

OTHER FORMS OF TAX RELIEF

You may be eligible for tax relief or exemption programs. Programs offered by the City of Philadelphia include:

Low-Income Senior Citizen Real Estate Tax Freeze

Eligible low-income senior citizens who apply by October can keep their real estate taxes in the next year and all future years from increasing—whether from changes in assessments or tax rates.

Low-Income and Low-Income Senior Citizen Installment Plans

Eligible low-income persons and low-income senior citizens who apply by March of the current tax year can have their current year real estate tax payments split out over eight monthly payments for the first year, and into 12 monthly payments in succeeding years.

Hardship Payment Agreement

Owner-occupiers who have difficulty keeping up with their real estate taxes and are having other financial difficulties may apply for a hardship agreement which can include lower payments over a longer period of time than a standard payment agreement.

For more information (including applications) about these programs please call 215-686-6442. Or visit http://www.phila.gov/revenue/Real_Estate_Tax.html.

Homestead Exemption

For eligible homeowners, the Homestead Exemption can reduce the taxable assessed value of their home. Current law puts the homestead at \$30,000 (but the exact amount could change). Applicants must own and live in their homes as their primary residence. Applications received after Nov. 15, 2012, will continue to be processed, but may not appear on the Assessment Change Notice. Those who have not yet applied are still eligible; an application must be completed by July 31, 2013. For the Homestead Exemption, call 215-686-9200 or visit www.phila.gov/opa.

ADDITIONAL PROGRAMS

In addition to those provided by the City, the Commonwealth of Pennsylvania also offers a number of programs for tax relief.

Property Tax/Rent Rebate Program

This program is for eligible Pennsylvanians age 65 and older; widows and widowers age 50 and older; and people with disabilities age 18 and older. The income limit is \$35,000 a year for homeowners and \$15,000 annually for renters, and half of Social Security income is excluded. The maximum standard rebate is \$650, but supplemental rebates for qualifying homeowners can boost rebates to \$975.

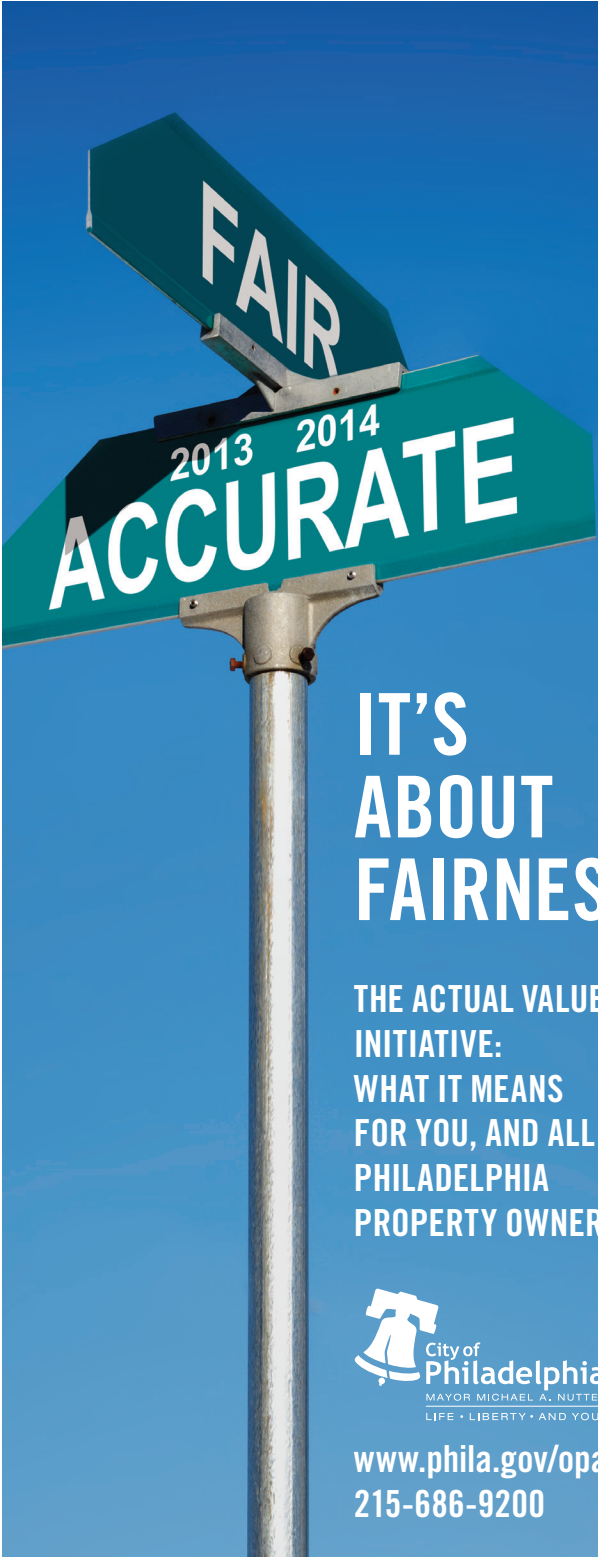
For more information or to download or request an application, visit http://www.portal.state.pa.us/portal/server.pt/community/property_tax_rent_rebate/11410.

Disabled Veterans Tax Exemption

A veteran who is 100% service-connected disabled (or their surviving spouse), who demonstrates a financial need may qualify for a 100% exemption from real estate taxes. Applicants with an annual income of \$75,000 or less are eligible. For more information, or to request an application, contact the Philadelphia County Veterans Affairs Director at 215-686-3256.


STILL HAVE QUESTIONS?

The Office of Property Assessment is happy to provide whatever details, information, or answers you need. Simply call us at 215-686-9200. Or visit www.phila.gov/opa



IT'S ABOUT FAIRNESS

THE ACTUAL VALUE INITIATIVE: WHAT IT MEANS FOR YOU, AND ALL PHILADELPHIA PROPERTY OWNERS.

 **City of Philadelphia**
MAYOR MICHAEL A. NUTTER
LIFE • LIBERTY • AND YOU™

www.phila.gov/opa
215-686-9200

A SYSTEM THAT NEEDS TO BE FIXED

Our property tax system is broken and the Actual Value Initiative (AVI) will fix it. AVI will provide us with a system that is fair, accurate and understandable.

In today's Philadelphia, property taxes can be hard to understand. Neighbors with nearly identical houses are sometimes assessed at different values and pay different real estate taxes. Sometimes, owners of homes that vary greatly in size and condition may be assessed at the same value and pay the same taxes. In either case, the current system is unfair to many Philadelphians.

The Actual Value Initiative (AVI) will remedy this.

WHAT IS AVI?

AVI is a program for the re-evaluation of all real property—homes and commercial buildings alike—in Philadelphia. Its purpose is to make sure that all values are assessed fairly and in compliance with state laws, statutes, and industry standards. It will ensure that properties of equal value get the same assessments.

HOW DOES IT WORK?

To determine a new assessed value, the City's Office of Property Assessment (OPA) considers a number of factors, including:

- Size and age of the property
- A property's location and condition
- A property's use (home or business)

To help set the value of residential properties, the OPA analyzes recent sales of similar properties while taking into account any differences between homes recently sold and the property being assessed.

For commercial and large multi-family properties, value is determined by analyzing costs of operation, income generated, or the cost of land and construction.

WHAT TO EXPECT

You can expect to get a new assessment that will reflect the value of your property.

Also, as a result of AVI, the process for calculating future tax bills will be simpler: just multiply the Certified Market Value by the tax rate (we've eliminated the fractions).

Once the new assessments are complete, the Nutter Administration intends to propose a substantial real estate **tax rate reduction** for 2014. We expect this new rate to be determined by May 31, 2013.

Caution: Do not try to make any calculations using last year's tax rate to figure out next year's tax bill. If you multiply your new 2014 value by your old 2013 tax rate, your estimate will not be accurate – it will be much too high.

ABOUT YOUR NEW ASSESSMENT

Early in 2013, Assessment Change Notices will be sent to property owners throughout Philadelphia. Here are some questions you may have about your Notice:

IS IT A BILL?

No. The Notice just informs you what the assessed market value of your property is.

WHAT SHOULD I LOOK FOR?

The Notice will show you:

- The total value of your property
- The separate values of the land and improvements (such as buildings) made to it
- If any of the property is exempt from tax
- Characteristics of your property that OPA used to determine its value
- Whether you will receive a Homestead Exemption, if you applied before Nov. 15, 2012. You can still apply until July 31, 2013, and if deemed eligible, your Homestead Exemption will be reflected on your 2014 property tax bill.

WHAT IF I WANT TO APPEAL MY ASSESSMENT?

If you think the new value is incorrect, you can first ask for an informal review by the OPA.

If you are not satisfied with the outcome of this review, you may formally appeal to the Board of Revision of Taxes. You can request a review or appeal if you are able to prove at least one of three things:

- The characteristics of your property that affect its value are substantially incorrect.
- The estimated market value of your home is too high or too low.
- The estimated market value of your property is accurate, but inequitable.

Your ability to pay may not be used as a reason for appealing your assessment notice.

CAN I APPEAL FURTHER?

If you are not satisfied with the outcome of your appeal to the Board of Revision of Taxes, you can initiate an appeal with the Court of Common Pleas.

