

No. 2005-91

AN ACT

SB 573

Amending the act of May 21, 1943 (P.L.571, No.254), entitled, as amended, "An act relating to assessment for taxation in counties of the fourth, fifth, sixth, seventh and eighth classes; designating the subjects, property and persons subject to and exempt from taxation for county, borough, town, township, school, except in cities and county institution district purposes; and providing for and regulating the assessment and valuation thereof for such purposes; creating in each such county a board for the assessment and revision of taxes; defining the powers and duties of such boards; providing for the acceptance of this act by cities; regulating the office of ward, borough, town and township assessors; abolishing the office of assistant triennial assessor in townships of the first class; providing for the appointment of a chief assessor, assistant assessors and other employes; providing for their compensation payable by such counties; prescribing certain duties of and certain fees to be collected by the recorder of deeds and municipal officers who issue building permits; imposing duties on taxables making improvements on land and grantees of land; prescribing penalties; and eliminating the triennial assessment," further providing for valuation of persons and property.

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

Section 1. Section 602(b) of the act of May 21, 1943 (P.L.571, No.254), known as The Fourth to Eighth Class County Assessment Law, amended December 13, 1982 (P.L.1173, No.270), is amended to read:

Section 602. Valuation of Persons and Property.—* * *

(b) (1) After any county has established and completed, for the entire county, the permanent system of records consisting of tax maps, property record cards and property owner's index as required by section 306 of this act, and has made its first county assessment of real property or subsequently makes a county-wide revision of assessment of real property under that system and at values based upon an established predetermined ratio as required by this section or when a county changes its established predetermined ratio, each political subdivision, which hereafter for the first time levies its real estate taxes on that first or revised assessment or valuation, shall, for that first year, reduce its tax rate, if necessary, for the purpose of having the total amount of taxes levied for that year against the real properties contained in the duplicate for the preceding year, equal[, in the case of a school district,] *the total amount it levied on such properties the preceding year, notwithstanding the increased valuations of such properties under the revised assessment. The tax rate shall be fixed at a figure which will accomplish this purpose.*

(2) *After establishing a tax rate under clause (1), a political subdivision may, by a separate and specific vote, establish a final tax rate for the first year it levies its real estate taxes on a revised assessment or valuation. The tax rate under this clause shall be fixed at a figure which limits the total*

amount of taxes levied for that year against the real properties contained in the duplicate for the preceding year to not more than one hundred and ten per centum in the case of a school district, and in the case of any other taxing district, not more than one hundred and five per centum of the total amount it levied on such properties the preceding year, notwithstanding the increased valuations of such properties under the new assessment system.

(3) For the purpose of determining the total amount of taxes to be levied for said first year *under clauses (1) and (2)*, the amount to be levied on newly constructed buildings or structures or on increased valuations based on new improvements made to existing houses need not be considered. **[The tax rate shall be fixed for that year at a figure which will accomplish this purpose.]**

(4) With the approval of the court of common pleas, upon good cause shown, any such political subdivision may increase the tax rate herein prescribed, notwithstanding the provisions of this subsection.

(5) No political subdivision shall levy real estate taxes on a county-wide revised assessment until it has been completed for the entire county.

* * *

Section 2. This act shall take effect immediately.

APPROVED—The 22nd day of December, A.D. 2005.

EDWARD G. RENDELL