

Programs to Help Homeowners with Property Taxes

Managing Property Taxes

There are many programs available to help people pay their property taxes:

- **Installment payment plans.** Income-eligible homeowners and senior citizens age 65 and older can apply to pay property taxes in monthly installments during the same tax year that the taxes are due. Application must be made by February 28th. The Philadelphia Department of Revenue offers: 1) Income-eligible installment agreements; and 2) Senior Citizen Installment Agreements. A homeowner whose spouse is 65 or older may also qualify for a payment plan. If approved, homeowner receives a coupon book to make payments. The payment plan must be completed in the year in which the taxes are due. No re-application is required for subsequent years. If a taxpayer successfully completes either of these plans, any interest and penalties that accrued during the year will be waived by the Department. Application forms and more information on these installment agreements are available on-line at the Department of Revenue's website at <http://www.phila.gov/Revenue/individuals/taxes/Pages/RealEstateTax.aspx>

- **Pennsylvania Property Tax/Rent Rebate.** Low-income senior citizens and low-income persons with a disability may be able to receive a refund on all or part of their homestead property taxes once they are paid in full each year. More information on the Pa. Rebate program is available on-line at the Pennsylvania Department of Revenue's website at http://www.revenue.state.pa.us/portal/server.pt/community/property_tax_rebate_program/11410

- **Senior Citizen "Tax Freeze."** Low-income senior citizens can apply for a special program where their property taxes will not increase each year that they live in their home. The program provides that eligible low-income senior citizens shall be entitled to receive refunds or forgiveness of that part of their real estate tax liability caused by either i) a real estate tax *rate* increase or ii) an increase in the *assessed value* of the taxpayer's home. This program applies only to an eligible taxpayer's home. Reapplication for subsequent years is not required. More information is available on-line at: <http://www.phila.gov/Revenue/payments/agreements/Pages/SeniorCitizenPrograms.aspx>

- **Philadelphia Active Duty Reserve and National Guard Tax Credit.** Reserve members of the U.S. Armed Forces or Nation Guard who are on active duty outside of Pennsylvania may be able to receive a credit toward their homestead property taxes. The Application form for the Philadelphia Active Duty Tax Credit is available on-line at the

Department of Revenue's website under "Common Forms"
at <http://www.phila.gov/Revenue/individuals/taxes/Pages/RealEstateTax.aspx>

- **Pennsylvania Disabled Veterans Real Estate Tax Exemption Program.** The Pennsylvania Constitution provides a real estate tax exemption for any honorably discharged military veteran who is 100% disabled, whose disability is connected with his or her military service, who is a resident of the Commonwealth, and who has a financial need. More information on the program is available at the Pennsylvania Department of Military and Veterans Affairs' website at http://www.portal.state.pa.us/portal/server.pt/community/veterans_benefits/11386/disabled_benefits/567405.

- **Homestead Exemption.** The City of Philadelphia offers a Homestead Exemption program, which reduces the taxable portion of your property assessment by \$30,000. This means that if you live in a home assessed by the City at a fair market value of \$100,000, the City will subtract \$30,000 from your assessed value before determine how much you owe. This means that a home assessed as worth \$100,000 would only be taxed on \$70,000 after the exemption is applied. This could result is significant saving for homeowners on their property tax bill each year. If you are approved, your real estate tax bill will be lower the next year. To qualify, you must own and live in your home as your primary residence. You can apply even if [your name is not on the deed](#). You need to apply a year in advance of the tax year. The deadline to apply is September each year. If you missed the deadline, you can still apply, it just won't take effect until the second tax year.
 - Information about the homestead exemption and a paper application: <http://www.phila.gov/opa/abatementsexemptions/pages/homestead.aspx>.
 - Check you house's homestead status: <http://avicalculator.phila.gov/#>
 - Apply online for your homestead exemption: <https://opaphila.org/homestead/OPAConfirmation.aspx>

Delinquent Property Taxes - Owner Occupied Payment Agreements

For years, millions of dollars in delinquent property taxes [have gone uncollected in Philadelphia](#). In the push to increase enforcement and collection of property taxes, Community Legal Services has seen a sharp increase in the number of homeowners facing a tax foreclosure filed by the City of Philadelphia. There is also real value in helping families to stay in their homes and avoiding creating more vacant properties and increasing homelessness. In June 2013, [City Council passed an ordinance](#) creating a uniform system for allowing homeowners to enter into affordable repayment agreements for delinquent taxes, called "Owner Occupied Payment Agreements."

The new program took effect Tuesday, October 15, 2013. Several key features include:

1. Access to affordable monthly payments;
2. A standardized written repayment agreement;
3. Forgiveness of all or part of the accrued penalties and interest if certain conditions are met;
4. Uniform procedures and policies, regardless of which entity is collecting the taxes;
5. Notice to homeowners of options, obligations, and availability of counseling;
6. An appeals process for taxpayers who are denied an owner-occupied payment agreement on their home.
7. A strict requirement that a homeowner **MUST** pay all of the current and future property taxes when those taxes are due (failing to pay current and future property taxes is considered a default on an agreement);
8. Consequences for failure to pay under the agreement, including Sheriff's Sale of the property.

If you are behind on your property taxes, there is help!

You can [meet with a housing counselor](#) who can assist you in applying for a repayment agreement.

OR

You can contact the entity collecting your taxes, and apply directly with them.

Department of Revenue

[Form for taxes being collected by the City of Philadelphia](#)

Dept. of Revenue – Taxpayer Services

Municipal Services Bldg.

1401 John F. Kennedy Blvd., Concourse

Philadelphia, PA 19102

revenue.payment.agreement@phila.gov

Linebarger Goggan Blair & Sampson

[Form for taxes being collected by Linebarger Goggan Blair & Simpson](#)

Linebarger Goggan Blair & Sampson

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GRB Law

[Form for taxes being collected by GRB](#)

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