

Dear Property Owner:

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 exclusions 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.

You will receive notification of your approval/denial from the County Assessment Office within 30 days from 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. If you have any questions, please contact the Assessment Office at 814-451-6225.

**INSTRUCTIONS FOR APPLICATION FOR HOMESTEAD AND FARMSTEAD EXCLUSIONS
YOU MUST FILE THIS FORM IN ORDER TO RECEIVE PROPERTY TAX RELIEF
UNDER THE TAXPAYER RELIEF ACT OF 2006**

1. Review the parcel number of the property for which you are seeking a homestead exclusion. You can also find the parcel number on your real property tax bill. If this is incorrect, call your local Tax Collector or County Assessment Office at 814-451-6225.
2. 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.
3. Review the address of the property for which you are seeking a Homestead Exclusion, if this is incorrect, fill in the correct address under "Corrections if Necessary".
4. Review your Municipality and School District; if you are not sure of either Municipality or School District, contact your local Tax Collector or County Assessment Office at 814-451-6225.
5. Review your mailing address; if this is incorrect, fill in the correct address under "Corrections if Necessary".
6. Please list phone numbers where you can be reached during the day, and the evening, if you are unavailable during the day.

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 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. 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?
12. If you answered yes to question 11, indicate what percentage of the property is used as your private residence.

Complete Questions 13, 14 a, b, and c, and 15 only if you are applying for a farmstead exclusion. If you answer yes to Questions 14 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.

13. Only buildings and structures on farms which are at least ten contiguous (nearby) acres in area and used as the primary residence of the owner are eligible for a farmstead exclusion. If your property includes at least 10 contiguous acres of farm land, check yes.
14. 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.

15. Check yes if the 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 Assessment Office at 814-451-6225.

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: **Erie County Assessment Office; Erie County Court House Room 104; 140 W 6th St; Erie PA 16501.**

For questions on the Homestead or Farmstead Exclusion, please contact your local Tax Collector or the Erie County Assessment Office at 814-451-6225, office hours 8:30 a.m. to 4:30 p.m., Monday through Friday.