

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** Senate Bill 1309

**PRINTER'S NO.** 2298

**AMOUNT**

No Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

October 26, 2011

**PRIME SPONSOR**

Senator Argall

**HISTORY OF BILL**

Referred to FINANCE, Oct. 26, 2011  
Reported as amended, April 3, 2012  
First consideration, April 3, 2012  
Re-referred to APPROPRIATIONS, May 9, 2012  
Re-reported as amended, June 18, 2012

**DESCRIPTION AND PURPOSE OF BILL**

Senate Bill 1309 amends Title 53 (Municipalities Generally) to prohibit a taxing district from appealing the assessment of property based on the sale of the property. Specifically, the legislation amends section 8855 of Title 53 regarding appeals by taxing districts.

The legislation further provides that in the event that a taxing authority has appealed an assessment based on the sale of the property at any time after the last countywide reassessment, the affected taxable person shall have the right to appeal and to have the assessed value changed back to the base-year value assigned prior to the appeal as per county records. The change shall be made by the county assessment bureau.

An affected taxable person must file an appeal by September 1, 2012. Such appeal shall be limited to a current owner who is an affected taxable person. A successful appeal shall not entitle the current owner to a refund of taxes paid in a prior year that resulted from an assessment of property based on the sale of the property.

A taxing district may appeal the assessment only if one of the following factors applies:

1. The appeal is from an assessment established during a countywide reassessment and the appeal is filed not later than the first day of September of the taxable year following the year for which the newly established values from the countywide reassessment shall take effect.

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2. The property or parcel has been divided and conveyed in smaller parcels.
3. Improvements have been made to real property.
4. Existing improvements have been removed from real property or have been destroyed.
5. A change has occurred in the productive use of the property or parcel by material alteration in the nature of the use or through alteration or additions which modify the use.
6. The property or parcel has been granted a preferential assessment under the act of December 19, 1974 (P.L.973, No.319), known as the Pennsylvania Farmland and Forest Land Assessment Act of 1974, or other tax discount or relief program authorized by law.
7. The additional revenue to be collected by the appealing taxing district is at least \$10,000 per year.

Any assessment change based on factors one through five as enumerated in the above paragraph that occurs after the most recent countywide assessment, but prior to the date of an appeal by a taxing district based on the sale of the property, shall remain in place and shall be expressed in base-year values. Any assessment change based on factor number six from the above paragraph that occurs after the most recent countywide assessment and after the date of an appeal by a taxing district shall be reapplied to the corrected assessed value and shall be expressed in base-year values.

Senate Bill 1309 requires that a property's fair market value, assessed value and assessment changes be expressed in dollar amounts that reflect what the values would be in the base year.

The act shall take effect June 1, 2012 or immediately, whichever is later.

### **FISCAL IMPACT:**

Enactment of this legislation will have no adverse fiscal impact to the Commonwealth. The impact to local taxing jurisdictions cannot be quantified because the number, locations and outcomes of such appeals are unknown.