

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1332 Session of 2011

INTRODUCED BY DEASY, DeLUCA, READSHAW, COHEN, D. COSTA, DAVIS,
DONATUCCI, GERGELY, HALUSKA, KAVULICH, KOTIK, M. SMITH AND
WHITE, APRIL 11, 2011

REFERRED TO COMMITTEE ON FINANCE, APRIL 11, 2011

AN ACT

1 Amending the act of June 21, 1939 (P.L.626, No.294), entitled
2 "An act providing for and regulating the assessment and
3 valuation of all subjects of taxation in counties of the
4 second class; creating and prescribing the powers and duties
5 of a Board of Property Assessment, Appeals and Review;
6 imposing duties on certain county and city officers;
7 abolishing the board for the assessment and revision of taxes
8 in such counties; and prescribing penalties," further
9 providing for administration and for revision of assessments.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 4 of the act of June 21, 1939 (P.L.626,
13 No.294), referred to as the Second Class County Assessment Law,
14 amended December 13, 1982 (P.L.1186, No.272), is amended to
15 read:

16 Section 4. The Board of Property Assessment, Appeals and
17 Review shall have power and its duty shall be:

18 (a) To make and supervise the making of all assessments and
19 valuations of all subjects of taxation in the county as required
20 by existing law.

21 (a.1) The board shall assess real property at a value based

1 upon an established predetermined ratio which may not exceed one
2 hundred percent (100%) of actual value. Such ratio shall be
3 established and determined by the Board of Property Assessment,
4 Appeals and Review after proper notice has been given. In
5 arriving at actual value the county may utilize the current
6 market value or it may adopt a base year market value.

7 (a.2) In arriving at actual value, the price at which any
8 property may actually have been sold, either in the base year or
9 in the current taxable year, shall be considered but shall not
10 be controlling. In arriving at the actual value, all three
11 methods, namely, cost (reproduction or replacement, as
12 applicable, less depreciation and all forms of obsolescence),
13 comparable sales and income approaches, must be considered in
14 conjunction with one another.

15 (a.3) The board shall apply the established predetermined
16 ratio to the actual value of all real property to formulate the
17 assessment roll.

18 (b) To revise and equalize all such assessments and
19 valuations[.] in accordance with the following procedure:

20 (1) Public hearings shall be held throughout the county to
21 receive evidence on the value of property. Evidence under this
22 paragraph includes testimony by a property owner.

23 (2) After the hearings, the board shall make its assessment
24 revision based on the standards under subsections (a.1) through
25 (a.3) and on the evidence submitted at the hearings.

26 (3) The board must provide notice of the assessment revision
27 under paragraph (2) to all property owners affected by the
28 assessment revision at least sixty (60) days prior to its
29 effective date.

30 (c) To hear all cases of appeals from assessments, and all

1 complaints as to assessments, errors, exonerations and refunds.

2 (d) To pass upon and determine the amount of property of any
3 organization or institution which is under the provisions of
4 existing law entitled to exemption from taxation.

5 (e) To establish and maintain in its office records of
6 cubical contents of buildings, surveys, maps, sales and
7 assessments and with the exception of the cubical contents,
8 records and sales records, to permit inspection thereof by the
9 public at all times during office hours.

10 (f) To perform and exercise all the powers and duties
11 heretofore imposed or conferred upon the board for the
12 assessment and revision of taxes in counties of the second class
13 under the provisions of any existing law not repealed hereby.

14 (g) To perform and exercise such other powers and duties as
15 may be conferred or imposed upon it by the provisions of this
16 act or any other act of Assembly.

17 Section 2. Section 10 of the act, amended December 21, 1988
18 (P.L.1437, No.175), is amended to read:

19 Section 10. (a) The board shall, as provided by this act
20 and by the provisions of existing law, examine and revise the
21 assessments and valuations, increasing or decreasing the same as
22 in their judgment may seem proper, and shall add thereto such
23 property or subjects of taxation as may have been omitted. A
24 revision which does not comply with section 4(b) is invalid.

25 (b) After such revision, the board shall, by rule, fix
26 convenient times for the hearing of appeals from said
27 assessments and valuations.

28 (c) In any appeal of an assessment the board shall make the
29 following determinations:

30 (1) The current market value for the tax year in question.

(2) The common level ratio.

(3) The fair market value, as determined in accordance with section 402 of the act of May 22, 1933 (P.L.853, No.155), known as "The General County Assessment Law."

(d) The board, after determining the current market value of the property for the tax year in question, shall then apply the established predetermined ratio to such value unless the common level ratio varies by more than fifteen percent (15%) from the established predetermined ratio, in which case the board shall apply the common level ratio to the current market value of the property for the tax year in question. For the initial year of the implementation of county-wide reassessment, appeals shall be solely on the basis of fair market value.

(e) Nothing herein shall prevent any appellant from appealing any base year valuation without reference to ratio.

(f) Except as provided for in subsection (g), the valuations determined in accordance with this section shall stand as the valuations for the assessments of all county and institution district taxes and for such other political subdivisions as levy their taxes on county assessments and valuations in the county until the next triennial assessment.

(g) Persons who have suffered catastrophic losses to their property shall have the right to appeal before the board, within the remainder of the county fiscal year in which the catastrophic loss occurred, or within six (6) months of the date on which the catastrophic loss occurred, whichever time period is longer. The duty of the board shall be to reassess the value of the property in the following manner: the value of the property before the catastrophic loss based on the percentage of the taxable year for which the property stood at its former

1 value, added to the value of the property after the catastrophic
2 loss, based on the percentage of the taxable year for which the
3 property stood at its reduced value. Any property improvements
4 made subsequent to the catastrophic loss in the same tax year
5 shall not be included in the reassessment as herein described
6 for that tax year. Any adjustment in an assessment pursuant to
7 this subsection (1) shall be reflected by the appropriate taxing
8 authorities in the form of a credit for the next succeeding tax
9 year; or (2) upon application by the property owner to the
10 appropriate taxing authorities, shall result in a refund being
11 paid to the property owner at the time of issuance of the tax
12 notice for the next succeeding tax year by the respective taxing
13 authorities. For purposes of this subsection, the phrase
14 "catastrophic loss" shall mean any loss due to mine subsidence,
15 fire, flood or other natural disaster which affects the physical
16 state of the real property and which exceeds fifty percent (50%)
17 of the market value of the real property prior to the loss.

18 Section 3. This act shall take effect in 60 days.