

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2212 Session of
1993

INTRODUCED BY WOZNIAK, DEMPSEY, ARMSTRONG, BELFANTI, BUNT,
CAPPABIANCA, CARONE, CIVERA, CURRY, DALEY, EGOLF, FAIRCHILD,
FICHTER, GERLACH, GORDNER, HALUSKA, HANNA, HENNESSEY,
HERSHEY, HUTCHINSON, KREBS, KUKOVICH, LaGROTTA, LAUB,
LAUGHLIN, LEH, MARSICO, MASLAND, MIHALICH, MILLER, NAILOR,
PETRONE, PETTIT, PLATTS, RAYMOND, REBER, SANTONI, SATHER,
SAYLOR, SCHULER, SEMMEL, STRITTMATTER, TANGRETTI,
E. Z. TAYLOR, TIGUE, TULLI, VANCE AND VAN HORNE,
NOVEMBER 24, 1993

REFERRED TO COMMITTEE ON FINANCE, NOVEMBER 24, 1993

AN ACT

1 Amending the act of June 23, 1931 (P.L.932, No.317), entitled
2 "An act relating to cities of the third class; and amending,
3 revising, and consolidating the law relating thereto,"
4 further defining "common level ratio"; further providing for
5 board determinations in assessment appeals; providing for
6 assessment errors and refunds; and further providing for
7 court determinations in assessment appeals.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. The definition of "common level ratio" in section
11 2503.1 of the act of June 23, 1931 (P.L.932, No.317), known as
12 The Third Class City Code, reenacted and amended June 28, 1951
13 (P.L.662, No.164) and added December 13, 1982 (P.L.1192,
14 No.273), is amended to read:

15 Section 2503.1. Definitions.--The following words and
16 phrases when used in this act shall have, unless the context
17 clearly indicates otherwise, the meanings given to them in this

1 section:

2 * * *

3 "Common level ratio," the ratio of assessed value to current
4 market value used generally in the county or applicable city as
5 last determined by the State Tax Equalization Board pursuant to
6 the act of June 27, 1947 (P.L.1046, No.447), referred to as the
7 State Tax Equalization Board Law.

8 * * *

9 Section 2. Section 2504(c) of the act, amended December 13,
10 1982 (P.L.1192, No.273), is amended and the section is amended
11 by adding subsections to read:

12 Section 2504. Assessment of Property; Duties of Assessor.--*

13 * *

14 (c) The board shall assess real property at a value based
15 upon an established predetermined ratio which [may not exceed]
16 shall be one hundred per centum of actual value. Such ratio
17 shall be established and determined by the city council after
18 proper notice has been given.

19 * * *

20 (f) If a third class city changes its assessment base by
21 applying a change in the established predetermined ratio, the
22 board shall apply the percentage change between the existing
23 established predetermined ratio and the new established
24 predetermined ratio to the county's common level ratio to
25 establish the certified revised common level ratio for the year
26 in which the assessment was revised.

27 (g) If a third class city, which assesses property
28 independently from the county in which it is located, performs a
29 citywide revision of assessments by revaluing the properties and
30 applying the city established predetermined ratio, the city

1 shall utilize its predetermined ratio instead of the city common
2 level ratio for the year in which the assessment was revised and
3 until such time as the common level ratio, as determined by the
4 board, reflects the revaluing of properties from the revision of
5 assessments.

6 Section 3. Section 2520 of the act, amended December 13,
7 1982 (P.L.1192, No.273), is amended to read:

8 Section 2520. Custody of Assessment Books; Completion of
9 Work of Board.--(a) The board of revision of taxes and appeals
10 shall procure and have the custody and control of all books
11 relating to assessment of city taxes, and keep them arranged
12 according to wards and dates, and shall furnish the city
13 assessor the necessary books for making the assessment, which,
14 on the completion of such assessment, shall be returned to such
15 board of revision of taxes and appeals. The board shall complete
16 its labors, and the hearing and determination of all appeals, on
17 or before the first day of December of each year, or as soon
18 thereafter as practicable, after which the assessment shall be
19 copied, by wards, into a tax duplicate or duplicates for the use
20 of the city. The assessment, so corrected and copied, shall be
21 and remain a lawful assessment for the purpose of city taxation
22 until altered as provided in this article. The board shall give
23 notice in writing within five days after its disposition of each
24 appeal, advising the taxable of its decision.

25 (b) In any appeal of an assessment the board shall make the
26 following determinations:

27 (1) The [current] market value [for the tax year in
28 question] as of the date such appeal was filed with the board.

29 (2) The common level ratio published by the State Tax
30 Equalization Board on or before July 1 of the year prior to the

1 tax year on appeal before the board.

2 (c) The board, after determining the [current] market value
3 of the property for the tax year in question, shall then apply
4 the established predetermined ratio to such value unless the
5 common level ratio varies by more than fifteen per centum from
6 the established predetermined ratio, in which case the board
7 shall apply the common level ratio to the [current] market value
8 of the property for the tax year in question. As an example, in
9 the case of an established predetermined ratio of thirty per
10 centum, the following calculations would be made to determine
11 the permissible ratio variance:

12 30% (PDR) x 15% = 4.5%

13 30% (PDR) + 4.5% = 34.5%

14 30% (PDR) - 4.5% = 25.5%

15 (c.1) If a third class city changes its assessment base by
16 applying a change in the established predetermined ratio, the
17 board shall apply the percentage change between the existing
18 established predetermined ratio and the new established
19 predetermined ratio to the county's common level ratio to
20 establish the certified revised common level ratio for the year
21 in which the assessment was revised.

22 (c.2) If a third class city, which assesses property
23 independently from the county in which it is located, performs a
24 citywide revision of assessments by revaluing the properties and
25 applying the city established predetermined ratio, the board
26 shall utilize the city's established predetermined ratio instead
27 of the city common level ratio for the year in which the
28 assessment was revised and until such time as the common level
29 ratio, as determined by the board, reflects the revaluing of
30 properties from the revision of assessments.

(d) Nothing herein shall prevent any appellant from appealing any base year valuation without reference to ratio.

Section 4. The act is amended by adding a section to read:

Section 2520.1. Error in Assessment; Refunds.--(a) If, through mathematical or clerical error, an assessment is greater than it should have been and taxes are paid in accordance with the incorrect assessment, the board of revision of taxes and appeals shall inform the appropriate individuals and shall make a refund to the taxpayer for whichever of the following is less:

(1) The overage of taxes paid during the period of time the error existed.

(2) The overage of taxes paid during the six years preceding the date the board discovers the error.

(b) A taxpayer may petition the board to determine if there has been an error in the assessment of the taxpayer's property.

(c) Reassessment which results from a judgment of the board that is based on the method of assessment utilized does not constitute an error under this section.

Section 5. Section 2521 of the act, amended December 13, 1982 (P.L.1192, No.273), is amended to read:

Section 2521. Appeals from Decisions of Board; Costs.--(a) Any owner of taxable property who may feel aggrieved by the decision of the board of revision of taxes and appeals as to the assessment or valuation of his taxable property may appeal from the decision of the board of revision of taxes and appeals to the court of common pleas of the county within which such property is situated, and, for that purpose, may present to said court, or file in the prothonotary's office, within sixty days after mailing notice to him that the board of revision of taxes and appeals have held the appeals provided for by law and acted

1 on the said assessments and valuations, a petition signed by
2 him, his agent, or attorney, setting forth the facts of the
3 case. The court shall thereupon, after notice to the said board
4 of revision of taxes and appeals, hear the said appeal and the
5 proofs in the case, and make such orders and decrees touching
6 the matter complained of as to the judges of said court may seem
7 just and equitable, having due regard to the valuation and
8 assessment made of other property in such city. The costs of the
9 appeal and hearing shall be apportioned or paid as the court may
10 direct. The said appeals shall not, however, prevent the
11 collection of the taxes complained of, but in case the same
12 shall be reduced, then the excess shall be returned to the
13 person or persons who shall have paid the same.

14 (b) In any appeal of an assessment the court shall make the
15 following determinations:

16 (1) The [current] market value [for the tax year in
17 question] as of the date such appeal was filed before a city
18 council acting in its capacity as board of revision of taxes and
19 appeals. In the event subsequent years have been made a part of
20 an appeal, the court shall determine the respective market value
21 for each such year.

22 (2) The common level ratio which was applicable in an appeal
23 to a city council acting in its capacity as board of revision of
24 taxes and appeals. In the event subsequent years have been made
25 a part of an appeal to the court, the court shall determine the
26 respective common level ratio for each such year published by
27 the State Tax Equalization Board on or before the year prior to
28 the tax year being appealed.

29 (c) The court, after determining the [current] market value
30 of the property [for the tax year in question] under subsection

(b)(1), shall then apply the established predetermined ratio to such value unless the corresponding common level ratio determined under subsection (b)(2) varies by more than fifteen per centum from the established predetermined ratio, in which case the court shall apply the respective common level ratio to the [current] corresponding market value of the property [for the tax year in question]. As an example, in the case of an established predetermined ratio of thirty per centum, the following calculations would be made to determine the permissible ratio variance:

$$30\% \text{ (PDR)} \times 15\% = 4.5\%$$

$$30\% \text{ (PDR)} + 4.5\% = 34.5\%$$

$$30\% \text{ (PDR)} - 4.5\% = 25.5\%$$

(c.1) If a third class city changes its assessment base by applying a change in the established predetermined ratio, the court shall apply the percentage change between the existing established predetermined ratio and the new established predetermined ratio to the county's common level ratio to establish the certified revised common level ratio for the year in which the assessment was revised.

(c.2) If a third class city, which assesses property independently from the county in which it is located, performs a citywide revision of assessments by revaluing the properties and applying the city established predetermined ratio, the court shall utilize the city's predetermined ratio instead of the city common level ratio for the year in which the assessment was revised and until such time as the common level ratio, as determined by the board, reflects the revaluing of properties from the revision of assessment.

(d) Nothing herein shall prevent any appellant from

1 appealing any base year valuation without reference to ratio.

2 Section 6. This act shall take effect January 1, 1995.