

Instructions

Act 1 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 reductions allocations to be made by the Commonwealth. Initial property tax reductions funded by allocations from the Commonwealth took effect July 1, 2008.

To receive school property tax relief for tax years beginning *July 1, 2020* or *January 1, 2021*, this form must be filled 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 an exclusion
3. Fill in your municipality. If you are not sure what your municipality is, contact your local Tax Collector or county Assessment office (570) 278-4600 ext. 4001.
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 (570) 278-4600 ext. 4001.
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 drivers' 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 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. If known, fill in the parcel number of the property for which you are seeking a homestead exclusion. You can find the parcel number 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 (570) 278-4600 ext. 4001.

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:
 - a. Produce or store farm products produced on the farm for the purpose of commercial agricultural production.
 - b. House animals raised or maintained on the farm for the purpose of commercial agricultural production
 - c. Store agricultural supplies or machinery and equipment used on the farm in commercial agricultural production
14. Check yes if any form 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 Application

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 and/or up to one-year incarceration. 18 Pa.C.S. § 4903 (2012).

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 in the application is true and correct.

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

Susquehanna County Courthouse
Assessment Office
PO Box 218, 31 Lake Avenue
Montrose, PA 18801- 0218

For questions on the Homestead or Farmstead Exclusion, please contact your local Tax Collector or the Susquehanna County Assessment office at (570) 278-4600 ext. 4001, office hours 8:30am to 4:30pm, Monday through Friday.