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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 899 Session of  
2015

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INTRODUCED BY HUTCHINSON, EICHELBERGER, MCGARRIGLE, WOZNIAK AND  
BLAKE, JUNE 18, 2015

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REFERRED TO LOCAL GOVERNMENT, JUNE 18, 2015

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AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania  
2 Consolidated Statutes, in consolidated county assessment,  
3 further providing for limitation on tax increase after  
4 countywide reassessment.

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

7 Section 1. Section 8823 of Title 53 of the Pennsylvania  
8 Consolidated Statutes is amended to read:

9 § 8823. Limitation on tax increase after countywide  
10 reassessment.

11 (a) Scope.--

12 (1) Except as set forth in paragraph (2), this section  
13 applies to taxing districts in counties within the scope of  
14 this chapter under section 8801(b)(1) (relating to short  
15 title and scope of chapter).

16 (2) This section does not apply to a school district  
17 subject to section 327 of the act of June 27, 2006 (1st  
18 Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act.

19 (3) Except as set forth in subsection (f), this section

1 shall apply to all rates of taxes levied on an assessment  
2 roll after a countywide revision as provided in subsection  
3 (b), including millage rates established by referendum.

4 (b) Initial rate.--In the first year that any county  
5 implements a countywide revision of assessment by revaluing the  
6 properties and applies an established predetermined ratio or  
7 changes its assessment base by applying a change in the  
8 predetermined ratio, a taxing district levying its real estate  
9 taxes on the revised assessment roll for the first time shall  
10 reduce [its] each tax rate levied by the taxing district, if  
11 necessary, so that the total amount of taxes levied for that  
12 year against the real properties contained in the duplicate for  
13 that rate does not exceed the total amount it levied on the  
14 properties in the preceding year. [The] Each tax rate shall be  
15 fixed at a figure that will accomplish this purpose.

16 (c) Final tax rate.--After establishing a tax rate under  
17 subsection (b), a taxing district may, by a separate and  
18 specific vote, establish a final tax rate for the first year in  
19 which the reassessment is implemented to levy its real estate  
20 taxes on the revised assessment. [The] Each tax rate under this  
21 subsection shall be fixed at a figure which limits the total  
22 amount of taxes levied for that year against the real properties  
23 contained in the duplicate for the preceding year to not more  
24 than 10% greater than the total amount it levied on the  
25 properties the preceding year, notwithstanding the increased  
26 valuations of the properties under the revised assessment.

27 (d) New construction.--For the purpose of determining the  
28 total amount of taxes to be levied for the first year under  
29 subsections (b) and (c), the amount to be levied on newly  
30 constructed buildings or structures or on increased valuations

1 based on new improvements made to existing houses need not be  
2 considered.

3 (e) Court approval.--With the approval of the court of  
4 common pleas, upon good cause shown, any taxing district may  
5 increase the tax rate prescribed in this section,  
6 notwithstanding the provisions of this section.

7 (f) Limitations on changes to certain rates.--

8 Notwithstanding subsection (c) or (e), the rate of any tax which  
9 was established by referendum and adjusted as provided in  
10 subsection (b) shall be subject to any subsequent increase,  
11 decrease or elimination only as provided otherwise by law.

12 Section 2. The amendment of 53 Pa.C.S. § 8823 shall apply to  
13 tax rates based on reassessments implemented after the effective  
14 date of this section.

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