

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1234

Session of
2008

INTRODUCED BY ORIE, JANUARY 11, 2008

REFERRED TO FINANCE, JANUARY 11, 2008

A JOINT RESOLUTION

1 Proposing an amendment to the Constitution of the Commonwealth
2 of Pennsylvania, providing for allowable assessments of real
3 property for taxation.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby resolves as follows:

6 Section 1. The following amendment to the Constitution of
7 Pennsylvania is proposed in accordance with Article XI:

8 That section 2(b) of Article VIII be amended to read:

9 § 2. Exemptions and special provisions.

10 * * *

11 (b) The General Assembly may, by law:

12 (i) Establish standards and qualifications for private
13 forest reserves, agricultural reserves, and land actively
14 devoted to agricultural use, and make special provision for the
15 taxation thereof;

16 (ii) Establish as a class or classes of subjects of taxation
17 the property or privileges of persons who, because of age,

1 disability, infirmity or poverty are determined to be in need of
2 tax exemption or of special tax provisions, and for any such
3 class or classes, uniform standards and qualifications. The
4 Commonwealth, or any other taxing authority, may adopt or employ
5 such class or classes and standards and qualifications, and
6 except as herein provided may impose taxes, grant exemptions, or
7 make special tax provisions in accordance therewith. No
8 exemption or special provision shall be made under this clause
9 with respect to taxes upon the sale or use of personal property,
10 and no exemption from any tax upon real property shall be
11 granted by the General Assembly under this clause unless the
12 General Assembly shall provide for the reimbursement of local
13 taxing authorities by or through the Commonwealth for revenue
14 losses occasioned by such exemption;

15 (iii) Establish standards and qualifications by which local
16 taxing authorities may make uniform special tax provisions
17 applicable to a taxpayer for a limited period of time to
18 encourage improvement of deteriorating property or areas by an
19 individual, association or corporation, or to encourage
20 industrial development by a non-profit corporation; and

21 (iv) Make special tax provisions on any increase in value of
22 real estate resulting from residential construction. Such
23 special tax provisions shall be applicable for a period not to
24 exceed two years.

25 (v) Establish standards and qualifications by which local
26 taxing authorities in counties of the first and second class may
27 make uniform special real property tax provisions applicable to
28 taxpayers who are longtime owner-occupants as shall be defined
29 by the General Assembly of residences in areas where real
30 property values have risen markedly as a consequence of the

1 refurbishing or renovating of other deteriorating residences or
2 the construction of new residences.

3 (vi) Authorize local taxing authorities to exclude from
4 taxation an amount based on the assessed value of homestead
5 property. The exclusions authorized by this clause shall not
6 exceed one-half of the median assessed value of all homestead
7 property within a local taxing jurisdiction. A local taxing
8 authority may not increase the millage rate of its tax on real
9 property to pay for these exclusions.

10 (vii) Authorize or establish a system of assessment of real
11 property, or homestead property only, for taxation that is based
12 upon actual market value as determined by the most recent sale
13 of such property. Under such system, the General Assembly shall
14 define actual market value as the county assessor's valuation of
15 the real property as shown on a tax bill for a tax year
16 designated by the General Assembly as the base year, and
17 thereafter, as the sale price or appraised value of such real
18 property when purchased, newly constructed or a change in
19 ownership has occurred after the base year. The General Assembly
20 may exclude transfers between spouses and family members, and
21 transfers between units owned by the same business entity, from
22 the definition of change in ownership for purposes of the
23 legislation authorized by this paragraph. The General Assembly
24 may provide for voter referendum to adopt the system, for limits
25 on future tax rate increases and for referendum to increase such
26 rates above such limits.

27 * * *

28 Section 2. (a) Upon the first passage by the General
29 Assembly of this proposed constitutional amendment, the
30 Secretary of the Commonwealth shall proceed immediately to

1 comply with the advertising requirements of section 1 of Article
2 XI of the Constitution of Pennsylvania and shall transmit the
3 required advertisements to two newspapers in every county in
4 which such newspapers are published in sufficient time after
5 passage of this proposed constitutional amendment.

6 (b) Upon the second passage by the General Assembly of this
7 proposed constitutional amendment, the Secretary of the
8 Commonwealth shall proceed immediately to comply with the
9 advertising requirements of section 1 of Article XI of the
10 Constitution of Pennsylvania and shall transmit the required
11 advertisements to two newspapers in every county in which such
12 newspapers are published in sufficient time after passage of
13 this proposed constitutional amendment. The Secretary of the
14 Commonwealth shall submit this proposed constitutional amendment
15 to the qualified electors of this Commonwealth at the first
16 primary, general or municipal election which meets the
17 requirements of and is in conformance with section 1 of Article
18 XI of the Constitution of Pennsylvania and which occurs at least
19 three months after the proposed constitutional amendment is
20 passed by the General Assembly.