

No. 1982-272

## AN ACT

HB 2564

Amending the act of June 21, 1939 (P.L.626, No.294), entitled "An act providing for and regulating the assessment and valuation of all subjects of taxation in counties of the second class; creating and prescribing the powers and duties of a Board of Property Assessment, Appeals and Review; imposing duties on certain county and city officers; abolishing the board for the assessment and revision of taxes in such counties; and prescribing penalties," adding definitions; providing for the use of actual value and ratios for assessments; further providing for the duties of the board and assessors; and further providing for appeals and notices.

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

Section 1. The act of June 21, 1939 (P.L.626, No.294), referred to as the Second Class County Assessment Law, is amended by adding a section to read:

*Section 1.1. The following words and phrases when used in this act shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:*

*"Base year" shall mean the year upon which real property market values are based for the most recent county-wide revision of assessment of real property, or other prior year upon which the market value of all real property of the county is based. Real property market values shall be equalized within the county and any changes by the board shall be expressed in terms of such base year values.*

*"Common level ratio" shall mean the ratio of assessed value to current market value used generally in the county as last determined by the State Tax Equalization Board pursuant to the act of June 27, 1947 (P.L.1046, No.447), referred to as the State Tax Equalization Board Law.<sup>1</sup>*

*"Established predetermined ratio" shall mean the ratio of assessed value to market value established by the board of county commissioners and uniformly applied in determining assessed value in any year.*

Section 2. Section 4 of the act is amended by adding clauses to read:

Section 4. The Board of Property Assessment, Appeals and Review shall have power and its duty shall be:

\* \* \*

*(a.1) The board shall assess real property at a value based upon an established predetermined ratio which may not exceed one hundred percent (100%) of actual value. Such ratio shall be established and determined by the Board of Property Assessment, Appeals and Review after proper notice has been given. In arriving at actual value the county may utilize the current market value or it may adopt a base year market value.*

*(a.2) In arriving at actual value, the price at which any property may actually have been sold, either in the base year or in the current taxable*

<sup>1</sup>"act of \_\_\_\_\_, 1982 (P.L. \_\_\_\_\_, No. \_\_\_\_\_)" in original.

*year, shall be considered but shall not be controlling. In arriving at the actual value, all three methods, namely, cost (reproduction or replacement, as applicable, less depreciation and all forms of obsolescence), comparable sales and income approaches, must be considered in conjunction with one another.*

*(a.3) The board shall apply the established predetermined ratio to the actual value of all real property to formulate the assessment roll.*

\* \* \*

Section 3. Sections 5 and 8 of the act are amended to read:

Section 5. The board shall establish and maintain in its office a register which shall show the present *valuation and* assessment of all property in the county both real and personal, and from time to time as the same are made, all additions thereto and changes thereof, together with the signature of all persons responsible for any changes in the assessment or valuation of any such property and the reasons for any such changes.

Section 8. The proper assessors shall make the assessment and valuations of all subjects of taxation within their respective districts as provided by existing law, and in so doing shall view all taxable property in their district. The assessors shall make a personal house-to-house canvass of their district in order that such lists of persons may be accurate and correct in so far as it is possible to so make them. A list of all persons shall not be required to be made yearly but triennially in the year immediately preceding the regular triennial assessment. Any assessor who shall fail to make such assessments *and valuations* and lists in the manner herein provided or who shall knowingly and wilfully make any false assessment, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding one thousand dollars (\$1,000), and in default of the payment of such fine and costs, to undergo an imprisonment not exceeding six (6) months.

Section 4. Section 9 of the act, amended July 9, 1971 (P.L.212, No.37), is amended to read:

Section 9. The assessors shall make such assessments *and valuations* of subjects of taxation each year preceding the triennial assessment in such counties, and shall file the same with the board on or before the first Monday of September of such year. Assessment of occupation after being once fixed shall not be changed during the triennium, except by the board upon the appearance and affidavit of the taxpayer. The assessor shall, in the year immediately preceding the regular triennial assessment, make occupational assessments for all of those in his territory who have become of age since the creation of the last assessment and all of those who have moved into the territory since the creation of the last assessment.

The county and each city, borough, incorporated town, township and school district may, by ordinance or resolution, exempt any person whose total income from all sources is less than two thousand dollars (\$2,000) per annum, from its occupation tax or any portion thereof. Each taxing authority may adopt regulations for the processing of claims for exemption.

Section 5. Section 10 of the act is amended to read:

Section 10. (a) The board shall, as provided by this act and by the provisions of existing law, examine and revise the assessments and valuations, increasing or decreasing the same as in their judgment may seem proper, and shall add thereto such property or subjects of taxation as may have been omitted.

(b) After such revision, the board shall, by rule, fix convenient times for the hearing of appeals from said assessments and valuations. [ and after the hearing of said appeals and the making of whatever changes may be considered proper, the valuations as so ascertained and revised, unless changed in the manner hereinafter provided or as provided by existing law, shall stand as the valuations for the assessments of all county and institution district taxes and for such other political subdivisions as levy their taxes on county assessments and valuations in the county, until the next triennial assessment: Provided, That all taxes levied for the year one thousand nine hundred and forty-two, or any fiscal year commencing during the year one thousand nine hundred and forty-two, shall be levied and assessed on assessments and valuations made as heretofore provided by law. It is the intention of this act that the taxes for the year one thousand nine hundred and forty-two shall be assessed and collected on the last regular assessment made by the existing boards of assessment and revision of taxes during the year one thousand nine hundred and forty-one, and any revisions thereof made upon appeals.]

(c) *In any appeal of an assessment the board shall make the following determinations:*

(1) *The current market value for the tax year in question.*

(2) *The common level ratio.*

(d) *The board, after determining the current market value of the property for the tax year in question, shall then apply the established predetermined ratio to such value unless the common level ratio varies by more than fifteen percent (15%) from the established predetermined ratio, in which case the board shall apply the common level ratio to the current market value of the property for the tax year in question.*

(e) *Nothing herein shall prevent any appellant from appealing any base year valuation without reference to ratio.*

(f) *The valuations determined in accordance with this section shall stand as the valuations for the assessments of all county and institution district taxes and for such other political subdivisions as levy their taxes on county assessments and valuations in the county until the next triennial assessment.*

Section 6. Section 11 of the act, amended July 8, 1969 (P.L.126, No.52), is amended to read:

Section 11. When the triennial assessments shall be fixed, either for the whole county or in districts thereof, *or when the established predetermined ratio has been changed within the county*, notice of that fact shall be given, by publication in at least two newspapers of general circulation in the county, of the time when appeals will be heard and a copy of the

assessments made in boroughs and townships shall be placed in some public place in each such borough or township by the assessor. The board shall adopt rules and regulations governing the right to and the holding of appeals, and the practice and procedure thereat. Such rules and regulations shall be published, together with the notices of triennial assessments as above provided.

The board shall provide simple appeal forms which shall contain simple questions clearly expressed, which will require answers having a direct bearing on the true value of the property as of the period for which such assessment was made. No other type of questions shall be contained thereon.

In the year one thousand nine hundred forty-three, the board shall permit appeals to be taken from assessments up to and including June first, and no later, including all those where the 1943 taxes have been paid in whole or in part. In subsequent years, no appeals may be taken from assessments of properties within cities of the second class after November fifteenth of the year preceding the period for which the assessment becomes effective, and for all other assessments no appeal shall be taken after the last day of February of the year in which the assessment first becomes effective. All appeals filed with the board prior to this amendment shall be valid, if otherwise in accordance with existing law. At all appeal hearings, the property owner or his agent appearing for him shall have the right to be represented by counsel and to be accompanied by witnesses or assistants.

If a taxpayer has filed an appeal from an assessment, so long as the appeal is pending before the board or before a court on appeal from the determination of the board, as provided by statute, the appeal will also be taken as an appeal by the taxpayer on the subject property for any valuation for any triennial or intertriennial assessment subsequent to the filing of such appeal with the board and prior to the determination of the appeal by the board or the court. The board shall hold its hearings and make its final determination of the subsequent years in question in the same manner as for the year or years for which the original appeal was filed. This provision shall be applicable to all pending appeals as well as future appeals.

After the hearing of appeals, the board shall take such action in regard thereto as may be right and proper, and shall, within ten (10) days thereafter, complete such action and make their determinations, and immediately give due notice to the appellant by registered mail.

Section 7. Section 12 of the act, amended July 6, 1951 (P.L.996, No.206) and repealed in part June 3, 1971 (P.L.118, No.6), is amended to read:

Section 12. (a) After action on such assessments by the board, any taxpayer dissatisfied with the assessment of his property may appeal therefrom to the court of common pleas of the county within sixty (60) days from the date of notice of the assessment, as provided by existing law, and it shall be the duty of the court to hear and determine said appeal[, and, if necessary, to make such changes in the assessment as

**may be right and proper**]. Any taxpayer, or the Board of Property Assessment, Appeals and Review, may appeal from the judgment, order or decree of the court of common pleas. Only one such appeal may be taken during the period of any triennial assessment unless the assessed valuation of the property has been changed during such period.

*(b) In any appeal of an assessment the court shall make the following determinations:*

*(1) The current market value for the tax year in question.*

*(2) The common level ratio.*

*(c) The court, after determining the current market value of the property for the tax year in question, shall then apply the established predetermined ratio to such value unless the common level ratio varies by more than fifteen percent (15%) from the established predetermined ratio, in which case the court shall apply the common level ratio to the current market value of the property for the tax year in question.*

*(d) Nothing herein shall prevent any appellant from appealing any base year valuation without reference to ratio.*

Section 8. Section 15 of the act, amended March 18, 1955 (P.L.4, No.2), is amended to read:

Section 15. At least thirty (30) days' written notice shall be given to any taxable person whose assessment shall be changed at any triennial assessment, or between triennial assessments, in a manner which would mean an increase in the taxes on such real estate if the same tax rate should prevail setting forth any change which has been made and the time and place set for hearing objections thereto. *At least thirty (30) days' written notice shall also be given to any taxable person if the established predetermined ratio is changed within the county.*

**[Such]** *Any required* notice shall be served by the board or any member thereof or by any assessor or by any other person authorized so to do by the board upon said taxable person or may be mailed to him or her by registered mail with return receipt requested or served upon an adult person residing upon the property in question.

When no service is made upon the taxable person or upon an adult person residing upon the property assessed, said notice shall be deemed to have been properly served if tacked or conspicuously posted upon the property assessed and a copy thereof mailed to the last known address of the taxable person.

No defect in service of any such notice *of an assessment change* shall be sufficient ground for setting aside any assessment so made, but upon proof thereof being made, the taxable person shall have the right to a rehearing before the board relative to said assessment and to appeal therefrom to the court of common pleas as hereinafter provided.

Section 9. This act shall apply to appeals initiated after January 1, 1983.

Section 10. This act shall take effect immediately.

APPROVED—The 13th day of December, A. D. 1982.

DICK THORNBURGH