PEQUEA VALLEY SCHOOL DISTRICT

2025 Homestead and Farmstead Exclusion Resolution

RESOLVED, by the Board of School Directors of Pequea Valley School District, that homestead and farmstead exclusion real estate tax assessment reductions are authorized for the school year beginning July 1, 2025, under the provisions of the Homestead Property Exclusion Program Act (part of Act 50 of 1998) and the Taxpayer Relief Act (Act 1 of 2006), as follows:

1. **Aggregate amount available for homestead and farmstead real estate tax reduction.** The following amounts are available for homestead and farmstead real estate tax reduction for the school year beginning July 1, 2025.

a. **Gambling tax funds.** The Pennsylvania Department of Education (PDE) has notified the School District that PDE will pay to the School District during the school year pursuant to Act 1, 53 P.S. § 6926.505(b), as a property tax reduction allocation funded by gambling tax funds, the amount of $634,992.36

b. **Philadelphia tax credit reimbursement funds**. PDE has notified the School District that PDE will pay to the School District during the school year pursuant to Act 1, 53 P.S. § 6926.324(3), as reimbursement for Philadelphia tax credits claimed against the School District earned income tax by School District resident taxpayers, the amount of $21,460.62

c. **Aggregate amount available.** Adding these amounts, the aggregate amount available during the school year for real estate tax reduction is $656,452.98

2. **Homestead/farmstead numbers.** Pursuant to Act 50, 54 Pa. C.S. § 8584(i), and Act 1, 53 P.S. § 6926.341(g)(3), the County has provided the School District with a certified report listing approved homesteads and approved farmsteads as follows:

a. **Homestead property number.** The number of approved homesteads within the School District is 3,614.

b. **Farmstead property number.** The number of approved farmsteads within the School District is 231.

c. **Homestead/farmstead combined number.** Adding these numbers, the aggregate number of approved homesteads and approved farmsteads is 3,845.

3. **Real estate tax reduction calculation.** The School Board has decided that the homestead exclusion amount and the farmstead exclusion amount shall be equal. Dividing the paragraph 1(c) aggregate amount available during the school year for real estate tax reduction of $656,452.98 by the paragraph 2(c) aggregate number of approved homesteads and approved farmsteads of 3,845 (before considering the assessed value of approved homesteads and approved farmsteads having an assessed value below the preliminary calculation of the maximum real estate assessed value reduction amount to be established as the homestead and farmstead exclusion amount), the preliminary calculation of the maximum real estate tax reduction amount applicable to each approved homestead and to each approved farmstead is $174.24.

Based on calculations provided by the School District Business Office from the best available information and carefully evaluated by the School Board, considering the assessed value of approved homesteads and approved farmsteads having an assessed value below the preliminary calculation of the maximum real estate assessed value reduction amount to be established as the homestead exclusion and the farmstead exclusion amount, an additional aggregate amount of $1,963 will be available during the school year for real estate tax reduction applicable to approximately 3,845 homesteads and farmsteads, resulting in an additional real estate tax reduction amount available for each homestead and farmstead of $0. Adding this additional amount to the preliminary calculation of the maximum real estate tax reduction amount of $171.24, the final maximum real estate tax reduction amount applicable to each approved homestead and to each approved farmstead is $171.24

4. **Homestead exclusion calculation.** Dividing the paragraph 3 maximum real estate tax reduction amount of $171.24 by the School District real estate tax rate of 16.7860 mills (.167860), the maximum real estate assessed value reduction to be reflected on tax notices as a homestead exclusion for each approved homestead is $10,201.33 and the maximum real estate assessed value reduction to be reflected on tax notices as a farmstead exclusion for each approved farmstead is $10,201.33

5. **Homestead/farmstead exclusion authorization – July 1 tax bills.** The tax notice issued to the owner of each approved homestead within the School District shall reflect a homestead exclusion real estate assessed value reduction equal to the lesser of: (a) the County-established assessed value of the homestead, or (b) the paragraph 4 maximum real estate assessed value reduction of $10,201.33 The tax notice issued to the owner of each approved farmstead within the School District shall reflect an additional farmstead exclusion real estate assessed value reduction equal to the lesser of: (a) the County-established assessed value of the farmstead, or (b) the paragraph 4 maximum real estate assessed value reduction of 10,201.33. For purposes of this Resolution, "approved homestead" and "approved farmstead" shall mean homesteads and farmsteads listed in the report referred to in paragraph 2 above and received by the School District from the County Assessment Office on or before May 1 pursuant to Act 1, 53 P.S. § 6926.341(g)(3), based on homestead/farmstead applications filed with the County Assessment Office on or before March 1. This paragraph 5 will apply to tax notices issued based on the initial tax duplicate used in issuing initial real estate tax notices for the school year, which will be issued on or promptly after July 1, and will not apply to interim real estate tax bills.

PEQUEA VALLEY SCHOOL DISTRICT

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John A. Bowden, Board Secretary

(School District Seal)

Date: June 12, 2025