

LUZERNE COUNTY, PENNSYLVANIA

Berwick Area School District
Crestwood School District
Dallas School District
Greater Nanticoke Area School District

Hanover Area School District
Hazleton Area School District
Lake-Lehman School District
Northwest Area School District

Pittston Area School District
Wilkes-Barre Area School District
Wyoming Area School District
Wyoming Valley West School District

MEMORANDUM

TO: Property Owners
FROM: Your School District
DATE: October 15, 2004
SUBJECT: *The Homeowner Tax Relief Act (Act 72 of 2004)*

The Homeowner Tax Relief Act was signed into law on July 5, 2004. 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 and the school district adopts a resolution to participate.

The tax reduction will come to you in the form of a reduced assessment noted on your school district property tax bill. However, the reduction will not be automatic. You must qualify for the reduction by filing a Homestead/Farmstead Exclusion application with the Luzerne County Assessment Office, and your application must be approved.

Enclosed is the application and instructions for its completion. The deadline to submit applications for property tax relief is March 1, 2005. In an effort to support a prompt response to your application, please return your completed application to the Luzerne County Assessment Office by **December 1, 2004**. To be eligible for the Homestead/Farmstead Exclusion for school, county, or municipality purposes, you are required to complete an application. Therefore, regardless of how recently you may have filed for the Homestead/Farmstead Exclusion with the county, you must file a new application to remain eligible.

Send your completed application to:

Luzerne County Assessment Office
Homestead/Farmstead
Luzerne County Courthouse
200 North River Street
Wilkes-Barre, PA 18711

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

Watch for further notification from your school district regarding property tax relief updates and details. In the meantime, should you have any questions, please contact the Luzerne County Assessment Office at (570) 825-1733.

Instructions
Application for Homestead & Farmstead Exclusions

The Homeowner Tax Relief Act, Act 72 of 2004, was signed into law by Governor Rendell on July 5, 2004, to allow school districts to reduce property taxes through homestead and farmstead exclusions. Property tax relief will be funded by a combination of state revenue from gaming and dedicated local income taxes. Under a homestead or a farmstead property tax exclusion, the assessed value of each homestead or farmstead is reduced by the same amount before the property tax is computed. Most likely, initial property tax reductions will not take effect until July 1, 2006; however, the changes may occur as early as July 1, 2005 or as late as July 1, 2007. In addition, some school boards may choose not to adopt the homestead and farmstead exclusions.

1. Fill in your name and the name of other owners of record, such as your spouse or a co-owner of the property. All recorded owners must apply for the exclusion.
 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.
 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.
 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.
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7. Only a primary residence may receive the homestead exclusion. This is the fixed place of abode where the owner intends to reside permanently until the person moves 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 homestead or if you or your spouse 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 or a condominium 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.
 10. If you answered yes to question 9, provide the percentage of overall tax you pay. You may be asked to provide a contact to confirm this information.
 11. 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.
 12. If you answered yes to question 11, indicate what percentage of the property is used as your private residence.
 13. 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.
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Only complete this section (questions 14, 15 a, b and c, and 16) if you are applying for a farmstead exclusion. If you answer yes to questions 15 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.

14. Only buildings and structures on farms which are at least ten contiguous acres in area and used as the primary residence of the owner are eligible for a farmstead exclusion. If your property includes at least ten contiguous acres of farm land, check yes.
15. Check yes if the building 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.
16. Check yes if any farm buildings or structures receive an abatement of property tax under any other law.

Change in Use

When the use of a property approved as homestead or farmstead property changes so that the property no longer qualifies for the homestead or farmstead exclusion, property owners 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 which 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.

By signing and dating this form, the applicant is affirming or swearing that all information contained in the form is true and correct.

Applications must be filed before March 1st of each year. Please return to address marked on the front of your application.

For Questions on the Homestead or Farmstead Exclusion, please contact your local tax collector or your local County Assessment Office.