

DELAWARE COUNTY
2025 Real Estate Tax Deferral
Program Application and Instructions

DELAWARE COUNTY REAL ESTATE TAX DEFERRAL PROGRAM:

Eligible residents can apply for the deferral (postponement) of payment of their real estate taxes caused by increases in the millage rate. The Delaware County Council authorized the Tax Deferral Program on January 23, 2025, making this deferral program available to eligible property owners for County real estate taxes, effective with 2025 real estate taxes.

An increase in real estate tax is that amount over and above the base payment. It does not include an increase caused by a change in the assessed value of a specific property.

The base payment is:

- The amount of property tax paid in the base year (i.e. 2024) which immediately precedes the first tax year (i.e. 2025) that the County implements the program, or
- The tax year immediately preceding a property owner's entry into the tax deferral program.
(For the initial year of the program, the base payment will be the amount of property tax paid in 2024 for all applicants.)

An annual real estate tax deferral granted under this program will equal the increase in real estate taxes upon the property of the property owner caused by increases in the millage rate. The annual real estate tax deferral granted under this program is due upon the sale or transfer of the property or upon the property owner's death.

ELIGIBILITY:

Income Eligibility: A property owner, regardless of age, shall be eligible for a tax deferral if the property owner and the property owner's spouse (or additional property owner) have a household income not exceeding the maximum household income eligible limitations outlined in the Senior Citizens Rebate and Assistance Act (Act of March 11, 1971, P.L. 104, No. 3). The current household income limit is \$46,520 with 50% of Social Security, SSI, and Railroad Retirement Tier 1 exempt from the calculations of total annual household income.

Homestead/ Property: A dwelling owned jointly in fee simple by the property owner(s), who is a natural person, and which has been the primary domicile of the owner(s) for the past twelve months.

Restrictions: No tax deferrals shall be granted if:

- The total amount of (1) deferred taxes, (2) the all other unsatisfied liens on the homestead of the property owner, and (3) the outstanding principal of any mortgages on the property, exceeds 85% of the market value of the property

OR

- The outstanding principal of any mortgages on the homestead exceeds 70% of the market value of the property.

Market Value: The assessed value divided by the common level ratio as most recently determined by the State Tax Equalization Board for Delaware County. The current common level ration for Delaware County is 61.5%.

Base Year Tax: The tax year preceding the first tax year for which a taxing authority implements the provisions of this Act (year 2024), or the tax year immediately preceding an applicant's entry into the tax deferral program, whichever is later. *(For the initial year of the program, the base year tax will be 2024 for*

all applicants.)

Real Property Tax Liability: In order to be eligible, there shall be no prior year's real estate tax liability - no delinquent real estate taxes may be owed or due to be considered for deferral. The immediately preceding year's non-deferred real estate tax shall have been paid in full prior to December 31st of the real estate tax year.

ATTACHMENT AND SATISFACTION OF LIENS

- (A) Nature of Lien - All taxes deferred under this program shall constitute a prior lien on the property in favor of the County and shall attach as of the date of application approval and in the same manner as other real estate tax liens; the deferred taxes shall be collected as other real estate tax liens, but the deferred taxes shall be due, payable and delinquent only as provided in (B).
- (B) Payment
 - (1) All or part of the deferred taxes may be paid to the County at any time.
 - (2) If the deferred taxes are not paid during the lifetimes of the property owners, these deferred taxes shall be paid either:
 - (a) Prior to the conveyance of the property to any other party; or
 - (b) Prior to the passing of the legal or equitable title, either by will or by statute, to the heirs of the property owners.
 - (3) The surviving additional property owner shall not be required to pay the deferred taxes because of his or her acquisition of the homestead due to the death of the other property owner as long as the surviving property owner maintains his or her domicile in the property. The surviving property owner may continue to participate in the tax deferral program in subsequent years provided he or she is eligible under the provisions of this program.

Questions regarding the Delaware County Real Estate Tax Deferment Program should be addressed to the **Delaware County Treasurer's Office at (610) 891-4273**. Or email realestatetax@co.delaware.pa.us

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Application and Instructions

For timely consideration, an original application with supporting documentation must be received by the Delaware County Treasurer's Office between January 1st and October 31st. **No extensions will be granted.**

All applications shall be filed either in person, by mail or email (realestatetax@co.delaware.pa.us) at or to the Treasurer's Office.

1. Parcel ID Number which property owner(s) has declared as his/her Homestead and for which deferral is being sought:

Parcel ID

2. Property Address: _____

3. Property owner(s)/spouse Name(s): _____

4. Mailing Address (if different than property address/location): _____

5. The following documents are attached and are part of my/our application: 1) Receipts showing timely payment of the immediately preceding year's non-deferred real estate tax; (2) proof of income eligibility (federal tax return); (3) proof of fire or casualty insurance coverage for the qualifying property in an amount not less than the amount of the taxes being deferred; and (4) any other documentation specified in the instructions.

6. Outstanding mortgage balance as of Dec 31, 2024

7. Value of any other liens on the property as of December 31, 2024:

I/We hereby certify that we are the owners in fee simple of the property for which a deferral is being requested. I/We hereby certify that the information submitted is true and correct. I/We understand that the amount of tax deferral granted is provided in exchange for a lien against the property of the applicant in favor of Delaware County and shall attach as of the date and in the same manner as other real estate tax liens. By executing this application and with full knowledge of the above, I/We hereby request the appropriate tax deferral.

Signature of Owner

Date

Signature of Owner (if co-owned) and/or Spouse

Date

Instructions for Completing the Income Eligibility Statement

Section A. Property owner's, spouse's and Additional Property owner's Information

Complete all of Section A. Social security number(s) is required for property owners, spouses and additional property owners in the event it is necessary to verify the truth, correctness, and completeness of the information reported in this form with Personal Income Tax records in the Pennsylvania Department of Revenue.

Section B. Income Information

Lines 1 through 8. You must report the income you, your spouse and any additional property owner (if applicable) earned during the year immediately preceding the year in which you are applying for a real property tax deferral. Enter your income, or the combined income of you, your spouse and the additional property owner, for each category. You must submit photocopies of (as applicable):

- your Social Security and Railroad Retirement Tier 1 income statements
- photocopies of Railroad Retirement pension/annuity benefits statements and other forms 1099 showing pension income for the previous year
- Form(s) W-2
- Department of Public Welfare cash assistance statements
- federal or PA income tax returns

You may also submit any other documents verifying income.

Report on Lines 1 through 6: You must report the income you earned, received and realized in the year preceding the year you are applying for a real property tax deferral, and the income your spouse or any additional property owner earned, received, and realized while residing with you. Do not include surplus food or other relief in kind supplied by a governmental agency, property tax or rent rebate, inflation dividend, Federal veterans' disability payments or State veterans' benefits.

- Salaries
- Wages
- Bonuses
- Commissions
- Value of an inheritance
- Income from self-employment, including partnership and PA S corporation income
- Alimony
- Support money
- Cash public assistance relief
- The gross amount of pensions and annuities, including total distributions from any Individual Retirement Account
- 50% of the Social Security Equivalent Benefits Portion of Tier 1 of your Railroad Retirement Income as shown on Form RRB-1099
- 100% of your prior year's annuity or pension benefits paid by the Railroad Retirement Board (Tier 2)
- 50% of your prior year's social security benefits as shown in box 3 of your statement
- 50% of your prior year's supplemental security income (SSI) as shown on your SSA letter that shows your total yearly benefits or a listing of your monthly benefits
- Unemployment compensation
- Veterans' disability payment
- All interest and dividends
- Rental and royalty income
- Workers compensation benefits
- Gross amount of loss of time insurance benefits and disability insurance benefits
- Life insurance benefits and proceeds (except the first \$5,000 of the total death benefit payments)
- Gifts of cash or property (other than transfers by gift between members of a household) in excess of a total value of \$300
- Lottery winnings, including PA Lottery Winnings, prize winnings, and the value of other prizes

- Realized capital gains.

Section C. Certification

Signatures are required to authorize the verification of the information provided. Failure to execute this Income Eligibility Statement (or to provide a copy of the prior year's PA Property Tax or Rent Rebate Program application) will cause the application process to be terminated. Questions concerning the completion of this Income Eligibility Statement should be addressed to the Delaware County Treasurer's Office at (610) 891-4273, or email realestatetax@co.delaware.pa.us .

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Income Eligibility Statement

A. Complete All

Property Owner's Name: _____ SS# _____ - _____ - _____

Spouse/Additional Property Owner's Name: _____ SS# _____ - _____ - _____

Address: _____

Daytime Telephone Number: _____

Evening Telephone Number: _____

E-mail Address: _____

B. List Below ALL INCOME Received By Property owner(s) and any spouse for 2023 from your Federal Tax Form 1040.

1. **50% of all Social Security, SSI Payments, and Railroad Retirement Tier 1 Benefits.** Submit form(s) SSA-1099, SSA year-end Statement, SSI statement or Form RRB-1099..... 1. \$ _____
2. **Pensions, Annuities, and IRA Distributions.** Submit Forms..... 2. \$ _____
3. **Interest, Dividends, and Capital Gains.** Submit Schedules..... 3. \$ _____
4. **Net Rental Income** Submit profit and loss statement..... 4. \$ _____
5. **Net Business Income** Submit profit and loss statement..... 5. \$ _____
6. **Other Income** such as wages, cash public assistance, unemployment compensation, gifts totaling more than \$300, life insurance death benefits exceeding \$5,000. (See Section B of Instructions) 6. \$ _____
7. **Total Income of Property owner(s)** Add Lines 1 through 6. Total income may **not** Exceed \$46,520.00..... 7. \$ _____

C. **Certification:** I/We declare that this claim is true, correct, and complete to the best of my/our knowledge and belief.

I/We authorize Delaware County access to my Personal Income Tax records to verify the truth, correctness, and completeness of information reported in this form. The property owner(s) shall be guilty of a misdemeanor punishable by a fine up to \$1,000 and/or imprisonment for up to one year upon conviction should the information provided herein be found to have been provided with fraudulent intent.

Signature of Property owner

Date

Signature of Spouse/Additional Property Owner

Date