

Tax Assessments on Real Estate in Central Bucks School District

Tax assessments on real estate in Central Bucks School District have remained unchanged since 1972, except that properties constructed or improved after 1972 are assessed based on the market value at the time of construction/improvement, as adjusted to a 1972 market value equivalent.

This confusing system, in which two similar properties can exist side-by-side but receive different treatment for tax assessment purposes, is mandated by state law. The result is that properties, and particularly older buildings, might no longer be assessed for tax purposes in realistic proportion to current market values. In fairness to all its taxpayers, if the School District becomes aware of a property in which the current market value is out of proportion to the current tax assessment, the School District might pursue its legal right to file an appeal with the Bucks County Assessment Office seeking an appropriate tax assessment increase.

As an example:

A home has a market value of \$650,000. The tax assessment currently assigned to the property by the County of Bucks is \$27,000.

To see if the current tax assessment is in the correct proportion to the current market value (purchase price), the following formula is used:

Current Market Value (purchase price)	Multiplied by	Bucks County Common Level Ratio *	Equals the	Appropriate Tax Assessment
	×		=	

Since the Current Tax Assessment of \$27,000 is below the Appropriate Tax Assessment of \$73,450, the school district may appeal to increase the tax assessment from \$27,000 to \$73,450.

Original Tax Assessment (found on the property tax bill)	Multiplied by	The School District real estate millage rate * of: 120.8 mills = .1208 as a decimal	Equals the	Old School District Real Estate Tax Bill Amount
	X		=	

New Tax Assessment	Multiplied by	The School District real estate millage rate * of: 120.8 mills = .1208 as a decimal	Equals the	Estimated New School District Real Estate Tax Bill Amount
	X		=	

The increase in school district real estate taxes for this property would be _____ per year.

School district initiated tax assessment appeals, will usually be filed each July. Any changes to the tax assessment amount would not go into effect until the following year. Bucks County and municipal real estate millage rates are updated each January and can be found at their web sites. County and municipal taxes may increase as a result of the assessment appeal and would become effective on January 1.

This form is interactive. Enter your numbers in place of the **blue** numbers on this form to see a revised calculation.

* Updates to these numbers can be found in late July at <http://www.steb.state.pa.us/commonmain.asp>
[divide 1 by the most recent STEB figure listed on the website to arrive at the common level ratio]

By resolution of the Central Bucks School District on February 14, 2012, only real estate properties that are underpaying real estate taxes by at least \$4,000 per year will be considered for an assessment appeal.