



The City of Philadelphia offers many programs to assist residents who cannot pay their taxes. These are some of the most progressive programs of their kind in the country. Among many initiatives, assistance programs have enabled the City to improve compliance and reduce Real Estate Tax delinquency by 31% from 2013 to 2017.

Materials for applicants is available at:

**[beta.phila.gov/departments/departments-of-revenue/programs/for-homeowners/](http://beta.phila.gov/departments/departments-of-revenue/programs/for-homeowners/)**

Along with the programs listed below, Philadelphia also manages an annual campaign to improve the utilization of the federal Earned Income Tax Credit. An estimated 40,000 Philadelphians are eligible for the credit, but do not apply. With an average refund of \$2,500, city residents are potentially leaving \$100 million on the table. Additional programs are available that are not administered by the Department of Revenue, such as the Veterans Real Estate Tax Exemption.

### **Owner-occupied Real Estate Tax Payment Agreement**

This program allows homeowners to make affordable monthly payments on Real Estate taxes that are past due. The City reported 10,749 households with an active agreement as of December 31, 2017 and \$80,863,451 under agreement.

- Income Limits - All homeowners are eligible but the minimum monthly payment is based on household income.
- Applicants are put into tiers based on what they can afford. For example, for a family of two with a monthly income of:
  - \$4,081 or more: taxpayer pays 10% of monthly income
  - \$2,916 - \$4,080: taxpayer pays 10% of monthly income and Revenue waives 100% of penalties
  - \$1,750- \$2,915: taxpayer pays 8% of monthly income and Revenue waives 50% of interest and 100% of penalties
  - \$876 - \$1,749: taxpayer pays 5% of monthly income and Revenue waives 100% of interest and 100% of penalties. At this income, taxpayers 65 years or older, 55 years old and a widow, or permanently disabled, pay 0% of monthly income.
  - Less than \$875: taxpayers pay \$0. Revenue waives 100% of interest and 100% of penalties.

### **Low-income Senior Citizen Real Estate Tax Freeze**

The Department of Revenue will “freeze” a resident’s Real Estate Tax liability if they meet certain age and income requirements. As of December 31, 2017, 14,681 households were enrolled.

- Income Limits - \$23,500 for singles; \$31,500 for married couples

### **Homestead Exemption**

The Homestead Exemption saves Philadelphia homeowners up to \$419 per year on their Real Estate Taxes by reducing the taxable assessment of their primary residence. There is no income limit to participate in this program. As of April 17, 2018, 211,260 households were enrolled, providing \$89,052,712 in tax relief to Philadelphians.

### **Longtime Owner Occupants Program (LOOP)**

The LOOP is an income based Real Estate tax program for homeowners of 10+ years. Their property assessment must have increased at least 300% from one year to the next. This program is designed to address neighborhoods that have experienced rapid property assessment increases. As of December, 2017, 16,901 households were enrolled, providing \$16,610,204 in relief to Philadelphians.

### **Real Estate Tax Installment Plan**

This program is an income or age based program that allows for installment payment of current Real Estate Tax. As of December 31, 2017, 10,621 households were enrolled.

- Income Limits - Up to 50% of Area Median Income
- In 2018, for a family of four this is \$43,700/year

### **Income-based Wage Tax refund petition**

The City of Philadelphia will refund a portion of the City’s wage tax should the applicant also meet the income requirements of a similar commonwealth of Pennsylvania program. The City approved 1,221 applications (of 1,941 petitions) in 2017, and issued \$91,090.76 in refunds.