

Home Owners

Important Tax Information Enclosed

Act 1 of 2006-Taxpayer Relief Act

November 30, 2006

Dear Property Owner:

As a resident homeowner, you are entitled to property tax relief, **BUT YOU MUST COMPLETE THE ENCLOSED APPLICATION AND MAIL IT TO: Homestead Coordinator's office** in the enclosed addressed envelope.

The Taxpayer Relief Act was signed into law in June 2006. It will provide property tax relief to resident homeowners. Property tax relief will not be immediate. It will begin only when the state certifies that it has enough gaming revenue to make payments to school districts to offset their lost local revenue from reduced property taxes.

The tax reduction will come to you in the form of a reduced assessment noted on your school district property tax bill. You must qualify for the reduction by filing a homestead exclusion application with the Homestead Coordinator's office, and your application must be approved.

Send your completed application, **as soon as possible**, but before March 1, 2007, to: **Homestead Coordinator, Board of Assessment, Courthouse and Government Center, 201 W. Front Street, Media, PA 19063**

You will receive notification regarding your approval/denial from the county assessor within 30 days after the receipt of your application. If for any reason your application is denied, you will be given an opportunity to appeal the county's determination.

This mailing is from the Board of School Directors at:

Chester Upland School District
Chichester School District
Garnet Valley School District
School District of Haverford Township
Interboro School District
Marple Newtown School District
Penn-Delco School District
Radnor Township School District
Ridley School District

Rose Tree Media School District
Southeast Delco School District
Springfield School District
Unionville-Chadds Ford School District
Upper Darby School District
Wallingford-Swarthmore School District
West Chester Area School District
William Penn School District

If you have any questions regarding the application, please contact the Delaware County Tax Assessment Office at 610-891-4893. Thank you.

Instructions

Property Tax Relief

Application for Homestead & Farmstead Exclusions

The Taxpayer Relief Act, Act 1 of Special Session 1 of 2006, was signed into law by Governor Rendell on June 27, 2006. The Taxpayer Relief Act provides two separate mechanisms to reduce your property tax bill. First, each school district, except the Pittsburgh, Scranton and Philadelphia School Districts, is required to conduct a voter referendum in 2007 to determine whether to impose an additional local income tax to be used to reduce property taxes. Second, the Taxpayer Relief Act also provides for property tax reduction allocations to be distributed by the Commonwealth to each school district. Either type of property tax reduction will be through a "homestead or farmstead exclusion."

Under a homestead or farmstead property tax exclusion, the assessed value of each homestead or farmstead is reduced by the amount of the exclusion before the property tax is computed. You are not guaranteed a homestead or farmstead exclusion unless and until an additional income tax for purposes of granting a homestead or farmstead exclusion is approved by voter referendum or sufficient funds have been collected to permit property tax reduction allocations to be made by the Commonwealth. If an additional income tax is approved by the voters at the 2007 referendum, initial property tax reductions funded by this mechanism will take effect July 1, 2007. Initial property tax reductions funded by allocations from the Commonwealth may not take effect until at least July 1, 2008.

To receive school property tax relief for tax years beginning July 1 or January 1, this form must be filed by the preceding March 1. Your school district is required to notify you by December 31 of each year if your property is not approved for the homestead or farmstead exclusion or if your approval is due to expire.

BASIC INFORMATION

1. Fill in your name and the name of other owners, such as a co-owner of the property. The application must be signed by an owner for whom the property is his or her primary residence. If the property has more than one owner, signatures of additional owners are not required.
2. Fill in the address of the property for which you are seeking exclusion.
3. Fill in your municipality. If you are not sure what your municipality is, contact your local tax collector or county assessment office **(610-891-4893)**.
4. Fill in your school district. If you are not sure what your school district is, contact your local tax collector or county assessment office **(610-891-4893)**.
5. If your mailing address differs from the address of the property for which you are seeking a homestead exclusion, fill in your mailing address.
6. List phone numbers where you can be reached during the day, and the evening, if you are unavailable during the day.

HOMESTEAD INFORMATION

7. Only a primary residence of an owner of the property may receive the homestead exclusion. This is where you intend to reside permanently until you move to another home. You may be asked to provide proof that this property is your primary residence, such as your driver's license, your voter registration card, your personal income tax form or your local earned income tax form.
8. Do you have another residence which you claim as your primary residence? For instance, do you claim another state as your primary residence, or another county in Pennsylvania? The homestead exclusion can only be claimed once, for a place of primary residence. You may not claim this property as your primary residence if you claim another property as a primary residence or if you receive a homestead tax abatement or other homestead benefit from any other county or state.
9. If you live in a unit of a cooperative and you pay all or a portion of your real property taxes jointly through a management agent or association, rather than paying your taxes separately from other units, check yes. If you answered yes, please indicate your proportionate share of ownership. You may be asked to provide a contact to confirm this information.
10. Check yes if the property for which you are seeking a homestead exclusion is used for other purposes, such as a business or rental property. For example, do you claim part of your home as a home office or deduct expenses for the business use of your home on your state or federal tax? If you answered yes, please indicate what percentage of the property is used as business or rental property.
11. The parcel number (folio) of the property for which you are seeking a homestead exclusion is listed on the application. You can find the parcel number (folio) on your real property tax bill. If you do not have a real property tax bill, call your local tax collector or county assessment office **610-891-4893**.

FARMSTEAD INFORMATION

(Only applicable to buildings and structures used for commercial agricultural production.)

Only complete this section (questions 12, 13 a, b, and c, and 14) if you are applying for a farmstead exclusion. If you answer yes to questions 13 a, b and c, you may be asked to provide proof that the buildings and structures are used for commercial agricultural activity, such as the net income or loss schedule from your state or federal income tax forms.

12. **Only buildings and structures on farms which are at least ten contiguous acres in area and used as the primary residence of an owner are eligible for a farmstead exclusion.** Land is not eligible for the farmstead exclusion. If your property includes at least ten contiguous acres of farm land, check yes.
13. Check yes if the buildings or structures are used primarily to:
- Produce or store farm products produced on the farm for the purpose of commercial agricultural production.
 - House animals raised or maintained on the farm for the purpose of commercial agricultural production.
 - Store agricultural supplies or machinery and equipment used on the farm in commercial agricultural production.
14. Check yes if any farm buildings or structures receive an abatement of property tax under any other law.

CHANGE IN USE

If your property is approved as homestead or farmstead property and the use changes so that the property no longer qualifies for the homestead or farmstead exclusion, you must notify the assessor within 45 days of the change in use. If the use of your property changes and you are not sure if it still qualifies for the homestead or farmstead exclusion, you should contact the assessor.

FALSE OR FRAUDULENT APPLICATIONS

The assessor may select, randomly or otherwise, applications to review for false or fraudulent information. Any person who files an application that contains false information, or who does not notify the assessor of a change in use which no longer qualifies as homestead or farmstead property, will:

- Be required to pay the taxes which would have been due but for the false application, plus interest.
- Be required to pay a penalty equal to 10% of the unpaid taxes.
- If convicted of filing a false application, be guilty of a misdemeanor of the third degree and be sentenced to pay a fine not exceeding \$2,500.

This application must be signed by an owner for whom this property is his or her primary residence. If the property has more than one owner, signatures of additional owners are not required. By signing this application, the applicant is affirming or swearing that all information contained in the application is true and correct.

Applications must be filed on or before March 1 of each year unless an application has been filed within the preceding three years. Please return to:

Homestead Coordinator
Delaware County Board of Assessment
Courthouse and Government Center
201 West Front Street
Media, PA 19063

For questions on the Homestead or Farmstead Exclusion, please contact your local tax collector or the Delaware County Board of Assessment at **610-891-4893**, office hours 8:30 a.m. to 4:30 p.m., Monday through Friday.

PROPERTY TAX RELIEF

_____ COUNTY

APPLICATION FOR HOMESTEAD AND FARMSTEAD EXCLUSIONS

Please read the instructions before completing this application.

Basic Information

- Name of Property Owner(s) _____
- Property Address _____
- Municipality _____ 4. School District _____
- Mailing Address of Property Owner (if different than property address) _____
- Phone Number of Property Owner: Daytime _____ Evening _____

Homestead Information

- Do you use this property as your primary residence? _____ Yes _____ No
- Do you claim anywhere else as your primary residence? _____ Yes _____ No
- Is your residence part of a cooperative where some or all of the property taxes are paid jointly? _____ Yes _____ No
If so, what is your proportionate share of ownership? _____%
- Is your property used for something other than your primary residence, such as a business or rental property? _____ Yes _____ No
If so, what percentage of this property is used for business or rental property? _____%
- Please provide the tax parcel number for this property (located on your tax bill). _____
(If you do not know the parcel number or do not have a tax bill, call your tax collector or the county assessor.)

Farmstead Information

(Only applicable to buildings and structures used for commercial agricultural production.)

- Does this property include at least ten contiguous acres of farm land? _____ Yes _____ No
- Are there buildings and structures on the property that are used primarily to:
 - Produce or store any farm product for purposes of commercial agricultural production? _____ Yes _____ No
 - House animals raised or maintained on the farm for the purpose of commercial agricultural production? _____ Yes _____ No
 - Store machinery or equipment used on the farm for the purpose of commercial agricultural production? _____ Yes _____ No
- If you answered yes to questions 13 a, b, or c, do any farm buildings or structures already receive a property tax abatement under any other law? _____ Yes _____ No

I hereby certify that all the above information is true and correct.

Signature(s) _____ Date _____

This application must be signed by an owner for whom this property is the primary residence. Any person who knowingly files an application which is false in any material matter shall be subject to payment of taxes due, plus interest, plus penalty and shall be subject to prosecution as a misdemeanor of the third degree and a fine of up to \$2,500.

OFFICIAL USE ONLY

Date Filed _____
Reviewed by _____
Date Reviewed _____
Applicable Years _____
Approved _____
Denied _____

Homestead Value _____
Farmstead Value _____
Assessment Information:
Land _____
Improvements _____
TOTAL _____