

## State College Area School District Property Owners – Information Sheet 2020

**Tax collection office buildings are accessible to the disabled, or arrangements will be made to accommodate the disabled. Please contact the tax office should arrangements be necessary to accommodate your specific needs.**

### Due Date/Payment Information

**Who should I make the check payable to?** Please refer to the enclosed tax bill for check payable information. Please include a phone number or e-mail address on all checks.

**What if the due date for a tax payment falls on a weekend or holiday? If I mail my payment, what date is used as the receipt date?** If a tax payment due date falls on a weekend or holiday, the payment is due the next business day. If payment is mailed, the U.S. postmark date on the envelope is considered your payment date. The district cannot be held responsible if the USPS does not postmark mail on the same day it is deposited by the taxpayer.

**What if I have extenuating circumstances that make it impossible to make my tax payment by the due date? Can I request an exception?** The district is obligated to be fair and consistent to all taxpayers, therefore due dates must be strictly enforced.

### Installment Payment Plans

**Does State College Area School District allow installment payments of the school tax due on properties?** Yes. Act 1 of 2006 provided an opportunity for residential homestead/farmstead qualified and approved property owners to enter into installment payment plans for their school district real estate taxes. Act 25 of 2011 was passed to further extend the installment payment option by authorizing small businesses (as defined by the Act) to also participate in the installment payment plan. The State College Area School District, by its authority, has elected to extend this option to all property owners. Please see the attached payment coupons for the applicable payment dates and amount due for each of the three coupons. If your tax statement does not have coupons attached, the tax office records indicate that you were ineligible to take part for the current tax billing due to late installment payments in the prior tax year. This option will be restored in the next tax year. Please note that the installment payment plan is optional. Taxpayers should review their specific situation to determine whether to pay once or remit their payments using the installment plan. If you elect to pay by the installment option, please note that one requirement of the plan is that you forfeit the 2% discount.

**Why do I have to forfeit my discount if I pay using the installment payment plan?** Due to the increased amount of record keeping required to authorize and administer a payment plan, the legislation in Act 1 of 2006 and Act 25 of 2011 determined that school districts entering into installment payment plans were to eliminate the discount for payment plan participants.

### Escrowed Taxes

**What if my taxes are escrowed?** Although the installment method is available for escrowed properties, many escrow companies remit the full tax due before the end of the discount period to qualify for payment at discount. We expect escrow companies to follow the same payment procedures used in prior years. Please consult with your escrow company to confirm its intentions to pay at discount. If applicable, a copy of your tax notice was provided to your escrow agent on your behalf. An escrow mailing will be noted on the face of the enclosed tax notice. If your escrow agent will be paying your tax notice, please retain the enclosed tax notice for your records and allow the escrow agent to remit payment of the tax due. ***If no escrow comment appears on your tax notice but your taxes are escrowed, it is the taxpayer's responsibility to forward the tax notice to the escrow company for payment.*** To streamline this process in future years, please ask your escrow agent to request in writing your tax notice from the tax office. This will ensure that a copy of your tax notice is automatically forwarded for payment on your behalf.

### Referendum Tax

**What is a Referendum Tax?** In May 2014 district voters approved the issuance of \$85 million in bonds to fund a portion of the State High building project. The District issued these bonds in March 2015. The first debt payment was made in the 2015-16 fiscal year.

**Will the Referendum Tax continue in future years? Will it increase?** Debt service payments to fund the bonds issued in March 2015 will continue through 2040. Each year the Board of School Directors will determine what portion of this debt payment will be funded through the Referendum Tax. After 2016-17 the Referendum Tax is expected to change only in relation to changes in the overall assessed value of properties in the school district. Debt service payments to be funded from the referendum tax in 2020-21 are \$4,945,740, an amount that is approximately the same as 2019-20.

### Tax Rebate

**Is there a tax rebate available?** Yes. On May 18, 2020 the Board of School Directors approved a supplemental property tax rebate program for the 2020-21 tax year. The 2019 Supplemental Property Tax Rebate Claim Form has been included as an insert to the 2020-21 school real estate tax bill for all approved homestead/farmstead properties. Please see this insert, or the district web site, for program details.

### Homestead/Farmstead Exclusion

**Who is affected by the homestead/farmstead exclusion?** All homestead and farmstead property owners residing in the State College Area School District. This applies to school district property taxes only. Please check with your municipality to see if there is an exemption for municipal taxes.

**What is a homestead/farmstead exclusion?** Act 1 of 2006, also known as the Taxpayer Relief Act, provides district residents with an opportunity for real estate tax relief through a homestead/farmstead exclusion. Funded by gambling revenues provided by the state, the district will exclude from real estate taxation a uniform dollar amount of the assessed value of homestead and farmstead properties that have been approved.

**What is an approved homestead/farmstead property?** Taxpayers must apply for approval by completing and submitting an application to the Centre County Board of Assessment. An approved homestead/farmstead property, therefore, is a taxpayer's primary residence that has been granted homestead/farmstead status by the Centre County Board of Assessment based on the application submitted. Please note that an individual cannot have more than one primary residence at any time.

**If I have a homestead and/or farmstead but have not applied for an exclusion, how do I apply?** Applications are available at the Centre County Assessment Office during normal working hours. Anyone interested in completing an application can contact the office and request an application or visit Centre County's website to print an application. The assessment office is located at:

Centre County Tax Assessment Office, Willowbank Building  
420 Holmes Street, Room 301, Bellefonte, PA 16823  
Telephone: (814) 355-6721 Website: [www.centrecountypa.gov](http://www.centrecountypa.gov)

**If I apply now, will my 2020 tax bill be adjusted to reflect the homestead/farmstead exclusion and reduction in taxes?** The deadline for filing a completed application that would have reduced your 2020 school district property tax bill was March 1, 2020. A taxpayer may contact the Centre County Tax Assessment Office at any time to obtain an application. For applications submitted after the deadline, the reduction will be effective for the following tax year, in this case 2021. As required by Act 1 of 2006, the district sends the required notices to eligible property owners by December 31st each year. There is no need to complete an application in subsequent years if there is no change in your primary residence status.

**Do I have any responsibilities under the homestead and/or farmstead exclusion?** Once you have received official notification that your application has been approved, you must notify the Assessment Office if the use of your property becomes unqualified. For example, if you rent your home, rent a portion of your home, or elect to use an area of the dwelling for commercial purposes, your approved exclusion may be lost or pro-rated for partial use of the dwelling. Any change of use must be reported to the Centre County Assessment Office within 45 days. Also, remember that a change in ownership requires the new owners to complete and submit an application to the Assessment Office in order to have the primary residence approved for a homestead/farmstead exclusion. The homestead/farmstead exclusion does not automatically transfer if a property is sold. New owners should contact the Assessment Office after their closing to begin their application process.

**How is the homestead/farmstead exclusion calculated?** The amount of the homestead/farmstead exclusion is calculated by dividing the total gaming funds received by the number of approved homesteads/farmsteads certified by the Centre County Board of Assessment. The amount of the exclusion has the potential of varying each year based upon the amount of gaming funds provided to the district and the number of approved homesteads/farmsteads located in the district.

### Other Frequently Asked Questions

**Can I make installment payments on my county, township, and school district bills?** At this time, the only taxing body that has authorized installment payments for its regular annual tax notice is the State College Area School District. Installment payment plans will not be authorized for supplemental bills that are periodically issued by the Centre County Tax Assessment Office.

**Can I pay by ACH or credit cards?** At this time, payment by ACH or credit card will not be accepted for School District real estate taxes.