

## County, Municipal and School District Taxes continued...

### *Real Estate and Property Taxes*

The Real Estate tax is the only tax authorized by law to be levied by all classes of local government in the state. Every property owner pays real estate taxes to three independent classes: the county, the municipality and the school district. Property taxes in Pennsylvania apply only to real estate - land and buildings - and are not levied on cars, business inventory, or other personal property.

The amount of property tax you will owe is based on a combination of your assessed property value (as determined by the county assessment office) and the millage rates of the municipality and school district in which you live.

### *Realty Transfer Tax*

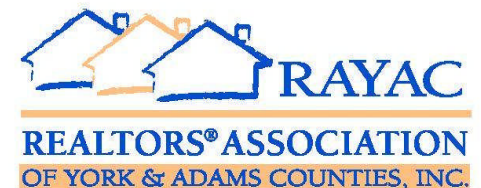
The Realty Transfer tax is imposed only on the transfer price of real property within the taxing jurisdiction. It is levied by the state, county and municipality.

*Information gathered from "Taxation Manual", Pennsylvania Department of Community Affairs*

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Welcome to  
Adams County

# Tax Resource Guide for New Residents



901 Smile Way  
York, PA 17404  
(717) 843-7891  
www.RAYAC.com





# Welcome to Adams County!

Congratulations on your decision to move to this beautiful community nestled within breathtaking landscapes and rich in our country's history.

No matter where you live taxes are a fact of life. Often, grudgingly, we as citizens accept our responsibility to pay our fair share to keep government and public schools operating.

The Commonwealth of Pennsylvania is designed to empower local control. The state of Pennsylvania, Adams County, the 34 municipalities and 6 school districts within Adams County all have governing power and the ability to levy taxes.

This guide is designed to give you some idea of the type of taxes you may have to pay.

As soon as possible after relocating, new residents should contact the local tax collector's office and the assessor's office at the Adams County Courthouse. The telephone number of the courthouse is 334-6781. Once you are settled, you may also want to discuss your tax situation with an accountant or your tax preparer.

## State Taxes

### *Income Tax*

Pennsylvania has a flat tax rate of 3.07 percent on individual income based on wages, interest, dividends, net profits, net gains from the disposition of property, net gains or income from rents, royalties, patents and copy rights, estates and trusts and gambling and lottery winnings. Social Security benefits, public and private pensions as well as IRA distributions are all exempt from state income tax in Pennsylvania.

### *Sales & Use Tax*

Pennsylvania imposes a 6% state sales tax on taxable goods and services. There are, however, exemptions from sales tax including food, clothing, drugs, textbooks, resale items and residential heating fuels.

### *Inheritance and Estate Tax*

Pennsylvania collects an inheritance tax ranging from 6% for direct heirs to 15% for all other beneficiaries. Property inherited from a spouse or by a parent to a child 21 or younger is tax-exempt.

## County, Municipal and School District Taxes

### *Earned Income*

The Earned Income tax is levied on the wages, salaries, commissions, net profits or other compensation of persons subject to the jurisdiction of the taxing body. This is typically split between the municipality and the school district in which you reside.

### *Per Capita*

The Per Capita tax, commonly known as the head tax, is a flat rate tax levied upon each adult within the taxing district.

### *Emergency Municipal Services*

The EMS tax or sometimes known as the occupational privilege tax is a tax on the privilege of working in the jurisdiction. It is levied on residents and non-residents alike who are employed within the taxing body's jurisdiction.

