

AN ACT

1 Amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873,
2 No.1), entitled "An act providing for taxation by school
3 districts, for the State funds formula, for tax relief in
4 first class cities, for school district choice and voter
5 participation, for other school district options and for a
6 task force on school cost reduction; making an appropriation;
7 prohibiting prior authorized taxation; providing for
8 installment payment of taxes; restricting the power of
9 certain school districts to levy, assess and collect taxes;
10 and making related repeals," in taxation by school districts,
11 further providing for property tax limits on reassessment.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Section 327 of the act of June 27, 2006 (1st
15 Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, is
16 amended to read:

17 Section 327. Property tax limits on reassessment.

18 Notwithstanding any other provision of law, including this
19 act, after any county makes a countywide revision of assessment
20 of real property at values based upon an established
21 predetermined ratio as required by law or after any county
22 changes [its] the county's established predetermined ratio, a

1 board of school directors in a school district located within
2 that county which, after July 1, 2006, for the first time levies
3 [its] real estate taxes on that revised assessment or valuation
4 shall for the first year reduce [its tax rate] the tax rate of
5 the board of school directors, if necessary, for the purpose of
6 having the percentage increase in taxes levied for that year
7 against the real properties contained in the duplicate for the
8 preceding year be less than or equal to the index for the
9 preceding year notwithstanding the increased valuations of such
10 properties under the revised assessment. The tax rate for an
11 individual taxpayer shall be fixed at a figure which limits the
12 total amount of tax levied for that year to not more than 10%
13 greater than the total amount the board of school directors
14 levied on the taxpayer the preceding year. The limitation shall
15 not include an increase in valuation that is attributable to
16 improvements made to existing property in violation of a local
17 zoning ordinance. For the purpose of determining the total
18 amount of taxes to be levied for the first year, the amount to
19 be levied on newly constructed buildings or structures or on
20 increased valuations based on new improvements made to existing
21 houses need not be considered. The tax rate shall be fixed for
22 that year at a figure which will accomplish this purpose. The
23 provisions of section 333 shall apply to increases in the tax
24 rate above the limits provided in this section.

25 Section 2. The amendment of section 327 of the act shall
26 apply to assessments which take place after December 31, 2017.

27 Section 3. This act shall take effect in 60 days.