



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 548

PRINTERS NO. 887

PRIME SPONSOR: Emrick

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
Municipal Funds	\$0	See "Fiscal Impact"

SUMMARY: Amends Title 8 (Borough Code) and Title 11 (Third Class City Code) to provide for the annual assessment of the property tax millage rate by resolution. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends the Borough Code and the Third Class City Code to enable boroughs and third class cities to assess their annual property tax millage rate by resolution.

Borough Code: The legislation extends the mayor's veto power on the annual tax resolution to the president or vice president of council while acting as the mayor and explicitly grants council the ability to pass the annual tax millage rate by resolution. This legislation also provides that when the borough is setting the annual tax rate, it shall be expressed in dollars and cents on each \$100 of assessed valuation of taxable property.

For years that the millage rate remains the same or lower than the previous year, a resolution may be used. For years when the millage rate is increased, the borough shall use an ordinance. Resolutions pertaining to a tax levy shall have the same recording and codification requirements as an ordinance.

Third Class City Code: The legislation explicitly grants council the ability to pass the annual tax millage rate by resolution. For years that the millage rate remains the same or lower than the previous year, a resolution may be used. For years when the millage rate is increased, the city shall use an ordinance. Resolutions pertaining to a tax levy shall have the same recording and codification requirements as an ordinance. Resolutions pertaining to a tax levy shall be reduced to writing before the vote is taken.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth funds. Municipalities will realize some savings by not having the additional legal and advertising costs associated with passing an ordinance for the same or a lower millage rate. Any estimate of those savings is indeterminable at this point.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: March 25, 2019

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.