

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2471 Session of
2008

INTRODUCED BY ADOLPH, BOYD, BRENNAN, GINGRICH, GOODMAN,
HENNESSEY, HERSHEY, KORTZ, MANTZ, R. MILLER, PRESTON, WATSON
AND YOUNGBLOOD, APRIL 15, 2008

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, APRIL 15, 2008

AN ACT

1 Providing limitations on tax abatements and exemptions given by
2 local taxing authorities for residential properties.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Tax Abatement
7 Limitation Act.

8 Section 2. Construction.

9 This act shall be construed to provide limitations on
10 exemptions and abatements for residential properties from the
11 payment of real property taxes.

12 Section 3. Definitions.

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

16 "Homestead." A dwelling owned and occupied by a claimant and
17 as much of the land surrounding it as is reasonably necessary

1 for use of the dwelling as a home. The term shall also include
2 all of the following:

3 (1) Premises occupied by reason of ownership or lease in
4 a cooperative housing corporation.

5 (2) A mobile home that is assessed as realty for local
6 property tax purposes and the land, if owned and occupied,
7 upon which the mobile home is situated or other similar
8 living accommodations.

9 (3) A part of a multidwelling or multipurpose building
10 and a part of the land upon which it is built. This paragraph
11 shall include, but is not limited to, a condominium,
12 townhome, loft, high-rise and apartment complex.

13 (4) Premises occupied on land owned by a nonprofit
14 incorporated association of which the claimant is a member,
15 if the claimant is required to pay a pro rata share of the
16 property taxes levied against the association's land.

17 (5) Premises occupied by a claimant if the claimant is
18 required by law to pay a property tax by reason of the
19 claimant's ownership, including a possessory interest in the
20 dwelling, the land or both.

21 "Local taxing authority." A political subdivision of the
22 Commonwealth, including a municipality, township, county or
23 school district.

24 "Owner." A person in possession under a contract of sale,
25 deed of trust, life estate, joint tenancy or tenancy in common
26 or by reason of status of descent and distribution.

27 "Real property taxes." All taxes on a homestead due and
28 payable during a calendar year, except for municipal
29 assessments, delinquent charges and interest.

30 Section 4. Abatement limitations.

1 Notwithstanding any of the provisions of any other act or law
2 to the contrary, no local taxing authority may authorize, by
3 ordinance or resolution, an exemption or certification of
4 abatement on the payment of real property taxes to a homestead
5 if the market value of the homestead is equal to or greater than
6 \$400,000.

7 Section 5. Calculation of market value.

8 A local taxing authority shall consult with the State Tax
9 Equalization Board to determine the correct market value of the
10 homestead.

11 Section 6. Effective date.

12 This act shall take effect immediately.