

## **Tax Information**

Local taxes are the District's main funding source, providing 69% of the 2007-2008 actual revenue. The types of local taxes are described below.

### **Real Estate Tax**

The real estate, or property, tax is a tax that is levied on the land and buildings owned by individuals and businesses. The base for the tax is the assessed value, which is established by the county assessment office. A millage rate is established annually by the Board of School Directors and is levied against the assessed value of each property. One mill is equivalent to \$1 of tax for each \$1,000 of property. Therefore, a property with an assessment value of \$100,000 would pay \$100 for each mill. The millage rate divided by 1000 and multiplied by the assessed value equals the amount of the real estate tax.

Tax payments are due by the following dates at the following amounts:

By August 31 -	2% discount
By October 31 -	flat amount
By December 31 -	10% penalty

The district also offers an installment option, at the flat amount, with payment dates of July 31, September 15, October 31, and December 15.

### **Interim Real Estate Tax**

The interim real estate tax is a tax on assessed property that was not included in the original tax mailing of July 1. Interim real estate tax bills are sent throughout the year for new construction/remodeling that changed a property's assessed value.

### **Delinquent Real Estate Tax**

Real estate tax bills dated July 1 that are not paid by December 31 are turned over to the county tax claim bureau for collection.

### **Per Capita Tax**

The per capita tax is \$10 for every individual over 18 who resides in the District. An additional \$10 per capita tax is levied by Lower Alsace Township and Mount Penn Borough.

### **Earned Income Tax**

The District levies a .5% tax on the wages, salaries, commissions, net profits, and other compensation earned by individuals who reside in the District. Lower Alsace and Mount Penn also levy a .5% earned income tax. The Berks Earned Income Tax Bureau collects the District's earned income taxes.

### **Real Estate Transfer Tax**

A .5% real estate transfer tax is imposed when a property owner sells their property. The tax is based on the selling price and is paid by the purchaser at the time of transfer.

Lower Alsace and Mount Penn also impose a .5% transfer tax. The tax is collected by Berks County and is remitted to the District on a monthly basis.