

Methacton School District

Property Tax Rebate Program

Property Tax Rebate Program Program's Basic Overview

Based off of the long established PA Property Tax Rebate Program

- Funded by Lottery and slot machine proceeds.
- This program sets the guidelines and parameters for qualification to such a rebate and Methacton School District can adjust if they so choose.
- Program design includes the state's income qualifications, max rebate amount and ranges for the rebate.

The following eligibility factors for the state run program are:

- Age 65 or older.
- Widow or Widower age 50 or older.
- Age 18 or more AND permanently disabled.

The following details for the state run program are:

- Maximum Household rebate is \$650.
- Supplemental rebates for qualifying homeowners can boost rebates to \$975.
- Sliding scale based on total household income.
- Includes all income.
- ½ of Social Security Income as well.
- Both homeowners AND renters who qualify can apply.

Property Tax Rebate Program Income Ranges

Income Range & State Rebate for Home Owner

Income Range	State Rebate
\$0.00 - \$8,000.00	\$650
\$8,000.01 - \$15,000.00	\$500
\$15,000.01 - \$18,000.00	\$300
\$18,000.01 - \$35,000.00	\$200

Income Range & State Rebate for Renters

Income Range	State Rebate
\$0.00 - \$8,000.00	\$650
\$8,000.01 - \$15,000.00	\$500

Total State Cost for Methacton School District was \$138,393 (2019 Report, most current report).

Qualified individuals included 261 property owners and 35 renters.

Property Tax Rebate Program Considerations

1. Board would need to approve this via a resolution.

- a. Prior to this, a predetermined percentage of the rebate needs to be set. Currently districts doing this program use 25% or 30% of the state amount (ex. $\$650 \times 25\% = \162.50 or $\$650 \times 30\% = \195.00).
- b. If 25% was used, then the cost to Methacton School District would be \$34,598.25.
- c. If 30% was used, then the cost to Methacton School District would be \$41,517.90.

2. Impact to the Budget.

- a. We currently take 100% of the gambling revenue as a reduction from all property taxes. Therefore, this would be an expense above this reduction.
- b. This would be a new expense and would need to be added to the budget.
- c. Would have a minor increase in postage costs.

3. Notification to the public.

- a. When it starts and program overview.

4. Business Office tasks

- a. The development of a rebate form.
- b. Create process for verification and approval of applications.
 - i. Recommendation is to use state approval as qualification for our rebate program.
- c. Account code creation for the payout of the approved rebate checks.
- d. Actual cutting and mailing of the checks.