

April 6, 2009

Upon receipt of your 2009 Borough and County Real Estate Tax Bills some of you contacted Borough Hall or the Tax Collector to inquire about the real estate tax increase.

The millage increase was necessitated primarily due to the reduction in revenues received from Act 511 Taxes. Act 511 Taxes are Real Estate Transfer Tax and the Earned Income Tax, and the Local Services Tax. Revenue from Act 511 Taxes is directly impacted by economic conditions.

Also the redefining of "income" by our state legislature resulted in a significant reduction in the amount of Local Services Tax collected by the Borough. The purpose of this tax is to assist with the cost of providing emergency services such as police, fire and ambulance, as well as road construction and maintenance.

The Act 511 Taxes collected by the borough in 2008 were twenty percent lower than in fiscal year 2007. In addition to a reduction in revenue received from the Local Services Tax, the downturn in the housing market resulted in a reduction in the revenue collected from Real Estate Transfer Tax.

It has been the borough's policy to make every attempt to keep expenses to a minimum without compromising basic services we enjoy as residents of the borough. As the year progresses we will closely scrutinize expenses and monitor revenues. We are very much aware that the services provided by the borough are paid for with your tax dollars. We are all feeling the effects of the current economic conditions and are hopeful that conditions will improve.

Boyertown Borough Council  
Borough of Boyertown, Berks County, Pennsylvania