

Borough of Wilkinsburg

BOROUGH MANAGER
MUNICIPAL BUILDING
605 ROSS AVENUE
WILKINSBURG, PA 15221-2145
(412) 244-2900
LERTA@wilkinsburgpa.gov

Temporary Tax Exemption / Tax Abatement Application Checklist

Please check the boxes below to indicate that you are including the following items which need to be included for a complete Application.

- Check or money order payable to the Borough of Wilkinsburg for the Application Fee of \$50
- Completed written application form
- Copy of deed
Note: You may be able to get a copy of the deed from the Allegheny County Recorder of Deeds Office (412) 355-4300. There may be a fee for this service.
- Evidence of financial capacity to complete planned improvements
Note: This can include copies of funding commitment letters and / or other proof of financial capacity such as a personal financial statement, bank statement, or tax return.
- Title report issued in the last 60 days
Note: You may contact a real estate attorney or real estate settlement company to have a title report prepared.
- Documentation of assessed value
Note: Acceptable documentation includes a copy of a notice from the Allegheny County Office of Property Assessment
- Copy of building permit(s) if required, and a description of work to be completed.
- Affidavit of Non-Displacement
Note: Format of this affidavit is included in the application packet
- Affidavit of Non-Collusion
Note: Format of this affidavit is included in the application packet
- Tax Certification from local tax collector
Note: You may contact the tax collector to request. There may be a fee for this service.

Applicant Name: _____

Applicant Signature: _____

Date: _____

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**TEMPORARY TAX EXEMPTION
TAX ABATEMENT APPLICATION**

Instructions

Overview

This Application is for any person, organization, corporation, limited liability company, partnership or association seeking a temporary tax exemption, also referred to as a tax abatement, for improvements / construction to real property in the Borough of Wilkinsburg.

Review Process

Applications for temporary tax exemption must be submitted within thirty (30) days of the issuance of a building permit or within 30 days of start of work if no permit required. The Borough Manager or his/her designee shall submit this Application to the Wilkinsburg Joint Committee on Administrative Process to Reclaim Vacant Properties who will either approve or reject this Application. The Applicant will be notified of the Joint Committee's decision.

After completion of the improvements the Allegheny County Office of Property Assessment will reassess the property. The temporary tax exemption begins in the year after the improvements are completed.

Continuing Eligibility Requirements

The granting of a temporary tax exemption will be automatically revoked in the event of any one of the following: (1) Failure to pay any property tax due on any property within Allegheny County, in full, within sixty days of becoming due, or (2) Failure to abate a building or housing code violation on any property within the Allegheny County as provided for in the notice of violation, or (3) Willfully or negligently failing to provide accurate information herein.

Additional Information and Assistance

Additional information on the Temporary Tax Exemption Program including a flowchart summarizing the process and a list of frequently asked questions is available by contacting the Borough Manager's office at (412) 244-2900 or LERTA@wilkinsburgpa.gov. The Wilkinsburg Community Development Corporation is another resource and can provide additional

information regarding economic development programs. The WCDC may be reached at (412) 727-7855 and information is available on their website at www.wilkinsburgcdc.org

Applicant Information

General Information

Property Address: _____

Lot and Block #: _____

Name of Applicant: _____

Mailing Address: _____

Daytime Phone: _____

Evening Phone: _____

Email Address: _____

Is Applicant current on all real estate taxes for properties owned in Allegheny County?

Yes No Not Applicable

Does Applicant have any open building code violations for properties owned in Allegheny County?

Yes No Not Applicable

Additional Property* _____

* Note: List all other real property in Allegheny County owned by the applicant or in which the applicant has any shared ownership interest. Include addresses and lot and block #s. Attach an additional sheet if necessary.

Building and Improvement Information

Building Permit # (if required for improvements) and Date of Issuance _____

Project Type: Residential Commercial Mixed-Use

Construction Start Date: _____

Estimated Total Construction Costs: _____

Brief Description of the Planned Improvements: _____

Attach additional pages if necessary

Summarize the Plan for Financing. Please include amounts and whether or not the financing source has been approved. Attach funding commitment letters and / or other proof of financial capacity such as a personal financial statement, bank statement, or tax return.

Current assessed value: _____

Date of last assessment: _____

Title and Equitable Owner Information

Name of Owner as it Appears on the Deed: _____

Current Occupant of the Property: _____

Will any businesses or residents be permanently displaced as a result of the planned improvements?

Yes No

Is There a Mortgage on the Property?

Origination Date: _____

Principal Amount: _____

Interest Rate: _____

Term: _____

Title and Equitable Owner Information Continued

Are there any unpaid tax, water, utility bills, municipal service fees and/or other liens against the property or any other properties that the Applicant has an interest in that are located in Allegheny County?

If yes, please describe: _____

Attachments

Please attach the following items to this application:

- 1) Application Fee of \$50 payable by check or money order to Borough of Wilkinsburg. Application Fee is non-refundable.
- 2) Copy of deed
- 3) Evidence of financial capacity to complete the planned improvements
- 4) Title report issued in the last sixty days
- 5) Documentation of assessed value
- 6) Copy of the Building Permit
- 7) Affidavit of Non-Displacement
- 8) Affidavit of Non-Collusion
- 9) Tax Certification from local tax collector

Affirmation

IT IS A MISDEMEANOR UNDER THE ACT OF DECEMBER 6, 1972, 18 PA C.S.A. §4984 TO MAKE A FALSE STATEMENT WITH INTENT TO MISLEAD PUBLIC OFFICIALS.

I hereby certify that the statements made in this Application are true and correct to the best of my knowledge, information and belief. I understand that these statements will be relied upon and that false statements are grounds for revocation of the approval of this Application.

Date: _____ Signature of Applicant: _____

Receipt

Please make sure to get this receipt signed and retain it for your records. It will serve as proof that your application was submitted.

Property Address: _____

Name of Applicant: _____

To be Completed by Borough

Date Received: _____

Signed: _____

WILKINSBURG TEMPORARY TAX EXEMPTION / TAX ABATEMENT FACTS AND FREQUENTLY ASKED QUESTIONS

How does the program work?

The program grants a partial temporary tax exemption on the assessed value of improvements to a property for a period of ten years. The program is intended to encourage investment in property and to expand the tax base in Wilkesburg. The program applies for existing owners of property and for new owners who are purchasing property. The program is sometimes referred to as a tax abatement program.

How is this different from the Tax Compromise Program? How do I know which program I should be applying for?

The Tax Compromise Program applies to properties with delinquent taxes owed. The Temporary Tax Exemption Program applies to future taxes. If you are purchasing a tax delinquent property, you should apply for the Tax Compromise Program. If you are fixing up a property and wish to receive a tax abatement for a portion of future of taxes in future years you should apply for the Temporary Tax Exemption Program.

What types of improvements are eligible for this program?

Improvements to commercial, mixed-use, and residential properties are eligible for a temporary tax exemption. The exemption schedule differs by property type, and is listed on the back of this page.

What else should I know about eligibility?

In order to be eligible, you must be current on real estate taxes for any properties owned in Allegheny County. You cannot have any open building code violations. In addition, the planned improvements for your property must not result in the permanent displacement of any business or residents.

What taxes are covered under the temporary tax abatement?

Wilkesburg Borough and Wilkesburg School District real estate taxes are covered under this program. Allegheny County real estate taxes are not covered. The temporary tax exemption is for the assessed value of the improvements, so you will continue to pay full taxes on the pre-improved assessed value of the land and structures.

I own a property that I would like to renovate, but I need help with financing. Where should I start?

There are many resources for assistance with a business plan and project financing. The Wilkinsburg CDC works as a point of contact for local property owners and can be reached at (412) 727-7855 or via www.wilkinsburgcdc.org

How quickly will I learn if my application is approved?

Applications are reviewed initially by the Borough Manager. Once it is determined that the Application is complete, it will go to the Joint Tax Committee for an approval decision. The Joint Tax Committee meets once a month, so in most circumstances a decision will be rendered in 30 – 45 days.

Tax Abatement Schedule

An approved application is eligible for temporary tax exemption beginning the year after the completion of the improvements. The schedule is as follows:

	Percentage of the Assessed Value of Improvements Exempted	
	<u>For Residential Property</u>	<u>For Commercial and Mixed-Use Properties</u>
Year 1	100%	100%
Year 2	90%	100%
Year 3	80%	100%
Year 4	70%	100%
Year 5	60%	100%
Year 6	50%	83%
Year 7	40%	67%
Year 8	30%	50%
Year 9	20%	33%
Year 10	10%	17%
Year 11	No tax abatement shall apply	No tax abatement shall apply

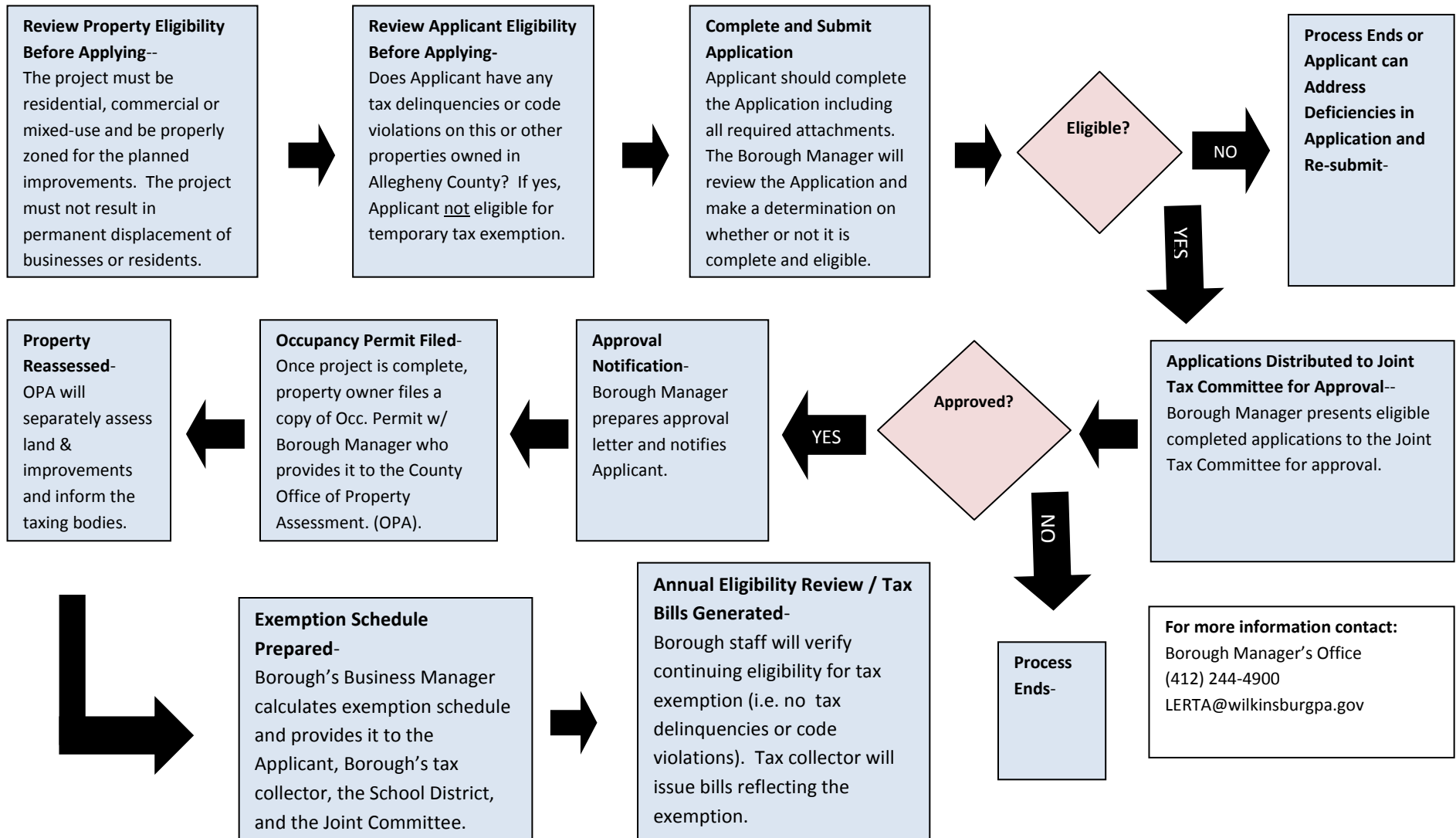
Note: Tax abatement applies only to Borough and Wilkinsburg School District real estate taxes.

Example

A property owner applies for and receives a temporary tax exemption for improvements to a commercial property. The current real estate tax assessment for the property is \$100,000. The owner invests \$400,000 in renovations to the property. After the renovations are completed, the property is reassessed at \$500,000. The owner pays full property taxes on the pre-renovation assessment of \$100,000. The \$400,000 assessed value of the improvements is temporarily abated from taxes based upon the schedule above. For a commercial or mixed-use property, the owner pays no Borough or School District real estate taxes on the assessed value of the improvements for five years, and the abatement phases out over the following five years.

Wilkesburg

Process for Applying for a Temporary Tax Exemption / Tax Abatement



Affidavit of Non-Displacement

I / we, _____ (Full Name of APPLICANT Making Sworn Statement) of _____ (Address of APPLICANT Making Sworn Statement), being of legal age (hereinafter APPLICANT) are planning to make improvements to property located at _____ (hereinafter PROPERTY), understanding the obligation to tell the truth in applying for temporary tax exemption and understanding that there may be legal and financial penalties for knowingly making false statements or negligently omitting important facts, I / we and do hereby depose and say under oath as follows:

1. We make this Affidavit for no improper purpose.
2. We own or have a valid agreement to purchase the PROPERTY
3. We affirm that no residents or businesses were or will be permanently displaced as a result of the planned improvements

Witness our hand under the penalties of perjury _____
(Date of Statement)

Signature of First Deponent

Signature of Second Deponent

Commonwealth of Pennsylvania
COUNTY OF Allegheny

On _____ before me, _____,
Personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose name are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person executed the instrument.

WITNESS my hand and official seal

Signature