THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No.   **1267**   Session of 2011

INTRODUCED BY BLAKE, BAKER, GORDNER, YAW, YUDICHAK, PILEGGI, COSTA, ARGALL, BOSCOLA, ERICKSON, FARNESE, FONTANA, GREENLEAF, PIPPY, MENSCH, RAFFERTY, SCHWANK, SMUCKER, TARTAGLIONE, WAUGH, BREWSTER, DINNIMAN, FERLO, HUGHES, KASUNIC, KITCHEN, LEACH, SOLOBAY, STACK, WASHINGTON, WILLIAMS AND WOZNIAK, SEPTEMBER 28, 2011

REFERRED TO FINANCE, SEPTEMBER 28, 2011

AN ACT

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

7   The General Assembly of the Commonwealth of Pennsylvania

8 hereby enacts as follows:

9 Section 1. Local abatement of real estate taxes.

10   The taxing bodies of the various counties, cities, boroughs,

11 towns, townships and school districts may abate real estate

12 taxes imposed by them for the tax year 2011, if the real

13 property upon which the tax was imposed was damaged or destroyed

14 by Hurricane Irene and Tropical Storm Lee. The amount of any

15 real estate tax abated shall be in direct proportion to the

16 damage to the property as measured by a reduction in the

17 assessed valuation of the property by the local assessing

18 authority using the same assessment valuation factors, criteria

1 and procedures in use prior to the disaster. Local assessing

2 authorities are hereby authorized to assess damaged properties

3 retroactive to January 1, 2011, to reflect reductions in

4 property value due to flood damage. In the event that the real

5 estate tax has been paid, the taxing bodies may refund the

6 taxes. The amount of real estate tax abated or refunded by any

7 taxing body shall not exceed $30,000 for any single property.

8 Section 2. Ownership requirement.

9   No abatement or refund may be allowed for the year 2011

10 unless the property owner at the time of the abatement or refund

11 was also the owner of the property at the time of Hurricane

12 Irene and Tropical Storm Lee.

13 Section 3. Optional moratorium for certain real estate taxes.

14   (a) Exemption for reconstruction and repairs.--Local taxing

15 authorities may, by ordinance or resolution, exempt from real

16 property taxation the assessed valuation of reconstruction or

17 repairs made to properties damaged or destroyed by Hurricane

18 Irene and Tropical Storm Lee. The exemption shall be limited to

19 the additional assessment valuation attributable to the actual

20 costs of reconstruction or repairs on the damaged or destroyed

21 property.

22   (b) Exemption schedule.--For the first year for which the

23 reconstruction or repairs would otherwise be taxable, 100% of

24 the eligible assessment shall be exempted; for the second year,

25 50% of the eligible assessment shall be exempted and, for the

26 third year, 25% of the eligible assessment shall be exempted.

27 After the third year, the exemption shall terminate. No property

28 may be eligible for tax exemption under this section unless

29 reconstruction or repairs are begun within five years of the

30 date of Hurricane Irene and Tropical Storm Lee.

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

2 authorized by this section shall terminate upon the sale,

3 transfer, conveyance or exchange of the property.

4   (d) Notice.--Local taxing authorities shall publish notice

5 of the moratorium on taxation attributable to increases in

6 assessed valuations due to reconstruction or repairs as required

7 in this act. The notice shall appear on at least two occasions

8 in a newspaper of general circulation within the affected areas

9 within 60 days of the adoption of the ordinance or resolution

10 authorized under subsection (a).

11 Section 4. Effective date.

12   This act shall take effect immediately.