



# YOUR LOCAL TAX BILL EXPLAINED

## MARCH 2023

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(Planning Commission) vsmith@ x105

# LOOK INSIDE

FOR INFORMATION ABOUT THE ENCLOSED

# 2023 TAX BILL

This bill represents your annual

Monroe County (3.2273 mills),  
Middle Smithfield (1.75 mills),  
and Library (0.169013 mills) Tax.

*(School tax bill to come in August)*

Close to 73% of the residential properties in Middle Smithfield Township pay less than \$300 a year in municipal taxes.

*(less than \$25 / month)*

95% of residential properties in Middle Smithfield Township pay less than \$500 each year in municipal taxes.  
*(less than \$42 / month)*

# What Your Municipal Tax Dollar Provides

## Your Municipal Taxes Provide:

- **74 Miles of municipal roads maintained.**

This includes several bridges, snow plowing/ClearLane/cinders, at least 8 miles of roads paved every year, drains cleaned, trees trimmed, and spring and fall leaf pick up.

- **Recycling program, including the leaf composting facility.**

- **Twice annual Dumpster Day/Township Cleanup.**

- **Community reinvestment:**

- Building a sense of community, for example, litter and beautification efforts such as Adopt-a-Road and litter clean-up “1000 feet of Street” at a time, streetscaping, and community events.
- Note: The cost of events such as Memory Makers and the Tree Lighting are defrayed by sponsorships of our local businesses – some events such as the Egg Hunt, Trunk or Treat, and Person of the Year have been 100% funded by our sponsors!
- Economic Development: Supporting our local businesses through programs such as Restaurant Week and Shop Local, and a new “Revitalize 209” program

- **5 Established parks.**

- Echo Lake Park on Milford Road
- Judy Putek Park on Municipal Drive
- Resica Park on Gravel Ridge
- Community Gardens Park on Coolbaugh Road
- Leroy Lewis Dog Park at Leroy's Lane

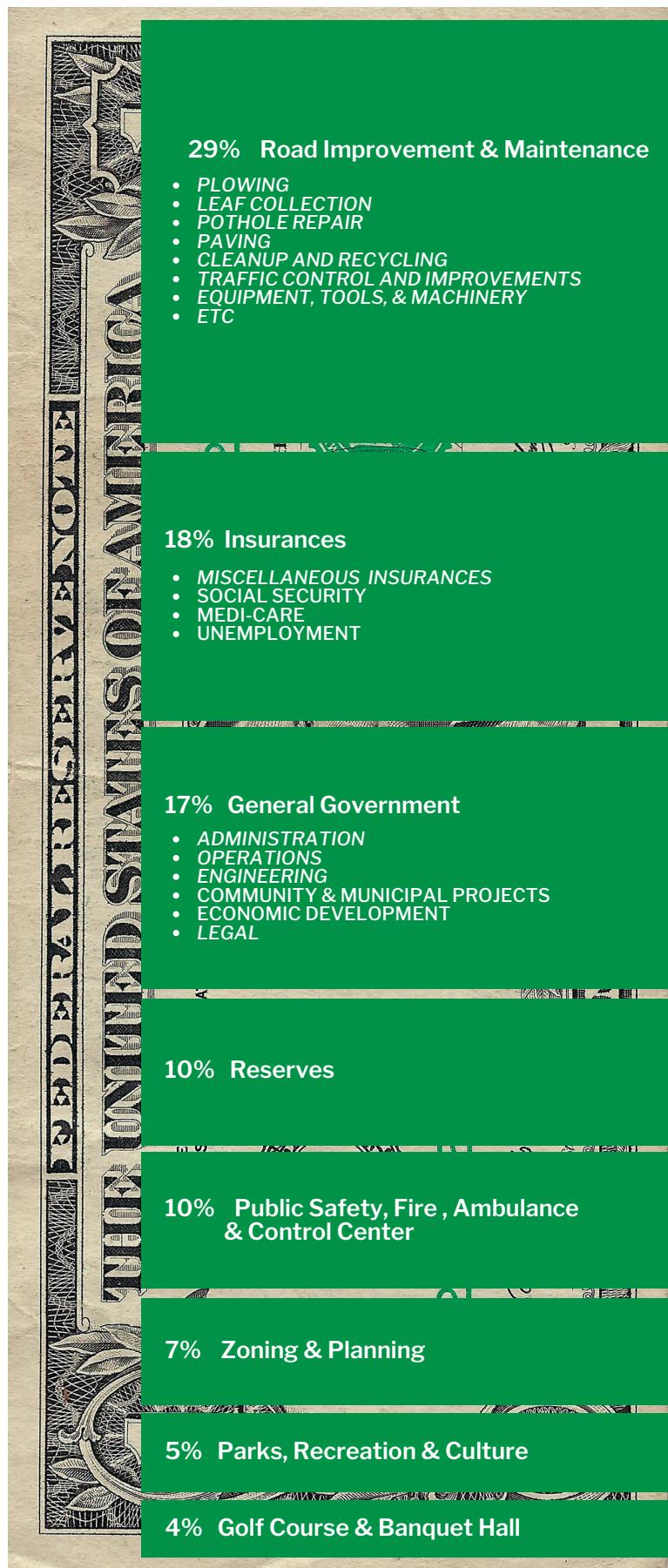
- **Golf Course and Banquet Hall (currently seeking a new owner)**

- **Community planning, such as the updated Comprehensive Plan, zoning and zoning enforcement (such as cleanup and blighted areas).**

- **Communication and information (newsletters, new website, Facebook, MST message boards, signage, etc.).**

- **Community involvement: Committees, Boards and Commissions to facilitate resident engagement. These include Historical, Economic Development, Parks and Recreation, Litter and Beautification, and Golf.**

## How each municipal tax dollar is put to work:



# Real Estate Taxes: Your Tax Bill Explained

Tax is on the value of real property, including land, buildings, and other improvements, owned by a tax payer. Amount of real property tax owned depends on the value of the property and the local tax rate. For taxing purposes, property values are determined by an assessment process conducted by county government.

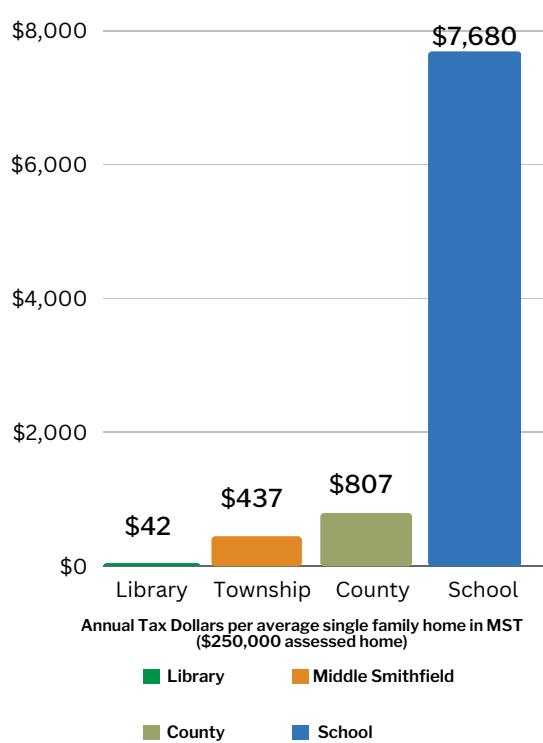
The more than 100,000 parcels in Monroe County are assessed at 100 percent of their perceived actual market value. A home assessed at \$100,000 should have a market value of \$100,000. All pre-existing homes and buildings in the county were first reassessed in 1988 to arrive at common comparison values, and were last reassessed in 2019.

School districts, townships, boroughs, libraries, and county government use millage to arrive at a tax rate. Each mill represents \$1 in taxes for every \$1,000 of assessed value. Therefore, a school district with a tax rate of 30.72 mills, or \$30.72 per \$1,000 of assessment, will charge the owner of a \$100,000 home assessed at \$100,000, a school tax bill of \$3,072 ( $100 \times 0.3072$  mills).

## What is the Homestead/Farmstead Tax Exemption

Under a homestead or farmstead property tax exclusion, the assessed value of each homestead or farmstead is reduced by the same amount before the property tax is computed. Homeowners are not guaranteed a homestead or farmstead exclusion.

If you have not already done so before, don't forget to apply for the homestead/farmstead act tax exclusion. You can find the forms on the Monroe County PA website at: [monroecountypa.gov/departments/assessment/resources/homestead](http://monroecountypa.gov/departments/assessment/resources/homestead)



## Income Taxes: The "Berkheimer Tax"

By now, you should also have also received a mailing by Berkheimer. Local Income Taxes must be filed every year. Prepare your local income tax return when preparing your Federal & State returns.

Berkheimer Associates processes the Local Income Tax returns. Forms, instructions and filing information can be found on their website: <https://www.hab-inc.com/forms/forms-for-individuals/>.

## But what's a mill?

**One mill represents \$1 for every \$1,000 that a property is assessed.**

This means that with an assessment of \$100,000 =  $100 \times 1.75$  mills is \$175 in taxes annually for every property assessed at \$100,000 in market value

**In the sample tax bill below, the total is \$932.22. This total is broken down into three sections:**

### Monroe County Tax: 3.23 mills

This tax goes to Monroe County, which covers several Townships.

In this sample, the tax is \$584.60

### Library Tax: 0.17 mills

This tax goes to support the public library system in the local area.

In this sample, the tax is \$30.62

### Municipal Tax (that's us!): 1.75 mills

This tax goes to Middle Smithfield Township.

In this sample, the tax is \$317

COUNTY OF MONROE MIDDLE SMITHFIELD TOWNSHIP			2022 TAX NOTICE			MARCH 1, 2022		
PAYABLE TO DAWN M ARNST, TAX COLLECTOR			RECEIVING HOURS: MARCH 1-JUNE 30 TUES 5-8PM WED 9-12					
TAX 326 FRUTCHEY DRIVE			OR BY APPOINTMENT ONLY					
COLLECTOR PO BOX 1279			TELEPHONE 570-223-0675					
& MAIL TO: MARSHALLS CREEK PA 18335-1279			LAST PAYMENT DATE TO TAX COLLECTOR: DECEMBER 31, 2022					
ACCOUNT #	BILL NUMBER:		TAXES UNPAID WILL RETURN TO COUNTY TAX CLAIM BUREAU ON: JAN. 1, 2023					
PARCEL NUMBER	TYPE	CLASS	BUILDING	149,480	LAND	31,660	ASSESSMENT	181,140
09.16.5.8	RE	9	CTY	3.2273	572.91		584.60	643.06
TAXES BILLED HEREON ARE NOW DUE AND PAYABLE AND DEMAND FOR PAYMENT IS HEREBY MADE.			LIB	0.169013	30.01		30.62	33.68
TAXPAYER NAME 147 Municipal Dr			MUN	1.75	310.66		317.00	348.70
AND ADDRESS East Stroudsburg, PA 18302			AMOUNT IF PAID BY		APR 30, 2022	JUN 30, 2022	DEC 31, 2022	1,025.44
			TOTAL TAX DUE		913.58	932.22		
PAYABLE IN UNITED STATES CURRENCY ONLY.								
DATE RECEIVED _____ AMOUNT RECEIVED _____								
PAYMENT RECEIVED BY _____								
PAYMENT MADE AFTER DEC 15 MUST BE PAID BY CASHIER'S CHECK OR MONEY ORDER.								
IF PROPERTY SOLD OR TAXES PAID BY A MORTGAGE COMPANY FORWARD TO APPROPRIATE PARTY WITH LOAN NUMBER WRITTEN ON TOP OF BILL								
RETURN ENTIRE BILL WITH A STAMPED SELF-ADDRESSED ENVELOPE WHEN REQUESTING A RETURN RECEIPT.								
RECEIPT NOT VALID UNTIL CHECK CLEARS BANK.								

# What is your Township doing to hold taxes down?

## **Reducing spending, and increasing income**

**Cutting costs:** All township employees are charged with cutting costs wherever possible, without reducing services. For example...

We have installed energy saving devices such as Basic Power that reduce our utility usage, saving thousands of dollars a year. A successful grant application allows the township to install solar panels on its Community & Cultural Center, which will further allow the township to reduce energy costs. We also cut costs by achieving an economy of scale – volume or bulk buying via memberships to professional organizations that act as a buying group, such as COG (Council of Government) and Co-Stars. We also aren't penny-wise and pound foolish – we invest in better equipment and materials because, in the long run, it saves money. For example, our township was one of the first to use ClearLane, a road treatment product superior to salt. While ClearLane costs more per pound than salt, we use less of it than salt, as well as saving labor hours because the product does some of the work.

In 2017, the township purchased a parcel in the Wooddale area and put a public works shed for materials and equipment in an underserved area of the township. Now, when a storm hits, response time is cut and the workflow is more efficient. This additional facility in the Wooddale area will save time, which means it saves money and increases safety: when plows spend their time plowing instead of commuting to a facility on Municipal Drive, they can keep the roads clear more of the time, and finish plowing faster.

**Increase Income:** Middle Smithfield gets income from a number of sources, such as the taxes you pay, the fees we receive from building and zoning permits, and the grants we get from the state, federal, and private programs which help to stretch your tax dollars in completing projects. But, rather than increase taxes, we seek to increase the number of entities paying taxes. In other words, rather than increase the tax burden for each tax payer, we seek to increase the number of tax payers to share the burden -- increasing the tax base. With more tax payers to share the burden, the cost to each is spread out. Programs such as sewer financing and LERTA are designed to attract tax-paying businesses such as AutoZone, the Apartments at Mt. Nebo, and Tractor Supply in an effort in keeping not just your municipal taxes low, but to hold the line on school taxes as well. Speaking of attracting tax paying businesses:

## **Attracting tax-paying businesses:**

The most demonstrable example of the township's effort to increase the number of tax-paying parcels in the township is the successful effort to rezone 311 acres of the township owned, vacant land into C2 – Commercial to advance the mission of selling the municipal golf course to a qualified buyer. It has been the goal of the township for the last 11 years to transition this property into a tax-paying property. (Currently, because the township owns the property, there is no property tax revenue).

The 311 acres includes part of the municipal golf course, and the golf holes themselves will remain as open space for the neighboring community. The C2 district is eligible for LERTA tax abatement. The township hopes the availability of commercial land adjacent to the golf course, with incentives such as sewer financing and the LERTA tax abatement, will attract a qualified buyer with a project consistent with the township's mission and vision statements. A developer would have the options of creating a project compatible with a golf course, and purchase both the commercial land and the golf course. (Stand-alone golf courses are not popular investments, and reduces the chances of the township selling its golf course). A sale of the golf course and the adjacent acreage would put that land back on the tax rolls and a compatible business would create jobs, and not adversely affect school taxes as more residential development could.

## **LERTA: Local Economic Revitalization Tax Assistance Act**

**Sewer:** Financing the future improves cash flow, improving our local economy by encouraging our existing businesses to grow, and attracting new ones.

The burden on current tax payers can only be eased by expanding the tax base (i.e. getting more tax payers to share the tax burden, such as new commercial ventures.) We cannot gain land area (i.e. we cannot gain more taxable land parcels), but we can look to improve the area that exists.

The LERTA program provides tax abatement incentives to encourage improvements, rehabilitation, and new construction.

The sewer financing program allows for businesses to finance their sewer tap in fees after paying for the initial 2 EDU tap in fee, improving cash flow, and allowing more investments in our community.

The need for more incentives to bring in more businesses is obvious. Many cities and townships throughout the county have turned the corner and are now seeing their local economies growing. The supervisors, commissioners, and majority of the school board want to see more businesses to share the tax burden and more jobs available locally.

If you would like to learn more about our programs, or if you are a business looking to expand or relocate to our township, please call us at 570-223-8920 or email [jbrechbiel@mstowship.com](mailto:jbrechbiel@mstowship.com)