

No. 25

AN ACT

SB 787

Amending the act of March 10, 1949 (P.L.30), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," clarifying alternative methods of equalizing tax levies among certain school districts.

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

Section 1. Section 672.1, act of March 10, 1949 (P.L.30), known as the "Public School Code of 1949," amended July 8, 1970 (P.L.449), is amended to read:

Section 672.1. School Districts Lying in More Than One County or in More Than One Municipality; Limitation on Total Tax Revenues.—(a) Whenever a school district shall lie in more than one county, **[or in more than one municipality,]** the total taxes levied on real estate within the school district in each county **[or in each municipality]** shall be subject to the limitation that the ratio which such total bears to the most recent valuation of the same properties by the State Tax Equalization Board shall be uniform in all of the counties, **[or municipalities, and if such ratio is greater in any county or counties than in any other county, or is greater in any municipality or municipalities than in any other municipality then]** and the school district **[may]** *shall* adjust its **[rate of taxation in any or all of the counties or municipalities to the extent necessary to bring such total levy within the limitation provided in this section; or**

Whenever] *rate of taxation applicable to the portion of the district in each county to the extent necessary to achieve such uniformity; or*

(b) *As an alternative to the method provided in subsection (a), whenever* a school district shall lie in more than one county **[or municipality]** the board of assessment and revision of taxes in any of the counties or all of the counties in which the school district is located shall, at the request of the school directors of the district, furnish the market value of each parcel of property on the tax roll required to be furnished to the school directors under any assessment law of the Commonwealth. The market value of each parcel shall be the quotient of the assessed value divided by the latest ratio of assessed value to market value in the municipality as determined by the State Tax Equalization Board.

The school directors shall set a tax rate based upon a percentage not exceeding seventy-five (75) per centum of such market values which shall be uniform throughout the district.

(c) *In the event a school district or part thereof located within one county is composed of two or more municipal governments at least one*

of which levies property taxes upon assessments made for county tax purposes and at least one of which utilizes separate assessments made for municipal tax purposes, the property tax levy for school district purposes shall be equalized by either of the methods prescribed in subsections (a) or (b). If the former method is adopted, the ratio which the total taxes levied in each part of the school district bears to the most recent valuation of the same properties by the State Tax Equalization Board shall be uniform; if the latter method is adopted, the market value of each parcel of property on the tax roll shall be (i) in the case of the assessment made for county tax purposes, the quotient of the assessed value divided by the latest ratio of assessed value to market value for that portion of the school district as determined by the State Tax Equalization Board and, (ii) in the case of the separate assessment for municipal tax purposes, the quotient of the assessed value divided by the product of the latest ratio of assessed value to market value in the municipality as determined by the State Tax Equalization Board and the ratio of the total assessed valuation of the same properties for municipal tax purposes to the total assessed valuation of said properties for county tax purposes.

(d) Whenever a revision of assessment is completed in any portion of a school district and the revised assessments are to be used for school tax purposes the method prescribed in subsection (b) above to equalize school property tax levies shall not be used until the latest ratio of assessed value to market value as determined by the State Tax Equalization Board for that portion of the school district is based upon the revised assessments.

Section 2. Any school district, which lies in more than one county, which actually adjusted its rate of taxation for each municipality lying within each county for the school year 1971-1972, may continue to adjust its rate of taxation for each municipality notwithstanding this amendatory act.

Section 3. This act shall take effect immediately.

APPROVED—The 30th day of June, A. D. 1971.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 25.



Secretary of the Commonwealth.