

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2482 Session of
1982

INTRODUCED BY MURPHY, SEVENTY, CORDISCO, WAMBACH, WACHOB, BROWN,
WOZNIAK, SWAIM, J. D. WILLIAMS, RAPPAPORT, PISTELLA AND
O'DONNELL, MAY 4, 1982

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MAY 4, 1982

AN ACT

1 Providing for an original and cyclical annual assessment and
2 review of tax-exempt property, providing municipal service
3 charge, providing fixed assessment for senior citizens.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Definitions.

7 The following words and phrases when used in this act shall
8 have, unless the context clearly indicates otherwise, the
9 meanings given to them in this section.

10 "Assessed value." The current assessed value of real
11 property as certified by the chief assessor of the county.

12 "Board." The county commissioners, board of revision of
13 taxes or board for the assessment and revision of taxes.

14 "Chief assessor." The chief assessor of each county.

15 "Dormant tax-exempt property." Any tax-exempt property,
16 including publicly owned land, that has lain dormant for a
17 period of three years or more.

18 "Local tax collector." The appropriate municipal officer

1 authorized to collect real property taxes.

2 "Municipal service charge." The charge authorized by this
3 act to be imposed by municipalities on otherwise tax-exempt
4 property within their jurisdiction.

5 "Municipal services." Services provided by municipalities
6 which are funded in whole or in part by real estate taxes and
7 for which special fees, charges or assessments are not made to
8 recover the costs of providing such services.

9 "Person." Any individual, firm, partnership, association,
10 company, corporation, organization or any other group.

11 "Tax-exempt property." Real property exempted by the
12 applicable assessment laws from the payment of real property
13 taxes on all or a part of a parcel of real estate, including
14 publicly owned property.

15 "Tax liability." The amount of taxes on tax-exempt property
16 that would be due and owing a municipality if the property were
17 not tax-exempt.

18 "Tax-levying body." Any county, municipality or school
19 board.

20 Section 2. Annual assessment of tax-exempt property.

21 (a) All tax-exempt property shall be assessed every three
22 years in the same manner as is taxable property in each county
23 of the Commonwealth. The chief assessor of each county shall
24 prepare and submit to the appropriate tax board an assessment
25 roll of tax-exempt property, together with the value placed on
26 each parcel or tract of real property due and owing a
27 municipality if the property were not tax-exempt.

28 (b) Any real property or part and parcel thereof determined
29 to be tax-exempt shall have a tax-exempt certificate issued to
30 the owner of such property identifying and certifying it as tax-

1 exempt under this act. Such certificate shall be valid only for
2 a period of three years for which it is issued and only for so
3 long as the ownership or use of property upon which the
4 exemption was conditioned is not changed.

5 (c) Such certificate shall be issued by the tax-levying body
6 in which the property is located. The governing body of each
7 tax-levying body shall establish a process whereby all property
8 to be considered for tax-exempt status be performing the
9 purposes that qualify it for tax-exempt status pursuant to the
10 Pennsylvania Constitution, Article 8, section 2. The governing
11 body shall require each property to be considered for tax-exempt
12 status to show the amount of taxes that would be generated if
13 this property were, by publishing in a newspaper of general
14 circulation, to be taxed according to current millage and
15 assessment rates. When voting whether or not to grant tax-exempt
16 status, the governing body shall vote in a public forum,
17 pursuant to the act of July 19, 1974 (P.L.486, No.175), referred
18 to as the Public Agency Open Meeting Law. A simple majority vote
19 of all members shall constitute approval. Any party that does
20 not agree with the decision rendered by the body may petition
21 the body to conduct a public hearing on the matter upon securing
22 and presenting 100 signatures on a petition to the governing
23 body. Any party otherwise aggrieved by the decision rendered by
24 the governing body, shall have 30 days to appeal to the court of
25 common pleas in the county in which the property is located.

26 (d) In the event of a change in the zoning of the area in
27 which the tax-exempt property is located or the granting of a
28 variance, the governing body may rightfully deny the tax-exempt
29 status if it determines it is not in the public's interest.

30 (e) The county assessor shall record and make available to

1 the public a listing of exempt properties according to type of
2 property, its value, the percentage each property represents to
3 the total and the taxing jurisdiction in which the property is
4 located.

5 (f) The tax-levying body shall every three years review tax-
6 exempt property to determine whether such properties continue to
7 provide services for which the exemption was granted.

8 Section 3. Municipal service charge.

9 (a) A municipal service charge may be levied annually by
10 ordinance of the municipal body and collected by the municipal
11 tax collector upon all real estate within its jurisdiction which
12 is exempted from taxation within its jurisdiction for public
13 services provided to the tax-exempt property.

14 (b) Any person failing to pay the municipal service charge
15 imposed by this act shall be subject to statutory interest,
16 penalties and liens for nonpayment of municipal real property
17 taxes.

18 (c) Expenditures for services not provided for certain real
19 estate shall not be applicable to the calculation of a service
20 charge for such real estate.

21 (d) Services charges shall not exceed the amount of tax
22 which would be received on the assessed value were it not
23 exempt.

24 (e) Each municipality shall establish different classes of a
25 municipal service charge to be levied depending upon the degree
26 of use of municipal services, the amount of public and
27 charitable work that it does, and other pertinent and relative
28 factors that the municipality believes to be applicable.

29 (f) A municipal service charge shall not be levied against
30 any actual place of worship or elementary or high school in the

1 Commonwealth. Such places of worship and schools must provide
2 religious or educational services on a regular basis.

3 Section 4. Assessment of real property of senior citizens.

4 (a) Funds derived from this act shall first be used to
5 provide that the assessment of real property owned by a person
6 62 years of age or older, by a husband and wife where the
7 principal wage earner is 62 years of age or older, or by a widow
8 55 years of age or older shall not be increased so long as the
9 real property is used by the owner or owners as the residence of
10 such owner. In addition, millage increases shall be inapplicable
11 to those qualifying under this section.

12 (b) In order to qualify for the provisions of subsection
13 (a), the owner or owners must file an affidavit with the board
14 for the assessment and revision of taxes on a form prepared and
15 supplied by each county, stating under oath that:

16 (1) Such person is the owner of record.

17 (2) The property is used as his or her residence.

18 (3) The address of the property, the municipality in
19 which it is located, its lot and block, and its present
20 assessed valuation.

21 (4) Such person is 62 years of age or older, or if the
22 property is owned by a husband and wife, that the principal
23 wage earner is 62 years of age or older, or if a widow, that
24 she is 55 years of age or older.

25 (5) The property in question is not rental property nor
26 used in whole or in part for commercial purposes.

27 (6) Combined income, earned and unearned, does not
28 exceed \$15,000 per year.

29 (c) This section shall not apply to property used for rental
30 or commercial purposes.

1 (d) The assessment of any property subject to this section
2 shall not be increased so long as the owner and the subject
3 property continue to qualify under the provisions of this
4 section; however, it shall be the owner's obligation to renew
5 the affidavit required in subsection (b) by notifying the board
6 in writing each year that the property continues to qualify;
7 failure to file the yearly renewal shall terminate the
8 assessment freeze.

9 (e) When the property subject to this section is sold or
10 passes by inheritance, the property shall be reassessed within
11 six months in accordance with the standards and procedures
12 applicable to other property in the municipality.

13 Section 5. Action on dormant tax-exempt property.

14 All tax-levying jurisdictions shall have the ability to
15 direct owners of dormant tax-exempt property to furnish them
16 plans that provide for the development and utilization of the
17 property for charitable and public use. If such plans are not
18 provided, the tax-levying body shall revoke the tax-exempt
19 status of said property and shall levy and collect taxes at the
20 current assessed value and millage rates of their jurisdiction.

21 Section 6. Applicability.

22 This act is applicable to land owned by all levels of
23 government, including land owned by the Commonwealth of
24 Pennsylvania.

25 Section 7. Effective date.

26 This act shall take effect in 90 days.