

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1194 Session of
1983

INTRODUCED BY SHOWERS, COY, PHILLIPS AND MAIALE, JUNE 14, 1983

REFERRED TO COMMITTEE ON FINANCE, JUNE 14, 1983

AN ACT

1 Regulating tax escrow on Commonwealth leased real estate for
2 local taxing districts.

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

5 Section 1. (a) Whenever real property is leased by the
6 Commonwealth as owner and lessor to a tenant for nongovernmental
7 purposes, the lease shall provide for a sufficient amount in
8 escrow payable to the local taxing districts within which the
9 property is located for real estate taxes due for the term of
10 the lease. The tax escrow shall be deemed as payment in lieu of
11 taxes and shall be payable by the Commonwealth to the local
12 taxing districts upon request of the taxing authority.

13 (b) To establish tenant tax liability, the chief county
14 assessor shall establish an assessed valuation for leased
15 Commonwealth real property according to its actual leased use.
16 Payments in lieu of taxes will be made to the taxing
17 jurisdictions in amounts equal to the amount which would have

1 been levied on the properties if they were not tax exempt.

2 (c) The provisions of this act shall not apply to leases of
3 real property where the annual rental is \$500 or less.

4 Section 2. This act shall take effect in 60 days.