

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2562 Session of
1982

INTRODUCED BY NAHILL, CORDISCO, A. C. FOSTER, JR., HARPER,
PETRARCA, SWAIM, MORRIS, TELEK, OLASZ, SNYDER, HEISER, ARTY,
MICHLOVIC, WESTON AND WOGAN, JUNE 8, 1982

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 8, 1982

AN ACT

1 Amending the act of May 21, 1943 (P.L.571, No.254), entitled, as
2 amended, "An act relating to assessment for taxation in
3 counties of the fourth, fifth, sixth, seventh and eighth
4 classes; designating the subjects, property and persons
5 subject to and exempt from taxation for county, borough,
6 town, township, school, except in cities and county
7 institution district purposes; and providing for and
8 regulating the assessment and valuation thereof for such
9 purposes; creating in each such county a board for the
10 assessment and revision of taxes; defining the powers and
11 duties of such boards; providing for the acceptance of this
12 act by cities; regulating the office of ward, borough, town
13 and township assessors; abolishing the office of assistant
14 triennial assessor in townships of the first class; providing
15 for the appointment of a chief assessor, assistant assessors
16 and other employees; providing for their compensation payable
17 by such counties; prescribing certain duties of and certain
18 fees to be collected by the recorder of deeds and municipal
19 officers who issue building permits; imposing duties on
20 taxables making improvements on land and grantees of land;
21 prescribing penalties; and eliminating the triennial
22 assessment," providing for the use of actual values in
23 determining the taxability of persons and property.

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

26 Section 1. Section 102, act of May 21, 1943 (P.L.571,
27 No.254), known as "The Fourth to Eighth Class County Assessment
28 Law," is amended by adding definitions to read:

1 Section 102. Definitions.--The following words and phrases
2 shall for the purpose of this act have the meanings respectively
3 ascribed to them in this section, except where the context
4 clearly indicates a different meaning:

5 * * *

6 "Base year" shall mean the year upon which real property
7 market values are based for the most recent county-wide revision
8 of assessment of real property or other prior year upon which
9 the market value of all real property of the county is based.
10 Real property market values shall be equalized within the county
11 and any changes by the board shall be expressed in terms of such
12 base year values.

13 "Common level ratio" shall mean the ratio of assessed value
14 to current market value used generally in the county as last
15 determined by the State Tax Equalization Board pursuant to the
16 act of _____, 1982 (P.L. _____, No. _____).

17 "County commissioners" shall mean the board of county
18 commissioners or other similar body in home rule charter
19 counties.

20 "Established predetermined ratio" shall mean the ratio of
21 assessed value to market value established by the board of
22 county commissioners and uniformly applied in determining
23 assessed value in any year.

24 Section 2. Section 104 of the act, amended October 13, 1965
25 (P.L.590, No.307), is amended to read:

26 Section 104. Optional Use by Cities.--(a) Any city in any
27 county wherein a board is created under this act may become
28 subject to the provisions of this act, and the mayor and council
29 of any such city may effect the same by an ordinance duly
30 passed. A copy of such ordinance approved by the mayor and duly

1 certified, accompanied by a statement of the vote thereon, with
2 the names of the members of council voting for and against such
3 ordinance, shall be forwarded to and filed in the office of the
4 Secretary of the Commonwealth, and when so filed the Governor
5 shall under the great seal of the Commonwealth certify the
6 acceptance of the provisions of this act, which certificate
7 shall be recorded among the minutes of the council and in the
8 office for the recording of deeds in the proper county.

9 (b) From the date of the completion of such acceptance the
10 objects, property and persons subject to and exempt from
11 taxation in such city for city and school purposes shall be
12 designated by and the assessment and valuation thereof for such
13 city and school purposes, shall be done only in accordance with
14 the provisions of this act and by the officers designated in
15 this act: Provided, That if a city in accepting the provisions
16 of this act elects by ordinance to adopt [a] an established
17 predetermined ratio different from that used by the county, then
18 the city shall apply the ratio selected to the [market] actual
19 valuation supplied by the county to determine assessed value for
20 tax purposes. The established predetermined ratio selected by
21 the city, if different from the ratio selected by the county,
22 may be set at any value up to and including the [market] actual
23 valuation supplied by county.

24 (c) Whenever any city accepts the provisions of this act,
25 all the provisions thereof shall apply to such city, and the act
26 approved the twenty-second day of May, one thousand nine hundred
27 thirty-three (Pamphlet Laws, eight hundred fifty-three),
28 entitled "The General County Assessment Law," in so far as it
29 applies to or is effective in such city, and any act of Assembly
30 in force in such city, in so far as it is inconsistent with the

1 provisions of this act, shall be annulled.

2 Section 3. Section 601 of the act, amended October 5, 1978
3 (P.L.1138, No.268), is amended to read:

4 Section 601. Preparation of Assessment Roll.--Annually, on
5 or before the first day of July, the chief assessor shall, from
6 the returns made by the local assessors, prepare and submit to
7 the board, in the form prescribed by the board, an assessment
8 roll or list of persons and property subject to local taxation,
9 together with the actual value placed upon each person, each
10 parcel or tract of real property and the personal property of
11 each person by the assessor, and shall make and have supervision
12 of listing and valuation of property excluded or exempted from
13 taxation. The chief assessor shall, at the same time, prepare
14 and submit a list of all property exempted by law from taxation.
15 The making of triennial assessments as provided by existing law
16 is hereby abolished.

17 Section 4. Section 602 of the act, amended December 18, 1959
18 (P.L.1933, No.703), May 9, 1961 (P.L.182, No.91), August 10,
19 1965 (P.L.319, No.169) and June 24, 1976 (P.L.432, No.104), is
20 amended to read:

21 Section 602. Valuation of Persons and Property.--(a) It
22 shall be the duty of the chief assessor to [assess,] rate and
23 value all subjects and objects of local taxation, whether for
24 county, township, town, school (except in cities), county
25 institution district, poor or borough purposes, according to the
26 actual value thereof, and in the case of subjects and objects of
27 local taxation other than real property at such rates and prices
28 for which the same would separately bona fide sell. After there
29 has been established and completed for the entire county the
30 permanent system of records consisting of tax maps, property

1 record cards and property owners' index, as required by section
2 three hundred six of the act herein amended, real property shall
3 be assessed at a value based upon an established predetermined
4 ratio, of which proper notice shall be given, not exceeding
5 seventy-five per centum (75%) of [its] actual value [or the
6 price for which the same would separately bona fide sell]. Such
7 ratio shall be established and determined by the board of county
8 commissioners. In arriving at actual value the county may
9 utilize the current market value or it may adopt a base year
10 market value. In arriving at such value, the price at which any
11 property may actually have been sold either in the base year or
12 in the current taxable year shall be considered, but shall not
13 be controlling. Instead, such selling price estimated or actual
14 shall be subject to revision by increase or decrease to
15 accomplish equalization with other similar property within the
16 county. In arriving at the actual value, all three methods:
17 namely, cost (reproduction or replacement, as applicable, less
18 depreciation and all forms of obsolescence), comparable sales,
19 and income approaches, must be considered in conjunction with
20 one another. After the completion of the permanent system of
21 records for the county, when [assessing] valuing real property,
22 the chief assessor shall also take into consideration the actual
23 value of such property as indicated by the use of the permanent
24 system of records, cost charts and land values applied on the
25 basis of zones and districts as well as the general adherence to
26 the established predetermined ratio.

27 (b) After any county has established and completed, for the
28 entire county, the permanent system of records consisting of tax
29 maps, property record cards and property owner's index as
30 required by section 306 of this act, and has made its first

1 county assessment of real property or subsequently makes a
2 county-wide revision of assessment of real property under that
3 system and at values based upon an established predetermined
4 ratio as required by this section or when a county changes its
5 established predetermined ratio, each political subdivision,
6 which hereafter for the first time levies its real estate taxes
7 on that first or revised assessment or valuation, shall, for
8 that first year, reduce its tax rate, if necessary, for the
9 purpose of having the total amount of taxes levied for that year
10 against the real properties contained in the duplicate for the
11 preceding year, equal, in the case of a school district, not
12 more than one hundred and ten per centum, and in the case of any
13 other taxing district, not more than one hundred and five per
14 centum of the total amount it levied on such properties the
15 preceding year, notwithstanding the increased valuations of such
16 properties under the new assessment system. For the purpose of
17 determining the total amount of taxes to be levied for said
18 first year, the amount to be levied on newly constructed
19 buildings or structures or on increased valuations based on new
20 improvements made to existing houses need not be considered. The
21 tax rate shall be fixed for that year at a figure which will
22 accomplish this purpose. With the approval of the court of
23 common pleas, upon good cause shown, any such political
24 subdivision may increase the tax rate herein prescribed,
25 notwithstanding the provisions of this subsection. No political
26 subdivision shall levy real estate taxes on a county-wide
27 revised assessment until it has been completed for the entire
28 county.

29 (c) Whenever any county makes its first county assessments
30 for taxation purposes in the entire county from valuations made

1 with the use of the permanent system of records, consisting of
2 tax maps, property record cards and property owner's index, as
3 required by section 306 of the act herein amended, and such
4 assessments or valuations are sufficiently completed so that, on
5 or before August 1st in the year 1960, notice has been given in
6 the manner provided by the act herein amended to each owner of
7 property whose valuation or assessment has been changed from the
8 valuation or assessment of the previous year, every taxing body
9 or taxing district in the county which uses county assessments
10 for taxation purposes shall levy its taxes for that year on the
11 new assessments and not on the assessments made for the previous
12 year, and, where necessary, shall amend and revise any levy
13 previously made for that year in order to comply with this
14 provision, notwithstanding any other provisions of law requiring
15 tax levies to be made at certain prescribed times.

16 (d) Whenever any county of the eighth class makes its first
17 county assessments for taxation purposes in the entire county
18 from valuations made with the use of the permanent system of
19 records, consisting of tax maps, property record cards and
20 property owner's index, as required by section 306 of the act
21 herein amended, and such assessments or valuations are
22 sufficiently completed so that on or before April 15th in the
23 year 1960 all appeals of assessments will have been heard as
24 provided in section 702.1 and all decisions rendered by the
25 board, every taxing body or taxing district in the county which
26 uses county assessments for taxation purposes may levy its taxes
27 for that year on the new assessments and not on the assessments
28 made for the previous year and where necessary may amend and
29 revise any levy previously made for that year in order to comply
30 with this provision notwithstanding any other provisions of law

1 requiring tax levies to be made at certain prescribed times.

2 Section 5. Section 701 of the act, amended or added July 1,
3 1978 (P.L.714, No.125) and October 5, 1978 (P.L.1138, No.268),
4 is amended to read:

5 Section 701. Appeal Notices.--(a) Upon receipt of the
6 assessment roll from the assessor, or as soon thereafter as
7 possible, the board shall examine and inquire whether the
8 assessments and valuations have been made in conformity with the
9 provisions of this act, and shall revise the same, increasing or
10 decreasing the assessments and valuations as in their judgment
11 may seem proper, and shall add thereto such property or subjects
12 of taxation as may have been omitted. The board may revise and
13 decrease the assessment and valuation of real property the
14 buildings of which are completely destroyed or razed, taking
15 into account the loss in value of the property for that part of
16 the assessment year subsequent to the destruction. The board
17 shall, on or before the fifteenth day of July prepare an
18 assessment roll or list of persons and property subject to local
19 taxation, together with the value placed upon each person and
20 each parcel or tract of real property. The board shall at the
21 same time prepare a list of all property exempted by law from
22 taxation. It shall cause to be mailed or delivered to each owner
23 of property or person assessed, and taxing district having an
24 interest therein, the actual value of whose property or personal
25 assessment has been changed from that fixed in the preceding
26 assessment roll as corrected after revision or the value of
27 whose property or personal assessment has not theretofore been
28 separately fixed, or when the established predetermined ratio
29 has been changed within the county, at his last known address, a
30 notice of such change, the amount of the present assessment,

1 valuation and ratio if the property or personal assessment was
2 previously separately assessed and the amount of such new
3 assessment, valuation and ratio. Said notice shall be mailed
4 within five days from the date the board made such change or
5 added said property to the roll and shall state that any person
6 aggrieved by such change or by any assessment, and the said
7 taxing districts may appeal to the board for relief by filing
8 with the board within forty days of the date of such notice, a
9 statement in writing of such intention to appeal, designating
10 the assessment or assessments by which such person is aggrieved,
11 and the address to which notice of when and where to appear for
12 hearing of the appeal shall be mailed.

13 (a.1) The board is authorized to make additions and
14 revisions to the assessment roll of persons and property subject
15 to local taxation at any time in the year, so long as the notice
16 provisions of this section are complied with. All additions and
17 revisions shall be a supplement to the assessment roll for levy
18 and collection of taxes for the tax year for which the
19 assessment roll was originally prepared, in addition to being
20 added to the assessment roll for the following calendar or
21 fiscal tax years.

22 (b) Any person aggrieved by any assessment whether or not
23 the value thereof shall have been changed since the preceding
24 annual assessment, or any taxing district having an interest
25 therein, may appeal to the board for relief. Any person or such
26 taxing districts desiring to make an appeal shall, on or before
27 the first day of September, file with the board an appeal,
28 setting forth:

29 (1) The assessment or assessments by which such person feels
30 aggrieved;

1 (2) The address to which the board shall mail notice of when
2 and where to appear for hearing.

3 **(b.1)** For the purpose of assessment appeals under this act,
4 the term "person" shall include, in addition to that provided by
5 law, a group of two or more persons acting on behalf of a class
6 of persons similarly situated with regard to the assessment.

7 (c) Notwithstanding any other provisions of this act when
8 any county proposes to institute a county-wide revision of
9 assessments upon real property, the following notice
10 requirements and appeal process shall be followed:

11 (1) All property owners shall be notified by first class
12 mail at their last known address of the value of the new
13 assessment and the value of their old assessment.

14 (2) All property owners shall have the right to appeal any
15 new assessment value within thirty days of receipt of notice and
16 each notice shall so state.

17 (3) The board shall mail all notices on or before the first
18 day of July. The board at its discretion may commence with the
19 hearing of appeals thirty days following the mailing of the
20 initial notices of reassessment.

21 (4) The board shall notify each person and each taxing
22 district having an interest therein, who has filed an appeal, of
23 the time and place of hearing on said appeal by depositing such
24 notice in the mail addressed to such person at the address
25 designated in the appeal not later than the twentieth day
26 preceding the day designated in the notice for such appearance.
27 Any person or such taxing district who shall fail to appear for
28 hearing at the time fixed shall be presumed to have abandoned
29 his appeal unless said hearing date is re-scheduled by the
30 mutual consent of the property owner and the board.

1 (5) On or before the fifteenth day of November, the board
2 shall certify to the clerk or secretary of each political
3 subdivision coming within the scope of this act within the
4 county, the value of real property, the value of occupations,
5 and the number of persons subject to personal taxes appearing in
6 the assessment roll and taxable by the respective political
7 subdivisions.

8 (6) All appeals shall be heard and acted upon by the board
9 by not later than the last day of October.

10 Section 6. Section 702 of the act, amended October 5, 1978
11 (P.L.1138, No.268), is amended to read:

12 Section 702. Appeal Hearings.--(a) The board shall meet for
13 the hearing of appeals and shall continue to meet for such
14 purpose from time to time, until all appeals have been heard and
15 acted upon. All appeals other than appeals brought under section
16 701(a.1) shall be acted upon not later than the last day of
17 October. When an appeal has been filed, the board shall notify
18 each person and each taxing district having an interest therein,
19 of the time and place where he shall appear for the purpose of
20 being heard, by depositing such notice in the mail, addressed to
21 such person at the address designated in the statement of
22 intention to appeal, not later than the twentieth day preceding
23 the day designated in the notice for such appearance. All
24 hearings on appeals before the board shall be open to the public
25 and shall be conducted in accordance with regulations prescribed
26 by the board. Any person may appear and be heard, either in
27 person or by counsel. Any political subdivision having an
28 interest in the assessment may appear and be heard, either by
29 its solicitor or counsel specially engaged for such purpose. [At
30 such hearing, the board shall inquire as to the equity of the

1 assessment appealed from in relation to other similar
2 assessments, as well as to the proper value of the subject or
3 object assessed, and after such hearing shall make such order as
4 to it seems just and equitable, affirming, raising or lowering
5 the assessment appealed from.]

6 (b) In any appeal of an assessment the board shall make the
7 following determinations:

8 (1) The current market value for the tax year in question.

9 (2) The common level ratio.

10 (c) The board after determining the current market value of
11 the property for the tax year in question shall then apply the
12 established predetermined ratio to such value unless the common
13 level ratio varies by more than fifteen per centum (15%) from
14 the established predetermined ratio, in which case the board
15 shall apply the common level ratio to the current market value
16 of the property for the tax year in question.

17 (d) Nothing herein shall prevent any appellant from
18 appealing any base year valuation without reference to ratio.

19 (e) The order of the board shall be entered in the minutes
20 of the board, and a copy of such order shall be delivered to the
21 person who appealed, either in person or by mail, to the address
22 shown in the statement of intention to appeal, within five days
23 after the hearing on such appeal. The chief assessor and such
24 assistant assessors as he or the board may designate, shall
25 attend each hearing and shall furnish the board with such
26 information relating to the assessment appealed from, as the
27 board may desire. Either the board or the person appealing may
28 call such witnesses as they desire and as may be permitted under
29 the rules of the board, and the board may examine such witnesses
30 under oath. For the purpose of examining witnesses, any member

1 of the board shall be competent to administer oaths.

2 Section 7. Section 704 of the act, amended January 18, 1952
3 (1951, P.L.2138, No.606) and October 5, 1978 (P.L.1138, No.268),
4 is amended to read:

5 Section 704. Appeal to Court from Order of Board; Collection
6 Pending; Appeal; Payment into Court.--(a) Any person who shall
7 have appealed to the board for relief from any assessment, who
8 may feel aggrieved by the order of the board in relation to such
9 assessment, may appeal from the order of the board to the court
10 of common pleas of the county within which such property is
11 situated, and for that purpose may present to said court, or
12 file in the prothonotary's office within sixty days after the
13 board entered its order on the said assessment, a petition
14 signed by him, his agent or attorney, setting forth the facts of
15 the case, and thereupon the court shall proceed at the earliest
16 convenient time to be by them appointed, of which notice shall
17 be given to the board to hear the said appeal and the proofs in
18 the case, and to make such orders and decrees determining from
19 the evidence submitted at the hearing. [what ratio was used
20 generally in the taxing district and the court shall direct the
21 application of the ratio so found to the value of the property
22 which is the subject matter of the appeal and such shall be the
23 assessment the]

24 (b) In any appeal of an assessment the court shall make the
25 following determinations:

26 (1) The current market value for the tax year in question.

27 (2) The common level ratio.

28 (c) The court after determining the current market value of
29 the property for the tax year in question shall then apply the
30 established predetermined ratio to such value unless the common

1 level ratio varies by more than fifteen per centum (15%) from
2 the established predetermined ratio, in which case the court
3 shall apply the common level ratio to the current market value
4 of the property for the tax year in question.

5 (d) Nothing herein shall prevent any appellant from
6 appealing any base year valuation without reference to ratio.

7 (e) The costs of the appeal and hearing are to be
8 apporportioned or paid, as the court may direct: Provided, however,
9 That the appeal shall not prevent the collection of taxes based
10 on the assessment complained of, but in case the same shall be
11 reduced, then the excess shall be returned to the person or
12 persons who shall have paid the same: And provided further, That
13 the appellant may pay the amount of the tax alleged to be due by
14 reason of the assessment appealed from to the tax collector
15 under protest in writing, in which case when the tax is paid
16 over to the taxing district, it shall be the duty of the tax
17 collector to notify the taxing district of such payment under
18 protest by delivering to it the protest in writing. Whereupon,
19 the taxing district shall be required to segregate twenty-five
20 per centum of the amount of the tax paid over, and shall deposit
21 the same in a separate account in the depository in which the
22 funds of the taxing district are deposited, and shall not be
23 permitted to expend any portion of such segregated amount unless
24 it shall first petition the court, alleging that such segregated
25 amount is unjustly withheld. Thereupon, the court shall have
26 power to order the use by the taxing district of such portion of
27 such segregated amount as shall appear to said court to be
28 reasonably free from dispute, and the remainder of the
29 segregated amount shall be held segregated by the taxing
30 district, pending the final disposition of the appeal: Provided

1 further, That upon final disposition of the appeal, the amount
2 found to be due the appellant as a refund shall also be a legal
3 set-off or credit against any future taxes assessed against the
4 appellant by the same taxing district, and where a taxing
5 district alleges that it is unable to thus credit all of such
6 refund in one year, the court, upon application of either party,
7 shall determine over what period of time such refund shall be
8 made, and shall fix the amount thereof which shall be credited
9 in any year or years. This proviso shall be construed to apply
10 to all refunds that are now due or may hereafter become due as
11 the result of appeals from assessments that have not been
12 finally determined or adjusted at the time this act takes
13 effect, regardless whether there has been a payment of any
14 moneys into court or to the tax collector under written protest.

15 (f) If a taxpayer has filed an appeal from an assessment, so
16 long as the appeal is pending before the board or before a court
17 on appeal from the determination of the board, as provided by
18 statute, the appeal will also be taken as an appeal by the
19 taxpayer on the subject property for any valuation for any
20 assessment subsequent to the filing of such appeal with the
21 board and prior to the determination of the appeal by the board
22 or the court. The board shall hold its hearings and make its
23 final determination of the subsequent years in question in the
24 same manner as for the year or years for which the original
25 appeal was filed. This provision shall be applicable to all
26 pending appeals as well as future appeals.

27 Section 8. This act shall apply to appeals initiated after
28 January 1, 1983.

29 Section 9. This act shall take effect immediately.