

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

**HOUSE BILL**  
**No. 2629** Session of  
1982

---

INTRODUCED BY WAMBACH AND KUKOVICH, SEPTEMBER 13, 1982

---

REFERRED TO COMMITTEE ON STATE GOVERNMENT, SEPTEMBER 13, 1982

---

AN ACT

1 Providing for payments in lieu of taxes to municipalities for  
2 Commonwealth real property.

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 "Municipal  
7 Tax Payment Plan."

8 Section 2. Definitions.

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

12 "Commonwealth-owned real property." Any land or improvements  
13 owned by the State including Commonwealth offices, hospitals,  
14 institutions, schools, colleges, universities, garages,  
15 inspection stations, warehouses, barracks, armories, but not  
16 including park and recreation areas, forest land, land  
17 administered by the Game Commission or by the Fish Commission,

1 land used for highway, bridge or tunnel purposes or property  
2 which is qualified under State law for any other State payment  
3 in lieu of taxes.

4 Section 3. Commonwealth real property.

5 Notwithstanding the provisions of any other act, all  
6 Commonwealth real property shall be assessed and shall be  
7 subject to the payments in lieu of taxes, provided for by this  
8 act.

9 Section 4. Statements of taxable value.

10 Beginning in the year 1983, and for each year thereafter,  
11 statements of taxable value assessments shall be prepared, on or  
12 before April 15 annually, by the Department of Revenue. Taxable  
13 value assessments shall be prepared as if the assessments of  
14 taxable value were not exempt from taxation on each parcel of  
15 Commonwealth real property.

16 Section 5. Review by State Treasurer.

17 Upon receipt of assessments of Commonwealth real property,  
18 the State Treasurer shall review the assessments of all such  
19 real property. The treasurer shall notify the county board of  
20 taxation and the taxing district affected by any change or  
21 revision made.

22 Section 6. Exemption of Commonwealth real property.

23 All Commonwealth real property shall be exempt from any local  
24 tax on real property. The Commonwealth shall make payments in  
25 lieu of taxes on real property in an amount equal to the tax  
26 that would otherwise be assessed.

27 Section 7. Computation.

28 After completion of the review of the assessments of State  
29 property, the treasurer shall compute the State's liability for  
30 in lieu tax payments in each municipality affected. The in lieu

1 payment shall be calculated by applying the effective local  
2 purpose tax rate of the municipality for the tax year 1983 and  
3 thereafter to the aggregate amount of State property in the  
4 municipality, and the sum of such calculations shall constitute  
5 the State's liability. The State shall have no liability to any  
6 one municipality when the sum of its liability is less than  
7 \$1,000, and no municipality shall receive an in lieu payment  
8 from the State greater than an amount equal to 25% of the local  
9 purpose tax levy for the year for which the calculations are  
10 made. In any calendar year no municipality which receives or is  
11 entitled to receive any extraordinary payment for municipal  
12 services and in lieu of taxes shall receive less than the amount  
13 which it presently receives or is entitled to receive.

14 Section 8. Anticipation and installments.

15 Any municipality in which Commonwealth real property is  
16 situated and which qualifies under the provisions of this act  
17 may anticipate its payment in lieu of taxes. Payments in lieu of  
18 taxes shall be paid in annual installments which shall be paid  
19 no sooner than July 1 and no later than August 31 of each year.

20 Section 9. Annual appropriation.

21 In lieu payments for local services to Commonwealth real  
22 property shall be appropriated from the General Fund for the  
23 fiscal year 1983-1984 and every year thereafter.

24 Section 10. Effective date.

25 This act shall take effect in 60 days.