

GENERAL LOCAL GOVERNMENT CODE (53 PA.C.S.) - LIMITATION ON TAX
INCREASE AFTER COUNTYWIDE REASSESSMENT

Act of Nov. 4, 2016, P.L. 1184, No. 156

Cl. 53

Session of 2016
No. 2016-156

SB 899

AN ACT

Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in consolidated county assessment, further providing for limitation on tax increase after countywide reassessment.

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

Section 1. Section 8823 of Title 53 of the Pennsylvania Consolidated Statutes is amended to read:

§ 8823. Limitation on tax increase after countywide reassessment.

(a) Scope.--

(1) Except as set forth in paragraph (2), this section applies to taxing districts in counties within the scope of this chapter under section 8801(b)(1) (relating to short title and scope of chapter).

(2) This section does not apply to a school district subject to section 327 of the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act.

(3) Except as set forth in subsection (f), this section shall apply to all rates of taxes levied on an assessment roll after a countywide revision as provided in subsection (b), including millage rates established by referendum.

(b) Initial rate.--In the first year that any county implements a countywide revision of assessment by revaluing the properties and applies an established predetermined ratio or changes its assessment base by applying a change in the predetermined ratio, a taxing district levying its real estate taxes on the revised assessment roll for the first time shall reduce [its] **each tax rate levied by the taxing district**, if necessary, so that the total amount of taxes levied for that year against the real properties contained in the duplicate **for that rate** does not exceed the total amount it levied on the properties in the preceding year. [The] **Each** tax rate shall be fixed at a figure that will accomplish this purpose.

(c) Final tax rate.--After establishing a tax rate under subsection (b), a taxing district may, by a separate and specific vote, establish a final tax rate for the first year in which the reassessment is implemented to levy its real estate taxes on the revised assessment. [The] **Each** tax rate under this subsection shall be fixed at a figure which limits the total amount of taxes levied for that year against the real properties contained in the duplicate for the preceding year to not more than 10% greater than the total amount it levied on the properties the preceding year, notwithstanding the increased valuations of the properties under the revised assessment.

(d) New construction.--For the purpose of determining the total amount of taxes to be levied for the first year under subsections (b) and (c), the amount to be levied on newly constructed buildings or structures or on increased valuations

based on new improvements made to existing houses need not be considered.

(e) Court approval.--With the approval of the court of common pleas, upon good cause shown, any taxing district may increase the tax rate prescribed in this section, notwithstanding the provisions of this section.

(f) Limitations on changes to certain rates.--Notwithstanding subsection (c) or (e), the rate of any tax which was established by referendum and adjusted as provided in subsection (b) shall be subject to any subsequent increase, decrease or elimination only as provided otherwise by law.

Section 2. The amendment of 53 Pa.C.S. § 8823 shall apply to tax rates based on reassessments implemented after the effective date of this section.

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

APPROVED--The 4th day of November, A.D. 2016.

TOM WOLF