

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1817 Session of
2001

INTRODUCED BY ROBERTS, CAPPELLI, LAUGHLIN, PALLONE, SOLOBAY,
TIGUE, J. WILLIAMS, YOUNGBLOOD AND TRELLO, JUNE 21, 2001

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 21, 2001

AN ACT

1 Amending the act of May 21, 1943 (P.L.571, No.254), entitled, as
2 amended, "An act relating to assessment for taxation in
3 counties of the fourth, fifth, sixth, seventh and eighth
4 classes; designating the subjects, property and persons
5 subject to and exempt from taxation for county, borough,
6 town, township, school, except in cities and county
7 institution district purposes; and providing for and
8 regulating the assessment and valuation thereof for such
9 purposes; creating in each such county a board for the
10 assessment and revision of taxes; defining the powers and
11 duties of such boards; providing for the acceptance of this
12 act by cities; regulating the office of ward, borough, town
13 and township assessors; abolishing the office of assistant
14 triennial assessor in townships of the first class; providing
15 for the appointment of a chief assessor, assistant assessors
16 and other employees; providing for their compensation payable
17 by such counties; prescribing certain duties of and certain
18 fees to be collected by the recorder of deeds and municipal
19 officers who issue building permits; imposing duties on
20 taxables making improvements on land and grantees of land;
21 prescribing penalties; and eliminating the triennial
22 assessment," authorizing a reassessment transition credit.

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

25 Section 1. The act of May 21, 1943 (P.L.571, No.254), known
26 as The Fourth to Eighth Class County Assessment Law, is amended
27 by adding an article to read:

28 Article VI-A

1 REASSESSMENT TRANSITION CREDIT

2 Section 601-A. Definitions.--The following words and phrases
3 when used in this article shall be construed to have the
4 following meaning:

5 "Adjusted base year tax" shall mean one hundred twenty five
6 per centum (125%) of the base year tax.

7 "Base year tax" shall mean the tax levied by the political
8 subdivision on the principal residence of a qualified owner-
9 occupant in the base year.

10 "Base year" shall mean the year immediately prior to
11 reassessment year one.

12 "Federal poverty threshold" shall mean the poverty threshold
13 based on family size as determined by the United States Census
14 Bureau.

15 "Household income" shall have the same meaning as set forth
16 in the act of March 11, 1971 (P.L.104, No.3), known as the
17 "Senior Citizens Rebate and Assistance Act."

18 "Owner-occupant" shall mean a person who owns and occupies
19 the same dwelling as a principal residence and domicile.

20 "Principal residence" shall mean the dwelling place of a
21 natural person, including the principal house and lot, and such
22 lots as are used in connection therewith which contribute to its
23 enjoyment, comfort and convenience.

24 "Qualified owner-occupant" shall mean an owner-occupant who,
25 together with a spouse, has household income not exceeding one
26 hundred fifty per centum (150%) of the Federal poverty threshold
27 and who has filed an annual application as specified under
28 section 1902-A.

29 "Reassessment transition credit" shall mean the credit
30 calculated under this article.

1 "Reassessment year one" shall mean the first year in which a
2 political subdivision levies taxes under the new values
3 resulting from a county-wide revision of assessment of real
4 property.

5 "Reassessment year two" shall mean the second year in which a
6 political subdivision levies taxes under the new values
7 resulting from a county-wide revision of assessment of real
8 property.

9 "Reassessment year three" shall mean the third year in which
10 a political subdivision levies taxes under the new values
11 resulting from a county-wide revision of assessment of real
12 property.

13 "Reassessment year four" shall mean the fourth year in which
14 a political subdivision levies taxes under the new values
15 resulting from a county-wide revision of assessment of real
16 property.

17 "Reassessment year five" shall mean the fifth year in which a
18 political subdivision levies taxes under the new values
19 resulting from a county-wide revision of assessment of real
20 property.

21 "Reassessment year six" shall mean the sixth year in which a
22 political subdivision levies taxes under the new values
23 resulting from a county-wide revision of assessment of real
24 property.

25 "Reassessment year seven" shall mean the seventh year in
26 which a political subdivision levies taxes under the new values
27 resulting from a county-wide revision of assessment of real
28 property.

29 "Reassessment year eight" shall mean the eighth year in which
30 a political subdivision levies taxes under the new values

1 resulting from a county-wide revision of assessment of real
2 property.

3 "Reassessment year nine" shall mean the ninth year in which a
4 political subdivision levies taxes under the new values
5 resulting from a county-wide revision of assessment of real
6 property.

7 "Reassessment year ten" shall mean the tenth year in which a
8 political subdivision levies taxes under the new values
9 resulting from a county-wide revision of assessment of real
10 property.

11 "Transition amount" shall mean the property taxes levied
12 without regard to the reassessment transition credit reduced by
13 the adjusted base year taxes. The transition amount shall not be
14 less than zero.

15 "Transition credit factor" shall mean the decimal stated for
16 the following years:

<u>Year</u>	<u>Transition Credit</u>
	<u>Factor</u>
<u>Reassessment year one</u>	<u>1.0</u>
<u>Reassessment year two</u>	<u>0.9</u>
<u>Reassessment year three</u>	<u>0.8</u>
<u>Reassessment year four</u>	<u>0.7</u>
<u>Reassessment year five</u>	<u>0.6</u>
<u>Reassessment year six</u>	<u>0.5</u>
<u>Reassessment year seven</u>	<u>0.4</u>
<u>Reassessment year eight</u>	<u>0.3</u>
<u>Reassessment year nine</u>	<u>0.2</u>
<u>Reassessment year ten</u>	<u>0.1</u>

29 "Transition period" shall mean reassessment year one through
30 and including reassessment year ten.

1 Section 602-A. Reassessment Transition Credit.--(a) The
2 county commissioners of a county and the governing body of a
3 political subdivision within a county shall have the power
4 during the transition period to provide, by ordinance or
5 resolution, for a reassessment transition credit to qualified
6 owner-occupants as provided in this article.

7 (b) The county or political subdivision providing for a
8 reassessment transition credit shall require an annual
9 application from each owner-occupant containing such information
10 and proof of income as required by the county or political
11 subdivision for the administration of the program. The county or
12 political subdivision shall provide the application forms and
13 specify the deadlines for applications.

14 (c) The county commissioners of a county and the governing
15 bodies of political subdivisions within a county shall have the
16 authority to establish a joint application process to determine
17 eligibility for the reassessment transition credit.

18 Section 603-A. Conditions for Reassessment Transition
19 Credit.--(a) A reassessment transition credit granted pursuant
20 to this article shall be limited to real property that meets all
21 of the following conditions:

22 (1) The property is owned and occupied by a qualified owner-
23 occupant.

24 (2) The property is the principal residence and domicile of
25 the qualified owner-occupant.

26 (3) The real estate taxes on the property are not
27 delinquent.

28 (b) The age of the qualified owner-occupant shall not be a
29 determinant of eligibility.

30 Section 604-A. Calculation and Application of the

1 Reassessment Transition Credit.--(a) The reassessment
2 transition credit for the principal residence of the qualified
3 owner-occupant shall be equal to the product of the transition
4 credit factor and the transition amount.

5 (b) A county or political subdivision shall cause the credit
6 calculated under this section to be applied against the real
7 estate tax levied on the principal residence of the qualified
8 owner-occupant.

9 Section 605-A. Applicability.--This article shall apply to
10 real estate taxes levied during the transition period after a
11 county-wide revision of assessment of real property that is
12 completed prior to December 31, 2001.

13 Section 2. This act shall take effect immediately.