UNDERSTANDING THE
HOMESTEAD AND FARMSTEAD EXCLUSION PROGRAM

(Act 50 of 1998)

County of Perry
County Veterans Memorial Building
25 W. Main Street, P. O. Box 37
New Bloomfield, PA 17068

Commissioners
Mark K. Keller
John J. Amsler
Edward R. Kennedy

Chief Assessor
David A. Ulsh, CPE

What Is The Homestead Exclusion?
The *Homestead Exclusion* is a way to provide real estate property tax relief to homeowners whose permanent residence is in the participating taxing jurisdiction, and to eliminate *Act 511* taxes (a.k.a. nuisance taxes) such as the occupation tax.

**What Is A *Homestead* Property?**

A *Homestead* property is a dwelling used by a property owner as his/her permanent residence. No one can have more than one permanent home at any time.

**How Do I Benefit From The *Homestead Exclusion*?**

*Act 50*, or the *Homestead Exclusion Law*, allows school districts to shift the school tax burden from the real property tax to the earned income tax. The *Homestead Exclusion* is intended to ensure that real estate property tax reductions benefit homeowners first.

**How Is The *Homestead Exclusion* Determined?**

The *Homestead Exclusion* is determined by your local school district.

The school district may exclude up to 50% of the median or middle assessed value of all properties whose owners have applied for exclusion and were determined to be eligible.

**What Is The *Farmstead Exclusion*?**

The *Farmstead Exclusion* allows additional real estate property tax savings to farmers on farm buildings exclusively used for agricultural purposes. *Tax savings on the dwelling is provided by the Homestead Exclusion.*

**What Is A *Farmstead* Property?**

A *Farmstead* property is all buildings and structures, excluding the house, on ten or more contiguous acres used exclusively for agricultural purposes.

The farmstead must be the permanent residence of at least one owner.

**When Can I Apply For *Homestead-Farmstead Exclusion*?**
You must apply for the Homestead - Farmstead Exclusion between December 15 and March 1 of any year.

**Deadline for filing applications:** March 1.

Any tax reduction that you might receive would occur in the following year.

**May I Apply For Homestead Exclusion If My Property Is Also Used For Commercial Purposes?**

Yes, but only the value of the portion of the property used for your permanent residence will be eligible for the Homestead Exclusion.

**How Do I Apply For Homestead-Farmstead Exclusion?**

To receive a Homestead/Farmstead Exclusion on your property, you must file an application. Please return to:

*Perry County Assessment Office*
*County Veterans Memorial Building*
*25 W. Main Street, P. O. Box 37*
*New Bloomfield, PA 17068*
*(717) 582-2131, Ext. 4115*

Applications are available at the Assessment Office.

You will be required to provide proof of ownership of the property and that it is your primary permanent residence.

The Chief Assessor shall determine if your property is eligible. If your application is denied, the Chief Assessor must provide you with a written notice no later than June 30 as well as the reason for the denial.

**May I Appeal The Amount Of The Homestead - Farmstead Exclusion?**

No. The Homestead - Farmstead Exclusion is determined by your local school district or municipality who has sole authority to determine if any amount is excluded.

**If My Application Is Denied, May I Appeal That Decision?**
Yes. You may appeal the denial of the application or the portion of your property value allocated to the dwelling exclusion.

All appeals must be made to the county Board of Assessment Appeals and filed with the Assessment Office on the appropriate form.

**When Must I Appeal?**

The period for filing an appeal is between *July 1 and September 1*. All appeals will be effective for the following assessment year.

**If I Filed A Real Estate Appeal, Does That Apply To The Homestead-Farmstead Exclusion?**

No. A real estate appeal is separate from the Homestead/Farmstead appeal. You must file separate appeals if you wish to appeal both.

**Completing the Homestead - Farmstead application does not guarantee that you will receive a reduction in real estate taxes.**

The school district or municipality in which you live must first adopt the *Homestead - Farmstead Exclusion* in order for you to receive a reduction in real estate taxes.

*This publication is intended to give you a brief understanding of the Homestead - Farmstead Exclusion (Act 50 of 1998). The material is general and educational in nature and is not intended to be legal advice or to replace the need for legal counsel.*