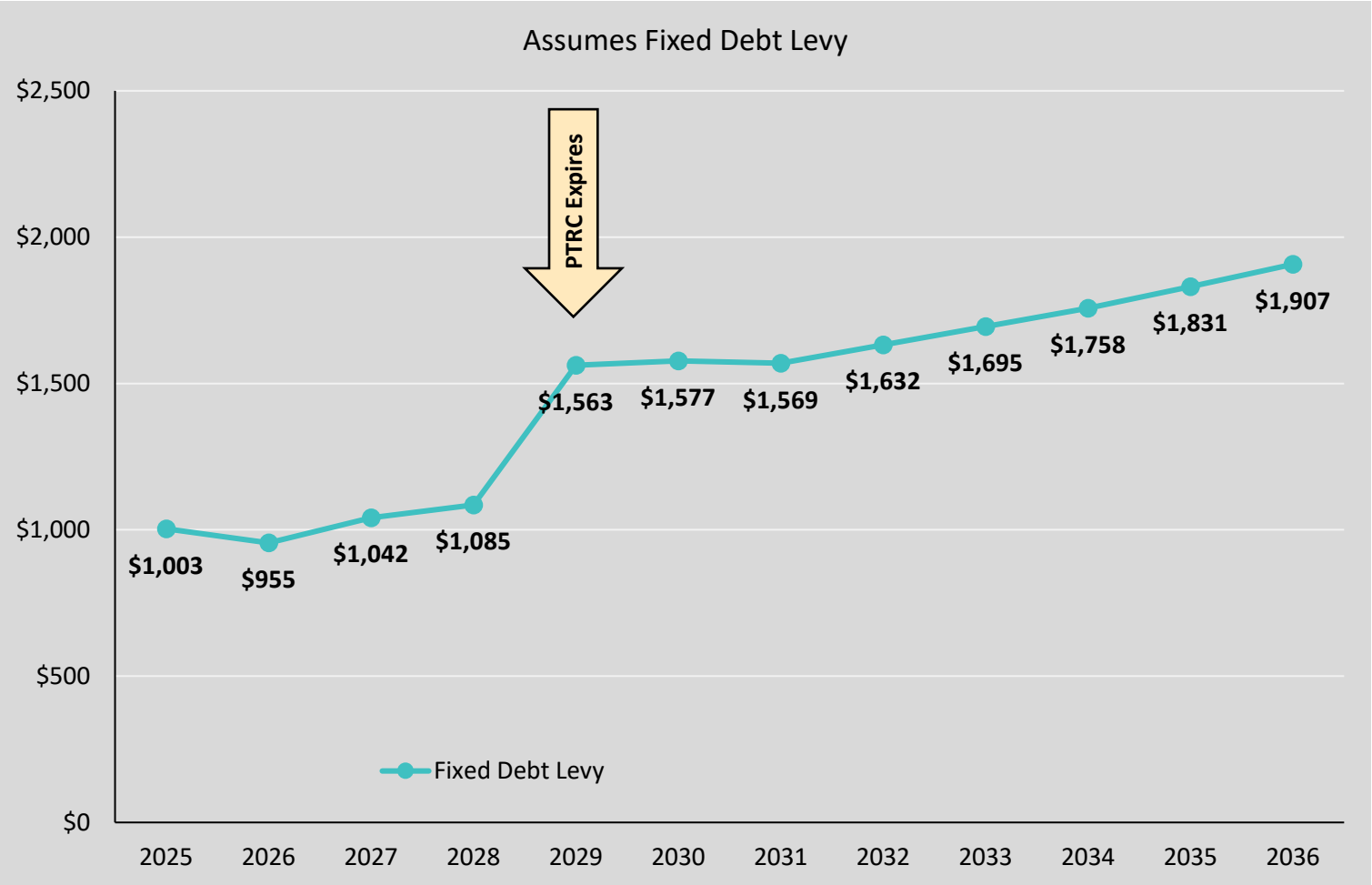
Example Property Tax Bill – 2026

Taxpayer not at tax cap

	Actual Bill	Without PTRC
Gross Assessed Value	150,000.00	150,000.00
Less: Homestead Deduction	-48,000.00	-48,000.00
Less: Supplemental Homestead Deduction	-40,800.00	-40,800.00
Net Assessed Value	61,200.00	61,200.00
x Tax Rate	1.8500	1.8500
Gross Taxes Due	1,132.20	1,132.20
Less: Property Tax Relief Credit	-113.22	0.00
Subtotal	1,018.98	1,132.20
Less: Circuit Breaker Credit	0.00	0.00
Subtotal	1,018.98	1,132.20
Less: 10%/\$300 Credit	-101.90	-113.22
Net Taxes Due	917.08	1,018.98
<i>Property Tax Relief Rate</i>	<i>0.1000</i>	<i>0.0000</i>
<i>Tax Cap</i>	<i>1,500.00</i>	<i>1,500.00</i>

Tax Impact on Median Homestead Taxpayer

Taxpayer not at tax cap



	2025	2026
Median Homestead GAV	176,250	193,900
Standard Deduction	48,000	48,000
Supplemental Deduction	48,094	58,360
Net Assessed Value	\$80,156	\$87,540
Tax Rate		
Eligible Rate	1.4932	1.4894
Referendum Rate	0.0970	0.0983
LIT Rate	0.2266	0.2592
Tax Liability		
Eligible Tax Liability	1,196.89	1,303.82
Referendum Tax Liability	77.75	86.05
LIT Property Tax Replacement Credit	-271.21	-337.93
Circuit Breaker	0.00	0.00
Post CB Credit	0.00	-96.59
Net Liability	\$1,003.43	\$955.36

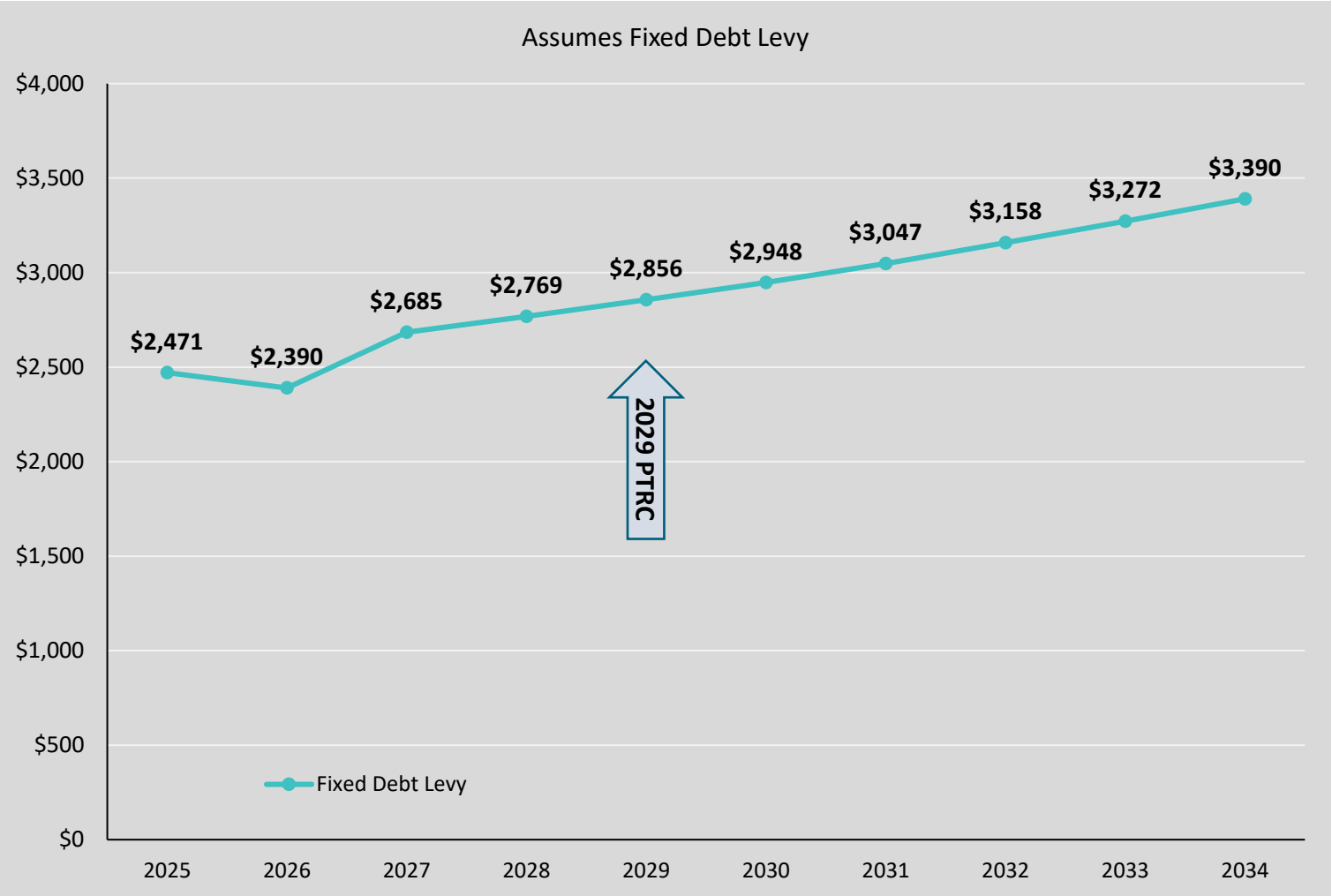
Property Tax Bill

Taxpayer at tax cap

	Actual Bill	Without PTRC
Gross Assessed Value	150,000.00	150,000.00
Less: Homestead Deduction	-48,000.00	-48,000.00
Less: Supplemental Homestead Deduction	-40,800.00	-40,800.00
Net Assessed Value	61,200.00	61,200.00
x Tax Rate	2.9000	2.9000
Gross Taxes Due	1,774.80	1,774.80
Less: Property Tax Relief Credit	-177.48	0.00
Subtotal	1,597.32	1,774.80
Less: Circuit Breaker Credit	-97.32	-274.80
Subtotal	1,500.00	1,500.00
Less: 10%/\$300 Credit	-150.00	-150.00
Net Taxes Due	1,350.00	1,350.00
<i>Property Tax Relief Rate</i>	<i>0.1000</i>	<i>0.0000</i>
<i>Tax Cap</i>	<i>1,500.00</i>	<i>1,500.00</i>

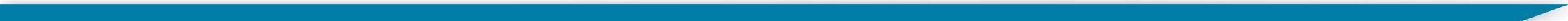
Tax Impact on Median Homestead Taxpayer

Taxpayer *at* tax cap



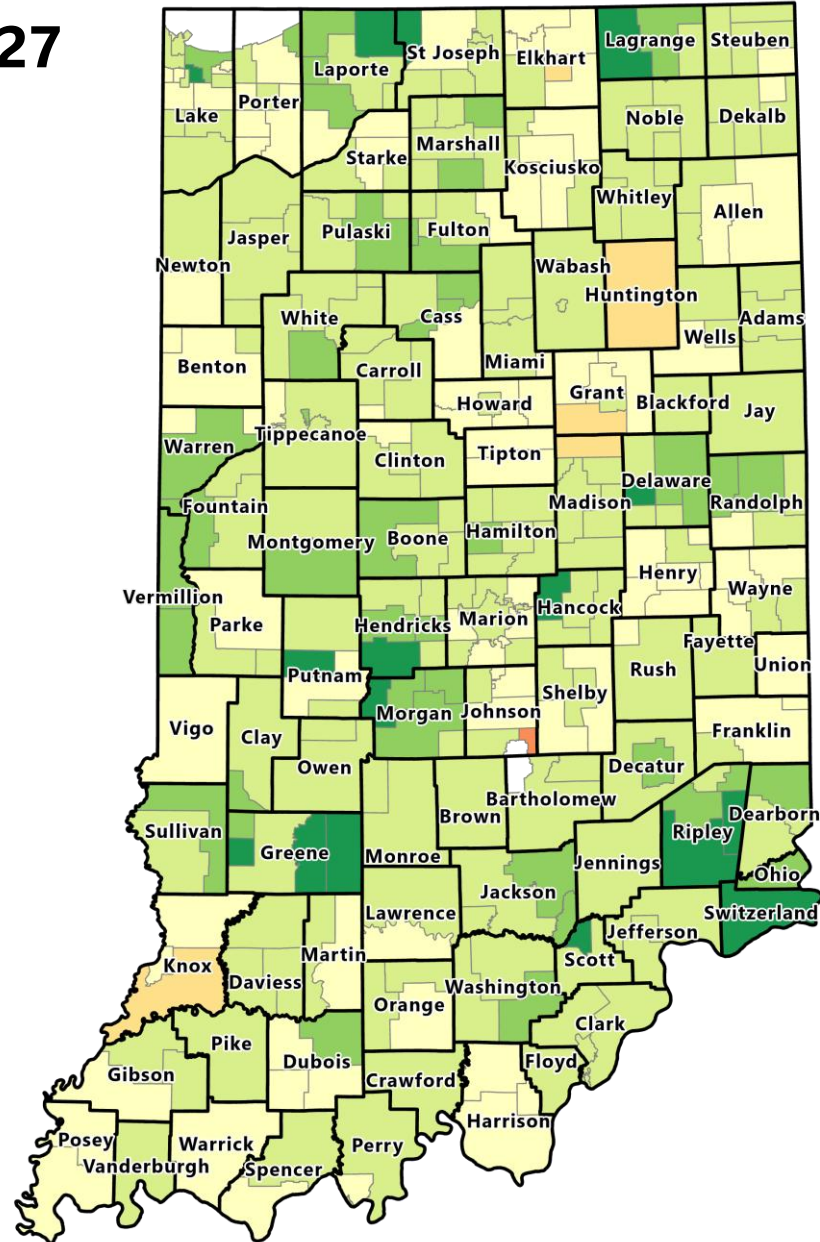
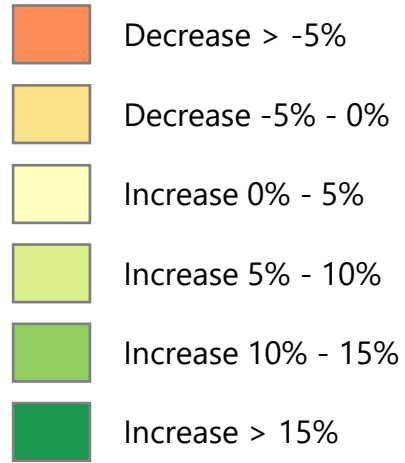
	2025	2026
Median Homestead GAV	247,100	265,500
Standard Deduction	48,000	48,000
Supplemental Deduction	74,663	87,000
Net Assessed Value	\$124,438	\$130,500
Tax Rate		
Eligible Rate	2.3611	2.4150
LIT Rate	0.1386	0.1433
Tax Liability		
Eligible Tax Liability	2,938.09	3,151.58
LIT Property Tax Replacement Credit	-407.33	-451.63
Circuit Breaker	-59.77	-44.94
Post CB Credit	0.00	-265.50
Net Liability	\$2,471.00	\$2,389.50

2027 Gross Assessed Valuation

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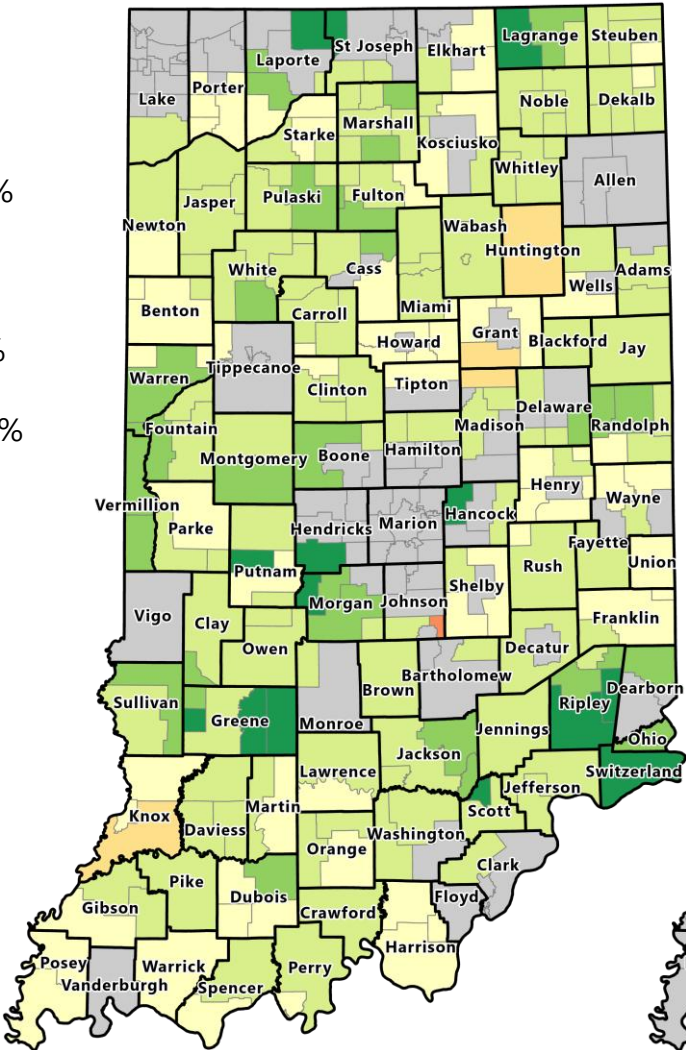
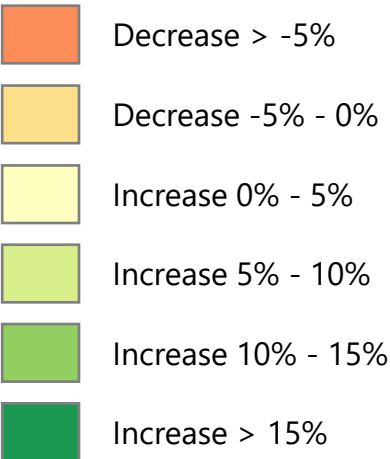
Indiana GAV Change: 2026 to 2027

By School District

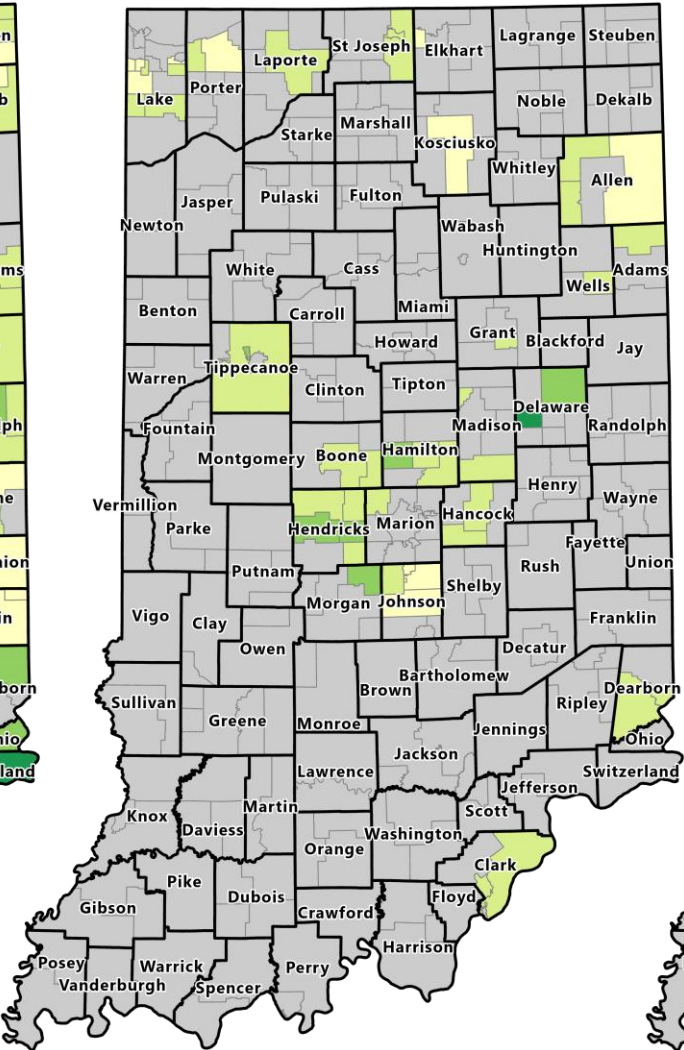


GAV Change: 2026 to 2027

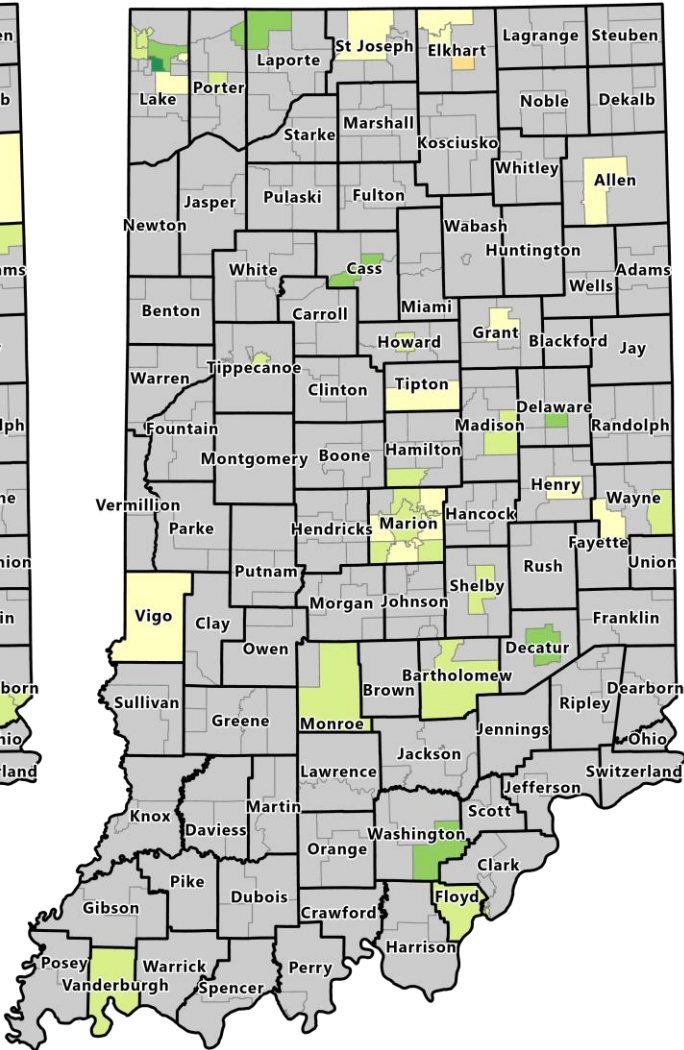
By School District



Rural



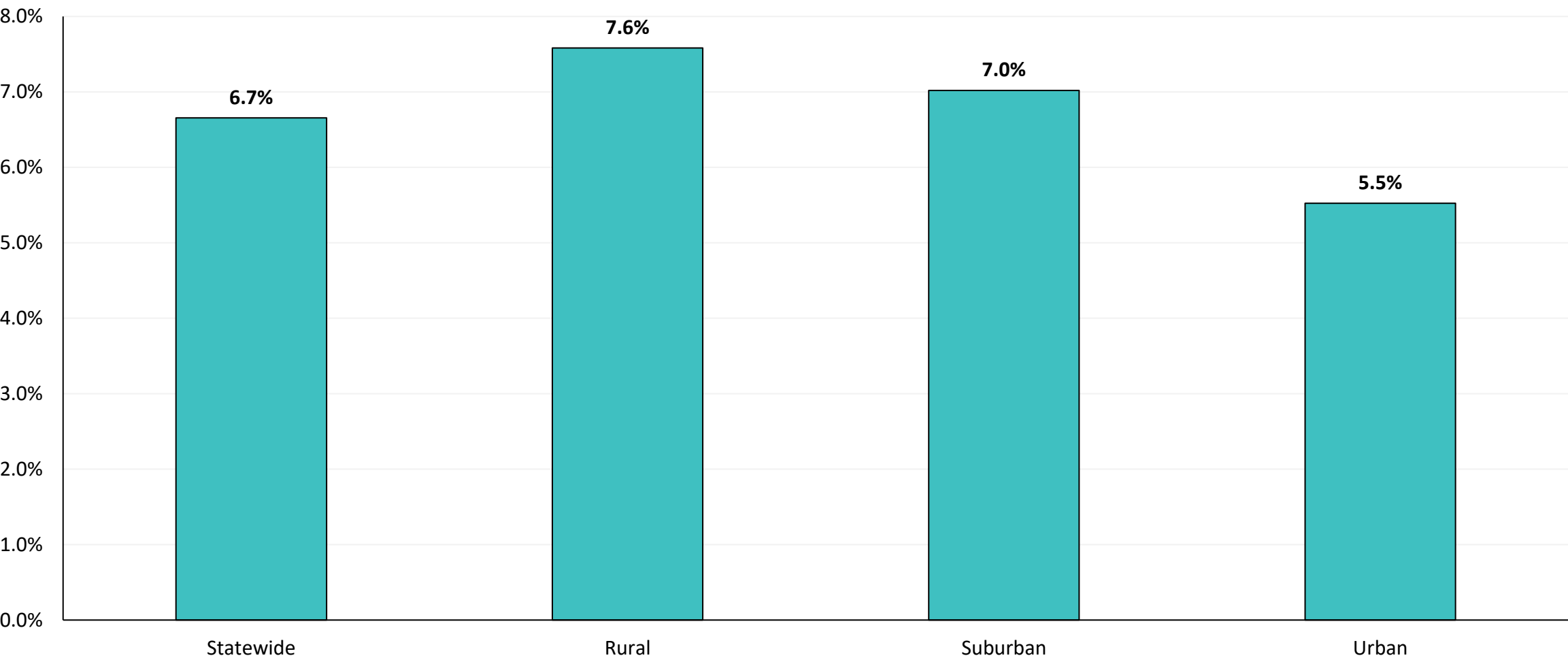
Suburban



Urban

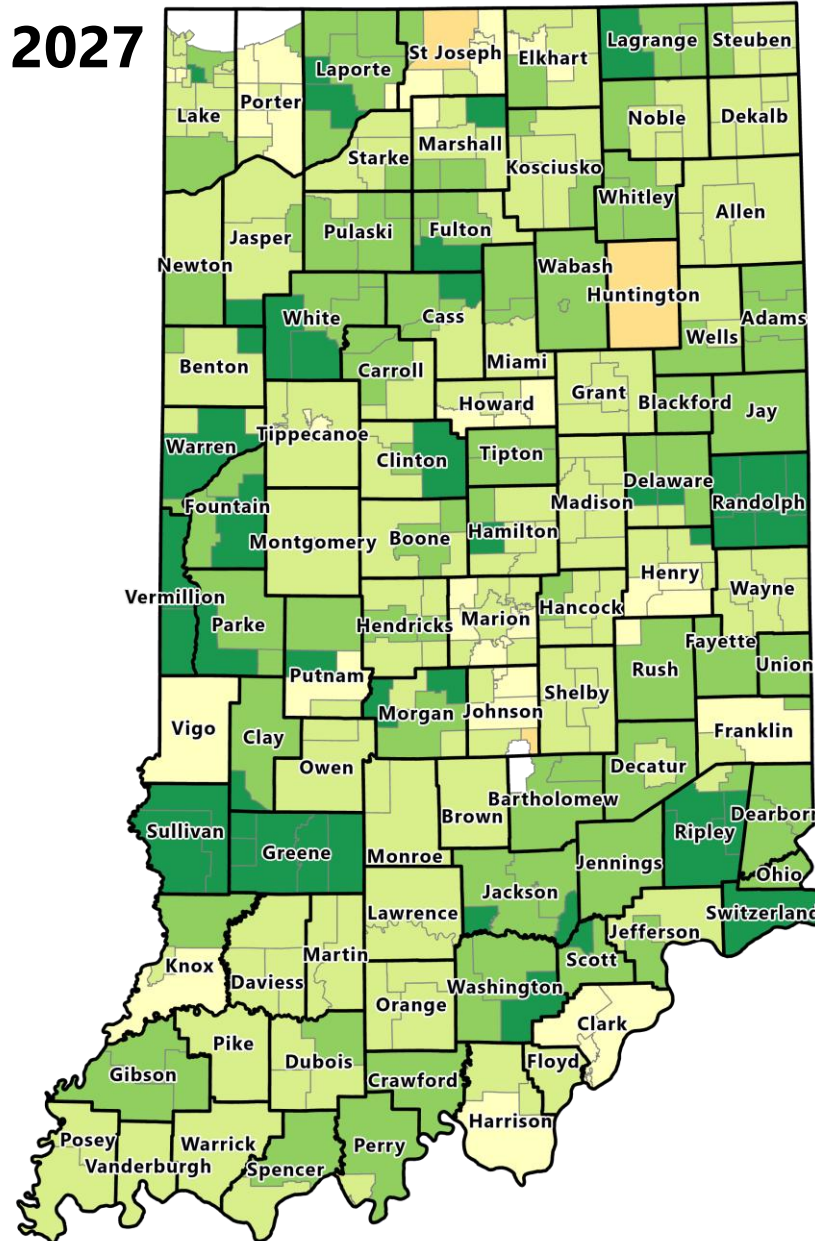
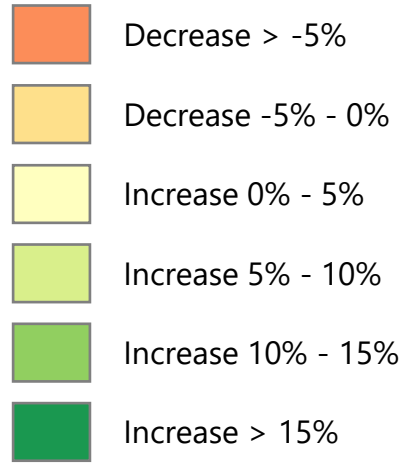
GAV Change: 2026 to 2027

Total GAV by Area



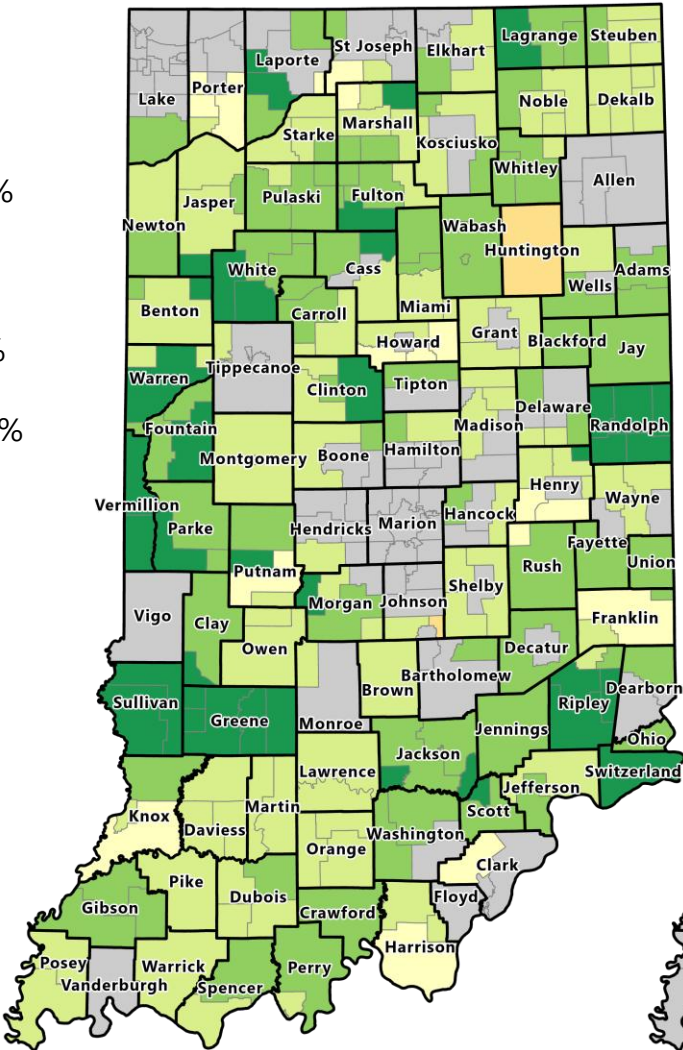
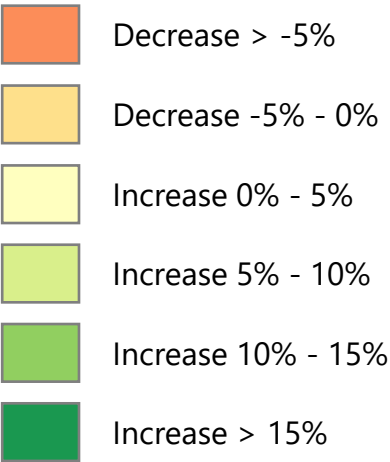
Residential GAV Change: 2026 to 2027

By School District

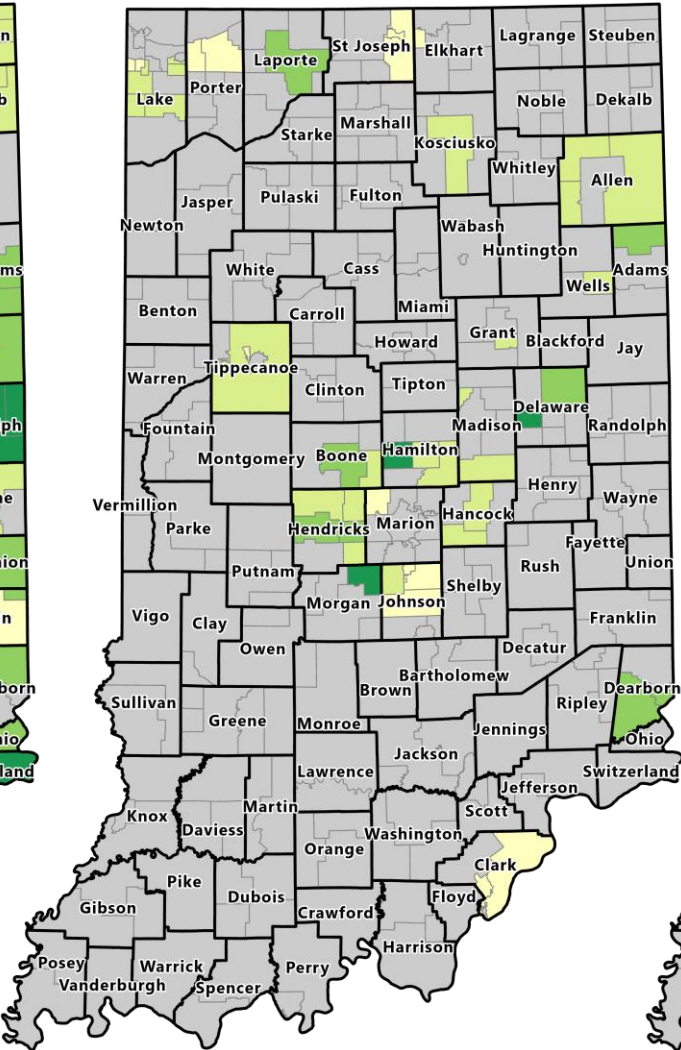


RESIDENTIAL GAV Change: 2026 to 2027

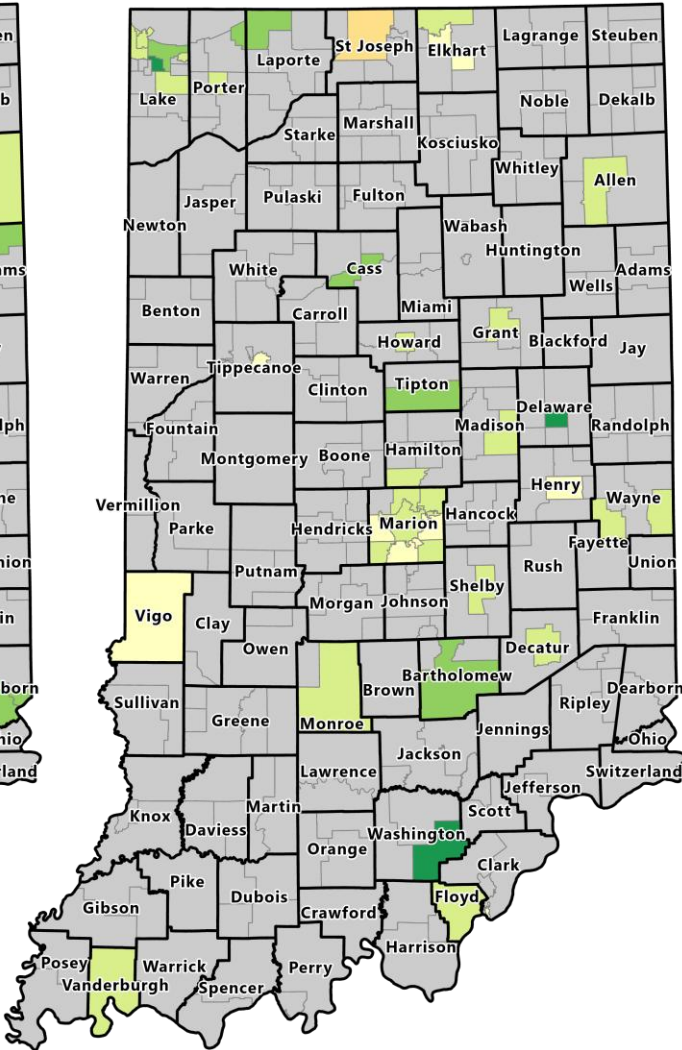
By School District



Rural



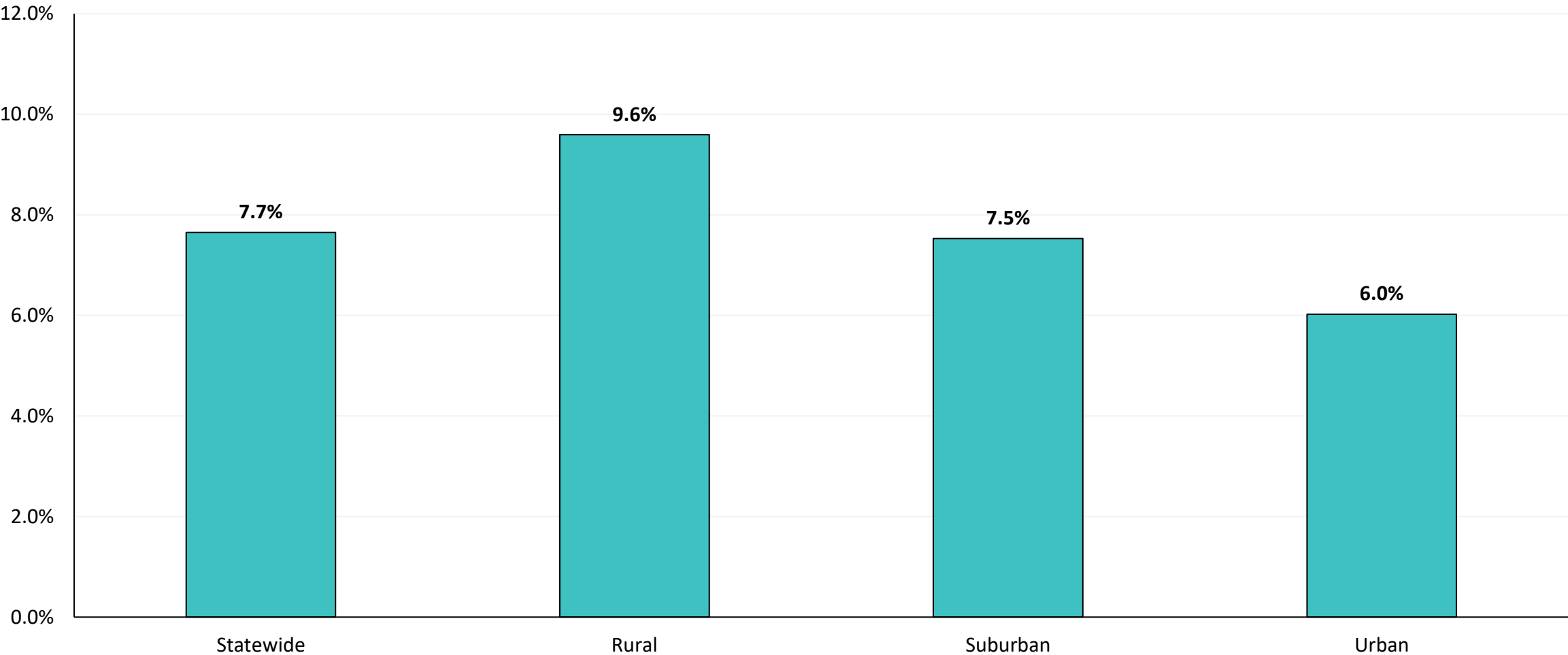
Suburban



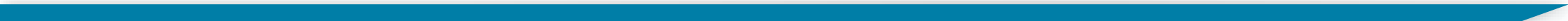
Urban

GAV Change: 2026 to 2027

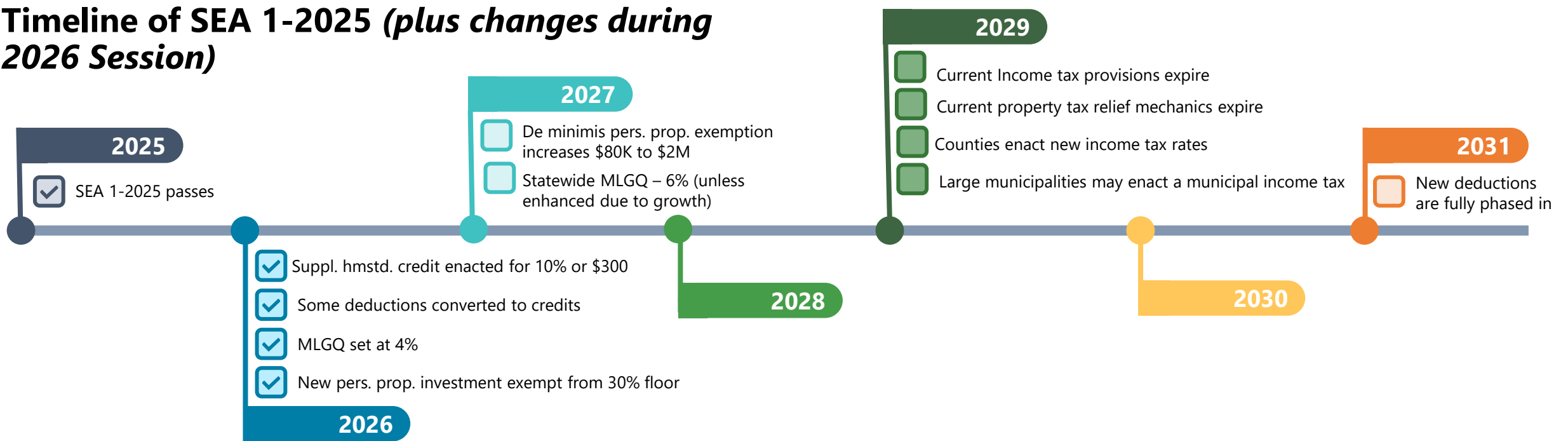
Residential GAV by Area



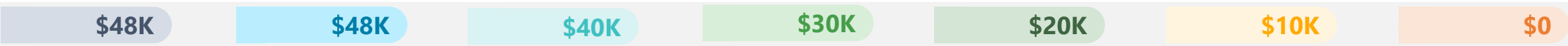
SEA 1'S DOWNWARD PRESSURE

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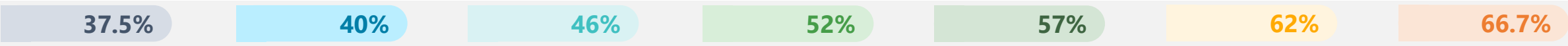
Timeline of SEA 1-2025 (plus changes during 2026 Session)



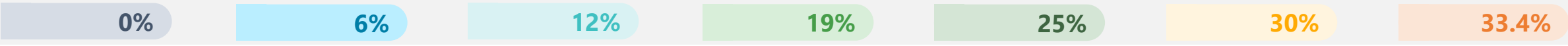
Standard Deduction



Supplemental Homestead Deduction



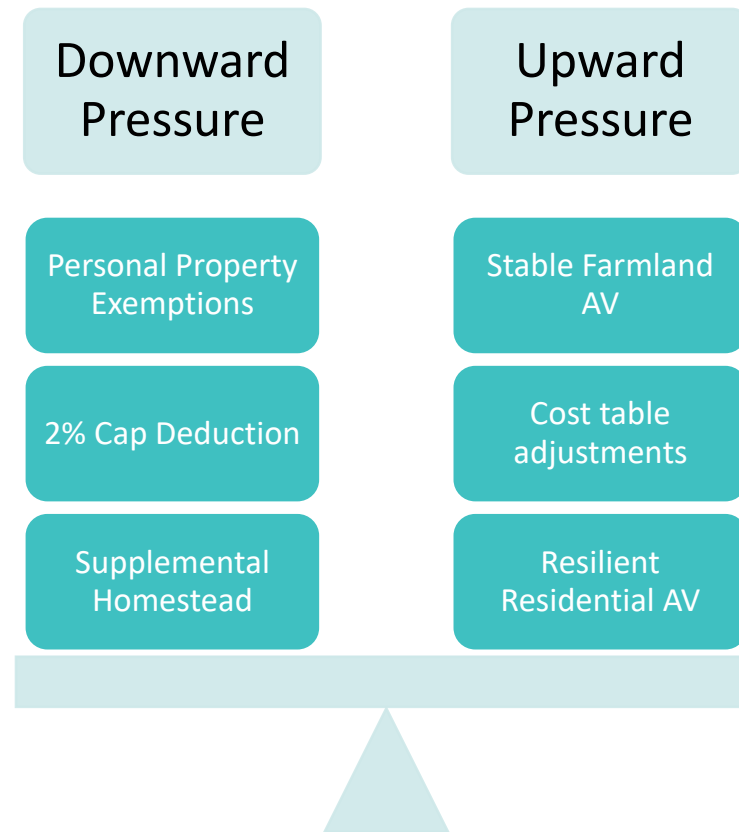
Non-Homestead Residential Deduction (Farm ground and Apartments)



HEA 1210-2026 affects and future legislation may affect this timeline

2026 Pay 2027 Assessed Values

- **Early indication:** Gross Assessed Values for Pay 2027 will exceed expectations.



Assessed Value Deduction Schedule

Applies to Homestead Assessed Value

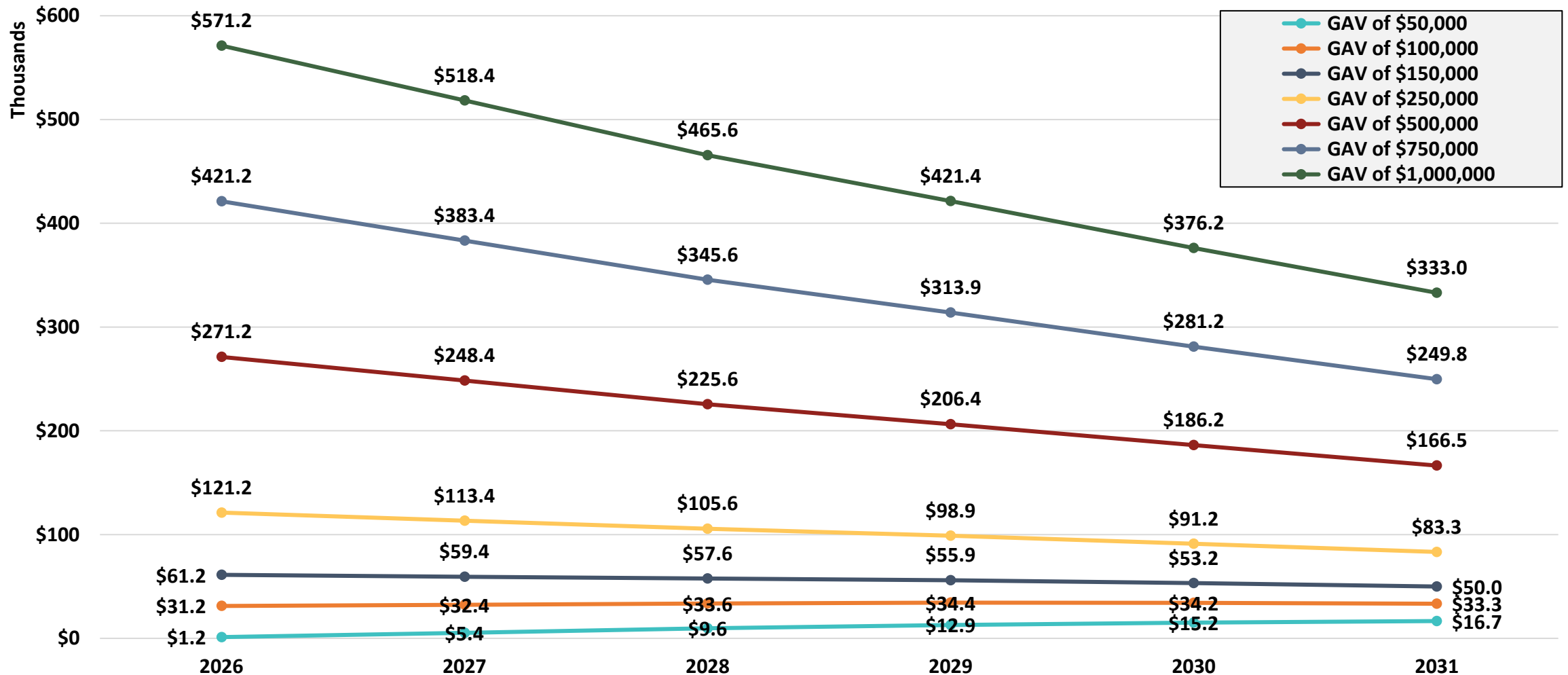
Standard Homestead Deduction

Pay Year	Amount
2025	Lesser of 60% of AV or \$48,000
2026	\$48,000
2027	\$40,000
2028	\$30,000
2029	\$20,000
2030	\$10,000
2031	\$ -

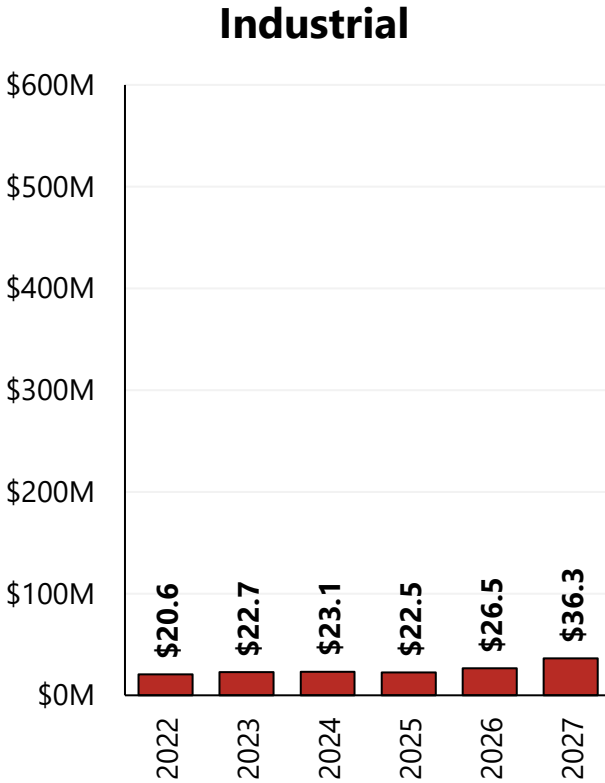
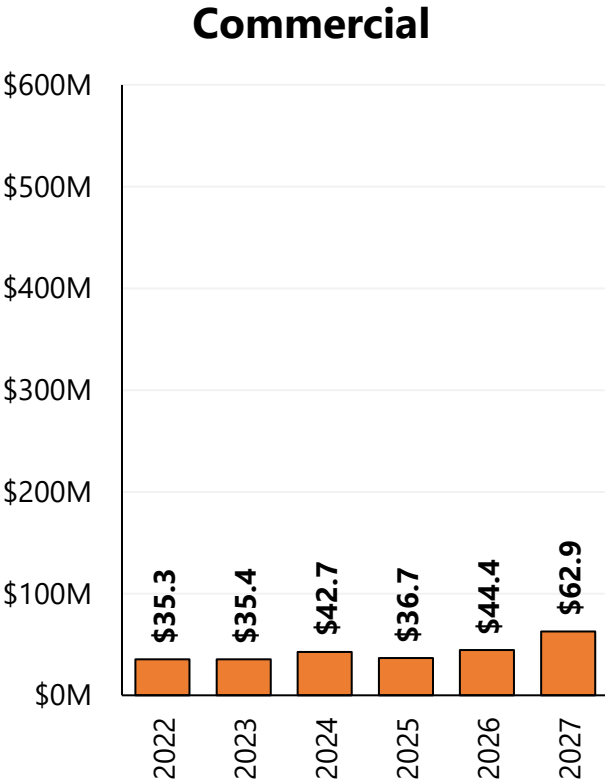
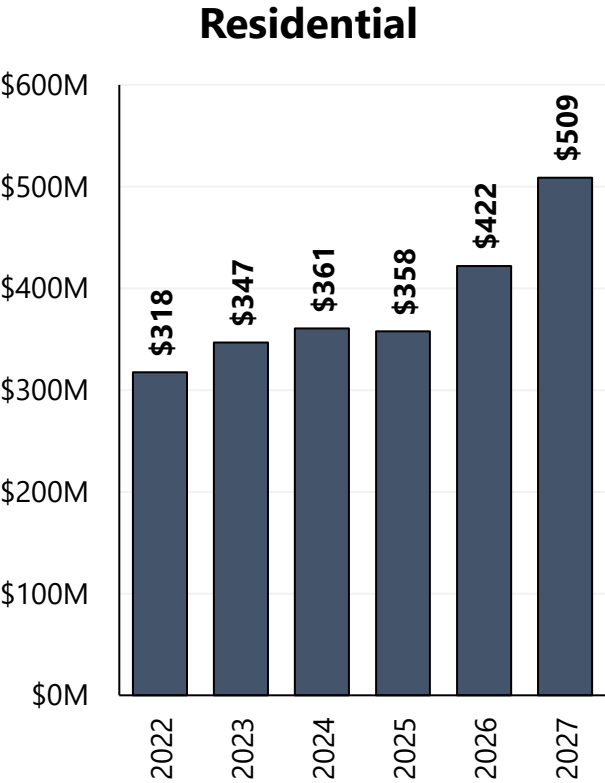
Supplemental Homestead Deduction

Pay Year	Amount
2025	37.5% below \$600k, 27.5% above
2026	40%
2027	46%
2028	52%
2029	57%
2030	62%
2031	66.7%

SEA 1 Impact on Gross AV (market value) Compared to Net AV (taxable value) of Homestead



Greater GAV than expected resulting in overcoming some of SEA 1 downward pressure



+20.5%
1-Year Change
Residential: 2026-2027

+41.6%
1-Year Change
Commercial: 2026-2027

+37.0%
1-Year Change
Industrial: 2026-2027

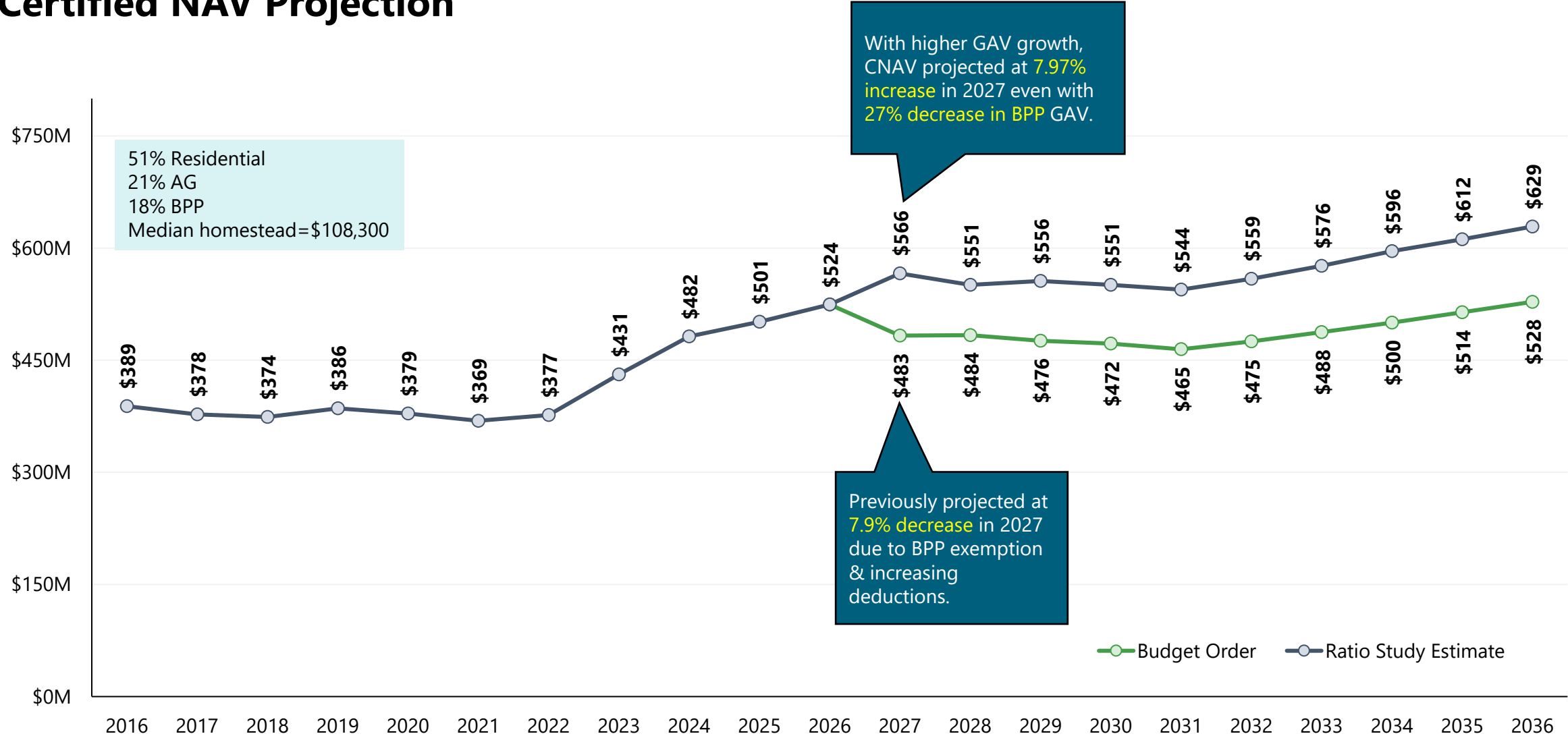
+11.7%
1-Year Change
Total GAV*: 2026-2027

Gross Assessed Value Drivers

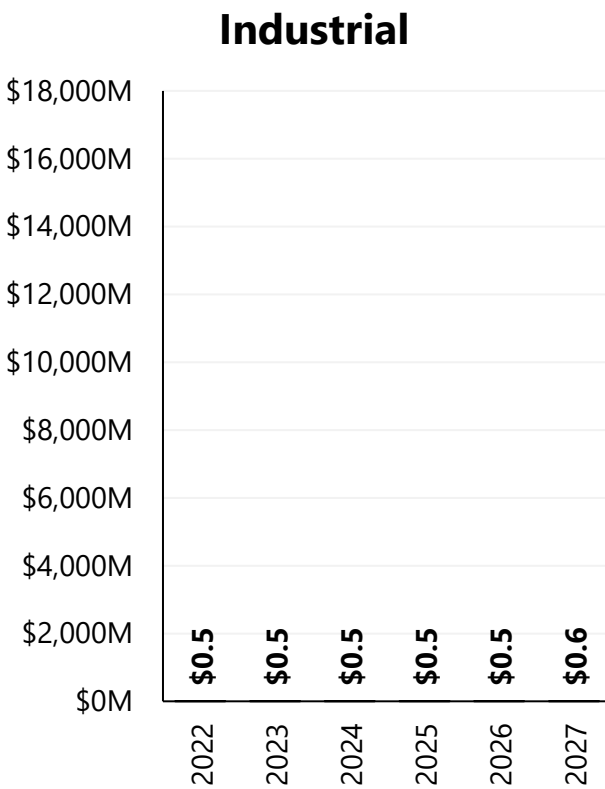
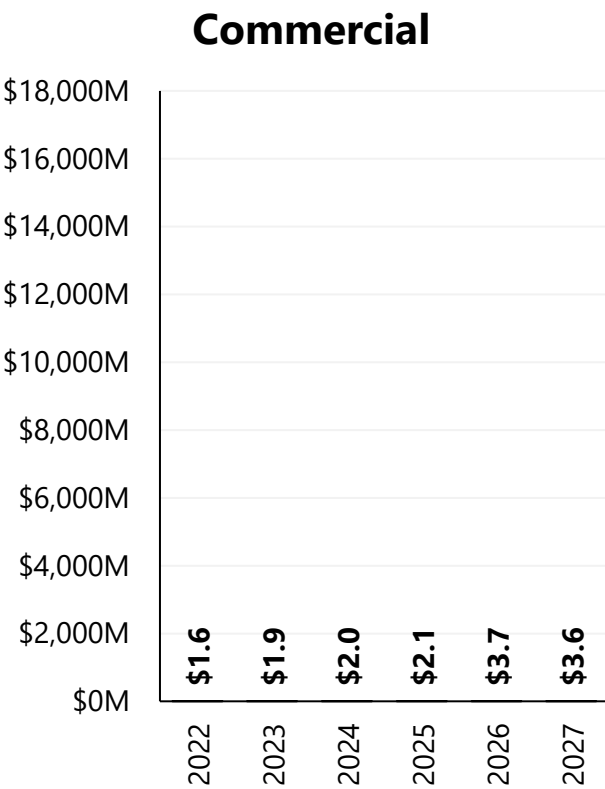
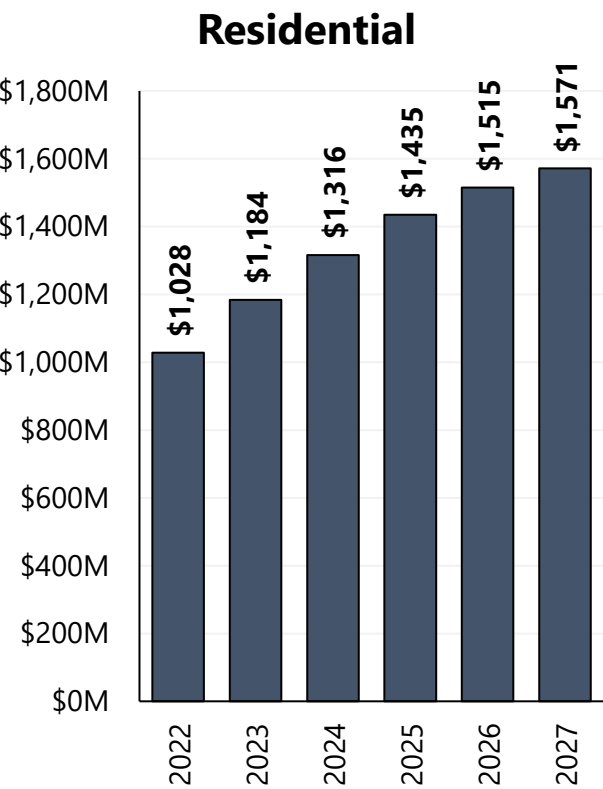
- County assessors have submitted updated Gross Assessed Values (GAV) to the DLGF, as reflected in the Ratio Study used to determine 2027 Certified Net Assessed Values (CNAVs).
- DLGF has again revised its cost tables, increasing the assessed values of many commercial, industrial, and certain residential properties
- Gross assessed value in the residential sector continues to drive overall growth

**Business Personal Property AV is Projected for 2027*

Certified NAV Projection



Gross Assessed Value



+3.7%
1-Year Change
Residential: 2026-2027

-4.1%
1-Year Change
Commercial: 2026-2027

+5.2%
1-Year Change
Industrial: 2026-2027

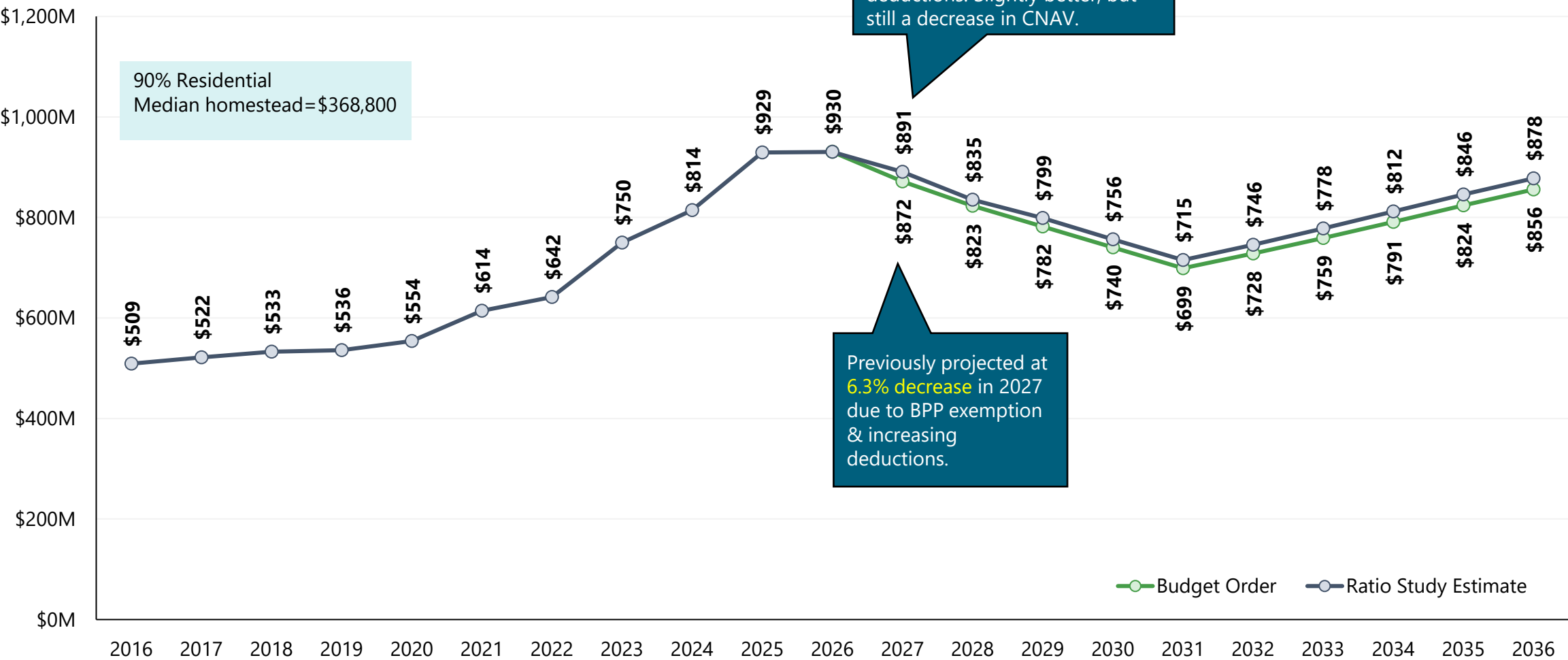
+3.2%
1-Year Change
Total GAV*: 2026-2027

**Business Personal Property AV is Projected for 2027*

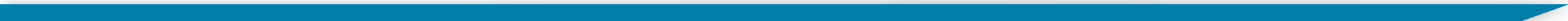
Gross Assessed Value Drivers

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Certified NAV Projection



2027 Maximum Levy Growth Quotient (MLGQ)

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How the State Calculates the MLGQ

- Tied to growth in **Indiana nonfarm personal income**, as calculated by the federal Bureau of Economic Analysis.
- Each of **six years** is compared to the prior year, producing an annual growth factor.
- The six factors are averaged, then rounded to the nearest one-thousandth.
- The final MLGQ may not exceed **1.06 (6%) growth** under current law (previously capped at 4%).
- DLGF releases the ensuing year’s MLGQ by **July 1**.

SIMPLIFIED FORMULA

$$\frac{\text{Year 1} + \text{Year 2} + \text{Year 3} + \text{Year 4} + \text{Year 5} + \text{Year 6}}{6} = \text{MLGQ}$$

EXAMPLE

Year	% Change	Growth Factor
2020	7.3%	1.073
2021	11.0%	1.110
2022	2.6%	1.026
2023	5.3%	1.053
2024	5.4%	1.054
2026	4.1%	1.041
Average		1.060

- Average growth factor of 1.060 -> 2027 MLGQ = 6%
- **Had the average exceeded 1.060, it would be capped at 6.0%, the statutory maximum.**
- Six-year averaging avoids large year-to-year swings.

Non-Farm Personal Income
Growth Factor
Revised July 20, 2026 Draft]

	Actual 2019	Actual 2020	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Projected 2026	Projected 2027	Projected 2028
<u>State of Indiana</u>										
Non-Farm Personal Income	325,214,680,000	348,854,850,000	387,068,230,000	397,079,380,000	418,252,950,000	440,648,880,000	458,588,800,000	476,932,352,000	496,009,646,080	515,850,031,923
Annual Increase Percent	4.4%	7.3%	11.0%	2.6%	5.3%	5.4%	4.1%	4.0%	4.0%	4.0%
Annual Increase	13,638,800,000	23,640,170,000	38,213,380,000	10,011,150,000	21,173,570,000	22,395,930,000	17,939,920,000	18,343,552,000	19,077,294,080	19,840,385,843
Prior six year average growth factor	1.035	1.042	1.043	1.050	1.051	1.055	1.060	1.060	1.054	1.042

YEAR	Budget Year 2026	Budget Year 2027	Budget Year 2028	Budget Year 2029
2019	4.40%	4.40%	4.40%	4.40%
2020	7.30%	7.30%	7.30%	7.30%
2021	11.00%	11.00%	11.00%	11.00%
2022	2.60%	2.60%	2.60%	2.60%
2023	5.30%	5.30%	5.30%	5.30%
2024	5.40%	5.40%	5.40%	5.40%
2025		4.10%	4.10%	4.10%
2026			4.00%	4.00%
2027				4.00%
2028				
ANNUAL MLGQ	6.00%	6.00%	5.40%	4.20%
	Statutory CAP			
	4.00%	Likely high point		

ENHANCED MLGQ CALCULATION - EXAMPLE

A school corporation’s recent Net AV growth can increase its maximum levy growth quotient—subject to a 4% enhancement cap. For budget year 2027 the maximum enhanced MLGQ is 10%.

NET ASSESSED VALUE HISTORY

Three annual growth rates in immediately preceding the budget year

Year	Net AV	Growth
2022	\$2,878,700,593	
2023	\$3,374,401,079	
2024	\$3,786,107,865	12.2%
2025	\$4,264,512,361	12.6%
2026	\$4,428,169,125	3.8%

STEP ONE · 3-year average annual growth 9.6%

Unrounded values are used in the remaining steps.

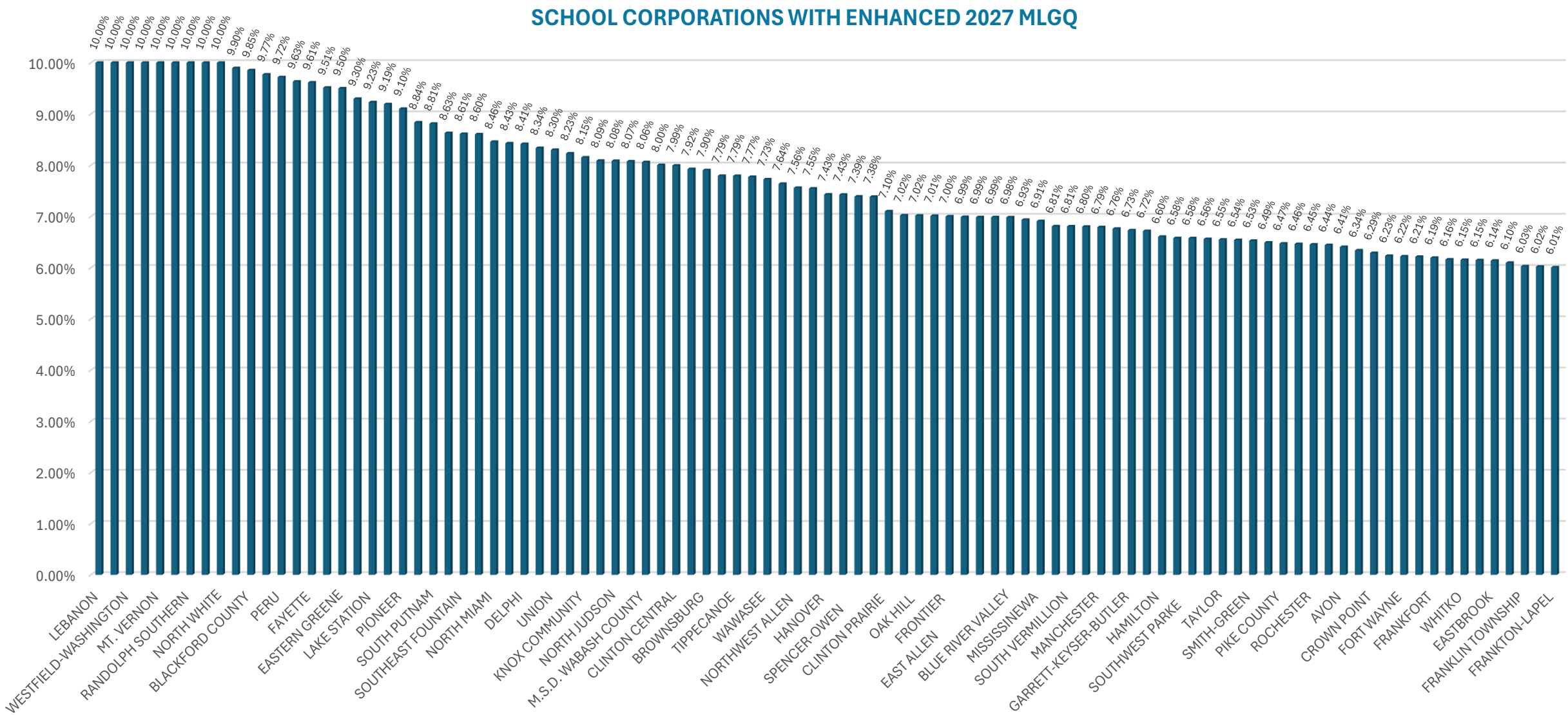
CALCULATION

Base statewide MLGQ = 6%

2	Measure growth above MLGQ + 2% 9.6% – (6.00% + 2.00%)	1.60%
3	Apply the 4% enhancement cap Lesser of Step 2 or 4%	1.60%
4	Add the enhancement to Statewide MLGQ 6.0% + 1.60%	7.56%
5	Use the greater of Step Four or Statewide MLGQ Greater of 7.56% or 6.0%	7.56%

ENHANCED MLGQ 7.56%

Illustrative school corporation example · Percentages may differ slightly when displayed values are rounded.



License Excise Tax

In June, SBOA released guidance that License Excise Tax was to be deposited into only the Operations Fund and/or Capital Referendum Fund.

In July, SBOA rescinded their June guidance, and indicated that beginning in 2027, License Excise Tax may be deposited into any fund.

In August, SBOA rescinded previous guidance and now indicate that 2026, Financial Institutions Tax (FIT) and Commercial Vehicle Excise Tax (CVET) maybe deposited into any fund.

JUNE 2026 SPECIAL EDITION SCHOOL BULLETIN - RESCINDED

SBOA withdraws its June 2026 Special Edition School Bulletin entitled "Excise Tax Distributions" concerning the distribution and receipt of certain excise taxes received by public school corporations. Pending additional action by the Indiana General Assembly, SBOA will interpret the new statutory language of IC 6-1.1-27-10 as applying to public school corporations in the same manner as any other "taxing unit." As a result, public school corporations may receipt any applicable excise tax revenue under the provisions of IC 6-1.1-27-10, "into any fund maintained by the taxing unit, and may use the distributions for any purpose allowed by law."

For more information or if you have additional questions for SBOA, please email Jonathan Wineinger or Ben Baker at schools.townships@sboa.in.gov

State Board of Accounts



SEPTEMBER 2025 BULLETIN ARTICLE "CVET AND FIT DISTRIBUTIONS" - RESCINDED

SBOA rescinds its September 2025 Bulletin Article "CVET AND FIT DISTRIBUTIONS" concerning the distribution and receipt of Commercial Vehicle Excise Tax (CVET) and Financial Institutions Tax (FIT) received by public school corporations. Pending additional action by the Indiana General Assembly, SBOA will interpret the statutory language of IC 6-5.5-8-2(c) and IC 6-6-5.5-20(h) as applying to public school corporations in the same manner as any other "taxing unit." As a result, public school corporations may receipt any CVET and FIT revenue under the provisions of IC 6-5.5-8-2(c) and IC 6-6-5.5-20(h), "into any fund maintained by the taxing unit, and may use the distributions for any purpose allowed by law."

In a separate communication, SBOA withdrew its June 2026 Special Edition Bulletin concerning the distribution and receipt of certain excise taxes.

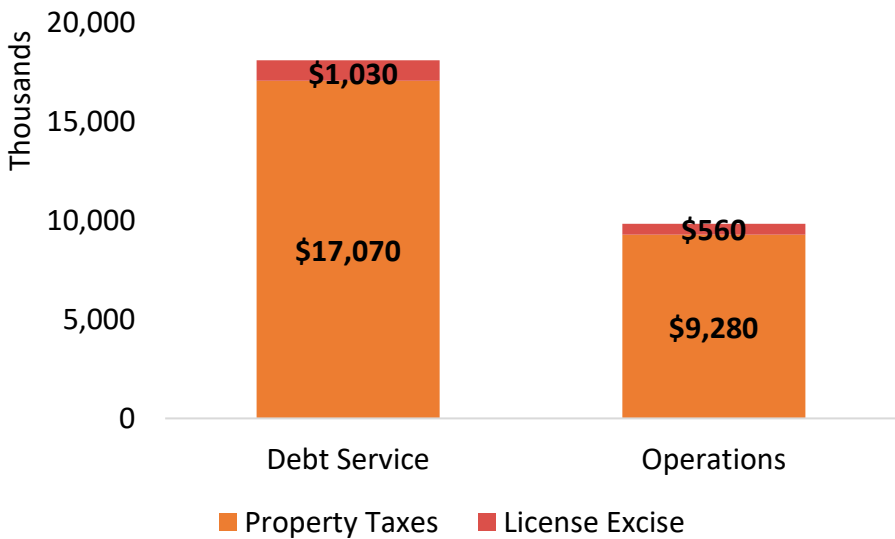
Additional guidance on the distribution and receipt of CVET, FIT, and excise taxes is available on the [Schools](#) page of our website and at the link below.

License Excise Distributions

CY2025, Medium District Analysis

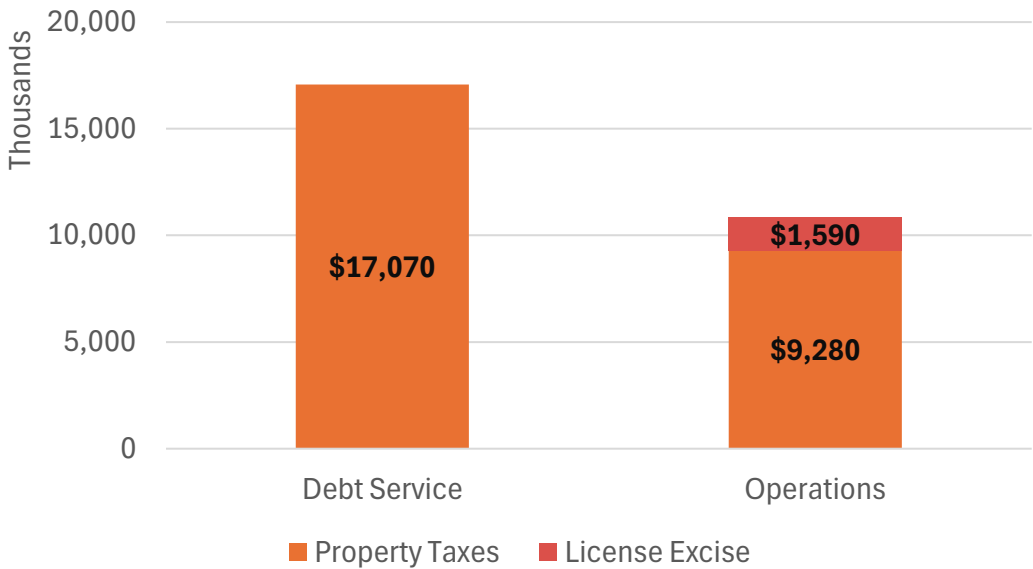
Prior:

	Debt Service	Operations	Total
Property Taxes	17,070,000	9,280,000	26,350,000
License Excise	1,030,000	560,000	1,590,000
Total	18,100,000	9,840,000	27,940,000



Effective January 1, 2027

	Debt Service	Operations	Total
Property Taxes	17,070,000	9,280,000	26,350,000
License Excise		1,590,000	1,590,000
Total	17,070,000	10,870,000	27,940,000



Possible Legislative Proposals

PROPERTY TAX REFORM: INDIANA IN THE HEADLINES

Recent Newspaper Coverage – June & July 2026

THE INDIANA CITIZEN

Nonpartisan. Independent. Indiana.

June 25, 2026



Lawmaker Builds Support for Eliminating Property Taxes

Rep. J.D. Prescott is touring Indiana to promote replacing property taxes with a 7% sales tax on services.

STATE AFFAIRS

Indiana

July 12, 2026



Property Tax Elimination Proposal Would Raise Family Costs

Economist Michael Hicks argues that shifting the tax burden to services would increase costs for families.

CHALKBEAT INDIANA

Essential education reporting across Indiana

July 17, 2026



Record-High Number of School Districts Ask Voters for Tax Increases

Districts cite recent property-tax reforms and budget pressure. Many are seeking referendums.

DAILY JOURNAL

Johnson County, Indiana

July 31, 2026

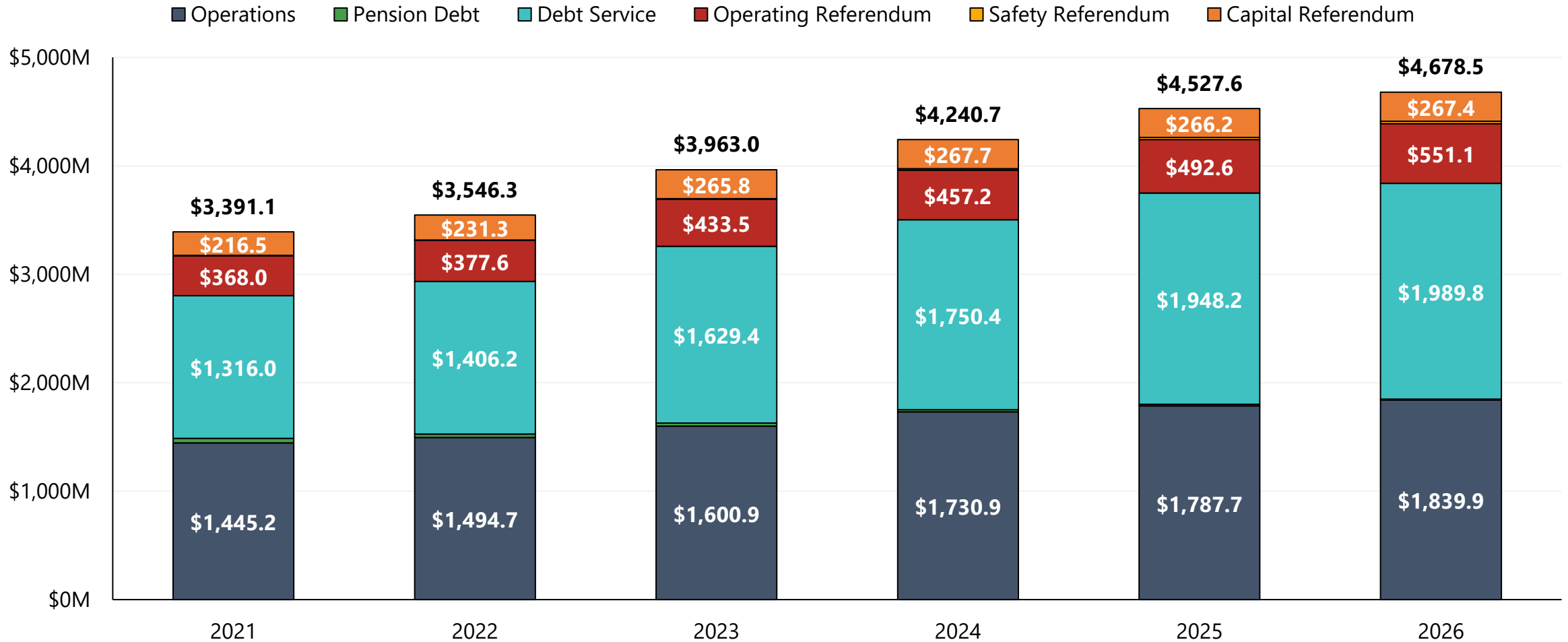


Experts Weigh In on Indiana Property Tax Elimination Plan

The newest coverage examines Prescott's proposal through expert reactions and local funding impacts.

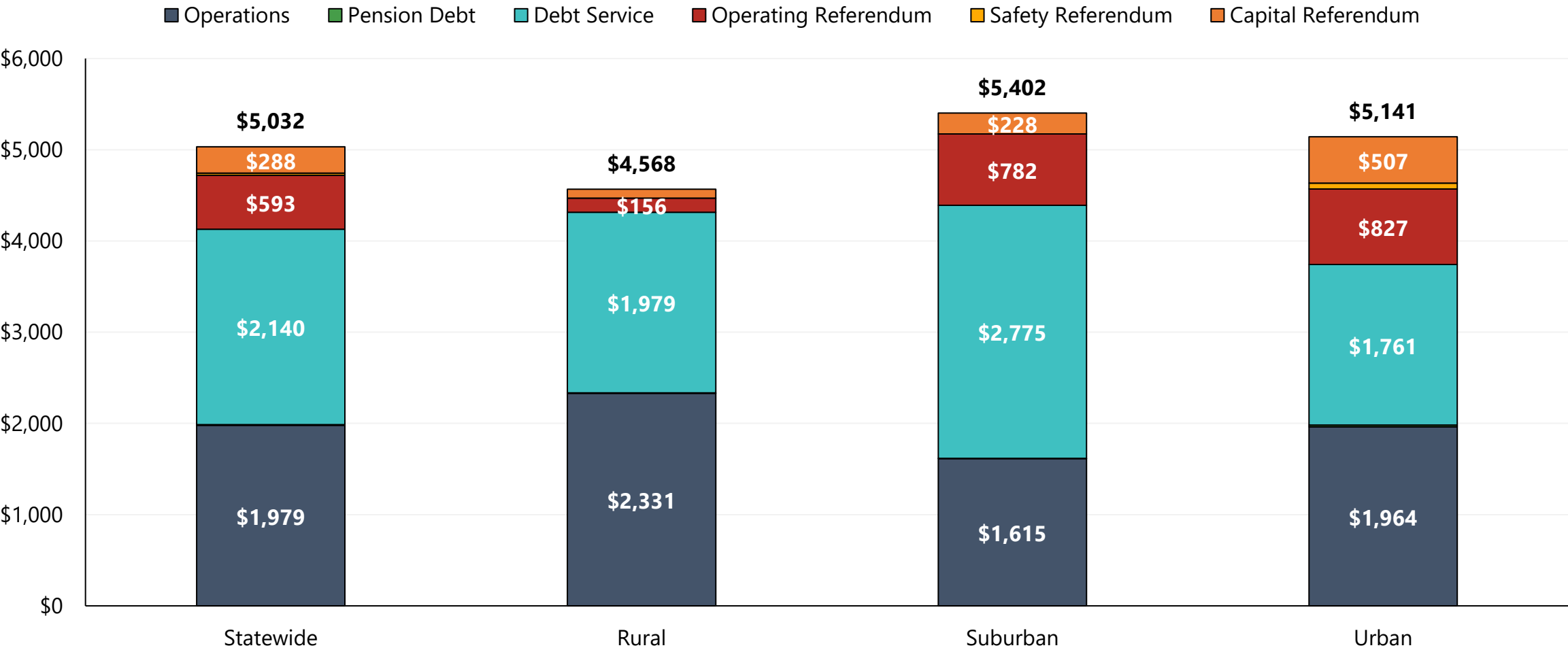
Indiana Schools' Property Tax Revenue

Total Dollars in Millions



2026 Property Tax Revenue per Non-Virtual ADM

By Area Type



QUESTIONS?

Let's discuss.



Referenda – November 2026

November 2026 School Referenda Statistics

39

Total Elections
37 operating • 1 safety • 1 construction

25

Renewals
15 higher rate • 6 lower • 4 the same

13

New Referenda
9 never tried • 4 defeated before

6

Expire in 2026
7 early due to no 2027 election • 12 more going early (2028+)

MEDIAN IMPACT

\$294_{/yr}

MEDIAN LEVY

\$3.0M

RATE RANGE

\$0.09-\$0.99
Clark-Pleasant • River Forest

LARGEST IMPACT

\$1,368 Zionsville

LARGEST ANNUAL LEVY

\$95M Indianapolis
Public Education Corp.

SMALLEST ANNUAL LEVY

\$499K Shakamak

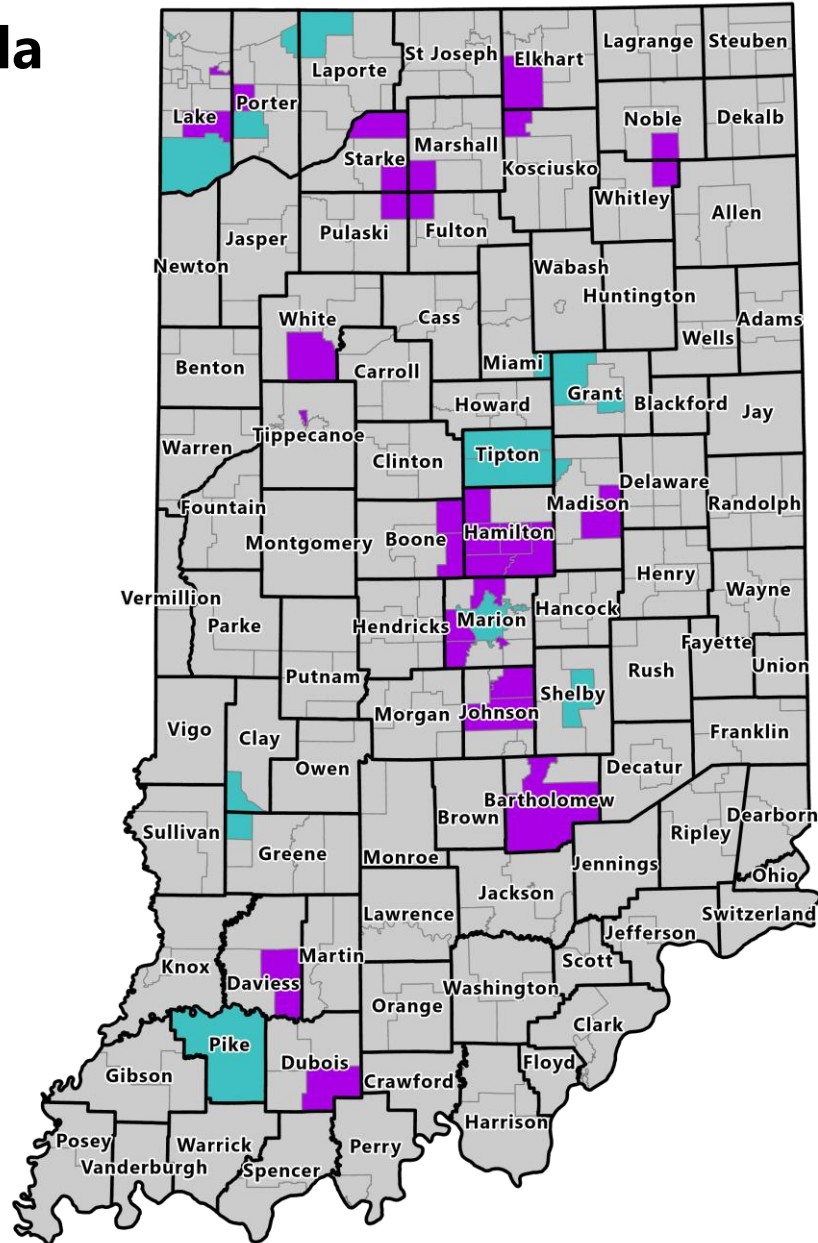
HIGHEST MEDIAN HOME VALUE

\$600K Zionsville

LOWEST MEDIAN HOME VALUE

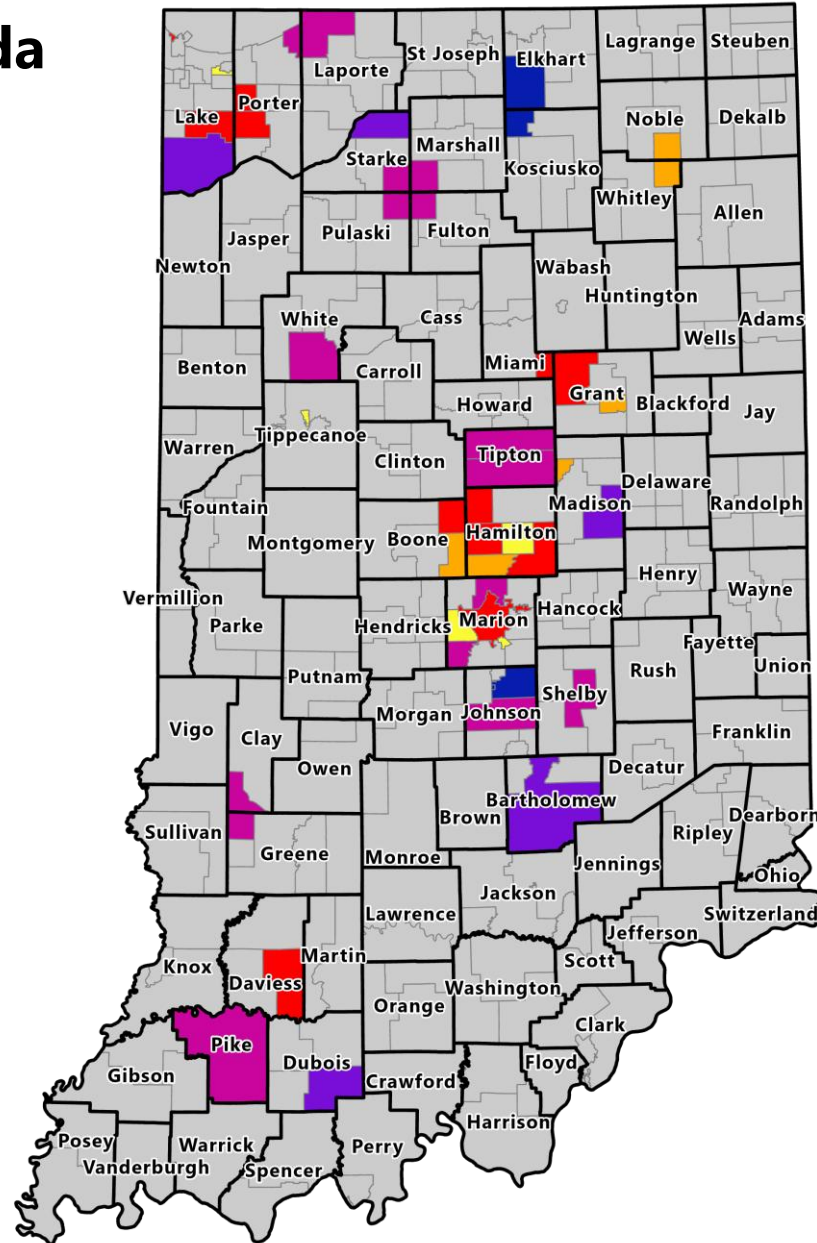
\$100K Anderson

Map of 2026 Operating Referenda



Map of 2026 Operating Referenda

By Max Rate



Panel Discussion
