

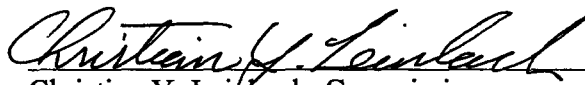
RESOLUTION NO. 127-08

BE IT RESOLVED AND IT IS HEREBY RESOLVED that the Berks County Board of Commissioners hereby express their support for the passage of Senate Bill No. 1247, Senate Bill No. 1258, House Bill No. 1438 and House Bill No. 1439 concerning proposed amendments to the County Assessment Law in the various counties of the Commonwealth of Pennsylvania.

ADOPTED THIS 6th DAY OF MAY, 2008.

COUNTY OF BERKS

Mark C. Scott, Esq., Chair




Christian Y. Leibach, Commissioner



Kevin S. Barnhardt, Commissioner

Attest:



Terry L. Styer, Chief Clerk

Introduction: 2007 The Lammers purchased a 187 acre farm in Greenwich Twp. Berks County. The taxes were \$9100 and after paying their first tax bill they were notified that their assessment was being appealed by the Kutztown School District. The new approved tax went from \$9100 - \$29,600.00

1. Impossible to make a sound buying decision.
2. The result is spot assessment
 - a. The surrounding properties remain at the old assessment
 - b. These properties are forced to pay excessive taxes inconsistent with surrounding similar properties
3. The school's funding challenge
 - a. This is not the right solution
 - b. This solution further positions the school as the enemy of the property taxpayer. It is a choice of money over fairness and equity.
4. The arguments of the schools are hollow at best and offensive at worst
 - a. Arguing that it is ok because it is legal – There are many practices in the past that have been legal but not necessarily right. This is one of those instances.
 - b. Increased revenue to the municipalities and County should make this practice acceptable. - Buying off the accomplices is not a good way to justify this practice
5. Berks County Commissioners

- a. Resolution in Support of SB 1247 & 1258 / HB 1438 & 1439
- b. Considering the legality of returning the county's share of the
"spot assessment bounty."

Conclusion: I am requesting that you consider making this legislation retroactive to at least 2007 and that we make certain that the amended language only allows for assessment of the property improvements and not a complete property reassessment. I am urging the Senators to support this bill and move it out of committee and to the floor for a vote in the affirmative.

I'm Bill Lammers and this is my wife, Doreen Buchman. We recently became Berks County residents when we purchased a 185-acre farm in Kutztown last March.

When we purchased the property, the taxes were \$9100.

Shortly after we paid the first tax bill on our new farm, we received notice that the Kutztown school district was appealing our tax assessment. As a result of that appeal, we were informed in October that our property taxes were being increased to \$29,600 — an increase of approximately 325 percent!

To put it mildly, we were amazed.

How could this happen? Obviously, a big consideration when buying real estate is the taxes. We purchased the property expecting to pay \$9100 in taxes. We did nothing to alter the value

of that property, so how could our assessment be so significantly increased within months of our purchase?

This was not the result of a periodic reassessment, ***since none of the farms around us were reassessed at the same time.*** It was a result of the business manager for the Kutztown school district, Mr. Joseph Pugliese, reviewing recent property sales and singling out sale prices significantly higher than previously recorded. He had identified four Kutztown properties in this category. Of those four properties, ***ours was the only farm purchase — all others were commercial.***

During the assessment board meeting, Mr. Pugliese stated several times that he felt compelled to appeal these properties “in the public good.” In the case of our farm, we adamantly disagree. If maintaining Berks County farmland is of any value to “the public good,” then literally taxing us out of house and land is not “in the public good.”

Our hope is that the decision-makers in this county will hear our story and look beyond a short-sighted tax gain to the greater value of future sustainable farmland. Let's face it -- housing and commercial development bring far greater economic gain. But they also undermine farming as a viable economic enterprise.

We are not New Jersey millionaires. For the past 35 years, we have lived in Carpentersville, New Jersey, a small farming community along the Delaware River. Although we love our rural community and lifestyle, inevitable changes have been creeping into the area. The farm fields are disappearing and business and housing developments are replacing them. We decided we wanted out of New Jersey taxes and suburban sprawl, and we started looking for farm properties west of Allentown.

Most important, we wanted to find a rural agricultural community in which to invest and a way of life we could one day pass on to our children.

Now we must face the fact that we've made a significant mistake by investing in Kutztown and in Berks County farmland. We cannot possibly pay annual taxes of \$30,000 . Rather than securing the future, we have jeopardized everything we have ever worked for.

We purchased a working farm, and we hoped to keep it as such. That goal is impossible with a \$30,000 tax burden. We only made \$3000 on our tillable acreage last summer. As farmers, we need to make \$27,000 more in agricultural income just to pay the taxes before even starting to make a living. It's as if the township is demanding that we turn this property into something other than a farm to make the income necessary to pay the taxes. A new housing development, perhaps? Or some other commercial use?

Finally, how can the township possibly deny that this is a case of unconstitutional spot reassessment? The only way to make this fair is to do a county-wide reappraisal. Just because other farm

properties in the area have not recently been sold to new owners does not mean they are not worth as much as ours.

With no other recourse, we are appealing this reassessment through the legal system and are *not* looking forward to confronting the Kutztown school district in court. School districts are powerful with tremendous influence -- and far greater funding to take legal action than we are as individuals. School districts derive their funding from their power to tax. They also have the power to pay for litigation with no public referendum. It's ironic that the school taxes we are being required to pay will be allocated, at least in part, to litigate against us.