

Announcement from the Reading School District Homestead Tax Exclusion

A random check of properties that are identified as receiving a Homestead Exclusion has revealed an unusually high number of property owners that have been receiving property tax reductions when their properties are not legally eligible for property tax relief. If a person's property is approved for a Homestead Exclusion, and the property no longer qualifies for property tax relief, that property owner is required by law to notify the Berks County Assessment Office within 45 days of the change in use. If the use of your property has changed, and you are not sure if it still qualifies for the Homestead Exclusion, you should contact the Berks County Assessment Office.

The school district recognizes that many homeowners, since originally filing for an exclusion, have chosen to lease their property. The school district also understands that these owners may have mistakenly failed to notify the Berks County Assessment Office of the change. It is important to know that properties that are rented, or are under a lease-purchase arrangement, are not eligible for property tax relief. We are strongly encouraging those property owners to make the correction by April 1. To make a correction, please contact the Berks County Assessment Office at 610-478-6262.

Because of the high number of properties that have claimed the exclusion but who do not actually qualify for the exclusion, I have requested that the Department of Education and the Department of Community and Economic Development assist our efforts to investigate and help verify that the property owners that have claimed tax exclusion are actually eligible for such exclusion. Any person who files an application that contains false information, or who does not notify the Assessment Office of a change in the use of their property and, therefore no longer qualifies as homestead property, may be required to pay the taxes that would have been due, plus interest. They also may be required to pay a penalty equal to 10% of the unpaid taxes. Anyone convicted of intentionally filing a false application may be guilty of a misdemeanor of the third degree and be sentenced to pay a fine up to \$2,500.

It should also be noted that those property owners who are rightfully entitled to property tax relief would receive an even larger tax reduction if the ineligible properties were removed from the property exclusion list.