



Senate Finance Committee

Senator Patrick M. Browne
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BILL SUMMARY

SENATE BILL 1258, PN 1800 (SENATOR RHOADES)

Summary:

Senate Bill 1258 amends the Third Class County Assessment Board Law, further providing for repeals by corporate authorities. Senate Bill 1258 limits the circumstances under which a taxing district may appeal an assessment.

Specifically, Senate Bill 1258 provides that, other than during a countywide reassessment, an appeal by a corporate authority of any borough, town, township, school, institution and poor district, and county, may be taken from an assessment only when a parcel of land is divided and conveyed away in smaller parcels, when improvements are made to real property, or when existing improvements are removed from real property or are destroyed.

(See SB 1247 for similar language proposed for 4th-8th Class and Selective County Assessment Law).

Effective Date:

This legislation shall take effect in 60 days.

Companion legislation:

Senate Bill 1258 is the same language as House Bill 1438 (Rep. Seip). Similar legislation has also been introduced with respect to amending the Fourth to Eighth Class and Selective County Assessment Law as Senate Bill 1247 (Senator Rhoades) and House Bill 1439 (Rep. Seip).

The Senate passed companion bills to SB 1258 and HB 1439 in June and July, 2008. SB 1247 was passed by the Senate on June 30 by a vote of 48-2, and by the House of Representatives on July 4, 2008 by a vote of 196-7. House Bill 1438 was passed by the House of Representatives on May 13, 2008 by a vote of 195-3, and passed by the Senate on July 4, 2008 by a vote of 46-4. Governor Rendell vetoed Senate Bill 1247 and its companion bill, House Bill 1438, on July 14, 2008.

Amendment A09101 (Browne):

This amendment to SB 1258 (and the companion amendment to HB 1439) address the Governor's veto of Senate Bill 1247 and House Bill 1438.

This amendment:

- Changes the title of the legislation to apply to the Fourth to Eighth Class and Selective County Assessment Law instead of the Third Class County Assessment Board Law

- Provides that a corporate authority may appeal an assessment if one of the following applies:
 - The appeal is from an assessment established during a countywide reassessment and the appeal is filed no later than the first day of September of the taxable year following the year for which the newly established values from the countywide reassessment shall take effect
 - The property or parcel has been divided and conveyed away in smaller parcels
 - Improvements have been made to real property
 - Existing improvements have been removed from real property or have been destroyed
 - One of the following occurs:
 - i. The property has an assessed value which, when divided by the county's common level ratio most recently determined by the State Tax Equalization Board, results in a value that is at least two hundred thousand dollars (\$200,000) less than its actual current market value.
 - ii. The additional revenue to be collected by the appealing corporate authority is greater than or equal to five thousand dollars \$5,000 per year.
- The amendment shall apply to appeals filed on or after July 1, 2008.
- The act shall take effect immediately.