

Tax Relief!



News Flash – Pine Supervisors approve Homestead Tax Relief for 2019!

Eligible properties will see a \$140 decrease in Township property tax

What does it mean?

Pine Supervisors recently adopted Ordinance 386, which permits a homestead/farmstead exclusion for Township property taxes. The exclusion allows part of a qualifying property's assessed value to be excluded from the tax calculation. The amount, to be determined each year, will be \$140,000 for 2019.

How can they do this?

PA Act 50 of 1998 gave local taxing districts the ability to offer a homestead/farmstead exclusion. The amount can't exceed 50% of the median value of all homestead property in the district, and tax rates can't be increased to make up for the lost tax dollars.

Why don't all municipalities offer this?

While almost all school districts offer property tax relief, very few municipalities do. The reason is simple; PA school districts receive money from State Gaming Revenues (specifically slot machines) to fund property tax relief. Municipalities don't have an additional revenue source to make up the tax dollars lost. As a result, only a small handful in Allegheny County provide tax relief, and they offer only a small exclusion, \$15,000-\$20,000 of assessed value. At \$140,000, Pine's 2019 exclusion amount is the most generous by far.

Why is Pine doing this now?

For the last few years, the Township has had a budget surplus, mainly due to careful financial management combined with a growing tax base. While the Board has wisely set aside funds for future projects, they felt it would also be fair to return some of the surplus to taxpayers. Since Pine already has the lowest millage rate in Allegheny County at less than 1 mil, the Board decided the best option would be a homestead/farmstead exclusion.

How does it work?

Township property tax is based on the assessed value multiplied by the millage rate of 0.998. For example, a

property valued at \$300,000, pays \$299.40 in Township tax. If the property qualifies for the homestead exclusion, \$140,000 is subtracted from the assessed value before calculating the tax. So, a \$300,000 home is taxed only on \$160,000 and the tax is \$159.68, **a savings of \$139.72.**

How do I qualify for this?

You must be approved for the "Act 50 Homestead/Farmstead Exclusion" by Allegheny County. If you've already applied to the County and been approved, then you automatically qualify for the Township exclusion. If you haven't applied yet, visit the Township's homepage and scroll to the bottom. You'll find a link to the application under "Quick Links".

What properties are eligible?

To be eligible, a property must be owner-occupied and be the primary residence. Commercial and rental properties are not eligible.

Where can I get more information?

Check out the Township's homepage under "News and Announcements".