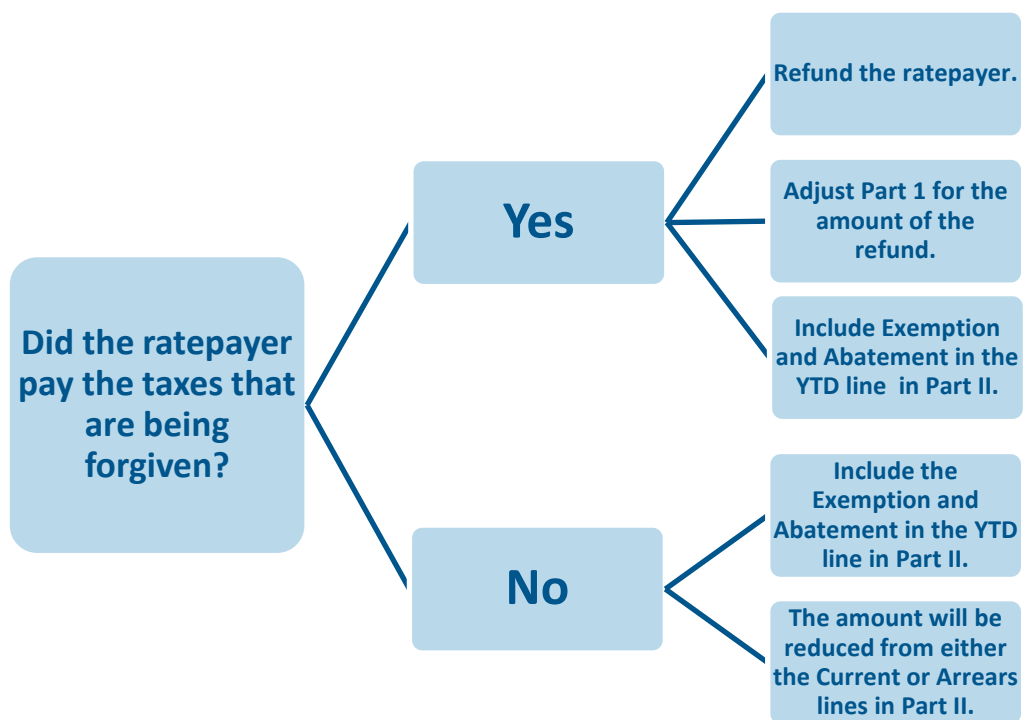


Monthly Education Property Tax Reporting Exemptions and Abatements

Reporting Exemptions and Abatements in the Monthly Return

Municipalities are required to report the total dollar amount of education property tax (EPT) forgone due to local exemptions and abatements in Part II of the monthly EPT form. When reporting exemptions or abatements in your monthly return, correct reporting comes down to one question: will this affect your cash or your liability? Below is a chart referencing two possible scenarios.



Did The Ratepayer pay the taxes that are being forgiven?

YES:

Refund the ratepayer and adjust "Net EPT Collected" in Part I for that amount of the refund. You would then include the exemption and abatement in line 4 or 5 in the YTD line in Part II.

NO:

Include the exemption and abatement on line 4 or 5 in the YTD lines in Part II depending on whether the amount was abated or exempted. The amount will also be reduced from either the current or arrears lines in Part II of the monthly return.