

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1804 Session of
2005

INTRODUCED BY KENNEY AND J. TAYLOR, JUNE 28, 2005

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JUNE 28, 2005

AN ACT

1 Amending the act of June 27, 1939 (P.L.1199, No.404), entitled
2 "An act relating to the assessment of real and personal
3 property and other subjects of taxation in counties of the
4 first class; providing for the appointment of members of the
5 board of revision of taxes by the judges of the courts of
6 common pleas; providing for the appointment, by the board, of
7 personal property assessors, real estate assessors and
8 assistant real estate assessors, clerks and other employes;
9 fixing the salaries of members of the board, assessors and
10 assistant assessors, and providing for the payment of
11 salaries and expenses from the county treasury; prescribing
12 the powers and duties of the board and of the assessors, the
13 time and manner of making assessments, of the revision and
14 notice of assessments and of appeals therefrom; prescribing
15 the records of assessments; and repealing existing laws,"
16 providing for the definition of "assessment ratio"; and
17 establishing a revenue-neutral tax rate after a countywide
18 revision of real property assessment.

19 The General Assembly of the Commonwealth of Pennsylvania
20 hereby enacts as follows:

21 Section 1. Section 1.1 of the act of June 27, 1939
22 (P.L.1199, No.404), entitled "An act relating to the assessment
23 of real and personal property and other subjects of taxation in
24 counties of the first class; providing for the appointment of
25 members of the board of revision of taxes by the judges of the

1 courts of common pleas; providing for the appointment, by the
2 board, of personal property assessors, real estate assessors and
3 assistant real estate assessors, clerks and other employees;
4 fixing the salaries of members of the board, assessors and
5 assistant assessors, and providing for the payment of salaries
6 and expenses from the county treasury; prescribing the powers
7 and duties of the board and of the assessors, the time and
8 manner of making assessments, of the revision and notice of
9 assessments and of appeals therefrom; prescribing the records of
10 assessments; and repealing existing laws," is amended by adding
11 a definition to read:

12 Section 1.1. The following words and phrases when used in
13 this act shall have, unless the context clearly indicates
14 otherwise, the meanings given to them in this section:

15 "Assessment ratio" shall include either of the following:

16 (1) The established predetermined ratio.

17 (2) A ratio or factor used by the board to determine the
18 market value of a property from its actual market value,
19 including a ratio or factor used to equalize assessed values.

20 * * *

21 Section 2. The act is amended by adding a section to read:

22 Section 13.1. (a) After a county of the first class makes a
23 county-wide revision of assessment of real property at values
24 based upon an established predetermined ratio as required by law
25 or after any county of the first class changes its assessment
26 ratio, each political subdivision, which hereafter for the first
27 time levies its real estate taxes on that revised assessment or
28 valuation, shall, for the first year it levies its real estate
29 taxes on a revised assessment or valuation, establish a revenue-
30 neutral tax rate which limits the total amount of taxes levied

1 for that year against the real properties levied against in the
2 preceding year to not more than the total amount it levied on
3 the properties the preceding year, notwithstanding the increased
4 valuations of the properties under the revised assessment. For
5 the purpose of determining the total amount of taxes to be
6 levied for the first year under this subsection, the amount to
7 be levied on newly constructed buildings or structures or on
8 increased valuations based on new improvements made to existing
9 buildings or structures need not be considered.

10 (b) After first establishing a revenue-neutral tax rate
11 under subsection (a), a political subdivision may, by a separate
12 and specific vote, establish a final tax rate for the first year
13 it levies its real estate taxes on a revised assessment or
14 valuation.

15 Section 3. This act shall take effect immediately.