



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 788

PRINTER'S NO. 737

PRIME SPONSOR: Innamorato

COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
General Fund	\$0	\$0
Local Funds	\$0	See Fiscal Impact

SUMMARY:

House Bill 788, Printer's Number 737 would allow the City of Pittsburgh to adopt a property tax relief program for longtime owner-occupants within the city.

ANALYSIS:

Currently under the Pennsylvania State Constitution, the General Assembly may, by law, authorize local taxing authorities in counties of the first and second class (Philadelphia and Allegheny Counties) to implement special property tax relief provisions for longtime owner-occupants (i.e., individuals living in their primary residence for a certain amount of time).

House Bill 788 would amend the First and Second Class County Property Tax Relief Act, which provides this authority to Philadelphia and Allegheny Counties, to allow the City of Pittsburgh as a taxing authority to implement a property tax relief program for longtime owner-occupants within the city regardless of whether Allegheny County has adopted its own program. This program would allow the city to defer or exempt, or a combination of the two, a portion of the longtime owner-occupants' increase in property taxes due to an increase in the market value of their property from refurbishing, renovating, or constructing of other residences in the area.

The bill would also allow an authorized taxing authority that implements a property tax relief program for longtime owner-occupants to establish guidelines for the duration of time that an individual would need to live in their residence to be eligible for the program that are longer than the requirements currently in law.

This legislation would take effect 60 days upon enactment.

FISCAL IMPACT:

This legislation would have no impact on commonwealth funds. Property taxes are levied on the local level, so any property tax relief provisions implemented by an authorized taxing authority for longtime owner-occupants would impact municipal budgets.

If the City of Pittsburgh passed an ordinance to implement these special property tax relief provisions for longtime owner-occupants, the city's revenues would be impacted if they receive less in property taxes. The size of the impact would vary depending on the parameters of the program.

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House Appropriations Committee (D)

DATE: June 12, 2023

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