



Upper Mount Bethel Township

387 Ye Olde Highway

P.O. Box 520

Mount Bethel, PA 18343-5220

Phone: (570) 897-6127 Fax: (570) 897-0108

Website: www.umbt.org

Manager's Message

Ed Nelson

Welcome - we are excited to announce the first installment of UMBT's "The Manager's Message". The goal of the Manager's Message is to provide the public with information that is critical as we continue to make significant choices for our community.

Today's Manager's Message is about township expenses and property tax.

Our township and school district have only two means available to them to acquire revenue to fund operations, **Property Tax and Earned Income Tax.**

A major assumption for those taxes is that the millage and percentage set is equitable to everyone. My goal here is to show how this works and its effects on the township.

The earned income tax treats us all the same: a flat percentage on our taxable income.

Property taxes, however, have different categories for residents to pay.

If you own less than 10 acres of land you will pay the 6.5 mills set by the Board of Supervisors. That rate is set each year at the reorganization meeting. It is based on expenses projected by the Board. The assessment is done by the county based on a value established in 1995.

What is Act 319? Property 10 acres or more can be assessed by the county and if approved pay taxes on 50% of the assessment.

Farmland Preserved and Open Space is normally in Act 319, but if qualified, will receive a stipend for forfeiting development rights. That is paid out from the township and county from our taxes.

Currently, only 6797 acres of 28,160 acres of land in UMBT are taxed at the full rate of 6.5 mill. The remaining 16,313 acres are taxed at approximately half of the 1995 assessed value due to the Act 319 and the Farmland Preserved and Open Space stipends. Moreover, there is 5050 acres, assessed at over \$23 million that is tax exempt. In other words, due to these programs, the burden of the township revenue has fallen on less than a quarter of its property owners.

From the school district's perspective, of the seven municipalities that send students to BASD, Upper Mount Bethel Township carries the largest tax burden due to our size and population.

Therefore, it is up to all of us to find creative solutions to help ensure our township thrives in the future. If we continue to avoid this problem, the long-term, result will be to increase taxes on a small subset of property owners to support the entire township.

I have worked in communities that have taxed away their residents, and only wealthy landowners survive. Please do not let this happen to ours.

Ultimately, I believe in the people of this township and believe we will continue to make informed decisions that positions our homes and our families for long-term success and happiness.

