

PHILADELPHIA TAXPAYER ASSISTANCE BROCHURE

All of us who live and work in Philadelphia can be proud of our great city. Whether it's our status as the birthplace of America, the wonderful diversity of our neighborhoods and people, or our vibrant business community, Philadelphia is rightfully regarded as a world-class city.

To keep our momentum going, it is vitally important that our residents and businesses honor their obligation to pay their real estate taxes. Tens of millions of dollars are owed to the City of Philadelphia. These taxes are needed to support police and fire fighters on our streets, new schools and senior centers, recreation centers and playgrounds, and children and youth with enriching after-school programs and valuable personal development opportunities.

The City is committed to collecting delinquent taxes in order to protect the quality of life we have worked so hard to attain. The City also recognizes that economic hardships can prevent people from making their tax payments in a timely fashion. We are sensitive to people in need, but the responsibility to come forward and make payment arrangements is on the taxpayer.

It is our sincere hope that the *Philadelphia Taxpayer Assistance Brochure* provides you with clear guidance on your rights and responsibilities as a taxpayer. There are many taxpayer resources which are listed in this brochure. Please use them. They are standing by to help.

Yours for a better Philadelphia,

Shelley R. Smith, Philadelphia City Solicitor

FOLLETO DE ASISTENCIA PARA CONTRIBUYENTES DE PHILADELPHIA

Todos los que vivimos y trabajamos en Philadelphia podemos estar orgullosos de nuestra gran ciudad. Ya sea por su condición como lugar de nacimiento de los Estados Unidos, la impresionante diversidad de vecindarios y personas, o su activa comunidad económica, Philadelphia es merecidamente considerada como una ciudad de primera clase.

Para no perder el impulso actual, es de vital importancia que nuestros residentes y comercios cumplan con su obligación de abonar sus impuestos inmobiliarios. Se adeudan decenas de millones de dólares a la Ciudad de Philadelphia. Estos impuestos son necesarios para pagar a los policías y bomberos que recorren nuestras calles, para construir nuevas escuelas y centros para ancianos, centros de recreación y plazas, y para enriquecedores programas extra-escolares para niños y jóvenes además de valiosas oportunidades de desarrollo personal.

La Ciudad se compromete a recaudar impuestos en mora a fin de proteger la calidad de vida para la cual hemos trabajado tan duro. La Ciudad también reconoce que los problemas económicos pueden imposibilitar el pago de impuestos a tiempo. Comprendemos a las personas necesitadas, pero el contribuyente tiene la responsabilidad de presentarse voluntariamente y realizar los arreglos necesarios para efectuar el pago de impuestos.

Esperamos sinceramente que el *Folleto de Asistencia para Contribuyentes de Philadelphia* le brinde una guía sobre sus derechos y responsabilidades como contribuyente. Este folleto incluye una lista de varios recursos para contribuyentes. Por favor, úselos. Están allí para ayudarlo.

Para Mejorar Philadelphia,

Shelley R. Smith, Solicitador de Philadelphia

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Information About Your Property Taxes

1. The Basics

- Property taxes are assessed and collected by the City of Philadelphia and on behalf of the School District of Philadelphia.
- Your tax dollars provide funding for education, public health care, police protection, fire protection, streets & drainage, court systems, libraries, programs for the handicapped and senior citizens, and many other services.
- Property tax assessments are based on the value of the property.
- Generally, all property is taxable unless a federal or state law provides an exemption for it. Property may include land, buildings, mobile homes, and houses.
- Real Estate taxes are due once a year, on March 31st of the tax year. If the taxes are not paid by March 31st of the tax year, a penalty charge called “additions” will accrue on the principal amount of the tax up to a maximum charge of 15% of the principal amount due. If the taxes remain unpaid after December 31st of the tax year, the 15% addition is added into the principal and tax liens are filed against the property. Penalties and interest, as well as attorneys’ fees, continue to accrue until the tax is paid.
- To pay your taxes or discuss your tax account, contact:

City of Philadelphia Revenue Department
Public Service Concourse - Taxpayer Services Division
1401 John F. Kennedy Blvd
Philadelphia, PA 19102
Phone (215) 686-6442 • E-mail: revenue@phila.gov

- For help with a payment plan, you can also call any Housing Counseling Agencies on page 5 of this brochure.

2. Pay Your Taxes Now To Avoid a Possible Lawsuit

If the Taxpayer does not make arrangements to pay the taxes now, he or she may be sued. Court costs are expensive. A property owner may be responsible not only for the taxes, interest and penalty, but also for other foreclosure expenses including:

- | | | |
|------------------------------|--------------------------------|---------------------------------|
| • Abstractor/Title Work Fees | • Sheriff’s Fees | • Property Inspection Costs |
| • Court Filing Fees | • Publication/Advertising Fees | • Deed Recording Fees |
| • Service of Process Fees | • Attorneys’ Fees | • Environmental Assessment Fees |

3. Frequently Asked Questions

What if I cannot afford to pay my taxes? Payment plans are available. If you qualify under the City of Philadelphia’s guidelines you may be eligible for an “Owner Occupied Payment Agreement.” Applications are available on the City of Philadelphia Revenue Department’s website at www.phila.gov/revenue. You can also request an application in person or by phone per the contact information listed above.

What if I never received a tax bill? It is the Taxpayer’s responsibility to know that taxes are due every year. If a tax bill was not received, it does not change the Taxpayer’s responsibility to request a tax bill from the City of Philadelphia Revenue Department and to make sure that the mailing address the City has for the Taxpayer is correct. The City of Philadelphia Revenue Department is not required by law to send real estate tax bills.

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What if I already paid my taxes? Mail a copy of your paid receipt and/or cancelled check to the City of Philadelphia Revenue Department, P.O. Box 806, Philadelphia, PA 19101.

What if my taxes were supposed to be paid by my mortgage company? The Taxpayer should pay the delinquent tax and contact the mortgage company for reimbursement. It is the Taxpayer's responsibility to pay the taxes even if the mortgage company does not pay the taxes.

What if I receive a tax bill for the taxes incurred after I sold the property? Notify the Department of Revenue of the date ownership changed so that the ownership change can be verified with the City of Philadelphia Department of Records.

What if I have filed bankruptcy and still owe delinquent taxes? Send a copy of the Bankruptcy Petition to the City of Philadelphia Law Department at 1401 John F. Kennedy Blvd, 5th Floor, Philadelphia, PA 19102.

How do I get an exemption? In order to be considered for an exemption, the Taxpayer must fill out an application at the Philadelphia Office of Property Assessment. Applications are available on-line at www.phila.gov/opa.

“Tax Lien Sale” vs. City Accounts—what is the difference? In 1997 the City and School District of Philadelphia sold certain tax claims to the Philadelphia Authority for Industrial Development (PAID) which engaged U.S. Bank, N.A., as trustee and Linebarger as the servicer to collect the taxes. The collection of the taxes for these accounts no longer proceeds according to the exclusive direction of the City of Philadelphia.

4. The Foreclosure Lawsuit & Sheriff's Sale Process

All Taxpayers with a recorded legal interest in a property must be served with all foreclosure legal documents. If the taxes are not paid a lawsuit may be filed to foreclose the tax lien of the property to pay the property taxes. As a last resort if property taxes remain unpaid, tax delinquent properties can be sold to the highest bidder at monthly Sheriff's Sales. Sales are held at 3801 Market Street, First District Plaza, 3rd Floor, Philadelphia, PA 19104.

Only continuously occupied residential properties are eligible for right of redemption, in which the original owner may petition the Court to recover the property by paying the back taxes. The right of redemption exists for nine months after the new owner's Sheriff's Deed is recorded.

5. Payment Plan Agreements

Taxpayers who cannot pay the delinquent taxes immediately may qualify for payment plans to pay their delinquent taxes in installments. Proof of identity is required.

Taxpayers that reside in their homes and are experiencing financial hardships (e.g. those with SSI, Social Security, or public assistance), may qualify for Owner Occupied Payment Agreements under the following conditions:

- **Proof of Identity:** Valid government-issued photo identifications (driver's license, passport, etc.) for each household member.
- **Proof of Income:** income tax returns, pay stubs, unemployment compensation award letter or statement, worker's compensation award letter or statement, court support order, SS or SSI award letter or printout, pension income statement, welfare determination letter or caseworker statement, and/or a signed and dated letter from individual providing support.

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- **Proof of Expenses (not required in all cases):** Mortgage, gas bills, electric bills, oil bills, rent payments, telephone bills, transportation costs, medical bills, child support payments, and any other expenses.

POTENTIAL TAXPAYER RESOURCES & PROGRAMS

1. **Homestead Exemption Benefit**

The City of Philadelphia offers a Homestead Exemption program, which reduces the taxable portion of your property assessment by \$30,000. If you are approved, your real estate tax bill will likely be lower the next year. To qualify you must own and live in your home as your primary residence. Visit the Philadelphia Office of Property Assessment at 601 Walnut Street, 3 West, Philadelphia, PA 19106, call the Homestead Hotline at (215) 686-9200, or look on-line at www.phila.gov/opa for more information.

2. **Home Equity Line of Credit/Second Mortgage**

Taxpayers may qualify for a second mortgage or home equity line of credit. Visit your local lender to inquire about this option. Please be aware that if you take out a home equity loan to pay your taxes, it will be a mortgage on your home. *To avoid “predatory loans” be sure you understand the terms of your loan before you sign any documents.* You may contact a housing counseling agency listed on page 5 of this brochure for assistance.

3. **Active Duty Reserve and National Guard Tax Credit**

If you are a member of the National Guard or a reserve component of the United States Armed Forces who is called to active duty outside of Pennsylvania, the City of Philadelphia may give you a tax credit against real estate taxes. Visit the City of Philadelphia Revenue Department, 1401 JFK Blvd, Concourse Level, Philadelphia, PA 19102, call (215) 686-6442, or look on-line at www.phila.gov/revenue for more information.

4. **Senior Citizen Tax Freeze Benefit**

For senior citizens who qualify, the City of Philadelphia will “freeze” their real estate tax. Once approved, if your assessment changes, or the tax rate changes, your taxes due will not increase. To qualify you or your spouse must be 65 or older, or you must be over 50 and your deceased spouse must have been at least 65 at the time of their death. In addition, you must meet income guidelines. Application deadline is October 15th each year. Visit the City of Philadelphia Revenue Department, 1401 JFK Blvd, Concourse Level, Philadelphia PA 19102, call (215) 686-6442, or look on-line at www.phila.gov/revenue for more information.

5. **Pennsylvania Property Tax Rebate**

This program provides a rebate of some or all of your real estate taxes. To qualify you must be at least 65 years old, a widow/widower at least 50 years old, or a disabled person at least 18 years old. You must also have owned and lived in the property during the rebate period, paid the real estate taxes in full and meet income guidelines. Call 1-888-222-9190 or look on-line at www.revenue.state.pa.us for more information.

6. **Disabled Veteran Tax Benefit**

If you are a 100% service-related disabled military veteran (or surviving spouse) and demonstrate financial need, you may qualify for a 100% exemption from real estate taxes. Contact the Commonwealth of Pennsylvania Department of Military Affairs, Bureau For Veterans Affairs, Annville, PA 17003-5002 or call 1-800-54-PAVE.

7. **Current Real Estate Tax Installment Plan**

If you cannot pay your current real estate taxes by the March 31st due date of each year, you may apply to pay your taxes in monthly installments. The application deadline is March 31st of each year. To qualify, you must own and live in your property as your primary residence, be a senior at least 65 years old, or meet income guidelines. Contact the City of Philadelphia Revenue Department, 1401 JFK Blvd, Concourse Level, Philadelphia, PA 19102, call (215)686-6442, or look on-line at www.phila.gov/revenue.

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Housing Counseling Agencies

These Housing Counseling Agencies are located in Philadelphia and have been specifically trained to assist with delinquent real estate tax matters. All provide HEMAP (Homeowners Emergency Mortgage Assistance Program) and Loss Mitigation assistance.

ACORN Housing Corp of PA *

846 N. Broad St., 2nd Floor
(215) 765-1221
www.acornhousing.org

Centro Pedro Claver

523 W. Erie Ave.
(215) 227-7111
www.centroclaver.com

Diversified Community Services

(Dixon House)

1920 S. 20th Street
(215) 336-3511

Liberty Resources

714 Market Street
(215) 634-2000
www.libertyresources.org

Northwest Counseling Service *

5001 N. Broad St.
(215) 324-7500

Philadelphia Senior Center

509 S. Broad St.
(215) 546-5879
www.philaseniorcenter.org

The Partnership CDC

4020 Market St.
(215) 662-1612
www.thepartnershipcdc.org

West Oak Lane CDC/OARC

7300 Ogontz Ave.
(215) 224-0880

* *not wheelchair accessible*

Asociación de Puertorriqueños

en Marcha (APM)
600 W. Diamond St.
(215) 235-6070

Concilio

705-709 N. Franklin St
(215) 627-3100
www.elconcilio.net

Intercommunity Action

(Senior Center)
6012 Ridge Ave.
(215) 487-0914

www.intercommunityaction.org

Mt. Airy USA

6703 Germantown Ave, Ste. 200
(215) 844-6021
www.mtairyusa.org

Nueva Esperanza

4261 North 5th St.
(215) 324-0746
www.nueva.org

Polish American Social Services *

308 Walnut St.
(215) 923-1900

Unemployment Information Center

(PUP)

112 N. Broad Street, 11th St.
(215) 557-0822

Urban League of Philadelphia

121 S. Broad St., 9th Floor
(215) 985-3220
www.urbanleaguephila.org

Congreso de Latinos Unidos

216 W. Somerset St
(215) 763-8870
www.congreso.net

Intercultural Family Services

4225 Chestnut St.
(215) 386-1298
www.ifsinc.org

New Kensington CDC

2515 Frankford Ave
(215) 427-0350
www.nkcdc.org

Philadelphia Council for Community Advancement

1617 JFK Blvd, Suite 1550
(215) 567-7803
www.philapcca.org

South of South Neighborhood

Association *

1901 Christian Street
(215) 732-8446
www.southofsouth.org

United Communities Southeast

Philadelphia *

2029 South 8th St.
(215) 467-8700
www.ucsep.org

Greater Philadelphia Asian Social

Service Center (GPASS)

4943 N. 5th St.
(215) 456-1662
www.gpasspa.org

Center in the Park

(Senior Center)

5818 Germantown Ave.
(215) 848-7722
www.centerinthepark.org

Clarifi

(formerly Consumer Credit
Counseling Service of Del Valley)
1608 Walnut Street, 10th Floor
(215) 563-5665
Northeast Office
7340 Jackson St., 1-800-989-2227
www.cccsdv.org

Hispanic Assoc. of Contractors & Enterprises (HACE)

167 W. Allegheny Ave, Ste. 200
(215) 426-1151
HACE Frankford Office
4660 Frankford Ave.
(215) 488-7007
www.hacecdc.org

Korean Community Development

Center *

6055 N. 5th St.
(215) 276-8830
www.koreancenter.org

Norris Square Civic Association

149 W. Susquehanna Ave.
(215) 426-8723

Southwest CDC

6328 Paschall Ave
(215) 729-0800
www.southwestcdc.org

Other Resources

Philadelphia Department of Revenue

1401 JFK Boulevard
Philadelphia, PA 19102
(215) 686-6442
www.phila.gov/revenue

Philadelphia Bar Association

1101 Market Street, 11th Floor
Philadelphia, PA 19107
(215) 238-1701

Mavor's Office of Consumer Affairs

143 City Hall
Philadelphia, PA 19107
(215) 686-7598

Philadelphia Legal Assistance, Inc.

"Save Your Home Philly Hotline"

42 S. 15th Street, Suite 500
Philadelphia, PA 19102
(215) 334-HOME (4663)

SeniorLAW Center

Land Title Building
100 S. Broad St., Suite 1810
Philadelphia, PA 19110
(215) 988-1242

Philadelphia Board of Revision of Taxes

601 Walnut St., Suite 325 East
Philadelphia, PA 19106
(215) 686-4343 or (215) 686-9283

Philadelphia Office of Property Assessment

601 Walnut Street - 3 West
Philadelphia, PA 19106
(215) 686-9200

Tax Review Board

100 S. Broad Street, Suite 400
Philadelphia, PA 19103
(215) 686-5215

Community Legal Services, Inc.

North Philadelphia Law Center
1410 Erie Avenue
Philadelphia, PA 19140
(215) 227-2400

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HOMEOWNERS WITH OVERDUE REAL ESTATE TAXES

DO NOT IGNORE THIS NOTICE!

If you own your home, you are responsible for paying the real estate taxes on it.

If you do not take action, your house could eventually be sold at a Sheriff's sale to pay the taxes.

REMEMBER: THERE IS HELP FOR YOU AND YOUR FAMILY

- You can obtain a record of your tax bill showing how much you owe and when it was due.
- You can dispute how much you owe if you have proof you paid your taxes.
- You can petition the Philadelphia Tax Review Board to try to reduce the amount you owe.
- You can get **free advice** and help with arranging an **affordable** payment plan.
- You may qualify for an Owner Occupied Payment Agreement based on your income and expenses.
- You may be able to postpone a Sheriff's Sale of your home one time for 60 days.

Inside this brochure is a list of free Housing Counseling Agencies to advise and help you make an affordable plan to pay your taxes. **The Counseling Agency can explain your options and your rights and responsibilities about delinquent taxes.**

PROPIETARIOS DE VIVIENDAS CON IMPUESTOS INMOBILIARIOS VENCIDOS **¡NO IGNOREN ESTA NOTIFICACIÓN!**

Si es propietario de su hogar, usted es responsable por el pago de los impuestos inmobiliarios que la gravan.

Si usted no cumple con su obligación, su vivienda podría en última instancia venderse en remate (*Sheriff's sale*) a fin de abonar los impuestos.

RECUERDE: EXISTEN MANERAS DE AYUDARLO A USTED Y A SU FAMILIA

- Puede obtener un registro de su liquidación de impuestos que muestra los montos adeudados y su fecha de vencimiento.
- Puede cuestionar los montos adeudados si cuenta con pruebas que verifiquen que ha abonado sus impuestos.
- Puede solicitar al Junta Revisadora de Impuestos (Bienes Raíces) de Philadelphia que intente reducir el monto adeudado.
- Puede obtener **asesoramiento gratuito** y asistencia para acordar un plan de pagos **que usted pueda cumplir**.
- Puede calificar para participar del **Acuerdo por problemas financieros** con base en sus ingresos y gastos.
- Puede posponer el remate de su vivienda por una vez durante 60 días.

Dentro de este folleto encontrará una lista de Agencias de Asesoramiento de Viviendas gratuitas en las cuales podrá obtener asesoramiento y asistencia para preparar un plan de pagos que usted pueda cumplir. **La Agencia de Asesoramiento puede explicarle sus opciones, derechos y responsabilidades acerca de los impuestos en mora.** Esperamos que esta información le sea útil.

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