

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 292

Session of
1985

INTRODUCED BY MAYERNIK, MARKOSEK, HALUSKA, POTT, ITKIN, DAWIDA,
DISTLER, PRESTON, TRELLO, D. R. WRIGHT AND MORRIS,
FEBRUARY 12, 1985

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 12, 1985

AN ACT

1 Providing for in-lieu-of-tax payments to local taxing districts
2 for land condemned by the Commonwealth for highway
3 construction.

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

6 Section 1. In-lieu-of-tax payments.

7 (a) Request for board determination.--If an acquisition of
8 land by the Commonwealth by condemnation for highway
9 construction reduces the taxable base within a political
10 subdivision or school district, the officers of the political
11 subdivision or school district, authorized by law to levy taxes,
12 shall request immediately after the acquisition that the State
13 Tax Equalization Board determine the market value of the
14 property before it was acquired and the market value of the
15 remaining taxable real estate base before the property was
16 acquired. Upon receipt of the request, the State Tax
17 Equalization Board shall determine and certify to the Auditor
18 General and the Secretary of Community Affairs the prior market

1 value of the acquired property and the prior market value of the
2 remaining taxable real estate base. The market value of
3 specified property for any one year shall be ascertained by
4 multiplying its assessed value for that year by the ratio of the
5 aggregate market value to the aggregate assessed value of all
6 taxable real estate located in the political subdivision or
7 school district. The prior market values required to be
8 determined shall mean market values ascertained on the basis of
9 the most recent certification of the State Tax Equalization
10 Board prior to acquisition.

11 (b) Calculation.--Beginning with the fiscal year during
12 which a political subdivision or school district requests
13 certification of the prior market values in accordance with
14 subsection (a) and ending with the fiscal year in which the
15 acquired land is put to use as a public facility, the political
16 subdivision or school district shall receive an annual in-lieu-
17 of-tax payment calculated by multiplying the total real estate
18 taxes levied by the political subdivision or school district for
19 the current fiscal year, by the quotient of the certified prior
20 market value of the acquired property divided by the sum of the
21 certified prior market value of the acquired property plus the
22 certified prior market value of the remaining taxable real
23 estate base. If, for any fiscal year following the fiscal year
24 during which an acquired property is put to use as a public
25 facility, the current market value of the remaining taxable real
26 estate base is less than the sum of the certified prior market
27 value of the acquired property plus the certified prior market
28 value of the remaining taxable real estate base, the political
29 subdivision or school district shall receive for the fiscal year
30 an in-lieu-of-tax payment. This payment shall be calculated by

1 multiplying the total real estate taxes levied by the political
2 subdivision or school district for the current fiscal year, by
3 the quotient of the sum of the certified prior market value of
4 the acquired property plus the certified prior market value of
5 the remaining taxable real estate base, less the current market
6 value of the remaining taxable real estate divided by the
7 current market value of the remaining taxable real estate base.
8 This payment may not exceed the product obtained by multiplying
9 the total real estate taxes levied by the political subdivision
10 or school district for the current fiscal year, by the quotient
11 of the certified prior market value of the acquired property
12 divided by the sum of the certified prior market value of the
13 acquired property plus the certified prior market value of the
14 remaining taxable real estate base. The payments shall be paid
15 by the State Treasurer on the audit and warrant of the Auditor
16 General on the requisition of the Secretary of Community
17 Affairs.

18 Section 2. Effective date.

19 This act shall take effect in 60 days.