

No. 1984-175

## AN ACT

HB 2184

Amending the act of May 22, 1933 (P.L.853, No.155), entitled "An act relating to taxation; designating the subjects, property and persons subject to and exempt from taxation for all local purposes; providing for and regulating the assessment and valuation of persons, property and subjects of taxation for county purposes, and for the use of those municipal and quasi-municipal corporations which levy their taxes on county assessments and valuations; amending, revising and consolidating the law relating thereto; and repealing existing laws," further providing for the temporary tax exemption for residential construction; and providing for appeal by persons suffering catastrophic losses to their property.

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

Section 1. Section 205 of the act of May 22, 1933 (P.L.853, No.155), known as The General County Assessment Law, added July 29, 1970 (P.L.642, No.216), is amended to read:

Section 205. Temporary Tax Exemption for Residential Construction.—

(a) As used in this section, the word "dwellings" means buildings or portions thereof intended for permanent use as homes or residences.

(b) New single and multiple dwellings constructed for residential purposes and improvements to existing unoccupied dwellings or improvements to existing structures for purposes of conversion to dwellings, shall not be valued or assessed for purposes of real property taxes until (1) occupied, (2) conveyed to a bona fide purchaser or, (3) **[one year] thirty months** from the first day of the month **[in which falls the sixtieth day]** after which the building permit was issued or, if no building permit or other notification of improvement was required, then from the date construction commenced. The assessment of any multiple dwelling because of occupancy shall be upon such proportion which the value of the occupied portion bears to the value of the entire multiple dwelling.

Section 2. Section 511 of the act is amended by adding subsections to read:

Section 511. Board of Revision to Hear and Pass on Appeals.—\* \* \*

*(e) Persons who have suffered catastrophic losses to their property shall have the right to appeal before the county commissioners, acting as a board of revision of taxes, or the board for the assessment and revision of taxes within the remainder of the county fiscal year in which the catastrophic loss occurred, or within six months of the date on which the catastrophic loss occurred, whichever time period is longer. The duty of the county commissioners, acting as a board of revision of taxes, or the board for the assess-*

*ment and revision of taxes shall be to reassess the value of the property in the following manner: the value of the property before the catastrophic loss, based on the percentage of the taxable year for which the property stood at its former value, shall be added to the value of the property after the catastrophic loss, based on the percentage of the taxable year for which the property stood at its reduced value. Any property improvements made subsequent to the catastrophic loss in the same tax year shall not be included in the reassessment described in this subsection for that tax year. Any adjustments in assessment under this subsection shall be reflected by the appropriate taxing authorities in the form of a credit for the succeeding tax year.*

*(f) As used in this section, "catastrophic loss" means any loss due to mine subsidence, fire, flood or other natural disaster which affects the physical state of the real property and which exceeds fifty per centum (50%) of the market value of the real property prior to the loss.*

Section 3. (a) Section 2 of this act shall take effect in 60 days.

(b) The remainder of this act shall take effect immediately.

APPROVED—The 11th day of October, A. D. 1984.

DICK THORNBURGH