

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1913 Session of 2011

INTRODUCED BY CULVER, BARRAR, AUMENT, BOBACK, BOYD, EVERETT, GEIST, HARHART, HESS, HICKERNELL, KAUFFMAN, F. KELLER, M. K. KELLER, MASSER, MILLARD, MURT, MUSTIO, SANTARSIERO, SWANGER, TALLMAN, TOOHIL, VULAKOVICH AND YOUNGBLOOD, NOVEMBER 3, 2011

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, MARCH 13, 2012

AN ACT

1 Authorizing abatement of real estate taxes because of
2 destruction or damage of property by Hurricane Irene or
3 Tropical Storm Lee, or the refund of the amount of such taxes
4 by certain political subdivisions; and authorizing
5 reassessment of properties retroactive to August 1, 2011, and
6 a limited moratorium on the increase of certain real estate
7 taxes.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Short title.

11 This act shall be known and may be cited as the Real Estate
12 Tax Abatement for Properties Damaged by Hurricane Irene or
13 Tropical Storm Lee Act.

14 SECTION 2. DEFINITIONS.



15 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
16 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
17 CONTEXT CLEARLY INDICATES OTHERWISE:

18 "TAXING AUTHORITY." A POLITICAL SUBDIVISION WHICH IMPOSES A

1 TAX ON REAL PROPERTY.

2 Section 3. Local abatement of real estate taxes. ←

3 ~~The taxing authorities of the various counties, cities,~~ ←
4 ~~boroughs, towns, townships and school districts~~ A TAXING ←

5 AUTHORITY may, by ordinance or resolution, abate real estate
6 taxes imposed by them for the tax year 2011, if the real
7 property upon which the tax was imposed was damaged or destroyed
8 by Hurricane Irene or Tropical Storm Lee. Upon the adoption of
9 an ordinance or resolution authorizing the abatement of real
10 estate taxes under this section, the taxing authority shall
11 provide a copy of the ordinance or resolution to the county
12 assessment office. The amount of any real estate tax abated
13 shall be in direct proportion to the damage to the property as
14 measured by a reduction in the assessed valuation of the
15 property by the county assessment office using the same
16 assessment valuation factors, criteria and procedures in use
17 prior to the disaster. The county assessment office is
18 authorized to reassess damaged properties retroactive to August
19 1, 2011, to reflect reductions in property value due to damage
20 resulting from Hurricane Irene or Tropical Storm Lee. A damage
21 assessment performed in conjunction with the county assessment
22 office and the Federal Emergency Management Agency (FEMA) for
23 purposes of determining Federal disaster aid connected with
24 Hurricane Irene or Tropical Storm Lee may be used to determine
25 the abatement of real estate taxes. In the event that the real
26 estate tax has been paid, a portion of the assessed value of the
27 property lost due to damage may be refunded by the taxing
28 authority or reflected by the taxing authority in the form of a
29 credit for the succeeding tax year. The amount of real estate
30 tax abated, credited or refunded by any taxing authority shall

1 not exceed \$30,000 for any single property, notwithstanding any
2 other exclusion applicable to the property.

3 Section ~~3~~ 4. Ownership requirement. ←

4 No abatement, credit or refund may be allowed for the year
5 2011 unless the property owner at the time of the abatement,
6 credit or refund was also the owner of the property at the time
7 of Hurricane Irene or Tropical Storm Lee.

8 Section ~~4~~ 5. Optional moratorium for certain real estate taxes. ←

9 (a) Exemption for reconstruction and repairs.--A taxing
10 authority may, by ordinance or resolution, exempt from real
11 property taxation the assessed valuation of reconstruction or
12 repairs made to properties damaged or destroyed by Hurricane
13 Irene or Tropical Storm Lee. Upon the adoption of an ordinance
14 or resolution authorizing an exemption of real estate taxes
15 under this section, the taxing authority shall provide a copy of
16 the ordinance or resolution to the county assessment office. The
17 eligible exemption shall be limited to the difference between
18 the assessed valuation of the property prior to the damages and
19 any increase in valuation of the property due to the actual cost
20 of reconstruction or repairs to the original structure.

21 (b) Exemption schedule.--For the first year for which the
22 reconstruction or repairs would otherwise be taxable, 100% of
23 the eligible assessment shall be exempted; for the second year,
24 50% of the eligible assessment shall be exempted and, for the
25 third year, 25% of the eligible assessment shall be exempted.
26 After the third year, the exemption shall terminate. No property
27 may be eligible for tax exemption under this section unless
28 reconstruction or repairs are begun within three years of the
29 date of Hurricane Irene or Tropical Storm Lee.

30 (c) Termination upon transfer.--The exemption from taxation

1 authorized by this section shall terminate upon the sale,
2 transfer, conveyance or exchange of the property.

3 (d) Notice.--A taxing authority shall publish notice of the
4 moratorium on taxation attributable to increases in assessed
5 valuations due to reconstruction or repairs. The notice shall
6 appear on at least two occasions in a newspaper of general
7 circulation within the affected areas within 60 days of the
8 adoption of the ordinance or resolution authorized under
9 subsection (a).

10 Section ~~5~~ 6. Effective date.



11 This act shall take effect immediately.