

PROPERTY TAX EXEMPTIONS IN FIRST CLASS COUNTY AND CITY
Act of Dec. 21, 1989, P.L. 680, No. 88
AN ACT

CL. 53

Relating to cities and counties of the first class, defining "public property used for public purposes" to include any public assembly facility located on public land primarily used for sports, entertainment, musical concerts and other cultural and entertainment events, including accessory uses incident thereto; authorizing real property tax exemptions; providing for payments in lieu of taxes; and making repeals.

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

Section 1. Legislative findings; declaration of policy.

It is hereby determined and declared as a matter of legislative finding:

(1) That the health, safety and general welfare of the people of the city of the first class are directly dependent upon the continual encouragement, development, growth and expansion of business, commerce and tourism.

(2) That unemployment and the continuation and spread of poverty can be alleviated by the promotion, attraction, stimulation, development and expansion of business, commerce and tourism in cities of the first class.

(3) That development of a major multipurpose sports and entertainment complex and accessory uses is most appropriate in a city of the first class, which, because of its size, is capable of retaining and supporting professional as well as amateur sports teams and attracting major national sporting, and musical and cultural events; and that attraction of business and tourism to a city of the first class as a result of the development of such a facility and its accessory uses will be an important factor in the continued encouragement, promotion, attraction, stimulation, development, growth and expansion of business, commerce and tourism within a city of the first class.

(4) That the development of a multipurpose sports and entertainment complex will benefit the hotel and restaurant industries and related businesses whose livelihood is dependent thereon throughout the entire area where such facility is located.

(5) That the development and promotion of a multipurpose sports and entertainment complex on public property in a city of the first class, which will provide significant benefits to the general public, will require the expenditure of substantial private funds.

(6) That it is appropriate that in a city of the first class, a multipurpose sports and entertainment complex located on public property be exempt from real estate tax in recognition of its public purpose in promoting business, commerce and tourism and providing a location for

professional and amateur sporting events and musical, cultural and entertainment events.

(7) That to promote, encourage and enable the development on public property of a major multipurpose sports and entertainment complex to benefit the general welfare in a city of the first class, such a facility must be exempt from real estate tax in recognition of its public purpose.

(8) That the development of a multipurpose sports and entertainment complex can benefit distressed or underdeveloped areas in the same community or in adjoining communities.

Section 2. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"City." A city of the first class.

"Public property used for public purposes." The term shall mean any public assembly facility located on public land (which shall include public land leased to a private individual, partnership, corporation or other business enterprise), primarily used for professional and amateur sports entertainment, musical concerts and other cultural and entertainment events, including accessory uses incident thereto which shall include, but not be limited to, dining, drinking and parking facilities, whether or not such facility is owned and operated by a public authority or is leased to or operated by a private individual, partnership, corporation or other business enterprise.

Section 3. Exemptions from taxation; payments in lieu of taxes.

(a) Exemption.--All public property used for public purposes, with the ground thereto annexed and necessary for the occupancy and enjoyment of the same, shall be exempt from all county, city and school tax, but shall not include property otherwise taxable which is owned or held by an agency of the United States Government, nor shall this act be construed to exempt from taxation any privilege, act or transaction conducted upon public property by persons or entities which would be taxable if conducted upon nonpublic property regardless of the purpose or purposes for which such activity occurs, even if conducted as agent for or lessee of any public authority.

(b) Payments in lieu of taxes.--For public property used for public purposes constructed after the effective date of this section, the city shall impose in lieu of all city, county and school district real property taxes an amount annually equal to 2% of the costs of the project as are agreed to by the city and the facility developer prior to the commencement of construction of the facility, plus such other amount as agreed upon by the city and the facility developer. Such payment shall be made to the city treasury. The in lieu of payment shall commence at the expiration of five years from the effective date of the agreement between the public authority and the facility developer.

Section 4. Repeals.

The following acts and parts of acts are repealed insofar as they are inconsistent with this act:

Act of May 22, 1933 (P.L.853, No.155), known as The General County Assessment Law.

Act of June 27, 1939 (P.L.1199, No.404), entitled "An act relating to the assessment of real and personal property and other subjects of taxation in counties of the first class; providing for the appointment of members of the board of revision of taxes by the judges of the courts of common pleas; providing for the appointment, by the board, of personal property assessors, real estate assessors and assistant real estate assessors, clerks and other employes; fixing the salaries of members of the board, assessors and assistant assessors, and providing for the payment of salaries and expenses from the county treasury; prescribing the powers and duties of the board and of the assessors, the time and manner of making assessments, of the revision and notice of assessments and of appeals therefrom; prescribing the records of assessments; and repealing existing laws."

Section 5. Effective date.

This act shall take effect immediately.