

Dec. 6, 2021

Upper Darby Township Council
100 Garrett Rd.
Upper Darby, PA 19082

Dear Upper Darby Council Members:

The Suburban Realtors Alliance, which represents 14,000 Realtors in the suburbs around Philadelphia, is opposed to the proposed increase to the current realty transfer tax levied by Upper Darby Township. Along with the expensive sewer lateral inspection implemented last year, this tax increase will strip even more hard-earned equity from current Upper Darby residents.

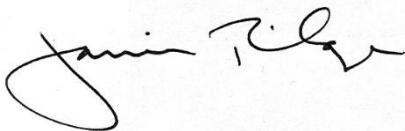
We oppose the increase for the following reasons:

- 1) As the transfer tax is levied only on buyers and sellers of property, the burden per taxpayer is much greater than the burden from a more broad-based tax designed to generate the same amount of revenue. This extra burden is levied on sellers and buyers each time they transact in the township.
- 2) The substantial increase Upper Darby is proposing will place the township in the unenviable position of having a higher transfer tax rate than neighboring municipalities. For a median priced home of \$190,530 in Upper Darby, the combined Realty Transfer Tax would balloon by 25 percent, from the current \$3,810 to \$4,763 (Municipal 0.75%; School 0.75%; PA 1% = 2.5%).
- 3) The transfer tax adds a considerable burden on first-time home buyers saving for a down-payment and covering closing costs. As the cost of housing has increased significantly in our region and across the country over the past year, this added expense would make housing in Upper Darby Township even less accessible and attractive for this important segment of home buyers.
- 4) The amount of revenue earned from the tax fluctuates greatly as supply and demand for housing vacillates due to varying economic conditions. As an unstable source of revenue, earnings gained from the realty transfer tax should not be attached to a general operating budget of either state or local government.

As an industry that understands the importance of tax policy for local governments, we would request that our members be included in conversations about the realty transfer tax moving forward.

Thank you for considering our concerns prior to voting on this important issue.

Sincerely,



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