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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1804 Session of  
2005

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INTRODUCED BY KENNEY AND J. TAYLOR, JUNE 28, 2005

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SENATOR EARLL, FINANCE, IN SENATE, AS AMENDED,  
SEPTEMBER 26, 2006

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AN ACT

1 Amending the act of June 27, 1939 (P.L.1199, No.404), entitled  
2 "An act relating to the assessment of real and personal  
3 property and other subjects of taxation in counties of the  
4 first class; providing for the appointment of members of the  
5 board of revision of taxes by the judges of the courts of  
6 common pleas; providing for the appointment, by the board, of  
7 personal property assessors, real estate assessors and  
8 assistant real estate assessors, clerks and other employes;  
9 fixing the salaries of members of the board, assessors and  
10 assistant assessors, and providing for the payment of  
11 salaries and expenses from the county treasury; prescribing  
12 the powers and duties of the board and of the assessors, the  
13 time and manner of making assessments, of the revision and  
14 notice of assessments and of appeals therefrom; prescribing  
15 the records of assessments; and repealing existing laws,"  
16 establishing a revenue-neutral tax rate after a countywide  
17 revision of real property assessment.

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

20 Section 1. The act of June 27, 1939 (P.L.1199, No.404),  
21 entitled "An act relating to the assessment of real and personal  
22 property and other subjects of taxation in counties of the first  
23 class; providing for the appointment of members of the board of  
24 revision of taxes by the judges of the courts of common pleas;

1 providing for the appointment, by the board, of personal  
2 property assessors, real estate assessors and assistant real  
3 estate assessors, clerks and other employes; fixing the salaries  
4 of members of the board, assessors and assistant assessors, and  
5 providing for the payment of salaries and expenses from the  
6 county treasury; prescribing the powers and duties of the board  
7 and of the assessors, the time and manner of making assessments,  
8 of the revision and notice of assessments and of appeals  
9 therefrom; prescribing the records of assessments; and repealing  
10 existing laws," is amended by adding a section to read:

11 Section 13.1. (a) When a county of the first class makes a  
12 countywide revision of assessment or revaluation of real  
13 property at values based upon an established predetermined ratio  
14 as required by law or when a county of the first class changes  
15 its established predetermined ratio, the tax-levying body of the  
16 county which for the first time levies its real estate taxes on  
17 that revised assessment, revaluation or change in ratio, shall,  
18 for that first year, reduce its tax rate, if necessary, for the  
19 purpose of having the total amount of taxes levied for that year  
20 against the real properties contained in the duplicate for the  
21 preceding year, equal the total amount it levied on such  
22 properties the preceding year, notwithstanding the increased  
23 valuations of such properties under the revised assessment,  
24 revaluation or change in ratio. The tax rate shall be fixed at a  
25 figure which will accomplish this purpose.

26 (b) After establishing a tax rate in accordance with  
27 subsection (a), the tax-levying body of the county may, by a  
28 separate and specific vote, establish a final tax rate for the  
29 first year it levies its real estate taxes on a revised  
30 assessment, revaluation or change in ratio. The tax rate under

1 this subsection shall be fixed at a figure that limits total  
2 amount of property taxes to be levied against the real  
3 properties contained in the duplicate for the preceding year to  
4 not more than one hundred five percent of the total amount it  
5 levied on such properties the preceding year, notwithstanding  
6 the increased valuations of properties under the revised  
7 assessment, revaluation or change in ratio.

8 (c) For the purpose of determining the total amount of taxes  
9 to be levied for the first year under subsections (a) and (b),  
10 the amount to be levied on newly constructed buildings or  
11 structures or on increased valuations based on new improvements  
12 made to existing BUILDINGS OR structures shall not be ←  
13 considered.

14 (d) (1) To the extent that a tax-levying body of a county  
15 imposes taxes at a rate in excess of that authorized by this  
16 section, the tax-levying body of the county, upon the filing  
17 with it within three years of payment of the tax of a written  
18 and verified claim for a refund of the excess taxes paid or  
19 caused to be paid by any person or corporation of this  
20 Commonwealth, shall refund the excess taxes with interest.

21 (2) Interest required under this section shall be paid at  
22 the same rate and in the same manner as the Commonwealth is  
23 required to pay pursuant to section 806.1(b.1) of the act of  
24 April 9, 1929 (P.L.343, No.176), known as "The Fiscal Code."

25 (e) The provisions of this section shall supersede any  
26 provision in a home rule charter, county administrative code,  
27 county ordinance or rule or regulation.

28 Section 2. This act shall take effect immediately.