
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1333 Session of
2015

INTRODUCED BY THOMAS, V. BROWN, KINSEY, GROVE AND COHEN,
JUNE 16, 2015

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JUNE 16, 2015

AN ACT

1 Amending the act of December 1, 1977 (P.L.237, No.76), entitled,
2 as amended, "An act authorizing local taxing authorities to
3 provide for tax exemption for certain deteriorated
4 industrial, commercial and other business property and for
5 new construction in deteriorated areas of economically
6 depressed communities; providing for an exemption schedule
7 and establishing standards and qualifications," further
8 providing for definitions; establishing the School
9 Revitalization Fund; and further providing for exemption
10 schedule.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. Section 3 of the act of December 1, 1977
14 (P.L.237, No.76), known as the Local Economic Revitalization Tax
15 Assistance Act, is amended by adding a definition to read:

16 Section 3. Definitions.

17 The following words and phrases when used in this act shall
18 have, unless the context clearly indicates otherwise, the
19 meanings given to them in this section:

20 * * *

21 "Public school." A school in a district, intermediate unit
22 or an area vocational-technical school, which is located in a

1 city of the first class as provided for under the act of March
2 10, 1949 (P.L.30, No.14), known as the "Public School Code of
3 1949."

4 Section 2. The act is amended by adding a section to read:

5 Section 3.1. School Revitalization Fund.

6 (a) The School Revitalization Fund is established as a
7 special fund in the State Treasury. The fund may not lapse.

8 (b) As calculated by the Department of Revenue, the amount
9 collected from the decrease to the exemption provided for under
10 this act for a new construction or from improvements shall be
11 deposited in the School Revitalization Fund.

12 (c) The money in the fund shall be distributed
13 proportionately to each public school in a city of the first
14 class in this Commonwealth each year beginning after the first
15 year after the effective date of this section.

16 Section 3. Section 5 of the act, amended July 13, 1988
17 (P.L.518, No.90), is amended to read:

18 Section 5. Exemption schedule.

19 (a) A local taxing authority granting a tax exemption
20 pursuant to the provisions of this act may provide for tax
21 exemption on the assessment of up to 45% of the value
22 attributable to the actual cost of new construction or
23 improvements or up to any maximum cost uniformly established by
24 the municipal governing body. Such maximum cost shall uniformly
25 apply to all eligible deteriorated property within the local
26 taxing authority jurisdiction and not exceed 45% of the value of
27 the actual cost of the new construction or improvements.

28 (b) Whether or not the assessment eligible for exemption is
29 based upon actual cost or a maximum cost, the actual amount of
30 taxes exempted shall be in accordance with the schedule of taxes

1 exempted established by a local taxing authority subject to the
2 following limitations:

3 (1) The length of the schedule of taxes exempted shall
4 not exceed ten years.

5 (2) The schedule of taxes exempted shall stipulate the
6 portion of new construction or improvements to be exempted
7 each year.

8 (3) The exemption from taxes shall be limited to 45% of
9 the additional assessment valuation attributable to the
10 actual costs of new construction or improvements to
11 deteriorated property or not in excess of the maximum cost
12 per unit established by a municipal governing body.

13 (c) The exemption from taxes authorized by this act shall be
14 upon the property exempted and shall not terminate upon the sale
15 or exchange of the property.

16 (d) As calculated by the Department of Revenue, the amount
17 collected from the decrease to the exemption provided for under
18 this section from a new construction or from improvements shall
19 be deposited into the School Revitalization Fund in accordance
20 with section 3.1.

21 Section 4. This act shall apply to applications for tax
22 exemptions submitted after the effective date of this act.

23 Section 5. This act shall take effect in 60 days.