

WESTTOWN TOWNSHIP

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December 1, 2023

Dear Westtown Residents:

I wanted to take an opportunity to wish you a very happy and healthy holiday season and bring you up to speed on some important developments in Westtown Township.

New Earned Income and Real Estate Taxes, Effective January 1, 2024

On November 20, the Board of Supervisors adopted two ordinances that raised the Township's Earned Income Tax rate and Real Estate Tax rate to the levels authorized in the November 8, 2022 Open Space Tax Referendum. Therefore, beginning in January, the Earned Income Tax rate will increase from 1.04% to 1.08% and the Township Real Estate Tax rate will increase from 3.71 mills to 3.92 mills. These tax increases represent the second and final phase of the tax increases necessary to acquire and maintain Crebilly Farm. Please also note that the additional funds from these tax increases are segregated in a special Open Space Fund that is separate from the General Fund.

Your specific tax increase will depend on 1) your household earned income and 2) the assessed value of your home. For perspective, a household earning \$100,000 will pay an additional \$40 in local Earned Income Tax. Meanwhile, the owner of a "typical" single family detached home may expect an increase in their real estate tax bill of between \$40 and \$50 per year, with owners of smaller homes paying proportionately less and owners of larger homes paying proportionately more.

If you work for a Pennsylvania-based employer, your local earned income tax withholdings should be automatically adjusted in your paycheck beginning on January 1. If they are not, please be sure to check with your payroll department right away. If you file quarterly estimated payments to the Keystone Collections Group, please be sure to remit earned income at the rate of 1.08% beginning with your return corresponding with wages earned in the 1st Quarter of 2024.

Your 2024 real estate tax bill will be mailed out by or before February 1. If you have an escrow account, do not make a payment to the Township; your mortgage company will make payment directly to the Township on your behalf.

Update on Crebilly Farm Acquisition

The Township continues to make progress in permanently preserving Crebilly Farm. First, earlier this year, conservation easements were placed on the four large parcels covering 102 acres along the western portion of the property that will remain privately owned. These easements restrict the parcels from being subdivided in the future and will ensure that the land remains protected in perpetuity. The conservation easements were purchased with a \$2.15 million grant from Chester County and a \$1.95 million commitment from the Township, which is secured by the new open space taxes.

Second, the Township is still on track to acquire the remaining 206 acres that will be used as a passive recreation area by late 2024, at a cost of \$20.6 million. The Township, in partnership with Natural Lands, has secured grant commitments and private donations for the acquisition totaling about \$12.3 million. In addition, the Township will contribute about \$5.3 million, which will also be secured by the new open space taxes. This leaves a funding gap of about \$3 million. Fortunately, Natural Lands has now identified a funding source to close that gap and is working hard to ensure that the acquisition remains on track for closing in 2024.

Communicating information about tax increases is obviously a difficult, if necessary step in the operation of the Township, and we are grateful for your understanding. Please do not hesitate to contact me by email at jaltshul@westtown.org if you have any questions or concerns.

Sincerely,

Jonathan Altshul Township Manager