

WHY SHOULD I PAY MY PROPERTY TAXES?

First, Philadelphia's property taxes pay for a wide variety of city services, including Philadelphia schools, police and fire services.

Second, if you don't pay your property taxes, interest and penalties will accrue on the principal balance you owe, increasing your bill.

Third, YOU COULD LOSE YOUR HOME. If the taxes are left unpaid, the City may eventually take legal action to foreclose on your home and sell the property at a tax sale (sometimes called a sheriff's sale). Many people know that if you take out a bank loan on your home and miss payments you may be faced with a private mortgage foreclosure. Similarly, if you don't pay your property taxes, the City of Philadelphia may file a tax foreclosure action seeking to sell your home for unpaid property taxes.

WHEN ARE THE CURRENT PROPERTY TAXES ON MY HOUSE DUE?

HOW MUCH DO I OWE?

The Philadelphia Department of Revenue sends out property tax bills annually in December for the following year. Real Estate Taxes begin to accrue interest and penalties on March 31st of the year in which they must be paid. If you pay on or before the last day of February, you will receive a 1% discount. Property taxes become 'delinquent' on January 1st of the year after they must be paid. More detailed information about Philadelphia property taxes, including information installment payment options and balances due, can be found at the Philadelphia Department of Revenue's website at <http://www.phila.gov/revenue>. You can also look up current property taxes owed and past due balances at <http://www.phila.gov/revenue/realestatetax/>.

CAN I PAY MY CURRENT PROPERTY TAXES IN INSTALLMENTS?

Yes — at its discretion, the Department of Revenue may accept payment of real estate taxes in four equal installments, subject to the discounts and penalties. Qualified low-income households and seniors (65 years or older) may apply for installment agreements to pay current year taxes in up to twelve monthly payments. The deadline to apply is March 31st, but you should submit your application for these low-income agreements by the end of February of the year in which the taxes must be paid. Participants are automatically re-enrolled in the program each year and will receive a coupon book annually to make payments. Application forms are mailed with annual tax bills; they can also be found (along with more information) online at the Department of Revenue's website at <http://www.phila.gov/Revenue/payments/agreements/Pages/LowIncome.aspx>

HOW DO I KNOW IF DELINQUENT PROPERTY TAXES ARE OWED ON MY HOME?

Property taxes become 'delinquent' on January 1st of the year after they must be paid. After that date, the Department of Revenue may out send a notice of delinquent property taxes. However, some delinquent real estate tax liens may be assigned to private co-counsel for collection. If your past due tax liens are assigned to co-counsel you may receive notices about your delinquent property taxes from the either the law firm of Linebarger, Goggin, Blair & Sampson, L.L.P. or the law firm of Goehring, Rutter & Boehm (GRB). These are private law firms which been hired by the City of Philadelphia to collect delinquent property tax liens.

If you do not respond to these notices you may eventually receive a "Petition to Show Cause" asking the court to enter a judgment for the amount of taxes owed and to allow sale of your home at a tax auction.

If you do not respond to the City's petition, you may eventually receive notice of the date of a tax sale or sheriff's sale. This notice will also be posted on the property.

WHAT SHOULD I DO IF I RECEIVE A NOTICE OF DELINQUENT PROPERTY TAXES OR A 'PETITION TO SHOW CAUSE'?

Don't ignore the Notice! You should contact the agency that sent the notice: the Philadelphia Department of Revenue, Linebarger, Goggin, Blair & Sampson or GRB to ask about making payment arrangements.

Don't ignore the Petition! If you are served with a Petition to Show Cause you have *fifteen (15) days* from the date the Petition was mailed to you (not the day you received it) to file a response to the Petition in court. After 15 days the court may enter a judgment against your home for amount of the delinquent taxes and any the municipal liens that may also be due. It's also not too late to enter into a payment agreement. Contact the agency who sent the notice to ask about making payment arrangements.

The Petition will tell you that there will be a hearing in court. There will be a place, date, and time for the hearing listed. You should go to the hearing.

Seek Help! If you receive a past due notice or a petition, you can come to CLS' North Philadelphia Law Center (NPLC) for advice and to ask us to represent you. CLS has walk-in intake for property tax cases on Monday, Wednesday, and Friday mornings from 9 a.m – noon. Our North Philadelphia Law Center is located near Broad and Erie at 1410 W. Erie Avenue, Philadelphia, PA 19140. Or you can call the Save Your Home Philly Hotline at 215-334-HOME (4663).

CAN I PAY DELINQUENT PROPERTY TAXES IN INSTALLMENTS . . .

Regardless of whether the City's Department of Revenue, Linebarger, or GRB is collecting your delinquent taxes, YES, you can pay in installments...

If you are an owner-occupant, you may be eligible for an Owner-Occupied Payment Agreement "OOPA." To qualify you must live in the property, own the property, and meet certain income limits. Your name does not need to be on the deed, if you can show an equitable ownership interest (e.g., heir to deceased owner.) If you qualify, your monthly payment will be based on your total household income. Upon successful completion of an OOPA, you may be eligible to have up to 100% of the interest and penalties waived. If you fail to complete the OOPA, you may not receive another and your house may be sold at a tax auction.

You will need to contact the agency collecting your taxes to apply.

If you are ineligible for an OOPA, you may still qualify for a standard payment agreement. Standard agreements typically are for 12 to 24 months and may require a down payment of up to 50% of the delinquent balance.

WHAT ELSE CAN I DO TO REDUCE MY PROPERTY TAXES?

There are several different types of "property tax relief" available to help homeowners. Depending on the circumstances, you may be eligible for one or more programs. To learn more about the OOPA program and others click [here](#).