

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL**No. 1755** Session of
1997

INTRODUCED BY GODSHALL, CORNELL, LAWLESS, HERSHEY, ARMSTRONG,
RAYMOND, FICHTER, STEIL, ROBERTS, TRELLO, REBER, BUNT AND
NICKOL, SEPTEMBER 10, 1997

SENATOR GERLACH, LOCAL GOVERNMENT, IN SENATE, AS AMENDED,
MARCH 16, 1998

AN ACT

1 Amending the act of May 22, 1933 (P.L.853, No.155), entitled "An
2 act relating to taxation; designating the subjects, property
3 and persons subject to and exempt from taxation for all local
4 purposes; providing for and regulating the assessment and
5 valuation of persons, property and subjects of taxation for
6 county purposes, and for the use of those municipal and
7 quasi-municipal corporations which levy their taxes on county
8 assessments and valuations; amending, revising and
9 consolidating the law relating thereto; and repealing
10 existing laws," further providing for the valuation of
11 property in counties of the second class A and third class.
12 ~~and for auxiliary boards of assessment appeals.~~ ←

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

15 Section 1. Section 402(b) of the act of May 22, 1933
16 (P.L.853, No.155), known as The General County Assessment Law,
17 amended December 13, 1982 (P.L.1160, No.268), is amended to
18 read:

19 Section 402. Valuation of Property.--* * *

20 (b) (1) Except as to counties of the first and second class
21 and except as otherwise provided in clause (2), after any county

1 makes a county-wide revision of assessment of real property at
2 values based upon an established predetermined ratio as required
3 by law or after any county changes its established predetermined
4 ratio, each political subdivision, which hereafter for the first
5 time levies its real estate taxes on that revised assessment or
6 valuation, shall, for the first year, reduce its tax rate, if
7 necessary, for the purpose of having the total amount of taxes
8 levied for that year against the real properties contained in
9 the duplicate for the preceding year, equal, in the case of any
10 taxing district, not more than ten per centum greater than the
11 total amount it levied on such properties the preceding year,
12 notwithstanding the increased valuations of such properties
13 under the revised assessment.

14 (2) After a county of the second class A or a county of the
15 third class makes a county-wide revision of assessment of real
16 property at values based upon an established predetermined ratio
17 as required by law or after a county of the second class A or a
18 county of the third class changes its established predetermined
19 ratio, each political subdivision, which hereafter for the first
20 time levies its real estate taxes on that revised assessment or
21 valuation, shall, for the first year do the following:

22 (i) by a separate specific vote reduce its tax rate, if
23 necessary, for the purpose of having the total amount of tax
24 revenues from the tax levied for that year against the real
25 properties contained in the duplicate for the preceding year,
26 equal, in the case of any taxing district to the same amount of
27 tax revenues from the tax levied on such properties in the
28 preceding year; and

29 (ii) if necessary to increase tax revenues after the
30 reduction under subclause (i), by a second specific vote

1 increase its tax rate to provide additional tax revenues subject
2 to the limitation that the total amount of tax revenues from the
3 tax levied for that year against the real properties contained
4 in the duplicate for the preceding year equal not more than five
5 per centum (5%) greater than the total amount of tax revenues
6 derived from taxes levied on such properties in the preceding
7 year provided however that the five per centum (5%) limitation
8 shall not apply to school districts within second class A and
9 third class counties that, as of the effective date of this
10 subclause, have undertaken, by resolution of the board of school
11 directors, a school construction and renovation program for
12 which bond indebtedness has been or will be incurred, in which
13 case a ten per centum (10%) limitation shall apply. No political
14 subdivision may levy any taxes under this clause based on an
15 assessment which has been revised within the last two calendar
16 years, until the taxpayer has been advised by a written
17 statement as to how the new assessment figures are calculated.
18 Any program or method used to obtain new assessment figures must
19 be explained to the taxpayers in a written statement easily
20 understood by the average individual. The information must be
21 made available to the taxpayers by the county commissioners.

22 (3) For the purpose of determining the total amount of taxes
23 to be levied for [said] the first year under clause (1) or (2),
24 the amount to be levied on newly constructed buildings or
25 structures or on increased valuations based on new improvements
26 made to existing houses need not be considered. The tax rate
27 shall be fixed for that year at a figure which will accomplish
28 this purpose.

29 (4) With the approval of the court of common pleas, upon
30 good cause shown, any such political subdivision may increase

1 the tax rate herein prescribed, notwithstanding the provisions
2 of this subsection.

3 ~~Section 2. The act is amended by adding a section to read:~~ <—

4 ~~Section 511.1. Appointment of Auxiliary Board of Assessment~~
5 ~~Appeals. (a) In conjunction with a county wide revision of~~
6 ~~assessments involving either a change in the established~~
7 ~~predetermined ratio or revaluing the properties and applying the~~
8 ~~predetermined ratio, the county commissioners of a county of the~~
9 ~~fourth, fifth, sixth, seventh or eighth class may,~~
10 ~~notwithstanding any other provision of law to the contrary,~~
11 ~~create up to four temporary auxiliary appeal boards, each to be~~
12 ~~known as an auxiliary appeal board. The county commissioners~~
13 ~~shall establish the term of existence for an auxiliary appeal~~
14 ~~board not to exceed eighteen months. An auxiliary appeal board~~
15 ~~shall be composed of three members who shall be appointed by the~~
16 ~~county commissioners to serve for the time that the auxiliary~~
17 ~~appeal board is in existence. Members of an auxiliary appeal~~
18 ~~board shall be competent and qualified residents of the county.~~
19 ~~Vacancies on an auxiliary appeal board shall be filled by~~
20 ~~appointment by the county commissioners for the duration of the~~
21 ~~auxiliary appeal board's existence. Any salary of members of an~~
22 ~~auxiliary appeal board shall be fixed by the salary board of the~~
23 ~~county. The authority of an auxiliary appeal board shall be~~
24 ~~limited to hearing and determining appeals from assessments in~~
25 ~~accordance with applicable provisions of law. After one or more~~
26 ~~auxiliary appeal boards have been established in accordance with~~
27 ~~this section, additional auxiliary appeal boards may be~~
28 ~~established only in conjunction with a succeeding county wide~~
29 ~~revision of assessments.~~

30 ~~(b) Subject to the approval of the county commissioners, the~~

1 ~~authority in the county responsible for assessment appeals may~~
2 ~~adopt, amend, alter and rescind rules and regulations for the~~
3 ~~administration of, and the conduct of business and proceedings~~
4 ~~for, itself and for auxiliary appeal boards. The rules and~~
5 ~~regulations may require a witness providing testimony at a~~
6 ~~hearing relative to any aspect of the value of the real estate~~
7 ~~which is the subject of the assessment or reassessment appeal to~~
8 ~~disclose, under oath, whether any compensation paid for the~~
9 ~~testimony is contingent on the result obtained. The rules and~~
10 ~~regulations shall be in writing and shall be a public record~~
11 ~~open to examination, inspection and copying in accordance with~~
12 ~~the act of June 21, 1957 (P.L.390, No.212), referred to as the~~
13 ~~Right to Know Law.~~

14 ~~(c) For the purpose of this section, an "auxiliary appeal~~
15 ~~board" shall mean an auxiliary board of assessment appeals in~~
16 ~~counties of the fourth, fifth, sixth, seventh or eighth class~~
17 ~~created in accordance with this section.~~

18 Section 3 2. The amendment of section 402 of the act shall <—
19 be retroactive to January 1, 1997.

20 Section 4 3. This act shall take effect as follows: <—

21 (1) The amendment of section 402 of the act shall take
22 effect in 60 days.

23 (2) The remainder of this act shall take effect
24 immediately.