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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 886 Session of  
2013

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INTRODUCED BY DONATUCCI, O'BRIEN, MCGEEHAN, CALTAGIRONE,  
YOUNGBLOOD, FABRIZIO AND SABATINA, MARCH 11, 2013

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REFERRED TO COMMITTEE ON URBAN AFFAIRS, MARCH 11, 2013

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AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania  
2 Consolidated Statutes, in assessments of persons and  
3 property, providing for limitation on tax increase after  
4 countywide reassessment in cities and counties of the first  
5 class.

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

8 Section 1. Title 53 of the Pennsylvania Consolidated  
9 Statutes is amended by adding a section to read:

10 § 8566. Limitation on tax increase after countywide  
11 reassessment in a city or county of the first class.

12 (a) General rule.--In the first year that a city of the  
13 first class or county of the first class implements,  
14 respectively, a citywide or countywide revision of assessment by  
15 revaluing the properties and applies an established  
16 predetermined ratio or changes its assessment base by applying a  
17 change in the predetermined ratio, a taxing district levying its  
18 real estate taxes on the revised assessment roll for the first  
19 time shall reduce its tax rate, if necessary, so that the total

1 amount of taxes levied for that year against the real properties  
2 contained in the duplicate does not exceed the total amount it  
3 levied on the properties in the preceding year. The tax rate  
4 shall be fixed at a figure that accomplishes this purpose.

5 (b) Final tax rate.--After fixing a tax rate under  
6 subsection (a), a taxing district may, by a separate and  
7 specific vote, establish a final tax rate for the first year in  
8 which the reassessment is implemented to levy its real estate  
9 taxes on the revised assessment. The tax rate under this  
10 subsection shall be fixed at a figure which limits the total  
11 amount of taxes levied for the year against the real properties  
12 contained in the duplicate for the preceding year to no more  
13 than 10% greater than the total amount it levied on the  
14 properties the preceding year, notwithstanding the increased  
15 valuations of the properties under the revised assessment.

16 (c) New construction and improvements.--For the purpose of  
17 determining the total amount of taxes to be levied for the first  
18 year under subsections (a) and (b), the amount to be levied on  
19 newly constructed buildings or structures or on increased  
20 valuations based on new improvements made to existing buildings  
21 and structures need not be considered.

22 (d) Court approval required for increase to tax rate.--With  
23 the approval of the court of common pleas, upon good cause  
24 shown, a taxing district may increase the tax rate prescribed by  
25 this section.

26 (e) Applicability.--This section shall apply to the rate of  
27 taxes authorized by a city of the first class or county of the  
28 first class for a school district of the first class or  
29 dedicated to the school district of the first class and the rate  
30 of taxes authorized by a city of the first class or county of

1 the first class for a city of the first class or county of the  
2 first class.

3 Section 2. This act shall take effect in 60 days.