

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 151 Session of
2001

INTRODUCED BY ORIE, LAUGHLIN, HENNESSEY, READSHAW, DALEY,
PRESTON, ADOLPH, PISTELLA AND WOJNAROSKI, JANUARY 23, 2001

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JANUARY 23, 2001

AN ACT

1 Amending the act of July 28, 1953 (P.L.723, No.230), entitled,
2 as amended, "An act relating to counties of the second class
3 and second class A; amending, revising, consolidating and
4 changing the laws relating thereto," authorizing a
5 reassessment transition credit.

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

8 Section 1. The act of July 28, 1953 (P.L.723, No.230), known
9 as the Second Class County Code, is amended by adding an article
10 to read:

11 Article XIX-A

12 Reassessment Transition Credit

13 Section 1901-A. Definitions.--The following words and
14 phrases when used in this article shall be construed to have the
15 following meaning:

16 "Adjusted base year tax," one hundred twenty five per centum
17 of the base year tax.

18 "Base year tax," the tax levied by the political subdivision
19 on the principal residence of a qualified owner-occupant in the

1 base year.

2 "Base year," the year immediately prior to reassessment year
3 one.

4 "Federal poverty threshold," the poverty threshold based on
5 family size as determined by the United States Census Bureau.

6 "Household income," shall have the same meaning as set forth
7 in the act of March 11, 1971 (P.L.104, No.3), known as the
8 "Senior Citizens Rebate and Assistance Act."

9 "Owner-occupant," a person who owns and occupies the same
10 dwelling as a principal residence and domicile.

11 "Principal residence," the dwelling place of a natural
12 person, including the principal house and lot, and such lots as
13 are used in connection therewith which contribute to its
14 enjoyment, comfort and convenience.

15 "Qualified owner-occupant," an owner-occupant who, together
16 with a spouse, has household income not exceeding one hundred
17 fifty per centum of the Federal poverty threshold and who has
18 filed an annual application as specified under section 1902-A.

19 "Reassessment transition credit," the credit calculated
20 under this article.

21 "Reassessment year one," the first year in which a political
22 subdivision levies taxes under the new values resulting from a
23 county-wide revision of assessment of real property.

24 "Reassessment year two," the second year in which a
25 political subdivision levies taxes under the new values
26 resulting from a county-wide revision of assessment of real
27 property.

28 "Reassessment year three," the third year in which a
29 political subdivision levies taxes under the new values
30 resulting from a county-wide revision of assessment of real

1 property.

2 "Reassessment year four," the fourth year in which a
3 political subdivision levies taxes under the new values
4 resulting from a county-wide revision of assessment of real
5 property.

6 "Reassessment year five," the fifth year in which a
7 political subdivision levies taxes under the new values
8 resulting from a county-wide revision of assessment of real
9 property.

10 "Reassessment year six," the sixth year in which a political
11 subdivision levies taxes under the new values resulting from a
12 county-wide revision of assessment of real property.

13 "Reassessment year seven," the seventh year in which a
14 political subdivision levies taxes under the new values
15 resulting from a county-wide revision of assessment of real
16 property.

17 "Reassessment year eight," the eighth year in which a
18 political subdivision levies taxes under the new values
19 resulting from a county-wide revision of assessment of real
20 property.

21 "Reassessment year nine," the ninth year in which a
22 political subdivision levies taxes under the new values
23 resulting from a county-wide revision of assessment of real
24 property.

25 "Reassessment year ten," the tenth year in which a political
26 subdivision levies taxes under the new values resulting from a
27 county-wide revision of assessment of real property.

28 "Transition amount," the property taxes levied without
29 regard to the reassessment transition credit reduced by the
30 adjusted base year taxes. The transition amount shall not be

1 less than zero.

2 "Transition credit factor," the decimal stated for the
3 following years:

4	<u>Year</u>	<u>Transition Credit</u>
5		<u>Factor</u>
6	<u>Reassessment year one</u>	<u>1.0</u>
7	<u>Reassessment year two</u>	<u>0.9</u>
8	<u>Reassessment year three</u>	<u>0.8</u>
9	<u>Reassessment year four</u>	<u>0.7</u>
10	<u>Reassessment year five</u>	<u>0.6</u>
11	<u>Reassessment year six</u>	<u>0.5</u>
12	<u>Reassessment year seven</u>	<u>0.4</u>
13	<u>Reassessment year eight</u>	<u>0.3</u>
14	<u>Reassessment year nine</u>	<u>0.2</u>
15	<u>Reassessment year ten</u>	<u>0.1</u>

16 "Transition period," reassessment year one through and
17 including reassessment year ten.

18 Section 1902-A. Reassessment Transition Credit.--(a) The
19 county commissioners of a county of the second class and the
20 governing body of a political subdivision within a county of the
21 second class shall have the power during the transition period
22 to provide, by ordinance or resolution, for a reassessment
23 transition credit to qualified owner-occupants as provided in
24 this article.

25 (b) The county or political subdivision providing for a
26 reassessment transition credit shall require an annual
27 application from each owner-occupant containing such information
28 and proof of income as required by the county or political
29 subdivision for the administration of the program. The county or
30 political subdivision shall provide the application forms and

1 specify the deadlines for applications.

2 (c) The county commissioners of a county of the second class
3 and the governing bodies of political subdivisions within a
4 county of the second class shall have the authority to establish
5 a joint application process to determine eligibility for the
6 reassessment transition credit.

7 Section 1903-A. Conditions for Reassessment Transition
8 Credit.--(a) A reassessment transition credit granted pursuant
9 to this article shall be limited to real property that meets all
10 of the following conditions:

11 (1) The property is owned and occupied by a qualified owner-
12 occupant.

13 (2) The property is the principal residence and domicile of
14 the qualified owner-occupant.

15 (3) The real estate taxes on the property are not
16 delinquent.

17 (b) The age of the qualified owner-occupant shall not be a
18 determinant of eligibility.

19 Section 1904-A. Calculation and Application of the
20 Reassessment Transition Credit.--(a) The reassessment
21 transition credit for the principal residence of the qualified
22 owner-occupant shall be equal to the product of the transition
23 credit factor and the transition amount.

24 (b) A county or political subdivision shall cause the credit
25 calculated under this section to be applied against the real
26 estate tax levied on the principal residence of the qualified
27 owner-occupant.

28 Section 1905-A. Applicability.--This article shall apply to
29 real estate taxes levied during the transition period after a
30 county-wide revision of assessment of real property that is

1 completed prior to December 31, 2001.

2 Section 2. This act shall take effect immediately.